

City of Ithaca, Michigan  
**2011 Collaboration Plan**

**Economic Vitality Incentive Program: Consolidation of Services**

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*Background*

This report is designed to comply with Michigan Department of Treasury requirements under the Economic Vitality Incentive Program: Consolidation of Services section. This plan will be made available to the public on the City website, and on paper at City Hall and the Thompson Home Public Library. This is a plan to increase the City of Ithaca's level of cooperation, collaboration and consolidation of services. The plan lists previous services consolidated, with estimated cost savings for each, and estimates for potential savings with new service consolidations being planned. The document will be submitted to Treasury by the end of 2011.

*Introduction*

The City of Ithaca has a long history of taking advantage of and initiating collaborative opportunities both within our organization and with outside agencies or jurisdictions. Often these efforts result in cost savings to the taxpayer, while other times they yield enhanced services that would otherwise not be available to citizens or businesses. Thus, it is difficult to clearly define the "cost savings" for every collaborative venture.

**CURRENT / ONGOING COLLABORATIVE ACTIVITIES:**

1. **Greater Gratiot Development, Inc.** was one of the first major collaborative efforts in Gratiot County. GGDI, established in 1978, is the economic development agency for all the communities in Gratiot County. By having a coordinated effort, Ithaca receives a better level of service than could be achieved by running its own office. When a prospective developer does not fit within the first target community, GGDI frequently shifts their focus to a neighboring community that may be better suited for their needs.
  - a. **Key Partners:** Gratiot County, Alma, Breckenridge, Ithaca, Saint Louis and Pine River Township. Recent utilization of Public Act 88 of 1913 millage.
  - b. **Budget:** \$365,000
  - c. **Benefits:** By working together, the level of service is much higher than we could undertake by ourselves. A bare bones estimate for a go-it-alone approach for Ithaca is as follows: Wages and benefits \$75,000; Supplies and other 35,000; Total \$110,000. The go-it-alone approach would not yield the same services and results as the collaborative approach. The funding would have to come out of our General Fund. This would not be

desirable, as we could be in competition with our neighbors, whereas we are currently in partnership.

- 2. Ithaca Fire Department** is a shared service with the City of Ithaca, Arcada Township, Emerson Township, Lafayette Township, Newark Township, North Star Township, and New Haven Township. Without a collaborative effort, it would be much more difficult for the townships (or the City) to provide fire protection. By working together, we all have a greater level of service and higher quality equipment.

  - a. **Key Partners:** Ithaca, Arcada, Emerson, Lafayette, Newark, North Star, New Haven.
  - b. **Budget:** The FY2011 fire budget is \$181,625 of which the City of Ithaca contributes \$67,585.
  - c. **Benefits:** By combining forces, we have a larger, better equipped department than we could otherwise afford. Most of our costs are in labor. Without the townships, we would have to downsize the department and service levels or raise revenues.
  
- 3. Ithaca Rescue Department** is a shared service with the City of Ithaca, Arcada Township, Emerson Township, Lafayette Township, Newark Township, North Star Township, and New Haven Township. Without a collaborative effort, it would be much more difficult for the townships (or the City) to provide first responder services. By working together, we all have a greater level of service and higher quality equipment.

  - a. **Key Partners:** Ithaca, Arcada, Emerson, Lafayette, Newark, North Star, New Haven.
  - b. **Budget:** The FY2011 rescue budget is \$77,500 of which the City of Ithaca contributes \$38,975.

**Benefits:** By combining forces, we have a larger, better equipped department than we could otherwise afford. Most of our costs are in labor. Without the townships, we would have to downsize the department and service levels or raise revenues.
  
- 4. Gratiot County Central Dispatch Authority** has been a successful collaboration between all the cities, townships, villages and the county. Dispatch has become a very high technology field. It is difficult for any one unit of government to fund and operate a dispatch center by itself. To run a dispatch center, the city would need to hire at least 4 dispatchers and purchase modern dispatch center equipment.

  - a. **Key Partners:** Gratiot County & 16 townships, Ithaca, Alma, Ashley, Breckenridge, Perrinton, St. Louis, State of Michigan
  - b. **Budget:** The total budget for central dispatch is \$765,563. The center is funded through a surcharge on telephone lines and cellular phones.
  - c. **Benefits:** If the City were to create their own dispatch center, we would not be able to afford the same level of service or use the sophisticated

technology that is available in a collaborative effort. A more scaled back go-it-alone approach would cost Ithaca as follows: Wages and benefits \$170,000; Operating supplies 75,000; Capital Equipment 200,000; Total \$445,000. The funding would have to come out of our General Fund. Other programs would have to be cut in order to fund an in-house dispatch center. A “go it alone” dispatch center is undesirable and almost unimaginable.

5. **Gratiot Community Airport Authority** is a joint venture between Alma, Saint Louis, Ithaca, Pine River, Arcada, and Gratiot County. The airport serves the entire county. It is difficult for any one government to operate the airport. All revenues for the airport total \$87,136. The governmental share is \$60,000. Without the joint effort, it is doubtful the airport would survive.
  - a. **Key Partners:** Alma, Gratiot County, Arcada, Ithaca, Pine River, Saint Louis
  - b. **Budget:** The Airport operating budget is 98,398. The City of Ithaca currently contributes \$2,000.
  - c. **Benefits:** Gratiot County has only one general aviation airport. The airport has proven to be an important economic development tool. Without the airport, it is unlikely that several of the major new industrial firms would have located within the county. Without the collaborative effort, the airport would likely close or be scaled back to a much lesser asset.
  
6. The **Gratiot County Geographical Information System Authority** is funded by all the cities, villages, townships and county in Gratiot County. The GIS Authority provides maps, aerial photographs and other address related information. The GIS Authority also provides a web interface for our residents to easily access the information. For the City of Ithaca, the full-color aerial photographs and public accessibility were the top selling points. The aerial photographs are used by the engineering staff, the assessor, zoning administration and economic development. Our annual contribution is \$1,800. By cooperating, we are able to receive aerial photographs every 5 years for the entire county. Without the collaboration, Ithaca would not receive the aerial photographs as frequently nor at such a high resolution. The web interface makes the information available to our residents and businesses. The latest aerial photography procurement involved a joint project with Microsoft and the State of Michigan.
  - a. **Budget data:** Previous aerial photography procurement with the County going alone was over \$80,000. The Microsoft/State of Michigan partnership in the last round of procurement got us better resolution color imagery at a price of approximately \$14,000.
  
7. The **MAGNET drug enforcement team** is a multicounty drug enforcement effort. Other agencies send officers to work in our community. Without the

collaboration, drug enforcement would not be undertaken. Our communities are too small for our officers to work in them for drug enforcement. Too many of our residents know all our officers for them to remain incognito.

- a. **Key Partners:** Ithaca, Alma, Saint Louis, Owosso, Gratiot County, Shiawassee County, and Michigan State Police.
- b. **Budget:** The City of Ithaca contributes \$3,000 per year to MAGNET.
- c. **Benefits:** Without a collaborative effort, it would be very difficult for municipalities in Gratiot and Shiawassee Counties to work the illegal drug scene. Our team approach has resulted in many success drug investigations in both counties.

**8. Countywide Master Planning** has saved each municipality in the county money and improved the quality of the resulting master plan. Each community contributed \$1 per parcel to the planning, and secured a service grant from the Land Information Access Association (LIAA) of Traverse City. By working together we were able to better understand our neighboring communities and their plans for the future. Most communities learned that their neighbor's plans fit well with their plans and even complemented each other well. The \$1,800 the City of Ithaca contributed was a bargain. A go-it-alone approach would have cost between \$10,000 and \$20,000 and the product would have been less comprehensive.

**9. Cable:** The City of Ithaca is a member of the Mid-Michigan Cable Consortium to provide joint franchise negotiation, administration, and operation of the Governmental, Public and Educational channels.

- a. **Key Partners:** Ithaca, Alma, Arcada Township, Village of Breckenridge, Clare, Mount Pleasant, Pine River Township, Saint Louis, Village of Shepherd, and Village of Harrison
- b. **Budget:** The budget for the cable consortium is \$273,400, of which the City of Ithaca contributes: \$11,300 (100% cable franchise fees).
- c. **Benefits:** By working together, all the communities can enjoy a state of the art studio. The consortium has the funds to better protect the communities' interests in franchise discussions and advocacy for legislation affecting cable companies.

**10. Brownfield Redevelopment Authority:**

- a. **Key Partners:** All cities, villages and townships in Gratiot County, Greater Gratiot Development
- b. **Budget:** Varies by project activity. Rather than having a standalone entity, the BRA is used as a tool via Greater Gratiot Development as needed.
- c. **Benefits:** By working together, only one office, Greater Gratiot Development, needs to become an expert on all the details related to accounting and report of Brownfield Authorities. The City Treasurer does

not need to learn all the accounting and reporting requirements of the Brownfield Authority. Our annual audit is easier. If we had a separate Brownfield Authority, it would need to be reported as a component unit with full disclosure. By having GGDI operate the Brownfield Authority, it is easier for the developers and for the municipalities. It is likely that the City of Ithaca saves \$3,000 to \$4,000 each year in accounting, reporting and auditing expenses.

**11. Grant Writing:** The Cities of Ithaca, Alma, Saint Louis with the Village of Breckenridge, Gratiot County and Alma College jointly wrote a grant application for energy efficiency. Each governmental entity received an energy audit. Businesses within the county received mini-grants to undertake energy efficiency projects.

- a. **Key Partners:** Ithaca, Alma, Saint Louis, Breckenridge, Gratiot County, Alma College and United Way of Gratiot County
- b. **Budget:** The total grant received was \$185,805.
- c. **Benefits:** Without the collaboration, it is unlikely that we would have received the grant. The entire \$185,805 would not have been received or expended in Gratiot County. Each city received an energy audit of their municipal facilities. We distributed mini grants to area businesses to improve the energy efficiency of their buildings. The City also subsequently secured a Consumers Energy rebate valued at nearly \$17,000 to replace all fluorescent ballasts/bulbs with higher-efficiency T-8 ballasts/bulbs.

**12. Wind Ordinance:** All the governmental entities within the county drafted and adopted the same ordinance for wind turbines. One wind farm has begun construction of 125 wind turbines with announced intentions of adding an additional 125 wind turbines. We are currently working on two additional wind farms. If all are successful, we will have well over \$1 billion of construction activity because we work together and had one set of rules for the county.

- a. **Key Partners:** All cities, villages and townships in Gratiot County, as well as Gratiot County.
- b. **Budget:** The cost of drafting a new ordinance typically cost \$1,000. The cost of drafting the ordinance was shared by many municipalities.
- c. **Benefits:** While we all saved money on sharing the same ordinance, the real issue is the number turbines we attracted by working together. By having the same rules and having joint planning commission meetings, Gratiot County has attracted the attention of several wind farm developers. Soon the first wind farm will be the largest tax payer in the county. As other developers progress, the potential for more wind farms means more tax

revenue for the townships, schools and county. The project(s) also generate significant new lease income to landowners who are hosting the project. This will hopefully translate into additional income to our retail and service oriented businesses.

**13. Liability Insurance:** The City of Ithaca is a member of the Michigan Municipal League's Risk Management Authority which is a joint venture with many other cities to provide liability and property insurance for the city.

- a. **Key Partners:** Over 200 cities, villages, townships, counties and special districts.
- b. **Budget:** The total budget is \$45,763,461 of which Ithaca contributes: \$46,098.

**14. Worker's Compensation:** The City of Ithaca is a of the Michigan Municipal League's worker's compensation fund which is joint venture to handle worker's compensation claims.

- a. **Key Partners:** 845 Michigan cities, villages, townships and counties.
- b. **Budget:** The total budget is \$27,734,243 of which Ithaca contributes: \$17,874.

**15. Hazard Mitigation Plan:** The City of Ithaca worked together with representatives from Gratiot County and the other municipalities to develop a hazard mitigation plan for the area.

- a. **Key Partners:** Gratiot County, Ithaca, Alma, Saint Louis, Breckenridge, all townships in Gratiot County, Michigan State Police.
- b. **Budget:** Each partner contributed one or more staff people for a series of meetings.
- c. **Benefits:** The County took the lead in preparing the Plan. Without their lead, each community would have had to devote its resources to write their own plan. We estimate that it would have cost the City of Ithaca \$5,000 to prepare its own plan. It is unlikely that the Michigan State Police would have assisted communities on a single community basis. Our joint effort also meant that the Michigan State Police and the Federal Emergency Management Agency could review one plan instead of 24 separate community plans.

**16. Equipment Sharing:** In Gratiot County, the municipalities frequently borrow and share equipment. We reimburse each other at Schedule C rates. Items such as sewer flushers, street sweepers, and directional boring machines are expensive. It

would be impossible of us all to own one. By sharing, we can all access the equipment we need.

- a. **Key Partners:** Ithaca, Gratiot County Road Commission, Alma, Saint Louis
- b. **Budget:** There is no present budget for equipment sharing.
- c. **Benefits:** Communities need not buy every type of equipment.

**17. Pension Administration:** The City of Ithaca uses the Municipal Employees Retirement System of Michigan to manage, administer and invest our defined benefit and defined contribution pension system. By following the rules of MERS, Ithaca's pension is 78% funded.

- a. **Key Partners:** There are 750 municipalities that are member of MERS of Michigan.
- b. **Budget:** The total revenue for MERS of Michigan is \$1,341,817,880 of which the City of Ithaca contributes: \$90,840.
- c. **Benefits:** The City of Ithaca is too small to hire professional money managers. By pooling our resources, we have access to professional money managers as well as professional staff to manage the personnel records and advise our employees.
- d. **Cost Savings:** This is very difficult to estimate. The City would need to hire additional staff to do this in-house. Rough estimated savings: \$100,000.

**18. Library:** Our library is a member of a regional cooperative, the White Pine Library Cooperative. With the Co-op, our library is able to borrow just about any book from any library within Michigan. We sometimes borrow books from out of state libraries.

**19. Data Services:** Ithaca City Hall, the Police Department, the Fire Department, and the Library use Internet services from our Intermediate School District. The municipalities and the county are looking at how we can better share our data services. This may be a rich area for future cooperation.

- a. **Key Partners:** Ithaca, Alma and Gratiot-Isabella Regional Education Service District

**20. Auctions:** Whenever Ithaca, Alma, or Saint Louis has an auction to sell surplus equipment, we cooperate with each other and sell our neighboring community's items as well. This practice makes for a larger auction and tends to draw larger crowds.

**21. Drug Testing:** The City of Ithaca participates in the Michigan Municipal League drug and alcohol testing program for our employees who possess a Commercial

Driver's License (CDL). Under federal regulations, all employers who have positions that require CDL certification must have a random testing program for drugs and alcohol. Also, after most accidents, drivers are required to be tested for drugs and alcohol.

- a. **Key Partners:** Ithaca, Michigan Municipal League, and many other Michigan cities
- b. **Budget:**
- c. **Benefits:** By working together, not every community has to be an expert in all aspect of the rules. The pool provides administrative oversight and organizes the testing program. Having an outside pool select the candidates for testing helps ensure the randomness of the picks. The biggest benefit is ensuring that we remain in compliance with the rules.

**22. Election Supply Bulk Purchasing:** The City of Ithaca partners with the Gratiot County Clerk and all other municipalities in the county to purchase election supplies in large bulk orders.

- a. **Key Partners:** City of Ithaca, Gratiot County, all other cities, villages, townships.
- b. **Benefits:** Larger quantity purchasing results in lower costs to each municipality, savings taxpayer funds for each election held.

**23. Joint Employee / Board Training:** The City of Ithaca initiates and participates in joint training programs (i.e. recent Open Meetings Act & Robert's Rules of Order class) with surrounding municipalities.

- a. **Key Partners:** City of Ithaca, Gratiot County, all other cities, villages, townships.
- b. **Benefits:** Hiring one trainer and using one facility for multiple jurisdictions saves money, and also keeps most area municipalities in line with continuously changing laws, guidelines, etc.

**24. School Crossing Guard Program:** The Ithaca Police Department partners with Ithaca Public Schools to provide crossing guards at strategic locations around the city to allow safe crossing for area students.

- a. **Key Partners:** City of Ithaca, Ithaca Public Schools
- b. **Benefits:** Ithaca Public Schools contributes 50% of the annual budget for crossing guards, which is approximately \$11,000 (total budget). This is a key safety measure, and valuable city-school partnership. Additional opportunities have been sought to broaden this partnership, such as a school liaison officer program, which would place an officer in the schools regularly. The City continues to investigate funding opportunities for this program.

- 25. Community Recreation Partnerships:** The City of Ithaca partners with other community entities to provide recreation services to our citizens.
- a. **Key Partners:** Ithaca Public Schools, American Youth Soccer Organization, Gratiot Agricultural Society.
  - b. **Benefits:** By providing funding, in kind services, land, etc, the City is able to have outside entities perform recreation programming that may otherwise be non-existent or be part of a City recreation program. For example, the City contributes \$4,000 per year to Ithaca Public Schools in order to help cover recreation programming / facilities such as the pool, which serves as a community pool open to all citizens. AYSO is a national organization that provides youth recreation programming. AYSO events bring hundreds and sometimes thousands of visitors to Ithaca during weekend events, which is a boon to local businesses. GAS is a longtime organization that provides youth / agricultural opportunities to area residents and maintains the agricultural heritage. The City has historically provided land and in-kind services to support all of these entities.
- 26. Joint County / City Road Maintenance:** The City of Ithaca tries to coordinate border street projects with out-city County road projects to achieve economies of scale.
- a. **Key Partners:** City of Ithaca, Gratiot County Road Commission
  - b. **Benefits:** Whenever these projects come together, there is definite cost savings. The Road Commission sometimes is able to accommodate the engineering aspect of the project in-house, and also can get lower construction bids from contractors.
- 27. Gratiot County Fire Chiefs Association:** The Ithaca Fire Chief currently chairs this association, which has resulted in a number of cost saving measures, as well as grants and service level enhancements. Some of these include:
- a. **Key Partners:** Ithaca Fire, Alma Fire, Mid Michigan Fire-Rescue, Breckenridge Fire, Perrinton Fire-Rescue, Ashley Fire-Rescue
    - i. County Wide standard operating guidelines for Dive Team & RIT (rapid intervention team) required under NFPA.
    - ii. Combined training through Gratiot County Fire Training Committee
    - iii. Joint ownership by all six Fire Departments of the Gratiot County Rehab and Dive Trailer at an approximate cost: \$25,000.
    - iv. Joint ownership of all dive equipment for The Gratiot County Dive team operated under the direction of the Gratiot County Fire Chiefs Association. Approximate cost: \$40,000.
    - v. Joint ownership of portable light plant. Approximate cost \$15,000.

- vi. Joint use of Grant resources through the Gratiot County Community Foundation and Gratiot County office of Homeland Security.
- vii. Currently working on a county wide response code SOG.
- viii. Currently have a county wide Mutual Aid Agreement.
- ix. Working on a possible Automatic Dispatch Mutual Aid for Specific events or time frames.

## **FUTURE / POTENTIAL COLLABORATIVE OPPORTUNITIES**

- 1. Ithaca Fire Department / Ithaca Rescue Department Consolidation:** The City Council recently voted to merge the Fire and Rescue Departments under one administrative umbrella.
  - a. (Internal consolidation: cost savings - unknown)**
  - b. Benefits:** It is expected this will result in minor initial cost savings, but lead to more substantial long-term operational efficiencies and economies of scale with future grant writing, additional potential cross-training opportunities, etc.
  
- 2. Enhanced Geographic Information System (GIS) for Public Works:** Exploring customized application for plotting all critical infrastructure on geospatial maps.
  - a. Key Partners:** City of Ithaca, City of St. Louis.
  - b. Benefits:** Two cities having customized software developed will reduce the estimated \$10,000 cost to approximately \$5,000 per city. Would allow public works crews to be more productive allow management to better track capital improvement needs.
  
- 3. Shared Rental Inspection Services:** The City of Ithaca was recently approached by the City of Carson City (Montcalm County) about utilizing the Ithaca Building Inspector and/or Fire Department personnel to conduct rental inspections within the City.
  - a. Key Partners:** City of Ithaca, City of Carson City.
  - b. Benefits:** The Building Inspector for Ithaca and / or Fire Department personnel may provide rental inspection services to the City of Carson City on a contractual basis.