



COLDWATER
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City of Coldwater, Michigan

Plan to Cooperate, Collaborate and Consolidate Services

Category 2 of the State of Michigan Economic Vitality Incentive Program (EVIP) Public Act 63 of 2011

The State of Michigan passed Public Act 63 of 2011 known as the Economic Vitality Incentive Program or EVIP. This law required local governments to comply with 3 categories of reporting to qualify for the City's approximately \$90,000 in EVIP funding from the State of Michigan.

This report complies with the second category of the act requiring the City to report on efforts being made to cooperate, collaborate and consolidate services. As you will see from the following list of prior efforts, the City has a long history of working with various public entities in collaborative efforts and continues to consolidate services wherever possible to provide the best possible services to Coldwater residents at the lowest possible cost.

For example, Coldwater through attrition, technology and unfortunately layoffs has reduced our workforce by 15% over the past ten years. However, during this same period the demand for services and population both increased. The City consistently provides quality services to residents and has been able to continue to expand parks

and recreational opportunities, while increasing financial reserves even during the longest period of economic downturn since the Great Depression.

None of this would have been possible if the City would have continued to do business as usual. Instead, the City has continually reached out to other public entities, utilized new technology and exercised creative strategic planning to find a better more cost efficient approach to providing services to residents.

The City is acutely aware that local government is changing rapidly and dramatically. As the State of Michigan shifts away from a manufacturing economy, the impact is severely limiting the financial resources to fund the ability of local governments to continue to deliver services in the traditional manner. In addition, falling property tax values have severely reduced the City's current and future property tax revenues. Fortunately, the City is a public power community that has a diverse industrial base avoiding the drastic downturn suffered by other municipalities.

The City is also fortunate that prior City Councils and City management avoided the legacy costs plaguing many Michigan Communities today. Conservative financial principals in addition to the constant planning, cooperation and consolidation of past and present employees and Councils has allowed the City to weather the recent economic downturn.

The following page is a chart listing examples of internal consolidation and intergovernmental cooperation undertaken by the City of Coldwater. While it would be impossible to make an all-inclusive list of all the cooperative efforts in Coldwater's history, this list provides a good summary of the services provided, the agencies involved, and an estimate of cost savings/revenue associate with these efforts.

As shown, the cost estimates reflect either savings provided to the related agency or revenue derived to offset the cost to the City of Coldwater.

City of Coldwater – Ongoing and Continuing Cooperation/Consolidation Efforts

Description of Service	Participating Departments	Estimated Annual Cost Savings/Revenue
	CLERK	
Election	Coldwater Community Schools	\$10,000/yr
	POLICE	
Mutual Aid	Various Branch County Agencies	Thousands
Dispatch	County Wide 911 Call center	\$100,000+/yr
GIS Systems	County Wide	\$10,000+
Gun Range	Branch County	\$5,000
	COMPOST SITE	
Cooperative Agreement	Coldwater Township	\$15,000.00/yr
	FIRE	
Rural Fire Agreement	Coldwater Township	\$120,000/yr
Rural Fire Agreement	Girard Township	\$50,000/yr
	PUBLIC WORKS	
Mutual Aid - Storm Damage	City of Battle Creek/others	\$30,000
Public Works Project	Branch County Road Commission	Thousands
Street Sweeping Services	Branch Intermediate School District	\$2,000
Street Sweeping Services	Coldwater Community Schools	\$2,000
Parking Lot Rehabilitation	Branch County	\$200,000
Hazardous Waste Collection	Multiple City/Villages/Townships	\$35,000
State purchasing	State of Michigan/Others	Thousands
	MECHANIC	
Fleet Maintenance	Village of Quincy	\$10,000
Shared Compost	5 Municipal Partners	\$20,000
	UTILITIES	
Electric	Surrounding Townships	Thousands
Water/Wastewater	Surrounding Townships	Thousands
Telecommunications	Surrounding Townships	Thousands
Mutual Aid	Multiple City/Villages/Townships	Thousands
	RECREATION	
Parks and Recreation Programs	Various Branch County Agencies	Thousands
Swimming Pool Programs	Various Branch County Agencies	Thousands

Plan for Continued Cooperation, Consolidation and Collaboration

1. The City is planning to consolidate the previously separate Water Department and Street Department into a single Public Works Department. This consolidation will provide a larger pool of shared labor resources to perform work typically in the City's right of way.

By using a joint work force in a more efficient manner it is expected to reduce the total workforce by 1 if not 2 full time employees. In addition, to the efficiencies gained with a shared workforce there is also the ability to share capital equipment. For example, the newly created Public Works Department can share a backhoe as opposed to having each department own their own separately.

Savings: \$60,000 per year in labor savings.

Note> Capital equipment savings would be realized when equipment is needed to be replaced. The savings of one backhoe would be more than \$60,000.

2. The City is exploring sharing street maintenance equipment with other municipalities. For example, the City purchased a crack filling machine and is discussing contracting these services to neighboring communities. Other examples would be street sweeping and potentially a spray patching machine.

Savings: \$30,000 to \$60,000 depending on participation

3. The City is exploring collaborating with other local municipalities to contract for single source solid waste collection. The intent is a better price structure can be achieved through economies of scale with multiple communities. Overall impact would be to reduce the cost to citizens.

Savings: \$1/mo savings on resident's solid waste bill

The City continues to look for alternative and creative ways to reduce the size of government while continuing to provide the services being requested by citizens. These are just three viable cost savings the City is currently working on.