

December 6, 2011

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

RE: Compliance Form 4887 Consolidation of Services for the City of Grosse Pointe Woods, MI

The City of Grosse Pointe Woods is pleased to submit its form 4887 compliance documents as per Public Act 63, Section 951 Part 3B, Category 2, so we can continue to receive our revenue sharing under the Economic Vitality Incentive Program or EVIP.

The City of Grosse Pointe Woods has chosen to track and display this data using Munetrix to make the information readily available to the public and other local units of government.

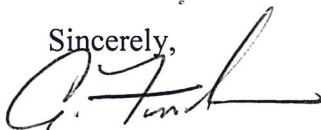
Included with this letter are the required documents for the City of Grosse Pointe Woods - including:

- Our plan of 1 or more proposals to increase existing level of cooperation, collaboration, and consolidation, within the jurisdiction or with other jurisdictions
 - ✓ Includes an estimate of the potential savings for any new service or consolidations being planned.
 - ✓ A listing of previous services consolidated with the cost savings realized from each consolidation listed.

The attached pages are drawn directly from the reporting feature in our Munetrix homepage and we will provide copy to any resident that asks for one. All the documentation necessary to comply with the EVIP requirements are otherwise included with this letter.

We look forward to continue to receive these important EVIP funds from the State of Michigan and trust you contact us if you need any further information or clarification.

Sincerely,



Al Fincham
City Administrator

Economic Vitality Incentive Program Certification of Consolidation of Services

Issued under authority of Public Act 63 of 2011. Filing is mandatory to qualify for payments.

Each city/village/township applying for Consolidation of Services payments must:

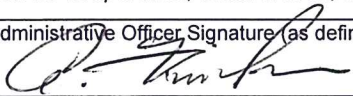
1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a plan to increase its existing level of cooperation, collaboration, and consolidation of services (either within the jurisdiction or with other jurisdictions). The plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of potential savings for any new service consolidations being planned.
2. Submit to Treasury a copy of the plan to increase cooperation, collaboration, and consolidation of services.

This certification, along with a cooperation, collaboration, and consolidation plan, **must be received by January 1, 2012** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

PART 1: LOCAL UNIT INFORMATION

Local Unit Name City of Grosse Pointe Woods, 20025 Mack Plaza Drive, Grosse Pointe Woods MI 48236	
Local Unit Code 822130	Local Unit County Wayne
Contact Name Dee Ann Irby, Treasurer/Comptroller	Contact Telephone Number (313) 343-2440

PART 2: CERTIFICATION

<i>In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by January 1, 2012, the above mentioned local unit has produced and made readily available to the public a plan to increase cooperation, collaboration, and consolidation of services. The plan for cooperation, collaboration, and consolidation of services is attached to this signed certification.</i>	
Chief Administrative Officer Signature (as defined in MCL 141.422b) 	
Title City Administrator	Date 12-6-11

Completed and signed forms (including required attachments) should be e-mailed to: TreasORTA@michigan.gov

If you are unable to submit via e-mail, mail the completed form and required attachments to:

Michigan Department of Treasury
Office of Revenue and Tax Analysis
PO Box 30722
Lansing MI 48909

Treasury Use Only		
EVIP Eligible	Certification Received	EVIP Notes
Y N		
Final Certification	Plan Received	

**City of Grosse Pointe Woods
Shared Services Compliance Report
Listing of Services Cover Sheet**

City of Grosse Pointe Woods
20025 Mack Plaza
Grosse Pointe Woods, MI 48236-2397

Local Unit Code: 822130
Total Savings: \$188,322

Prepared on: Tuesday, December 13, 2011

Shared Services Plan: The City of Grosse Pointe Woods has been actively involved with shared services for many years. The quality of life and sense of community is something every employee and member of council strives for through customer service and efficiencies. We continue to look for new creative ideas and ways to implement additional shared services internally and with our neighbors. Although it is often difficult to quantify cost savings through shared services it is the measure of the quality of life that makes this community such a desirable place for residents and visitor's alike. As we move forward we will continually review ideas that are relevant, cost effective, benefit the community and are measurable in respect to cost savings.

ID	Shared Service Name	Primary Function	Type	Status	Year	Partners
143	Fire Safety Interlocal Agreement	Fire	Joint Venture	Proposed	2011	5
156	Grosse Pointes Dispatch/Prisoner Holding Collaboration Effort	Dispatch	Joint Venture	Proposed	2011	5
154	Public Safety Radio System Upgrade	Police	Joint Venture	Proposed	2012	6
142	Code Enforcement-Building Department Official	Police	Individual Community Initiative	Existing	2011	1
139	Court Diversion Program	Other	Joint Venture	Existing	1980	6
141	Court Officer-Collections Officer	Other	Contractual	Existing	2011	1
153	Early Warning Siren Warning System	Dispatch	Joint Venture	Existing	2011	5
138	Grosse Pointes Consortium for Health Care	Human Resources	Joint Venture	Existing		5
133	Honor Guard	Police	Joint Venture	Existing	2008	5
140	MITN	Other	Contractual	Existing	2003	1
136	OakNet	Police	Contractual	Existing	1989	1
137	Pointe Area Assisted Transportation Services (PAATS)	Transportation	Joint Venture	Existing		6
135	Public Safety Mutual Aid Collaborative	Fire	Joint Venture	Existing	1956	6
157	Recycling Collaborative	Public Works	Public Private Partnership	Existing	2007	2
9	SMART Bus Transportation	Transportation	Independent Authority	Existing	1967	78

Fire Safety Interlocal Agreement Joint Venture

Primary Function	Fire
Status	Proposed
Scope	External
Year Initiated	2011
Shared Service Description	The cost is Undeterminable at this time but is intended to save taxpayer dollars and be a value added service. The City Of Grosse Pointe Woods Council adopted this agreement on December 5, 2011. The interlocal agreement establishes the creation of the Grosse Pointe Fire Services Coordination Committee. This committee will be established for the purposes of: Developing and implementing one or more automatic aid agreements among the members for first response to fire alarms. Planning and implementing unified fire training, cross-jurisdictional drills and unified standard operating procedures among the members. Coordinating and making recommendations to theMembers for the purchase of new safety equipment. It is anticipated that the remaining Grosse Pointes will adopt this agreement within the next month.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		

Grosse Pointes Dispatch/Prisoner Holding Collaboration Effort Joint Venture

Primary Function	Dispatch
Status	Proposed
Scope	External
Year Initiated	2011
Shared Service Description	The five Grosse Pointe communities have been considering substantial changes to their emergency dispatch operations. The goal of this consideration is two-fold: 1. Maintain or improve the current level of service, and 2. Reduce costs. An Ad Hoc Grosse Pointe Public Safety Committee comprised of elected officials and the administrators of each Grosse Pointe municipality have been tasked with exploring and making recommendations that will combine the 5 city community dispatch centers. This is an on-going process and the combined communities have applied for a grant for capital expenditures in the hopes of reaching this goal. The Department of Treasury is making available \$5 million in grant funding to cities, villages, townships, and counties that elect to combine government operations. The grants, part of the new Economic Vitality Incentive Program, are meant to offset the costs associated with mergers, inter-local agreements, and cooperative efforts for approved projects that occur on or after October 1, 2011. Grants can also be used to offset up to 25% of a shared service analysis.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		

Public Safety Radio System Upgrade Joint Venture

Primary Function	Police
Status	Proposed
Scope	External
Year Initiated	2012
Shared Service Description	<p>Department of Homeland Security funding recently became available through Wayne County to assist in the purchase of a new and upgraded radio system. A new system consists of all new hardware and software with new dispatch consoles. The new server will be housed at the City of Grosse Pointe Farms. The new proposed system is compatible with the State of Michigan Astor 25 system. The Grosse Pointes and Harper Woods will have direct access to radio communications with other jurisdictions, including the City of Detroit and Macomb County. Currently, the Grosse Pointes and Harper Woods Departments are on a separate, stand alone radio frequency. This grant was awarded to resolve interoperability issues outside of the Grosse Pointes and Harper Woods. The cost of the new radio system and upgrades, as provided by the vendor, is \$1,050,000. Of that amount, \$485,000 will be reimbursed by Wayne County through the Homeland Security Grant leaving a balance of \$565,000 to be paid by the communities. The cost breakdown of the new system is as follows: Grosse Pointe Farms \$ 137,751.78 Grosse Pointe City \$ 63,440.39 Grosse Pointe Park \$ 117,409.03 Grosse Pointe Shores \$ 54,631.94 Grosse Pointe Woods \$ 131,540.55 Harper Woods \$ 59,283.31 Wayne County (DHS Grant) \$ 485,943.00 Total \$1,050,000.00 Installation/activation is expected in March 2012.</p>

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County	\$63,440	\$54,620
Grosse Pointe Farms	City	Wayne County	\$137,751	\$118,618
Grosse Pointe Park	City	Wayne County	\$117,409	\$101,125
Grosse Pointe Shores	City	Wayne County	\$54,631	\$47,039
Grosse Pointe Woods	City	Wayne County	\$131,540	\$113,322
Harper Woods	City	Wayne County	\$59,283	\$51,073

Code Enforcement-Building Department Official Individual Community Initiative

Primary Function	Police
Status	Existing
Scope	Internal
Year Initiated	2011
Shared Service Description	The combination of a Building Department Official duties with parking enforcement has resulted in a cost savings of \$25,000. That savings is the cost to hire an additional part-time parking enforcement officer

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe Woods	City	Wayne County		\$25,000

Court Diversion Program Joint Venture

Primary Function	Other
Status	Existing
Scope	External
Year Initiated	1980
Shared Service Description	The five Grosse Pointes and Harper Woods have established a joint Juvenile Diversion Program through the district court with the assistance of CARE of Macomb County. The Juvenile Diversion Program is a voluntary, confidential alternative to the formal court process for juveniles. The program makes it possible for offenders to take responsibility for their unlawful actions and make restitution to their victims and the community. Once approved, fulfilling a Diversion contract results in the dismissal of charges, and has been shown to deter further unlawful behavior. A vast majority of the people who complete the program do not re-offend. The program also is cost effective because it takes less time and money to process a case through the Diversion Program than through the court system. Harper Woods and the five Grosse Pointes chose to fund this program so it is free to participants, but it is also possible to pass the program charges (which are much lower than going through the traditional court system) to the offender. Either method provides efficiency in the court system by reducing case loads, and if passed onto the offender, costs as well.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		
Harper Woods	City	Wayne County		

Court Officer-Collections Officer Contractual

Primary Function	Other
Status	Existing
Scope	Internal
Year Initiated	2011
Shared Service Description	A court Officer has been retained to concentrate on outstanding court collections and to serve as a court officer. Savings are realized through the elimination of having an on-duty or off-duty officer present for each court date. Additionally, this position is tasked with the collections of outstanding monies owed to the municipal court.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe Woods	City	Wayne County		\$50,000

Early Warning Siren Warning System Joint Venture

Primary Function	Dispatch
Status	Existing
Scope	External
Year Initiated	2011
Shared Service Description	An emergency management grant was received through Wayne County to install early warning sirens throughout the Grosse Pointes and Harper Woods with work being completed in 2011. Grosse Pointe Woods provides activation of outdoor sirens for the participating jurisdictions. Siren activation is provided in the event of severe weather conditions and for the testing of these sirens on a monthly basis.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		
Harper Woods	City	Wayne County		

Grosse Pointes Consortium for Health Care Joint Venture

Primary Function	Human Resources
Status	Existing
Scope	External
Year Initiated	
Shared Service Description	The Consortium for Health Care involves collaboration between the five Grosse Pointes which increases the power of the communities to negotiate lower health care costs for all municipal employees and retirees. Using a single third party health care contractor (Cornerstone Benefits LLC), the five communities are treated as a single "entity" when negotiating plan rates. Each community signs individual contracts with the health care providers for the separate health care plans, thus treated as separate "departments" within the "entity". Services negotiated include life insurance, health insurance, dental care, prescription coverage, and vision care. Cornerstone also provides the Human Resource departments for each community a tailored benefits booklet which frees up time and money for the departments. The human resource managers from each community meet on a regular basis to discuss any changes in contracts or plans, usage trends and to review any new vendor contracts. This collaboration has allowed the member communities to negotiate better health care rates for their employees and has saved countless labor hours in the negotiation and implementation phases of the health care plans.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		

Honor Guard Joint Venture

Primary Function	Police
Status	Existing
Scope	External
Year Initiated	2008
Shared Service Description	Cost is Undeterminable/Value Added Service. The Honor Guard is a ceremonial unit responsible for attending special community events such as parades, memorial presentations and funerals for public safety officers in the communities. The Honor Guard consists of 1-2 officers from each community. Members undergo one week of training which covers topics such as marching in formation, proper flag presentation and folding, holding the casket and memorial presentations. This collaboration allows the public safety officers to take part in community events, properly represent their department and comrades during high profile events and increase public relations. The collaboration between the five communities has allowed for the sharing of costs associated with the group such as the purchasing of additional uniforms, training classes and specialized badges. Participation in the Honor Guard is voluntary and while attending events outside of the five communities, participants are not paid.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		\$1
Grosse Pointe Farms	City	Wayne County		\$1
Grosse Pointe Park	City	Wayne County	\$1	
Grosse Pointe Woods	City	Wayne County		
Harper Woods	City	Wayne County	\$1	

MITN Contractual

Primary Function	Other
Status	Existing
Scope	External
Year Initiated	2003
Shared Service Description	<p>The Michigan Intergovernmental Trade Network (MITN) is an e-Procurement system developed by BidNet to create a regional bid notification system. The MITN system aggregates bid lists and removes the administrative workload associated with such lists. This online system allows vendors to register into the system while MITN matches them with bidding and quote opportunities. Private firms also have complete access to all MITN participating agencies and bid information from the Web site. MITN provides instant access to all community Bids, RFP's, Quotes, Addenda and Awards online, including bid and quote results. MITN also includes an auction system which allows governmental agencies to sell surplus city property in an electronic auction environment. MITN agencies include 25 municipalities, 5 counties, 3 Villages, Huron-Clinton Metropolitan Authority, Road Commission of Macomb County, SMART and the Wayne County Airport Authority. Participants have realized cost savings through procuring goods and services in a complete bidding environment, and through streamlined bidding processes. MITN is a free service to participating agencies.</p>

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe Woods	City	Wayne County		

OakNet Contractual

Primary Function	Police
Status	Existing
Scope	Internal
Year Initiated	1989
Shared Service Description	<p>OakNet is a metropolitan area network built on a county owned redundant path fiber optic backbone. The network also includes extensive use of multiple leased circuits for geographically dispersed locations and additional redundant connections. The regional system provides more than 400 miles of high-speed broadband connectivity to 120 sites including district courts, municipalities, police, fire and facilities throughout Oakland County. In addition, the fiber optic backbone provides a cost-effective way to connect approximately 80 police and fire agencies to CLEMIS data systems. The goal is to provide a highly reliable cost-effective way to deliver public safety voice, video arraignment, and multiple data information systems on a regional basis. Additional regional data systems include biometric, computer aided dispatch, law records management, mobile data solutions, and Internet access. Oakland County installed and maintains the network in addition to providing continued funding.</p>

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe Woods	City	Wayne County		

Pointe Area Assisted Transportation Services (PAATS) Joint Venture

Primary Function	Transportation
Status	Existing
Scope	Region
Year Initiated	
Shared Service Description	This service provides seniors (60+) and Grosse Pointe/Harper Woods residents who are handicapped with transportation anywhere in the area bounded by 11 Mile Road, Gratiot Avenue, Chalmers and Jefferson Avenue. The cost per one-way trip is \$2.00 within Harper Woods and the five Grosse Pointes; \$3.00 outside the limits of the six cities, but still within the PAATS boundaries; and \$4.00 to any approved site-specific location. This service is sponsored by the Grosse Pointes, Harper Woods, Community Development Block Grant Program, Michigan Department of Transportation and SMART.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		
Harper Woods	City	Wayne County		

Public Safety Mutual Aid Collaborative Joint Venture

Primary Function	Fire
Status	Existing
Scope	External
Year Initiated	1956
Shared Service Description	Since 1956, the 5 Grosse Pointes and Harper Woods have collaborated in providing a mutual aid agreement to provide public safety services to their citizens. Rather than a police or fire mutual aid, this public safety mutual aid agreement involves all officers and fire personnel taking part in cross training in the fields of fire and law enforcement. Additional personnel/equipment are called for in the event of a local incident beyond the resources of any one municipality.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Woods	City	Wayne County		
Harper Woods	City	Wayne County		

Recycling Collaborative Public Private Partnership

Primary Function	Public Works
Status	Existing
Scope	Internal
Year Initiated	2007
Shared Service Description	The Cities of Grosse Woods has collaborated in contracting with Rizzo Services for our recyclable refuse pick-up program. This program involves the distribution of recyclable waste refuse bins to residents and weekly curb-side pick-up and transportation of recyclables.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Grosse Pointe Woods	City	Wayne County		
Rizzo Services	For-profit	Macomb County		

SMART Bus Transportation Independent Authority

Primary Function	Transportation
Status	Existing
Scope	Region
Year Initiated	1967
Shared Service Description	The Suburban Mobility Authority for Regional Transportation (SMART) is Southeast Michigan's only regional bus system helping people get to/from work, school, medical appointments, shopping centers, entertainment and cultural events. Providing 12 million rides annually, SMART operates 275 Fixed Route buses on 54 routes, 7 days a week, 22 hours a day as well as Connector Service for seniors and people with disabilities who can't access SMART's regular Fixed Route service. Additionally, through our Community Partnership Program (CPP), SMART partners with 75 municipalities and organizations to support local transit service by leveraging federal funding that is returned to local communities.

Partners

Partner Name	Type	Lies Within	Contribution	Savings
Allen Park	City	Wayne County		
Armada	Village	Macomb County		
Armada Township	Township	Macomb County		
Auburn Hills	City	Oakland County	\$1,022,762	
Berkley	City	Oakland County	\$281,412	
Beverly Hills	Village	Oakland County		
Bingham Farms	Village	Oakland County		
Birmingham	City	Oakland County	\$1,104,424	
Bloomfield Township	Township	Oakland County	\$1,998,992	
Bruce Township	Township	Macomb County		
Center Line	City	Macomb County		
Chesterfield Township	Township	Macomb County		
Clawson	City	Oakland County	\$204,898	
Clinton Township	Township	Macomb County		
Dearborn	City	Wayne County		
Dearborn Heights	City	Wayne County		
Eastpointe	City	Macomb County		
Ecorse	City	Wayne County		
Farmington	City	Oakland County	\$196,399	
Farmington Hills	City	Oakland County	\$2,114,348	
Ferndale	City	Oakland County	\$339,628	

Franklin	Village	Oakland County		
Fraser	City	Macomb County		
Garden City	City	Wayne County		
Grosse Pointe	City	Wayne County		
Grosse Pointe Farms	City	Wayne County		
Grosse Pointe Park	City	Wayne County		
Grosse Pointe Shores	City	Wayne County		
Grosse Pointe Township	Township	Wayne County		
Grosse Pointe Woods	City	Wayne County		
Hamtramck	City	Wayne County		
Harper Woods	City	Wayne County		
Harrison Township	Township	Macomb County		
Hazel Park	City	Oakland County	\$153,883	
Highland Park	City	Wayne County		
Huntington Woods	City	Oakland County	\$180,450	
Inkster	City	Wayne County		
Lake Township	Township	Macomb County		
Lenox Township	Township	Macomb County		
Lincoln Park	City	Wayne County		
Macomb Township	Township	Macomb County		
Madison Heights	City	Oakland County	\$599,283	
Melvindale	City	Wayne County		
Memphis	City	Macomb County		
Mount Clemens	City	Macomb County		
New Baltimore	City	Macomb County		
New Haven	Village	Macomb County		
Oak Park	City	Oakland County	\$361,226	
Pleasant Ridge	City	Oakland County	\$70,397	
Pontiac	City	Oakland County	\$561,574	
Ray Township	Township	Macomb County		
Redford Township	Township	Wayne County		
Richmond	City	Macomb County		
Richmond Township	Township	Macomb County		
River Rouge	City	Wayne County		
Riverview	City	Wayne County		

	Village	Macomb County		
Romulus	City	Wayne County		
Roseville	City	Macomb County		
Royal Oak	City	Oakland County	\$1,262,625	
Royal Oak Township	Township	Oakland County	\$20,079	
Shelby Township	Township	Macomb County		
Southfield	City	Oakland County	\$1,726,874	
Southfield Township	Township	Oakland County	\$575,676	
Southgate	City	Wayne County		
St. Clair Shores	City	Macomb County		
Sterling Heights	City	Macomb County		
Taylor	City	Wayne County		
Trenton	City	Wayne County		
Troy	City	Oakland County	\$2,825,602	
Utica	City	Macomb County		
Walled Lake	City	Oakland County	\$105,221	
Warren	City	Macomb County		
Washington Township	Township	Macomb County		
Wayne	City	Wayne County		
West Bloomfield	Township	Oakland County	\$2,014,641	
Westland	City	Wayne County		
Wyandotte	City	Wayne County		

DRAFT Grosse Pointes Dispatch/Lock-up Collaboration Effort

INTRODUCTION

The five Grosse Pointe communities have been considering substantial changes to their emergency dispatch operations. The goal of this consideration is two-fold:

1. Maintain or improve current level of service, and
2. Reduce costs

To that end, two major options have been explored. A Subcommittee made up of the 5 city managers, the 5 public safety directors, and a SEMCOG representative was given by the Ad Hoc Grosse Pointe Public Safety Committee comprised of elected officials and the administrators of each Grosse Pointe municipality, the task to explore these options and make recommendations. Their recommendations and rationale for those recommendations is the subject of this report.

The first option is to abandon Grosse Pointe based dispatch operations entirely, and become a member of the dispatch authority South East Regional Emergency Services Authority (hereinafter referred to as SERESA), or simply purchase the service from SERESA without becoming a member.

The second option under consideration is to form a combined Grosse Pointe Dispatch that would perform dispatch duties for the 5 Grosse Pointes.

During the course of investigation into the two aforementioned options, a third option evolved. Recognizing that the first two options would involve a large capital expenditure and would require a great deal of time and negotiations, the option of smaller groups of cooperation between the Grosse Pointe communities could perhaps be accomplished in a more expedient fashion, without the large upfront expenditures. It is acknowledged that this may be a temporary solution until equipment demands dictate a change, but this option may buy the cities time and move those expenses to a time that is less fiscally challenging, and give the cities the opportunity to plan for the larger move.

RECOMMENDATIONS

It is recommended that the SERESA option be declined and no longer considered a viable solution. The cost of the SERESA route has proven to be higher than expected and would result in a significant loss of local control with little or no financial benefit.

It is further recommended that the 5 city combined dispatch center continue to be on the table and work to ultimately accomplish this goal be ongoing. It may be the best option

operationally once logistics and finances are worked out, but those issues will take time and money to resolve.

It is finally recommended that a smaller unit of governmental cooperation option be pursued. At this time, it would require very little capital expenditure and will have far fewer logistical issues.

All of these recommendations are explored in more detail below.

RATIONALE FOR RECOMMENDATIONS

SERESA

Early on in the discussions on dispatch restructuring, the SERESA option looked quite attractive. With this option, the cities would divest themselves of the responsibility and expense of public safety dispatching and would pay a fee to become a member of SERESA, or would simply pay a fee to purchase services based upon some formula, presumably predicated on run volume. While the loss of local control was an issue, as well as provisions for prisoner lock-up and walk-in traffic, it was thought that if the financial savings were substantial enough, this may be worth exploring.

The investigation of this option was stretched out for some months by SERESA, as it wanted to get their operations up and running before entertaining taking on new members. With SERESA going operational early this year, the committee received figures from SERESA the first week of March. Those figures make it clear that this is no longer a route worth pursuing. The figures are listed below, and are dependent on how many of the Grosse Pointe cities are involved:

Number of communities	Annual fee	Average fee/community
1 community	\$250,000	\$250,000
2 communities	\$500,000	\$250,000
3 communities	\$730,000	\$245,333
4 communities	\$730,000	\$182,500
5 communities	\$730,000	\$146,000

The current budgets for the Grosse Pointe communities' dispatch services are:

City	\$239,060
Farms	\$328,005
Park	\$231,854
Shores	\$255,714
Woods	\$226,961

As can be easily seen, the savings even at the least expensive rate with all 5 communities on board are not as significant as anticipated based on initial indications from SERESA. In fact, when considering that SERESA makes no provision for prisoner lock-up, and the cities would still need to address that issues as well as walk-up traffic, reports for citizens, non-emergency calls and other administrative functions, it is questionable as to whether there would be any savings at all, and only if all five cities joined.

In addition to this, the option of being on the governance body of SERESA is not available, and no provision for hiring of any current Grosse Pointe dispatch employees has been offered. The Grosse Pointes would be in the position of eliminating all employees involved in dispatch with no options available to those employees, and the Grosse Pointes would become a consumer of services, with little influence in how the operation is run, and faced with a monumental task of putting an entirely new dispatch system together should they decide to withdraw from SERESA in the future.

Therefore, due to the loss of local control at virtually no benefit while not fully meeting all the Grosse Pointe needs, it is recommend that SERESA be dropped from any further consideration.

Five City Combined Dispatch

The five city combined dispatch operating as an intergovernmental cooperative effort remains a viable and desirable option. Operationally, having one central dispatch with a central lock-up makes sense. Sharing the capital costs of radio, telephone, and reporting systems is extremely beneficial. With these and other benefits in mind, this initiative should continue to be actively pursued.

However, there are difficulties that must be overcome in accomplishing a complete merger. The devil is in the details, and discovering and reassigning all of the duties a dispatcher currently performs which varies by community would be a critical task. Labor issues would need to be addressed. In all likelihood, the current positions would be eliminated and those bargaining units would cease to exist when the contracts expired. The newly formed communications department would then negotiate new contracts with employees. This would be time consuming, laborious and potentially politically difficult. The new dispatch center, assumed for purposes of this review to be in Grosse Pointe Park, would need to be reconstructed with new communications equipment installed at significant upfront cost. There are many other points that must be considered, but these are a few of the major ones. Probably the biggest decision that must be made is how to fund the new center.

Several cost sharing and funding scenarios have been developed, and the results vary widely. The Subcommittee evaluated dividing the cost based on taxable value, dispatched calls, 50/50 taxable value and dispatched calls, total incoming calls, and 50/50

taxable value and total incoming calls. All of these scenarios resulted in big winners and big losers, with the extremes being one community saving 61%, and one community paying over 70% more. Obviously big winners and big losers do not make for a lasting collaboration. (See attached spreadsheet.)

Therefore, while the Subcommittee did not reach a consensus, it seems that the most even distribution of savings would be based on either sharing the costs equally, or sharing the savings equally. Sharing the costs equally is easy to calculate. Simply take the total cost of dispatch operations, divide it by five, and that's it. The community spending the most now would benefit the most, and conversely the community spending the least would benefit the least, but the savings are fairly close with the divergence being no where near as great as in the other scenarios.

Sharing savings would result by determining the total savings, distributing those savings equally, then as time goes on, whatever percentage of the total operation each community occupied when the savings were determined would be continued on. For example, The City of Grosse Pointe currently budgets \$239,060 for dispatch, which is 18.65% of the total of \$1,281,594 budgeted by all five cities. Should the proposal be enacted as currently envisioned, there would be a 28.8% overall savings resulting in a total expenditure for dispatch of \$ 912,030. The City of Grosse Pointe would be responsible for 18.65% of that cost, or \$170,124, a 28.8% savings. The City of Grosse Pointe would continue to pay 18.65% of dispatch costs.

How much savings can be derived from such a consolidation? There are two types of savings to be had by the consolidation effort: One-time savings in capital expenditures, and ongoing savings from the more efficient model. The one-time savings available appear to be in the range of \$215,000 overall. This is the net return derived from the savings from consolidated replacement of outdated communications equipment (see previous report for details) minus the expense of necessary reconstruction to accommodate the new dispatch center.

The attached spreadsheet shows the ongoing savings that can be attained, which is an overall savings of 28.8% of current costs. (The potential cost savings do not include any estimated savings from reduced legacy costs under a consolidated intergovernmental entity.) These figures represent savings presuming a staffing level of 14 full-time dispatchers, providing 3 dispatchers on duty. Three dispatchers on duty at all times is presumed to be a minimum level of staffing with more analysis needed. For the sake of discussion, assuming the staffing level of 14 is adequate, could the savings be increased further? Yes, they could, by reducing the number of full-time dispatchers and replacing them with part-time.

It had been the desire of this Subcommittee to retain as many current full-time employees as possible. There are currently 16 full-time employees between the 5 cities, and it was presumed that there would be at least 2 dispatchers retiring prior to the implementation of the consolidated dispatch plan. The average salary and benefits cost of a dispatcher in the Grosse Pointes is \$65,145. The rate for a part-time dispatcher is around \$17 per hour. In

the 12-hour shift model proposed, the average workweek is 42 hours, or 2,184 hours per year, resulting in an annual cost of \$37,128 if a part-time dispatcher was to occupy a full-time slot. For each full-time dispatcher replaced by part-time personnel, there is a savings of approximately \$28,000. In order to determine the total savings available, the public safety directors would need to ascertain what the smallest core of full-time personnel would be, supplemented by part-time personnel.

Once that core is determined, it could be achieved in one of two ways. Full-time personnel could be immediately laid-off and replaced with part-time personnel, or as dispatchers leave employment through retirement or other life circumstances, they could be replaced by attrition. The latter choice is certainly preferable if financially feasible.

As stated earlier, this model will take substantial effort and time to accomplish. The Subcommittee believes it is worth the time and effort, but in the interim, another solution may be feasible.

Smaller Units of Intergovernmental Cooperation

Significant savings may be realized by cities partnering up with each other to offer dispatch services. For example, a smaller city partnering with a larger city. The major advantages to this model are it could be accomplished relatively quickly, with little to no capital expenditure. The major disadvantages are the savings result almost entirely from the elimination of personnel, and the fact that this is a temporary solution.

It is a temporary solution because in this scenario, there is no provision for the replacement of outdated communications equipment. This equipment is no longer being supported by the manufacturer in terms of parts and could at any time fail, with no option other than replacement. The large capital expenditure would be deferred until necessary. The timing of that necessity is impossible to predict, however, this option is made more feasible by having the abandoned communications equipment available to be stripped out for parts as needed.

In this scenario, one community would get out of direct provision of the public safety dispatching business, and would purchase service from another Grosse Pointe community. The remaining issues common to any type of consolidation effort, such as lock-up, walk-ins, etc. would need to be resolved, but would be less complicated in the smaller model.

As work would continue in the future toward complete dispatch consolidation with all the Grosse Pointes, it would be made simpler by now having to deal with 2 or 3 entities as opposed to five. Much of the difficult work and tough decisions of personnel issues, reporting systems, etc. would have already have been accomplished. The Subcommittee feels that this is a viable short-term option.

An added benefit to this short-term option could be in the form of state revenue sharing. The Governor has made it clear that state revenue sharing will be impacted by how well local governmental units are sharing services. While it is not yet determined what that impact will be and how it will be calculated, by getting this short-term option in place, it could place the Grosse Pointes in a better position to take advantage of such a plan. And further Grosse Pointe wide consolidation could position the Grosse Pointes to qualify for additional service sharing incentives in the future.

Conclusion

As stated earlier, the Subcommittee recommends that the SERESA option be eliminated and no further time be spent on it. Further, the Subcommittee recommends that the full dispatch consolidation continue to be pursued, recognizing that it will be a prolonged effort with much work to be done. Finally, we recommend that serious discussion begin between the cities on how to best quickly implement the short-term solution of small units of intergovernmental cooperation.

Once the direction of the dispatch initiative has been determined, we also recommend that we continue with broader public safety cooperative efforts. Sharing fire services had been discussed earlier and had been tabled in order to concentrate on the dispatch issue. If a course of action can be decided on for dispatch and approved by the respective councils as needed, it is suggested that the full Ad Hoc Public Safety Committee move on to the next issue while implementation of the dispatch situation is ongoing.

GROSSE POINTE

FIRE SAFETY INTERLOCAL AGREEMENT

This Interlocal Agreement (“Agreement”) is executed as of the date set forth below among the CITY OF GROSSE POINTE, having its principal office at 17147 Maumee, Grosse Pointe, MI 48230, the CITY OF GROSSE POINTE FARMS, having its principal office at 90 Kerby Road, Grosse Pointe Farms, MI 48236, the CITY OF GROSSE POINTE PARK, having its principal office at 15115 E. Jefferson, Grosse Pointe Park, MI 48230, the CITY OF GROSSE POINTE WOODS, having its principal office at 20025 Mack Plaza, Grosse Pointe Woods, MI 48236, and the VILLAGE OF GROSSE POINTE SHORES, A MICHIGAN CITY, having its principal office at 795 Lake Shore, Grosse Pointe Shores, MI 48236 (“Members”).

RECITALS

A. The Urban Cooperation Act, Public Act 7 of the Public Acts of 1967 of the State of Michigan, as amended, authorizes public agencies of the State of Michigan to jointly exercise any power, privilege or authority which the agencies share in common and might exercise separately. Pursuant to the Act, the joint exercise of power shall be made by contract in the form of an interlocal agreement.

B. The Act authorizes an interlocal agreement to provide for a separate administrative entity to carry out the purposes of the interlocal agreement.

Now, therefore, based on the foregoing Recitals, and in consideration of the terms of this Agreement, the Members agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Unless otherwise specifically provided in this Agreement, the definitions contained in the Act shall apply in the interpretation of this Agreement.

ARTICLE 2

ESTABLISHMENT OF FIRE SERVICES COORDINATION COMMITTEE

2.1 Creation of the Grosse Pointe Fire Services Coordination Committee. Pursuant to the provisions of the Urban Cooperation Act, Public Act 7 of 1967 of the State of Michigan, as amended (“Act”) the Members jointly create a program and planning entity known as the Grosse Pointe Fire Services Coordination Committee (“Fire Committee”).

2.2 Purpose. The Fire Committee exists for the purposes of:

2.2.1 Developing and implementing one or more automatic aid agreements among the members for first response to fire alarms; and

2.2.2 Planning and implementing unified fire training, cross-jurisdictional drills and unified standard operating procedures among the Members; and

2.2.3 Coordinating and making recommendations to the Members for the purchase of new fire safety equipment.

The Fire Committee shall create a sub-committee composed of the Directors of Public Safety of the Members to make recommendations to the Fire Committee on how to accomplish the purposes of the Committee.

2.3 Powers. The Fire Committee shall have all the powers necessary to effect any purpose for which it is formed, and all the powers granted by the Act.

2.3.1 Any agreements placing any operational requirements on the Members shall be approved by all the Members.

2.3.2 Any agreements placing any monetary obligations on the Members shall be approved by all the Members.

2.3.3 Every instrument executed by the Fire Committee, which creates an obligation of any kind on behalf of the Fire Committee, shall include a statement by the Fire Committee that neither the Committee, nor the Members, shall be held to any liability in their individual capacity under the instrument.

2.4. Restrictions and Limitations of Power. The powers exercised by the Fire Committee shall be limited by the Act and to those necessary to carry out the purpose of the Fire Committee. Specifically, the Fire Committee shall not possess the powers or authority set forth in this Section 2.4.

2.4.1 The Fire Committee shall not possess the power or authority to levy any type of tax.

2.4.2 The Fire Committee shall not possess the power or authority to issue any type of bond.

2.4.3 The Fire Committee shall not possess the power or authority to incur debt on behalf of any governmental unit.

No action other than that authorized by this Agreement, shall be taken by or on behalf of the Fire Committee.

2.5 Execution Of Agreement. This Agreement shall be executed by the Members' chief elected official and the City Clerk of each Member. If a particular Member requires additional signatures in order to bind it to an agreement, such signatures shall be required by such Member to effectuate this Agreement. Copies of the original Agreement shall be available to any Member upon request.

2.6 Modification. This Agreement may be modified at any time by a unanimous vote of the governing bodies of each Member, provided that such modification does not violate the Act or any other provision of this Agreement.

2.7 Indemnification. Pursuant to the Act, all of the privileges and immunities from liability, and exemptions from laws, ordinances and rules, and all pensions, relief, disability, workmen's compensation and other benefits which apply to the activity of officers, agency, or employees of any public agents or employees of any public agency when performing their respective functions within the territorial limits for their respective agencies shall apply to the same degree and extent to the performance of such functions and duties of Members or the Committee under the provisions of this Agreement.

ARTICLE 3

GOVERNANCE

3.1 Committee. The Fire Committee shall be composed of the Manager of each Member or his/her designee ("Committee Members"). The Committee's powers and duties shall be governed by this Agreement. No Committee Member shall be liable in his or her individual capacity for any act or omission of the Fire Committee. The Committee Members shall serve at the pleasure of their appointing Member and shall operate under such rules as they may agree by majority vote.

ARTICLE 4

MEMBERSHIP

4.1 **Members.** The Fire Committee is organized on a membership basis.

4.2 **Withdrawal.** Any Member may withdraw from the Fire Committee on vote of that Member's governing body and sixty (60) days notice to every other Member of the Fire Committee.

ARTICLE 5

DISSOLUTION AND WINDING UP

5.1 **Dissolution.** The Fire Committee shall dissolve and its affairs shall be wound up on the first to occur of the following events: (1) At any time specified in this Agreement, (2) Upon action by the governing bodies of all the Members, or (3) Upon termination of this Agreement.

5.2 **Winding Up.** Upon dissolution, the Fire Committee shall cease carrying on its business and affairs and shall begin winding up. The Fire Committee shall complete the winding up as soon as practicable. The Fire Committee shall prepare and issue a final report, including a final audit, to each Member. Upon dissolution, title to all property owned by Fire Committee and all assets, if any, shall be distributed and shall vest in the Members.

ARTICLE 6

MISCELLANEOUS

6.1 **Effective Date.** This Agreement shall become effective upon execution by the Members and filing of the Agreement with the appropriate government entities as required by the Act.

6.2 **Integration.** This Agreement sets forth the full and final agreement between the Members with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, proposals, understandings and representations, written or oral, between the parties with respect to the subject matter hereof. All rights and remedies shall be cumulative and not exclusive of any other rights or remedies.

6.3 **Severability.** If any part or article of this Agreement is found to be invalid by a court, the remaining articles shall remain in full force and effect and not affected by such determination.

6.4 Captions. The captions to the various sections of this Agreement are for the convenience of the parties only and shall not affect the meaning or the interpretations of this Agreement.

6.5 Counterparts and Facsimile Copies. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement.

6.6 Governing Law, Jurisdiction and Venue. This Agreement is governed by the laws of Michigan. The exclusive jurisdiction and venue for all legal actions arising out of and related to this Agreement shall be in an appropriate federal or state court sitting in the State of Michigan, County of Wayne, and the parties hereby consent to the jurisdiction of such courts.

[signature pages follow]

CITY OF GROSSE POINTE

_____, Mayor

_____, Clerk

CITY OF GROSSE POINTE FARMS

_____, Mayor

_____, Clerk

CITY OF GROSSE POINTE PARK

_____, Mayor

_____, Clerk

CITY OF GROSSE POINTE WOODS

_____, Mayor

_____, Clerk

VILLAGE OF GROSSE POINTE SHORES,
A MICHIGAN CITY

_____, Mayor

_____, Clerk