

# City of Saginaw

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*Cooperation, Collaboration, & Consolidation of Services Plan  
January 2013*



*Category II – State of Michigan – Economic Vitality Incentive Program*

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# CITY OF SAGINAW, MICHIGAN COOPERATION, COLLABORATION, AND CONSOLIDATION OF SERVICES PLAN

## **I. Introduction & Background**

The City of Saginaw has a long history of collaborating with its neighboring communities, particularly to provide superior levels of service in areas such as Geographic Information Systems (GIS), Water Treatment and Supply, and Wastewater Treatment. In some cases providing services would not be possible for many local units without these collaborative efforts – such as MBS airport, and in some cases collaboration simply provides a higher level of service to the citizens of Saginaw and the communities with which the city collaborates. Many of these ventures have become routine business for cities, townships, and counties that participate. However, not all collaborative efforts result in significant savings for each

community, but all efforts should strive to provide the best service possible for all involved.

The State of Michigan is currently in the second year of the Economic Vitality Incentive Program (EVIP). This program was developed as a replacement to the Statutory Revenue Sharing Program to foster innovation and collaboration in local government, and provide focus to reduce costs. As part of the EVIP, which strives to improve cooperation between state and local units of government, the city's management team has developed this report to our residents. The document is comprised of three sections: an update on the status of the proposals that were in the previous year's consolidation plan, new proposals to increase the existing level of cooperation, collaboration, and consolidation, and a summary of several past

collaborative efforts. The first summary lists three initiatives from last year's plan: fire collaboration and consolidation project, public services equipment upgrade, and the public services department reorganization. The second summary of the report describes areas where future efforts, which will potentially be implemented in the upcoming months, are being planned. The third summary is designed to provide a snapshot of the city's existing relationships with other local units. Each component is presented and organized in a manner that is easy to navigate and understand.

In preparing this report, it is our goal to provide citizens with an understanding of the long term organizational planning and development efforts that are constantly reviewed and managed by city administration and elected officials. It should be noted that all of these initiatives are reviewed with the city's strategic goals and objectives in mind: Crime and Public Safety Issues; Neighborhood Revitalization and City Beautification; Recreational Offering and Youth Activities; Maintenance and Enhancement of City Revenue Efforts; and Organizational Development.

### **Financial Outlook**

The City of Saginaw has a balanced budget for Fiscal Year 2013. However, a deficit of approximately \$3.2 million is projected for Fiscal Year 2014. The city is working on several proposals to reduce expenditures, and the proposals for

collaboration and cooperation are central to that goal. City audits illustrate the structural deficit that has developed over the past two years – in fiscal year 2011 and a greater gap between revenue and expenditures in 2012. Additionally, the city's unassigned fund balance has dipped to \$1.2 million, from nearly \$3 million in 2011. Clearly the city must make significant cost saving reforms.

### **Proposals to Increase Cooperative & Collaborative Efforts**

The City of Saginaw already has numerous collaborative and cooperative efforts; however the management team understands that the future of public service is dependent upon finding new and more efficient methods to provide services. The management team and city staff are dedicated to finding new and more effective ways to deliver services to the citizens of Saginaw. The City Manager has established a Management and Efficiency Team that meets weekly to review operations and implement recommendations from management as well as other stakeholders. The City Manager also established a committee to review public safety sustainability that included members of the community, business leaders, public safety union members, and elected officials. Additionally, other city divisions and committees, such as the Police and Fire Pension Board are in the process of reviewing cost saving and collaborative measures. The city's collective bargaining units,

AFSCME, SEIU, IAFF, POAM and COAM unions, have also provided input on cost saving ideas.

### Public Safety

Public safety was identified as one of the top priorities by City Council several years ago, and the city's expenditures prove that, as it comprises approximately 66% of the general fund budget. It is clear that the city can no longer continue to deliver public safety services in the manner that it has for the past several decades. Many departments and divisions have undergone drastic changes over the past few years, however limited changes have been made to the administration in public safety or the service delivery systems utilized by the city. Despite the fact that limited changes have been made, the city has reviewed public safety on two occasions recently; in 2007 the International City/County Management Association (ICMA) performed an analysis of the efficiency and structure of public safety and in 2010 the firm of Plante & Moran (P&M) performed a city-wide staffing and efficiency analysis that included the Police Department Administration (the P&M review did not include the Fire Department).

Three new proposals for collaboration and consolidation were included in last year's plan, the most significant proposal for the general fund involved the fire department; an update on that project is included in the following section. All of the new proposals this year deal with public safety, including code enforcement/inspections and prosecutor services for the city.

### Current Collaborative, Cooperative, & Consolidation Efforts

As stated earlier, the city has a long history of working with other units and groups to provide services. The collaborative effort can be seen in numerous projects: from the countywide GIS system to the rejuvenation of Hoyt Park, which was a project initiated by the great citizens of the City of Saginaw. City staff and administration are dedicated to working with any group that has sound ideas that will benefit the public. A summary of current collaborative projects is included in this report.

**Economic Vitality Incentive Program  
Consolidation Plan (Previous Filer)  
as of: January 29, 2013**

**II. Update Status of Previous Year's Service Consolidation Proposal(s)  
(This Plan Available to the Public Via the Internet/City Website)**

Local Unit Name: City of Saginaw  
County: Saginaw County

Previous Year's Service Consolidation Proposals	Timeline to Accomplish Proposal	Jurisdictions Involved	Realized or Estimated Savings/(Loss)	Implementation Status of Proposal	Barriers Experienced in Implementing Proposal
1. Fire Collaboration and Consolidation Project	2012 - 2015	Originally City of Saginaw, Bridgeport Township, and Buena Vista Township	Estimated \$100,000 - \$355,000 upon completion; to date, no savings have been realized	Pending	Political issues regarding deployment of equipment and will to proceed
2. Public Services - Equipment Upgrade (Automated Meter Reading Infrastructure System)	2012 - 2016	City of Saginaw	Estimated \$324,000/Year upon completion; to date, no savings have been realized	In progress (the first phase has been completed)	Equipment limitations and geography
3. Public Services - Department Reorganization	2012	City of Saginaw (with SEIU)	Approximately \$280,000/Year	Completed	City Administration had discussions with the labor union representing these employees; no significant barriers were experienced
<p><b>Additional Information:</b></p> <p>Consolidation #1: The Fire Collaboration and Consolidation project has not proceeded as planned. The city and two townships were awarded an EVIP grant for further analysis, however Buena Vista Township did not want to continue with the project at that point. The city is still in discussions with Bridgeport Township and the hope is that some job sharing and collaboration will occur. At this point it appears that the best initial option will likely be to proceed with some sort of shared command, which would reduce expenditures for each unit, and move forward with further planning once that is implemented. Estimated savings was based on full implementation of the initial proposal. A scaled back plan will result in less savings for all local units involved.</p> <p>Consolidation #2: The Public Services Department has already started this ambitious city-wide project and should complete it within the proposed timeline. The savings will be generated from a reduced number of employees for meter reading (employees may be reallocated to other functions) and equipment cost. This update will also provide better service to customers of the water department as the city will be able to detect abnormalities in use that may be due to damage at their home or defects in the system. There have been some issues with the signal received from the meters due to trees, etc. but it is anticipated that those issues will be resolved. Estimated savings will be realized once all of the implementation phases have been completed.</p>					

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Consolidation Plan (Previous Filer)  
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**III. Proposed Service Consolidation(s)  
(This Plan Available to the Public Via the Internet/City Website)**

Local Unit Name: City of Saginaw  
County: Saginaw County

Service Consolidation Proposal	Timeline to Accomplish Proposal	Jurisdictions Involved	Projected Savings/(Loss)	Implementation Status of Proposal	Barriers Experienced in Implementing Proposal
1. Inspections/Code Enforcement Consolidation with Public Safety	Jan 2013 - June 2013	City of Saginaw	Approximately \$107,000	Pending - Departments have been merged and planning for enforcement has started	At this point, insurmountable barriers are not anticipated. However possible barriers include collective bargaining issues and training of employees
2. Local Unit Prosecutor	March 2013 - April 2013	City of Saginaw & Saginaw County	Cost Neutral	Pending - Discussions with County Prosecutor	This proposal has been approved by the County Prosecutor, but must also be approved by the County Board and the City Council
<p><b>Additional Information:</b></p> <p>Consolidation #1: The consolidation of the Inspections/Code Enforcement Division with Public Safety will provide for a more coordinated enforcement structure, thus providing improved service to the citizens of the City of Saginaw. In addition, it will allow for cross training and utilization of some public safety personnel in code enforcement. This will allow the city to utilize some employees during "down time." It is anticipated that savings will result from a decrease in management expenses in the Development Department, which previously supervised the inspections/code enforcement division. Additionally, it is anticipated that the utilization of other employees for code enforcement may generate approximately \$30,000 in additional revenue annually.</p> <p>Consolidation #2: The cooperation agreement with the County Prosecutor's Office would provide prosecutor services to the city for local unit violations and income tax enforcement through the county. It is not anticipated that this change will save money, as the fee is expected to be the same as is currently paid to a private practice attorney. This will provide enhanced service to the city, as an entire office will be available to provide services rather than a single individual. It should provide continuity and level services for an area that generates over \$140,000 in fines per year and also assists with the collection of delinquent income taxes that total over \$1 million annually.</p>					

### III. Existing Relationships/Prior Collaborative Efforts

Service Area & Initiative	Description	Communities / Others Involved	Estimated Savings
<b>Administrative Services</b>			
Geographical Information Systems Authority	The GIS Authority identifies opportunities and develops and promotes initiatives for the application of GIS, as well as the development of the Saginaw area in general.	32 Saginaw County municipalities, Saginaw County 911 Authority, Saginaw County Road Commission	Value Added Service/Generates \$92,713 in revenue per year
Saginaw Future	Acts as consultant to the City through the Department of Development; provides services in the areas of promoting and strengthening the jobs and investments of employers who are currently in the City of Saginaw; aggressively attracts and encourages national and international businesses to relocate and invest in the City, which ensures a diversity of components in the economic base; and provides industrial development location opportunities.	County of Saginaw, City of Saginaw, 16 local communities, and the Saginaw County Chamber of Commerce	Value Added Service
Michigan Delivering Extended Agreements Locally (MiDeal)	The Purchasing Division participates in the state's plan to allow local units of government to benefit from the state's purchasing power by allowing local units to purchase from state contracts.	State of Michigan and several other local units of government	\$10,000 Annually
Michigan Intergovernmental Trade Network (MITN)	A group of agencies that joined forces to create a Regional Bid Notification System to notify companies of new bid opportunities. Member companies are provided with instant access to all bids, RFPs, quotes, addendums and awards.	Multiple cities, counties, colleges, and schools	\$5,000 Annually
MBS International Airport	The cities of Saginaw and Midland along with Bay County established the Midland, Bay City, and Saginaw International Airport Commission to manage the operations at MBS International Airport.	Cities of Saginaw, Midland, and Bay County	Value Added Service
Technical Services	The Information Services Department and the GIS Department were merged to create the Department of Technical Services.	Internal Consolidation	FY 2011 savings of \$208,300; FY 2012 projected savings of \$235,725
Community Public Safety	A combined approach to public safety which integrates police, fire, and code enforcement. All three areas maintain separate operations, with the combining of the administration under the Assistant City Manager for Public Safety.	Internal Collaboration	Value Added Service
Facilities Management	An integrated approach to managing facilities resources citywide. In previous years, outside buildings such as the Police Department managed facility services independently, which resulted in increased costs for facilities management.	Internal Consolidation	Value Added Service/Savings through bulk supply ordering
Celebration Park	A repurposing project that essentially created a new park that includes one of the areas largest splash pads, a skate park, walking trail, playground, and observation deck for Lake Linton.	City of Saginaw, State of Michigan, Private Donors	\$1,622,800 in grants and donations
Ordinance Enforcement	All code enforcement activities have been centralized under the Department of Development to ensure that all activities are monitored in the same manner. These areas are Environmental Improvement, Parking Enforcement, and Weed Abatement	Internal Consolidation	\$35,000 per year

<b>Service Area &amp; Initiative</b>	<b>Description</b>	<b>Communities / Others Involved</b>	<b>Estimated Savings</b>
City Controller's Office	The city outsourced the accounting function within the Department of Fiscal Services.	Internal Consolidation	\$100,000 per year
City Attorney's Office	The city eliminated the City Attorney's Office and contracted with a local law firm to provide general legal services.	Internal Consolidation	\$200,000 per year
<b>Development</b>			
Regional Construction Code Enforcement	The Inspections Division provides code enforcement/inspections services to other local units in Saginaw County.	City of Saginaw, Saginaw Township, Swan Creek Township	\$44,000 per year in revenue
City/County Land Bank Cooperation	The Department of Development and the Saginaw County Land Bank are partners in a massive blight elimination and community revitalization program in the City of Saginaw.	Saginaw County Land Bank and the City of Saginaw	Value Added Service
Safe Routes to School	A major initiative to provide Safe Routes to School was conducted through this collaborative effort. Major structural changes are being made in the environment around five schools in Saginaw. This includes sidewalks, lighting and public safety signage. The objective is to provide a safe walk to school environment in these areas.	City of Saginaw, Michigan Department of Transportation, Saginaw Public Schools	Value Added Service
Downtown Planning Initiative/City Master Plan	The partners worked together to provide a Downtown Planning Initiative and develop the Master Plan for the City that will include initiatives on streets and other service areas in adjoining communities. The Master Plan was completed in the summer of 2011 and distributed to all surrounding municipalities for comment. MSHDA has provided continual technical support in various areas of blight elimination and development throughout the area.	City of Saginaw, MSHDA	Value Added Service/\$32,000 in grant funding
Street Resolution Plan	Cooperative effort to complete a street resolution project in conjunction with the development of the master plan.	City of Saginaw, Saginaw Township	Value Added Service
Regional Pathways Project	Collaborative effort to provide regional pathways connecting three trails in the area for quality of life improvement	Cities of Saginaw, Bay City, and Midland	Value Added Service
Regional Training Project	Joint effort to provide commissioner training, inspections, and zoning information	City of Saginaw, Saginaw Township, and Zilwaukee Township	Value Added Service
<b>Public Services/Water &amp; Waste Water Treatment</b>			
Collective Bargaining Agreement Supplement	The City of Saginaw and the SEIU Salaried and SEIU Hourly Unions entered into agreement in December 2011 to supplement the Collective Bargaining Agreement to allow Hourly Streets and Salaried Traffic Maintenance and Engineering Sections to work across bargaining units in an effort to balance workloads in times of necessity. The agreement allowed the Director of Public Services to eliminate 5.5 Crossover positions and create 3 other positions with existing Crossover positions.	SEIU Salary Bargaining Unit 517M, SEIU Hourly Bargaining Unit 517M, City of Saginaw	\$278,000 Annually

Service Area & Initiative	Description	Communities / Others Involved	Estimated Savings
Weed Abatement Project	The city is under contract with the Saginaw County Land Bank to provide weed abatement services to vacant properties to ensure that they are in compliance with city ordinances and guidelines.	City of Saginaw and the Saginaw County Land Bank	\$80,000 Annually
Radio Operations Fund	The Radio Operations Fund supports both maintenance and future replacement of all radio devices and emergency siren system. The estimated replacement cost of the entire Public Service System is \$600,000. The public safety radios were provided by Saginaw County 9-1-1 Authority in 2009 as part of a countywide E911 system improvement. Estimated cost of this system is approximately \$550,000. The Saginaw County 9-1-1 Authority has taken over responsibility for the maintenance and future replacement of all public safety radios.	City of Saginaw and Saginaw County 911 Authority	\$550,000 one time and approximately \$15,000 annually
Maintaining Agency for MDOT Highways in the City	The city provides maintenance services to state roadway signals and signs, as well as street maintenance (snow plowing, filling of pot holes) to state highways throughout the city.	City of Saginaw and the State of Michigan	\$300,000 in revenue annually
Saginaw-Midland Municipal Water Supply Corporation	The City of Saginaw is a co-owner of the corporation with the City of Midland. The corporation supplies water to Saginaw, Midland, Linwood, Standish, Omer, Au Gres, and the Sims-Whitney Water Authority.	Cities of Saginaw and Midland	Value added service
Saginaw Water Supply System	This is a regional water system operated by the city that supplies 17 wholesale customers serving nearly 180,000 customers in Saginaw, Bay, and Tuscola Counties.	17 Wholesale customers in three counties	\$206,278 in PA 425 revenue to the general fund
Saginaw Waste Water Treatment Plant	The waste water treatment plant contracts with Northwest Utilities to treat sewage from the communities of Saginaw Township, City of Zilwaukee, Carrollton Township, and Kochville Township. Also contracts with Spaulding Township to treat waste water.	5 local units in Saginaw County	Provides service to other communities at cost
<b>Community Public Safety</b>			
County-wide Emergency Services Team	Police EST (commonly known as SWAT) is a collaborative team comprised of 15 officers from 5 agencies; this team is available county-wide and also provides support to local units outside of Saginaw County.	Saginaw, Saginaw Township, Saginaw County, Frankenmuth, Bridgeport Township	Value Added Service
County-Wide Mutual Aid Agreements	The city has mutual aid agreements with other local units for the police department and the fire department.	Several local units in Saginaw County	Value Added Service
County-wide Dispatch Services - 911 Authority	The city participates in county-wide dispatch services for police and fire.	Several local units in Saginaw County	\$1,100,000
Prosecutor's County-wide Crime Prevention Council - Member	The city participates in the County Prosecutor's Crime Prevention Council which coordinates multi-agency initiatives, shares intelligence and crime analysis county-wide, and provides advocacy for millage efforts.	Saginaw County, Saginaw, Saginaw Township, Saginaw ISD, and other local units	Value Added Service
Regional Analysis Police Technology Observation and Reporting (RAPTOR)	Technology center created by the city that will provide regional crime analysis/mapping for multiple agencies, video surveillance, partnership with local universities for crime analysis	Saginaw, Michigan State University, other local unit law enforcement agencies	Grant funding of \$300,000

Service Area & Initiative	Description	Communities / Others Involved	Estimated Savings
Joint Use of Fire Training Facilities	The Saginaw Township Fire Department (STFD) has constructed a building used for smoke training, interior reconfiguration rescue, and confined space rescue that is a shared facility. The Saginaw City Fire Department is able to use the STFD facility on a no-cost basis eliminating the expense of constructing and operating such a facility. The duplication of fire training facilities cost is eliminated and improves the level of firefighter training	Saginaw Township and the City of Saginaw	\$300,000 one time and ongoing facilities maintenance
Saginaw County Emergency Management	Funding for emergency support and operations equipment has been made available through Saginaw County Emergency Management (SCEM) and has eliminated the necessity for duplicated grant application and administration. The vital equipment made available through SCEM supports emergency disaster response within the City of Saginaw.	Local fire departments in Saginaw County	Value Added Service
Michigan State Police - Emergency Management Homeland Security (MSP-EM)	MSP-EM eliminates duplication of services in time of disaster through support services that are not available at the local level. The Regional Response Team Network (RRTN) eliminates duplication of equipment and expense for specialized hazardous materials equipment through the coordination of MSP-EM.	City of Saginaw, State of Michigan	In excess of \$100,000 for equipment purchases
Fire Department Apparatus Review	Reviewed fire service calls and the necessary apparatus to provide the appropriate response. This resulted in moving a truck from active status to reserve status and allowed the department to keep three positions vacant for the current fiscal year.	Internal Review/Consolidation	\$274,000