

# City of Wyoming

## EVIP Report 2: Consolidation of Services

February 1, 2013

Prepared By:

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## **Executive Summary**

The City of Wyoming has a long history of working cooperatively with surrounding municipalities and other entities to improve the services we provide and the efficiency in which we provide it. In more recent years, and through our involvement in organizations such as the Grand Valley Metro Council (GVMC), the Urban Metro Mayors and Managers (UMMM), the Grand Valley Regional Biosolids Authority (GVRBA), among others, Wyoming has fully embraced a philosophy of cooperation and collaboration wherever it is possible.

In addition to external cooperation and collaboration, the City of Wyoming is aggressive in its evaluation of its service models and we have consolidated staff and modified internal processes in order to continue to provide services to the public in the face of fiscal challenges. Since 2001, the City of Wyoming's full time staff has been reduced from 465 employees to the current 338 employees. These reductions have occurred primarily through attrition, though some have taken place through layoffs. Every department of the City has seen a consolidation in staff.

There is much involved in the process of determining whether there is opportunity to consolidate or collaborate. While cost savings may be a primary motivator, quality of service, resident expectation and community impact must also be considered. In some cases, there are limitations on the City's ability to consolidate or collaborate, due in part to state laws, employee protections or some other form of regulation. In other cases, there may be minimal, if any benefit to consolidation. In every instance, the City has and must continue to exercise due diligence to ensure collaborative efforts consider facts beyond cost savings.

The City of Wyoming provides this report in response to the State of Michigan's requirement for documentation of cooperative and collaborative efforts, but this report is also provided to our residents as evidence of the efforts we put forth to be fiscally responsible while balancing the needs and desires of the community. I hope you find this report helpful and informative. Should you wish to have additional information regarding the information in this report, please contact the City Manager's Office at (616)530-7272.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Holt', written in a cursive style.

Curtis Holt  
City Manager

## **Historical Efforts in Cooperation, Collaboration and Consolidation**

On a very basic level, the City of Wyoming has participated in collaborative efforts through mutual aid agreements, joint contracting and purchasing for special services, and participation on regional boards, for many years. These efforts are supported by the City Charter, which provides:

*Section 2.5. Intergovernmental contracts. The city shall have power to join with any governmental unit or agency, or with any number or combination thereof by contract or otherwise as may be permitted by law, to perform jointly, or by one or more of them, for or on behalf of the other or others any power or duty which is permitted to be so performed by law or which is possessed or imposed upon each such governmental unit or agency.*

In more recent years, consolidation and collaboration shifted from a service delivery option to a routine consideration in reviewing programs and services. Financial considerations are part of the motivation to consolidate and collaborate, but improvements in service, efficiency, effectiveness and community benefit are other considerations.

In October of 2009, the Citizens Research Council (CRC) of Michigan published a report, *Streamlining Functions and Services of Kent County and Metropolitan Grand Rapids Cities*. This report analyzed the consolidation and collaboration efforts of Kent County and the cities of East Grand Rapids, Grand Rapids, Grandville, Kentwood, Walker and Wyoming. This analysis identified the successful use of consolidation and collaboration among these municipalities and Kent County, long before economic struggles plagued Michigan local governments and reemphasized the opportunity in such efforts. In this report, the CRC highlights 83 circumstances where Wyoming is involved in some form of cooperation, consolidation or collaboration. These efforts cover a myriad of services including public safety, community and economic development, utilities, parks and recreation services and others. It is also important to note that these efforts involve partnerships between the City of Wyoming and other public, private and non-profit entities.

## **Update on the City of Wyoming's 2012 Proposals**

In 2012, the City of Wyoming provided several examples of ongoing and new efforts to work cooperatively with other entities for the purpose of fulfilling its EVIP filing requirements. Those examples included:

1. Kent County Dispatch Authority
2. 38-hour Work Week
3. International City/County Management Association (ICMA) Police and Fire Study
4. Redevelopment of a former GM Stamping Plant

While all of these examples continue to evolve, it is fair to say that the Kent County Dispatch Authority and the 38-hour work week are fairly static and will continue into the foreseeable future. The City of Wyoming continues its efforts and exploration of the ICMA Police and Fire Study and the redevelopment of Wyoming's former GM Stamping Plant. The status of each of these examples is as follows:

### **Kent County Dispatch Authority**

In 2006, the Kent County Dispatch Authority (KCDA) was established with the signing of an intergovernmental agreement between the cities of Grandville, Grand Rapids, Walker, Wyoming and Kent County. Additional KCDA members include the cities of Lowell and Rockford, Cannon Township, Plainfield Township Fire, Michigan State Police, and Kent County EMS, Inc. Together, these entities explored the opportunities and funding sources available to improve the delivery of emergency 911 services to the residents of Kent County.

Through the efforts of the KCDA, Kent County dispatch services have now been consolidated to two communication centers, Grand Rapids Communications and Kent County Communications. Grand Rapids Communications handles dispatching for the cities of Grand Rapids and Wyoming. Kent County Communications handles dispatching for all remaining entities in the county. For the City of Wyoming, this consolidation included the elimination of a bargaining unit that included 14 dispatch

positions and resulted in an initial savings of approximately \$400,000 per year, all while providing a seamless dispatch service to benefit the citizens of Wyoming.

Since the 2012 report, KCDA has installed a new CAD system, including a GPS that automatically locates emergency vehicles. With the launch of the new CAD system, all standard operating procedures, equipment and systems are standardized in Kent County. This allows for the sharing of data and call transfers between the call centers. Additionally, each call center acts as a backup to the other, in the event that either call center experiences a catastrophic failure.

Members of the KCDA board continue to hone the operation of these call centers and are working to find more opportunities for time savings and efficiencies in the operations. Initiatives in process include installation of automated external defibrillators (AEDs) in all emergency vehicles and establishing procedures for dispatching the closest unit when responding to calls. With the receipt of a recent FEMA grant, KCDA intends to install a new dispatch console that will allow for multijurisdictional communication between responding units. Furthermore, KCDA will soon launch emergency medical dispatch software and provide training for all call takers.

For the City of Wyoming, participation in KCDA continues to save the City approximately \$250,000 annually. More significant benefits of this cooperative effort come in the form of improved service to residents through the benefit of technology. At a cost of approximately \$3.5 million for the new CAD system and the communication console, the City of Wyoming would be challenged to independently secure funding for such technology improvements. Working cooperatively with other jurisdictions has allowed for improved dispatch services throughout the region.

### 38-Hour Work Week

In mid-2009, the City explored the possibility of transitioning to a four-day, 38-hour work week for non-emergency employees. By September of 2009, two unions and 11

contract employees agreed to this change which resulted in a 5% reduction in wages for those employees. With City Council approval, the new schedule was put in place and the City realized an initial savings of \$320,000 in wages. Non-emergency City facilities are now open to the public on a Monday through Thursday, 7:00 a.m. – 5:00 p.m. schedule. This schedule achieved additional savings through reduced energy use, resulting in a 13% decrease in energy costs, or approximately \$50,000 during the first year.

At the current time, city offices continue to function on the Monday through Thursday schedule. One bargaining unit comprised of salaried employees and the 11 contract employees have returned to a 40-hour work week, based on the need to have these employees available for meetings and events that may fall outside the condensed work week. The City's largest bargaining unit, comprised of hourly employees, continues to operate on the 38-hour work week. The combination of the wages of this group along with the continued reduction in energy use results in a savings of approximately \$651,000 in the current fiscal year.

#### ICMA Police and Fire Study

In November 2011, the City of Wyoming, together with the cities of Grand Rapids and Kentwood, began a process with the ICMA Center for Public Safety Management to conduct a shared Police and Fire services study. The study was funded with financial support of the three communities, the Grand Rapids Community Foundation, Richard and Helen DeVos Foundation and the Frey Foundation. It will provide answers to the question: will consolidating services save resources, streamline processes and create efficiencies for the cities of Grand Rapids, Kentwood and Wyoming? In addition, should this study recommend combining services, the participating municipalities will have a roadmap on how best to accomplish the task. The study was estimated to last up to 17 months and would include the Police and Fire Departments of each municipality, as well as the dispatch centers that serve them.

This endeavor is deemed important because Police and Fire services comprise such a large percentage of the City's General Fund budget (72% in the current fiscal year) and

because of the critical nature of these services. Throughout 2012, each municipality met with representatives from ICMA on several occasions. ICMA visited with city officials and spent time with staff at the Police Department and Fire Department collecting data and trying to understand each municipality's service model. Initial reports were received in September of 2012. The City of Wyoming has reviewed its initial reports and has submitted questions for clarification of some of the points made in the reports. ICMA has indicated final reports will be provided in February.

Until the final reports are received in February 2013, discussions continue regarding potential consolidation opportunities. Initial reports support the concept of continued coordination of special teams among area police and fire agencies and that seems to be a mutually supported consolidation opportunity. Beyond that, Wyoming continues to struggle in justifying cooperation or consolidation based on the differing service and funding models supported by the three entities involved. Each community has an idea on the number of units and people required to adequately serve their residents. Wyoming is eager to see the final report to determine if there are financial incentives or other benefits available in consolidation of public safety services with Grand Rapids and Kentwood.

#### GM Stamping Plant/Site 36

Wyoming was greatly impacted by the closing of the GM Stamping Plant in 2009. When the City was advised of the closing, it immediately collaborated with the Right Place, the region's economic development agency, and the Environmental Protection Agency (EPA) to help develop a plan. Concurrently, Wyoming worked diligently with General Motors Liquidation, the then-owner of the site, to find a private partner to join with the City to purchase and demolish the plant. Redevelopment of this property was and is crucial to the City's and the region's economic development and Wyoming is committed to continuing non-traditional partnerships to successfully redevelop this industrial property.

Clean up of this site, including demolition of the existing 2-million square foot structure began in mid-June of 2011 and demolition was complete by April 2012. Removal of environmentally sensitive materials from this site falls to RACER Trust and the private partner, Lormax Stern occurred concurrently with demolition and is ongoing. It is estimated that the cost to demolish the building and to remove the hundreds of tons of materials from this 92 acre site was approximately \$11,500,000. The demolition and clean up of this site has occurred without cost to the City of Wyoming and will help accelerate the return of investment to this property and ultimately return this property to the City of Wyoming Tax Roll.

In addition to the demolition work being done on this site, Lormax Stern has entered into an agreement with The Right Place to provide marketing of this site on an international scale. From this effort, the marketing of the newly branded Site 36 was launched in February 2012. The costs of this marketing effort are unknown, but again would not be possible within the fiscal limitations of the City.

A little over three years has passed since the former GM Stamping Plant closed. Conversations have already begun with interested parties and the City of Wyoming anticipates redevelopment activity will take place on the site in 2013. Patience is now the key to ensuring the right redevelopment occurs on this site and that the community realizes the maximum benefit from this redevelopment.

### **Current Efforts in Collaboration and Consolidation**

Previous efforts in collaboration and consolidation have helped to develop relationships and increase the understanding and opportunity to streamline processes and increase awareness of the potential for such efforts. More than ever before, cooperative efforts are very much a normal consideration in the City of Wyoming's standard operating procedures. Through past efforts, the City of Wyoming has realized that consolidation is not always in the City's best interest and may not always contribute to a cost savings. However, just in exploring the possibilities of cooperative efforts, it is possible to identify opportunities to improve the efficiency or effectiveness of existing services. The

following are three detailed examples of current efforts in cooperation, consolidation and collaboration being explored by the City of Wyoming:

#### Administrative Consolidation of CDBG Programming

In early 2012, the City of Wyoming, along with the City of Grand Rapids and Kent County began discussions to explore opportunities for consolidation of administration of Community Development efforts. It is the desire of these entities to ascertain if administrative consolidation would provide more funding for citizen programs or if service sharing could increase efficiencies, again allowing more funding to be redirected to citizen programs. The City of Wyoming currently receives \$420,151 in Community Development Block Grant funds and it seems plausible that consolidating administrative functions would allow more of those dollars to be allocated to the programs that benefit our citizens. In addition to reducing administrative costs, goals of this effort also include maintaining existing funding levels (restructured operation versus separate entities), streamlining administrative burdens for grantees and improving the coordination of activities.

In order to proceed, an intergovernmental work group was appointed to determine the opportunities to improve program delivery while reducing administrative costs for community development services. Together this work group has prepared a request for proposals for consultants to review existing regulations and best practices, determine potential efficiencies and provide an overall recommendation about restructuring the services provided. The initial budget for this project was \$100,000, comprised of \$80,000 for consultant services and \$20,000 for legal review. To support this proposed budget, the work group applied for and received a grant in the amount of \$40,000 from the State of Michigan's Competitive Grant Assistance Program.

The initial proposed timeline was quite aggressive and suggested finalization of recommendations in March of 2013. That date has been revised to July/August of 2013, with the schedule as follows:

Issue RFP for consultants	January 2013
Select consultant	February 2013
1 <sup>st</sup> Task Force Meeting – Kickoff and Consultant Introduction	March 2013
2 <sup>nd</sup> task Force Meeting – Budget Review and HUD question formation	April 2013
3 <sup>rd</sup> Task Force Meeting – Review Consultant Information	May 2013
4 <sup>th</sup> Task Force Meeting – Review Organizational Options	June 2013
5 <sup>th</sup> Task Force Meeting – Finalize Recommendations to Submit to Governing Bodies	July/August 2013

With the recent issuance of the request for proposals, the work group and involved entities are eager to identify a consultant to assist them with an assessment of potential collaboration opportunities. The City of Wyoming acknowledges savings from a collaboration may be minimal, but the potential exists to allocate a greater percentage of CDBG funding to programming versus administration.

Lab Services

The City of Wyoming Water Treatment Plant maintains a full service State certified laboratory with staffing and instrumentation necessary to perform numerous drinking water analyses for regulatory compliance and treatment process control. Wyoming provides laboratory services to its wholesale community customers, including analytical services and guidance on regulatory programs, sample collection procedures and data interpretation. The Wyoming lab is certified by the Michigan Department of Environmental Quality for compliance monitoring under the Safe Drinking Water Act. This certification covers bacteriological, physical and chemical testing. The Wyoming Water Treatment Laboratory is one of few “full-service” certified laboratories in the State.

With this resource available, the cities of Wyoming and Grand Rapids began conversations to explore the opportunity to eliminate duplicative laboratory efforts and consolidate laboratory testing to Wyoming’s Water Treatment Plant. Much of the framework for this endeavor was already in place, as Wyoming has existing agreements to provide laboratory services to its wholesale customer communities. Using this same model, Wyoming and Grand Rapids have entered into an agreement for microbiological

analysis, with the understanding that upon successful implementation, additional testing for chemical and physical parameters may be offered.

It is estimated that this agreement may provide revenue of approximately \$7,000 to the City of Wyoming through the current fiscal year. While this may not be a significant dollar amount, Wyoming also has the opportunity to expand the types of lab services it provides to Grand Rapids in the future thereby increasing the revenue opportunity. Furthermore, Wyoming has the available human and physical resources and capacity to allow for expansion of its current laboratory services. Additional benefits of this agreement also fall to the City of Grand Rapids as they have projected savings of nearly \$1.1 million from this effort over the next five years.

### **Conclusion**

Cooperation, collaboration and consolidation are not buzz words or new concepts in the day-to-day operations of the City of Wyoming. These concepts are routine as much as each scenario allows. Many simple, common-sense consolidations have occurred and now the City is faced with more complex opportunities. These opportunities present themselves within and between departments of the City, between and among our municipal partners, in conjunction with private stakeholders and beyond. Thorough analysis and consideration of how each effort may impact the citizens of Wyoming, the quality of the service provided and the overall quality of life, Wyoming will continue to embrace a philosophy of cooperation, collaboration and consolidation.