

**City of Richmond  
Counties of Macomb and St. Clair**

**Cooperation, Collaboration and Consolidation Plan**

Public Act 63 of 2011, signed into law on June 21, 2011, introduced the Economic Vitality Incentive Program. Each city, village, or township that received a FY 2010 statutory payment greater than \$4,500 and fulfills the specific requirements for all of the three categories will be eligible to receive a maximum of 67.837363% of its FY 2010 total statutory payment (rounded to the nearest dollar). An eligible city, village, or township will receive 1/3 of the maximum amount for each of the three categories they fulfill the specific requirements for. The three categories are Accountability and Transparency, Consolidation of Services, and Employee Compensation.

The second category of funding under the EVIP program requires communities to submit a plan showing future areas of cooperation, collaboration and consolidation. Both internal and external consolidations are eligible under the Act. The City of Richmond has a long history of collaborating with its neighboring communities. In many cases, certain services would not be possible without collaborating with our neighbors. In other cases, the level of service that we can provide through collaboration is much greater than if we had provided the service for just our residents. Many of the collaborative efforts have become routine business for the City of Richmond and many other cities. Finally, in some collaborations, the benefits of collaboration are more through coordinated efforts that enhance the service for each community than simply cost savings for the community. The reader should bear in mind that the cost savings by collaborative effort is difficult to calculate. By statute, this plan is required to list the cost savings for each collaboration. The calculation of the cost savings often depends on perspective of the entity making the estimate and the set of assumptions about the level of service to be provided. For this report, the estimate of cost savings will be from the perspective of the City of Richmond. The level of service is assumed to be the current level of service. The amount of cost savings will be the past year for current savings and the first year in future savings. In reality, many of the service could not be provided but for the cooperation of the other units of government. Finally, not all collaborative efforts are undertaken for cost saving reasons. Sometimes a collaborative effort is just good public policy. Sometimes, a joint approach makes life easier for the citizens or customers.

In this report, a brief history of current collaborations will be provided. Each service description will include an estimate of the cost savings. Any consolidation enacted after June 21, 2011 is considered a future collaboration for the purposes of Public Act 63 of 2011. In making the estimated cost saving calculations, the report will be focused on the cost savings to the City of Richmond. The report will not attempt to calculate the overall net savings of the collaboration.

## Current Collaborations

1. **Richmond Volunteer Fire Department** is a shared service with the City of Richmond, Casco Township, Columbus Township, and Richmond Township. The Department is owned by the City. Three of the surrounding Townships (Casco, Columbus and Richmond) contract for Fire coverage for a portion of their area. Without a collaborative effort, it would be very difficult for the townships to provide fire protection. By working together, we all have a greater level of service.
  - a. **Key Partners:** City of Richmond, Casco, Columbus and Richmond Townships.
  - b. **Budget:** The FY2012 fire budget is \$258,671 of which the City of Richmond contributes \$141,235.
  - c. **Benefits:** By contracting services, we have a larger better equipped department than we could otherwise afford. The pool of volunteers is also greater by drawing from residents within the contracted service area. Without the townships, we would have to downsize the department and service levels or raise revenues.
  - d. **Cost Savings:** It is difficult to estimate what the cost of the City providing fire service without the additional contracts would be.
2. **Richmond-Lenox Emergency Medical Service (EMS)** is an ambulance authority formed under Public Act 57 of 1988 and owned by Richmond Township and Lenox Township. The City of Richmond contracts with Richmond-Lenox EMS for its emergency medical service needs and represents 24% of the EMS runs.
  - a. **Key Partners:** City of Richmond, Lenox and Richmond Townships.
  - b. **Budget:** The City pays \$28,000 for its portion of the service.
  - c. **Benefits:** By contracting services, we have a larger better equipped, better trained department than we could otherwise afford. Without contracting with the townships' ambulance authority, we would have to fund our own department.
  - d. **Cost Savings:** It is difficult to estimate what the cost of the City owning its own authority or contracting with a company.
3. **Richmond-Lenox EMS, Community Transit** is a community transit van operated by the Richmond-Lenox EMS through a partnership with the Suburban Mobility Authority for Regional Transportation (SMART). The van provides transportation for seniors and the disabled for medical and nutrition needs. The City of Richmond receives \$14,886 in Municipal and Community Credits from SMART which it turns over to Richmond-Lenox EMS to operate their community transit van.
  - a. **Key Partners:** City of Richmond, Lenox and Richmond Townships and SMART
  - b. **Budget:** The City transfers its Municipal and Community SMART Credits of \$14,448 to Richmond-Lenox EMS for their Community Transit Van.

- c. **Benefits:** The City of Richmond could not afford to operate a transit van on our own. With the collaborative effort, the City is able to offer the service to its residents.
  - d. **Cost Savings:** It is difficult to estimate what the cost of the City owning its own authority or contracting with a company. Utilizing the City's SMART credits of \$14,886 for a stand alone operation would not fund a level of service that the residents enjoy under the current collaborative effort.
- 4. **The County of Macomb Enforcement Team (COMET)** is a multi-jurisdictional task force, whose objective is to conduct investigations that cross jurisdictional boundaries, as well as to provide assistance to agencies in major crime, drug, and ancillary violent crime investigations, surveillance and technical assistance. It is supported by funding from member agencies as well as agencies that have the resources to supply personnel. Without the collaboration, major crime and drug enforcement would not be undertaken. Our communities are too small for our officers to work undercover in them for drug enforcement. Also, we do not have the resources to attack a problem with the manpower and technology that COMET provides as a collaborative effort.
  - a. **Key Partners:** City of Richmond, Armada, Clinton Township, Sterling Heights, Roseville, Harper Woods, St. Clair Shores, Macomb County Sheriff, and Michigan State Police.
  - b. **Budget:** The City of Richmond contributes by paying fees for membership in COMET. The City's fee is \$400.
  - c. **Benefits:** Without a collaborative effort, it would be very difficult for most municipalities in Macomb County to work the illegal drug scene. Working with partners such as the Macomb County Sheriff's Office and the Michigan State Police provides statewide jurisdiction in whatever and wherever direction the investigations may lead. Our team approach has resulted in many successful drug and major crime investigations. COMET initiated 170 investigations in 2010.
- 5. **Worker's Compensation:** The City of Richmond is a member of the Michigan Municipal League's worker's compensation fund which is a 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 Richmond contributes \$40,472.
  - c. **Cost Savings:** Very difficult to estimate. Unknown.
- 6. **Equipment Sharing:** In the past the City of Richmond has allowed other neighboring municipalities and Richmond Community Schools to rent specialized equipment that they do not have such as the street sweeper and vactor truck. The neighboring communities reimburse Richmond at Schedule C rates. Items such as vactor trucks and street sweepers are expensive and may not be needed on a daily basis in a smaller community. It would be impractical for smaller communities to own their own piece of specialized equipment. By sharing, we can all access the equipment we need.

- a. **Key Partners:** City of Richmond, Richmond Community Schools, Village of Armada and Memphis
  - b. **Budget:** There is no preset budget for equipment sharing.
  - c. **Benefits:** Communities do not need to buy every type of equipment.
  - d. **Cost Savings:** This varies from year to year depending on the equipment borrowed.
7. **Library:** Our library is a member of a regional cooperative, the Suburban Library Cooperative. With the Co-op, our library is able to borrow just about any book in any library within Macomb County.
  - a. **Key Partners:** City of Richmond, Armada and Memphis
  - b. **Budget:** The City of Richmond's Suburban Library Cooperative dues are \$17,040.
  - c. **Benefits:** The City of Richmond residents can access a much larger selection of library materials. The library also benefits from the technical expertise of the Co-op staff that coordinates much of the technology used in the library.
  - d. **Cost Savings:** The City has been able to reduce its yearly book budget by over \$10,000 per year while still offering a wide variety of materials to its residents through the Cooperative.
8. **Road Salt:** We purchase road salt under the state contract. The schools cannot purchase under the state contract because the contract requires delivery of too large of a quantity of salt. We sell the salt, at our cost, to the schools district.
  - a. **Key Partners:** City of Richmond and Richmond Community Schools
  - b. **Benefits:** A reduced cost to the schools.
  - c. **Cost Savings:** There are no real cost savings to the City. The Schools realize a significant cost savings. The City has no means to estimate the cost savings to the schools.
9. **Rails to Trails:** The City of Richmond along with Macomb County, Huron-Clinton Metropark Authority, Shelby Township and Washington Township came together to form the Macomb Orchard Trail Commission. This group of public agencies jointly acquired and constructed the Macomb Orchard Trail. Thanks to United States Representative Candice Miller and MDOT the funds were raised to construct this trail.
  - a. **Key Partners:** City of Richmond, HCMA, Macomb County, Shelby and Washington Townships.
  - b. **Budget:** The City contributes \$5,000 per year for maintenance; there was also a \$25,000 initial buy in to become a member of the commission. This \$25,000 was used for capital expenses.
  - c. **Benefits:** By working together the members of the Macomb Orchard Trail Commission were able to acquire the 23.5 mile trail corridor and develop a non motorized linear park. Residents are able to access this bike path that takes them from the east side of Macomb County to the west side; the trail then connects to the Clinton River Trail in Oakland County.
  - d. **Cost Savings:** There were no cost savings; however the trail and the recreational, economic development and health opportunities that it

provides would not be possible without the cooperation of the member communities.

10. **Wellhead protection plan.** The State of Michigan is encouraging all municipal water systems to develop wellhead protection plans. The purpose of the wellhead protection plan is to protect the water source we use. Since our source of water includes areas outside the city limits, the best plan will include collaboration with our neighboring communities. The committee formed to develop the plan includes members that reside in neighboring communities that are likely to be affected by the plan.
  - a. **Key Partners:** City of Richmond and Richmond Township.
  - b. **Benefit:** The plan is important to the city and all of its partners. The results will protect potable water sources for many area residents.
  - c. **Cost Savings:** Cost savings is the wrong metric for wellhead protection. Collaboration is required for a good plan. Better and safer drinking water for the region is the goal. No cost savings will be generated.

## **Future Collaborations**

The City of Richmond is planning several future collaborations. Some plans are far along in the planning stage and it is likely that the efforts will bear fruit. Some are in the early exploratory stages which may mean that unknown factors might make the idea uneconomical or unlikely. For the purposes of Public Act 63 of 2011 the Treasury Department is considering any consolidation enacted after the passage of the Act on June 21, 2011 as a new consolidation effort.

1. **Library and Recreation Director.** The City of Richmond consolidated the Library Director and Recreation Director positions on October 3, 2011. Previously these positions were separate. With the retirement of the previous Library Director, the City Council, Library Board and Recreation Board met to discuss the possibility of combining the positions. On October 4, 2011 the City Council upon the recommendation and support of the Library and Recreation Boards approved the consolidation of the position..
  - a. **Key Partners:** City of Richmond Library and Recreation Departments.
  - b. **Likelihood of Success:** High. The positions have been consolidated and the City Council, Library and Recreation Boards are monitoring the performance of the position.
  - c. **Cost Savings:** By combining the positions the City saved approximately \$34,185 in wages and benefits in the part time recreation director position.
2. **Heavy Equipment Maintenance:** The Richmond Community Schools have a full time maintenance person for their buses and have discussed making this person available to the City for vehicle maintenance and repairs to the Department of Public Works vehicle fleet. The City currently sends its equipment to outside companies to handle the large repairs and maintenance. There is a City employee who handles smaller maintenance and repair issues.
  - a. **Key Partners:** City of Richmond and Richmond Community Schools.

- b. **Likelihood of Success:** High. Both the Schools and City are interested in maximizing the use of the full time maintenance position at the schools.
  - c. **Cost Savings:** Difficult to determine at this point. The amount of use of the maintenance person by the City may vary depending on the vehicle needs.
- 3. **Regional Youth Initiative (RYI), youth recreation programming.** The City of Richmond is considering partnering with the Regional Youth Initiative, a local 501(c)3 non-profit organization, to provide recreational youth programming. In the summer and fall the Richmond Recreation Department spends City funds to offer youth programming. RYI also offers youth programming to area youth. The City Council and Recreation Board will be reviewing the programming this budget year from the perspective of shifting some of this programming to the Regional Youth Initiative. Currently, Casco Township provides RYI with a portion of their funds received through the St. Clair County recreation millage to provide youth programming to Casco residents.
  - a. **Key Partners:** City of Richmond, Casco Township, and the Regional Youth Initiative.
  - b. **Likelihood of Success:** High. The plan is important to the city and all of its partners. A cooperative effort will eliminate duplicate youth programming efforts.
  - c. **Cost Savings:** The City currently budgets \$12,800 for spring, summer and fall programming. By partnering with RYI to provide some of the youth programming the City could potentially save \$4,000 in programming expenses.
- 4. **Urban Limits Agreement.** The City of Richmond has been discussing an urban limits agreement with Casco and Columbus Townships. This urban limits agreement would allow for the friendly annexation of township properties into the City in exchange for water and sewer service. In addition the Townships would receive a fixed millage rate on these properties for the duration of the agreement.
  - a. **Key Partners:** City of Richmond, Casco and Columbus Townships.
  - b. **Likelihood of Success:** Moderate. The plan is important to the city and townships to allow for the sustainable growth of the area through development near existing infrastructure. The results will allow for growth near the City while protecting open space elsewhere within the townships, thereby reducing suburban sprawl.
  - c. **Cost Savings:** There are no cost savings to the City; however there will be cost savings to the townships in infrastructure investment.