



CITY OF ROYAL OAK

COLLABORATION PLAN 2011

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EXECUTIVE SUMMARY

The City of Royal Oak's mission is "to provide a safe, healthy, and sustainable community". Providing a safe, healthy, and sustainable community becomes more difficult during trying economic times. The City of Royal Oak works toward accomplishing this mission in face of the current economic downturn, in part, by continually pursuing opportunities for collaboration with local communities and every level of government.

This Collaboration Plan is intended to inform Royal Oak residents of current, new, and potential future collaboration efforts between the City of Royal Oak and other governmental jurisdictions. It is prepared in compliance with the second phase of the State of Michigan's new Economic Vitality Incentive Program.

First, a few current collaborations are discussed in detail, and a table of ongoing collaborations including estimated average annual savings to the City and residents is offered. Then, new collaboration efforts being planned with communities in South Oakland County are discussed. Finally, potential ideas for future collaboration are proposed.

Please direct any questions regarding this document to Stewart Meek, Assistant to the City Manager at (248)-246-3200.

CURRENT COLLABORATIONS

The City of Royal Oak has a rich history of leading and participating in collaborative efforts with local communities and organizations. Many of Royal Oak's collaborative efforts, such as the Southeastern Oakland Resource Recovery Authority (SOCRRA), the Southeastern Oakland County Water Authority (SOCWA), and the Southeast Oakland Fire Protection Agreement (OAKWAY) span more than 50 years. Other collaborative efforts have been implemented more recently. The Michigan Inter-governmental Trade Network (MITN) was realized in 2003, and Royal Oak established SWAT partnerships with local communities as recently as this year. Furthermore, the City has reduced its workforce by more than 90 full-time employees since 2005. Internal consolidation and collaboration efforts have allowed the City to absorb these losses without completely eliminating the services it provides.

SOCRRA, founded in the early 1950's, is a municipal corporation with twelve member communities that works to provide members with recycling and waste services at the lowest possible cost. It is estimated that the City of Royal Oak pays approximately 24% less for trash, recycling, and yard waste collection and processing than do comparable cities in the area that are not members. This translates to an estimated average annual savings of approximately \$1.4 million.

The City of Royal Oak was a founding member of SOCWA. SOCWA, similar to SOCRRA, is a municipal corporation founded in 1952 that provides water and sewer services to its eleven member communities. SOCWA saves Royal Oak residents approximately 30% on their water and sewer bills. This represents an estimated \$1 million in average annual savings.

The Michigan Municipal Risk Management Authority (MMRMA) is a public self-insurance pool comprised of member municipal governments. MMRMA, established in 1980, allows local governments to pool their risks resulting in reduced insurance liability and property coverage costs. MMRMA also provides member communities with risk management services including community surveys and training. Royal Oak saves an estimated \$250,000 per year as a member of this collaborative effort.

Royal Oak continued its leadership of collaborative efforts in 2003, becoming a founding member of MITN. MITN is a purchasing system that gives members the opportunity to solicit bids for service more efficiently, and from a larger pool of vendors. It also provides a central online location for the bidding process that ensures vendors have easier access to member agencies and communities. It is difficult to estimate the impact of this collaboration effort considering the variable nature of what is purchased in any given year, and how different the bidding process would be without MITN. However, it is estimated that Royal Oak saves at least \$50,000 annually by participating in this effort.

Another longstanding collaboration effort, OAKWAY, was established in 1955. OAKWAY is a mutual aid agreement between the Royal Oak Fire Department and eight other nearby communities in Southeastern Oakland County. Fire services equipment and personnel are shared when needed for an estimated annual savings of at least \$18,000. OAKWAY has also been an important organization for helping form fire service partnerships with local communities and Oakland County including a Fire Hazmat Response Team and a Fire Technical Rescue Unit that would be very costly for the City of Royal Oak to manage on its own.

The Royal Oak Police Department has formed SWAT high risk tactical response mutual aid partnerships with Ferndale, Hazel Park, Madison Heights, and most recently Troy.

Collaboration with Troy began this year, and includes shared training. These collaborative efforts are estimated to save Royal Oak approximately \$90,000 annually.

Finally, internal consolidation efforts have been the largest source of savings realized for the City of Royal Oak. The most recent economic downturn has put enormous fiscal pressure on the City. A continued decline in taxable value has meant decreased revenues. Up to this point, the City has been able to manage the reduced revenues without completely eliminating any services. This is accomplished in part with short-term fixes, but also by reducing the workforce and consolidating responsibilities internally.

A table listing collaboration efforts currently ongoing with the City of Royal Oak is included in Appendix A. All collaboration efforts listed are between Royal Oak and other governmental jurisdictions or within the City of Royal Oak. The table includes average annual estimates of savings to the City of Royal Oak and its residents. It is important to note that these estimates are often very difficult to calculate because of the long duration of the effort, the uncertainty surrounding what would exist without the effort, and in some cases the potentially enormous costs of providing similar services without collaboration with local jurisdictions. These estimates indicate that the City of Royal Oak has an ongoing and lengthy history of seeking opportunities for collaboration and consolidation where doing so saves money, increases services, or is more efficient.

NEW COLLABORATIONS

The City of Royal Oak is leading an effort to consider the establishment of a regional task force with surrounding communities in Oakland County to increase communication between communities, research potential shared service opportunities, and implement shared service plans.

As evidenced by this and other communities' collaboration plans, local governments in the region have long been interested in pursuing opportunities to collaborate, share resources, and find cost efficiencies. Many groups have been formed through the years to pursue individual pre-determined shared service options. However, this group would be responsible for examining all aspects of local government services to uncover new opportunities for collaboration and researching the potential cost savings for communities involved.

This idea comes from the success of the Macomb Area Communities for Regional Opportunities task force (MACRO). Created in February 2011, MACRO is already on its way to consolidating dispatch services of at least four communities with a predicted cost savings of 30%. They have also implemented parks, recreation, and fire shared service agreements. MACRO's blueprint for success is a starting point that South Oakland County communities can improve upon.

Estimated cost savings for this effort are not possible to calculate because potential individual projects are not known. However, it is likely that a baseline savings target would be adopted by the proposed group for any potential collaboration effort.

Royal Oak is also beginning a sustainability partnership with the Woodward 5 communities of Berkley, Ferndale, Huntington Woods, and Pleasant Ridge. The Woodward 5 recently received a grant administered by Oakland County to form and create a shared sustainability plan that will allow the Woodward 5 to identify certain sustainability outcomes that each community will focus on and measure. Outcomes will be chosen that integrate environmental, economic, and social sustainability priorities.

The partnership will begin with a 20 month planning program led by Oakland County. Oakland County will provide the Woodward 5 with \$80,000 in staff resources to assist in completion and implementation of the sustainability plan. Chosen sustainability efforts will not only improve Woodward 5 communities, but could save residents money in the future. Savings can not be estimated until outcomes for measurement are identified.

COLLABORATIONS FOR THE FUTURE

As the current collaborations table in Appendix A indicates, Royal Oak is engaged in many different collaboration efforts in multiple service areas. However, the City continues to think about the future, and how best to serve responsively, efficiently, and effectively. Generating ideas for future collaboration is an important step toward achieving this effort. The following proposals are ideas for future collaboration that are in the earliest phases of development.

Royal Oak is exploring the possibility of consolidating the Building, Code Enforcement, Planning, and Engineering Departments into a Department of Economic Development. A consolidated department may make it easier for residents, businesses, and organizations to navigate processes and communicate with the City by limiting points of contact. This streamlined process could result in cost savings for permit applicants and residents of Royal Oak. The City could save approximately \$50,000 annually. Also, the City does not currently have a department that deals solely with economic development. A new Department of Economic Development has the potential to focus the City's economic development efforts, and provide a catalyst for new economic development programs.

The Royal Oak Police Department is exploring the possibility of sharing a Crime Analysis Intelligence Officer with surrounding communities. Sharing a Crime Analyst would increase the level of services and save money for every community involved by meeting an ongoing need for service without requiring that every community hire a full-time Officer. A shared Crime Analyst could translate to an estimated annual savings of \$85,000 to the City of Royal Oak.

The City of Royal Oak and the Royal Oak School District are currently engaged in multiple collaboration efforts. Discussions to enhance and increase these efforts continue regularly. Recent ideas have included sharing administrative office space, print shop services, and circulating joint publications. The idea to circulate joint publications would combine the City's *Insight* newsletter with the Royal Oak School District's *Your Schools* newsletter. It is estimated that this endeavor has the potential to save the City \$3,000 annually. Ongoing discussions are aimed at finding mutually beneficial opportunities for collaboration.

Finally, the City of Royal Oak and the City of Berkley may consider sharing Animal Shelters. The two communities already collaborate with animal control services. An expansion to include Animal Shelters would be a natural extension of the current agreement that could improve efficiency, save an estimated \$5,000 annually, and potentially expand services.

Appendix A

Current Collaborations Table

City of Royal Oak

City Department	Partners	Collaboration Effort	Est. Avg. Ann. Savings	Duration
City Attorney	Michigan Municipal Risk Management Authority	Risk Management & Insurance Coverage	\$250,000	25 years
City Manager	Woodward 5 Communities	Woodward 5 - Economic Development Initiatives	\$2,500	2 years
Clerk	Oakland County	Ballot Layout & Coding	\$10,800	4 years
Engineering	Oakland County	George W. Kuhn Retention Treatment Facility	None	8 years
Engineering	Various Communities, Oakland County	Oakland County Federal Aid Funding Committee	\$1,300,000	8 years
Engineering	Madison Heights	12 Mile Road Improvements	\$22,600	*<1 year
Finance	Oakland County	County-wide Database	None	6 years
Finance	Intergovernmental Cable Communications Authority	Cable Communications Management	\$49,000	28 years
Finance	Oakland County	Geographic Information Systems Coordination	\$35,000	14 years
Finance	Michigan Intergovernmental Trade Network	Purchasing System - Collective Bidding	\$50,000	15+ years
Finance	Local Jurisdictions	Tax Collections	\$700,000	8 years
Fire	OAKWAY Communities	Fire Services Personnel/Equipment Sharing	\$18,000	50+ years
Fire	OAKWAY Communities, Oakland County	Fire Technical Rescue Unit	\$600,000	20+ years
Fire	OAKWAY Communities, Oakland County	Fire Hazmat Response	\$600,000	20+ years
Fire	Oakland County	Arson Investigations	\$80,000	10+ years
Fire	Oakland County	MABAS Radio Mutual Aid System	\$150,000	< 1 year
Fire	Oakland County Communities	County Incident Management Team	\$50,000	< 1 year
Fire	Oakland County, Wayne County	Shared Mobileyes Inspection Data	\$1,000	2 years
Fire	Ferndale, Madison Heights	Mutual Aid Agreements	\$200,000	3 years
Fire	Royal Oak School District	Royal Oak Youth Assistance	None	4 years
Library	The Library Network	Purchasing, Continuing Education	\$15,000	20+ years
Library	Various Communities, MCLS	Purchasing, Continuing Education	\$20,000	20+ years
Library	The Library Network	Shared Catalog/Reciprocal Borrowing/Interloan Del.	\$200,000	20+ years
Library	The Library Network	Shared Broadband Internet Services	\$5,000	10+ years
Library	State of Michigan	Michigan Electronic Database	\$75,000	19 years
Library	Troy	Reciprocal Borrowing Agreement	\$100,000	30+ years
Planning	State of Michigan	Neighborhood Stabilization Program - NSP-1	\$250,000	*2+ years
Planning	US Government	HPRP - Homelessness Prevention	\$186,000	*2+ years
Planning	Berkley, WA3	Crosswalk Project - 12 Mile and Woodward	\$85,000	*3 years
Planning	Oakland County	11 Mile Road Improvements	\$150,000	*2 years
Planning	Birmingham, Berkley, Huntington Woods, WA3	Woodward Avenue Median Beautification Project	\$20,000	1 year
Planning	Various Communities, Oakland County	Rochester Road Access Management Plan	\$100,000	*1 year
Planning	Various Communities, US Government	Central Woodward Corridor Alternative Analysis	\$166,000	*< 1 year
Planning	US Government	EECBG - Energy Efficiency	\$181,000	*2+ years
Planning	US Government	CDBG - R (Recovery Funds)	\$120,000	*2+ years
Planning	Oakland County	Task Force on Homelessness	None	<1 year
Police	Berkley	Animal Control Services	\$50,000	6 years
Police	Various Communities, Oakland County, Etc.	Woodward Dream Cruise	\$65,000	13 years
Police	Oaktech	Training Consortium	\$50,000	2 years
Police	Various Communities	CLEMIS - Criminal Justice Data Sharing	\$200,000	35+ years
Police	Various Communities	NET - Undercover Drug Investigations	\$120,000	20+ years

Appendix A

Current Collaborations Table

City of Royal Oak

Police	Ferndale, Madison Heights, Hazel Park	SWAT - High Risk Tactical Police Response	\$50,000	7 years
Police	Troy	SWAT - Shared Training and Mutual Aid	\$40,000	< 1 year
Police	Royal Oak School District	School Liaison Police Officer	\$80,000	5 years
Police	Oakland County Agencies	Radio Communications Tower	\$100,000	4 years
Police	Berkley	Auto Auction	\$5,000	7 years
Police/Fire	Internal	Consolidated Police/Fire Dispatch	\$200,000	20+ years
Public Services	SOCRRA	Recycling & Waste	\$1,400,000	60+ years
Public Services	SOCWA	Water Services	\$1,000,000	50+ years
Public Services	South Oakland County Communities	Public Works Mutual Aid	None	50+ years
Public Services	Ferndale	Emergency Electrician Services	\$1,000	5 years
Public Services	Royal Oak School District	School Bus Fueling, Dumpster Repairs, Salting	\$7,500	10+ years
Public Services	Pleasant Ridge	Water & Sewer Services	\$30,000	5 years
Public Services	Madison Heights	Traffic Signal Maintenance	\$5,000	5 years
Public Services	Oakland County	Winter Road Maintenance	\$15,000	15 years
Public Services	Various Communities	Street Signs	\$1,000	20+ years
Public Services	Troy	Vehicle Maintenance	\$2,500	4 years
Public Services	Berkley, Huntington Woods, WA3	Median Maintenance	\$6,600	7 years
Public Services	SMART	Community Partnership Program - Transportation	\$200,000	20+ years
Public Services	Various Communities	Fuel Purchasing Cooperative	\$38,000	20+ years
Public Services	Michigan Municipal Risk Management Authority	Electric Choice Program	\$25,000	14+ years
Public Services	Clawson	Recreation Programs	\$500	5 years
Public Services	Royal Oak School District	Mutual Use of Facilities	\$15,000	25+ years
Various	Internal	Consolidation of Duties	\$12,000,000	5+ years
Total Estimated Average Annual Savings to the City of Royal Oak & Residents			\$21,499,000	
*Denotes efforts with a defined completion date before 2014				