



innovative *by* nature

Shared Services Summary Report City of Rochester Hills

The City of Rochester Hills has a long history of collaboration and shared service agreements dating back to when we were first established as a city in 1984, and as recent as 2011. From leasing city offices to non-profit organizations, sharing department employees with our neighboring communities, to signing 10 various Inter-Local Agreements with our neighbors, joint partnerships and shared services have been a best practice of Rochester Hills for 28 years.

These creative and innovative solutions have helped us maintain efficiencies and services, having realized an estimated savings of \$5,135,233 and generating additional revenues of \$111,270 annually.

In addition to the agreements listed above, the City of Rochester Hills currently provides a wide variety of shared services for, and with, various organizations and community groups that reach beyond the city limits, including;

- Accounting services
- Repair and maintenance on work vehicles
- Waste management collection and Recycling
- Leasing vacant city-owned buildings
- Contracting of law enforcement and dispatch services
- Purchase and rental of equipment
- Sharing department employees with neighboring communities

As we have demonstrated, shared services have been vital to the success of Rochester Hills. All levels of city management are committed to continuously examine opportunities to improve processes that heighten efficiencies and effectiveness.

We continue to explore the potential benefits of entering into partnerships and further sharing of services in all areas of government operations. Also included in our report, you will find just a few of the other areas we are currently pursuing.

With the extensiveness of our shared services, we have become the statewide leaders in collaboration and consolidation, and we proudly submit our summary report.

Sincerely,

Bryan K. Barnett, Mayor
City of Rochester Hills

Current Successful Partnerships

Below is a listing of the current shared service agreements and partnerships, along with cost savings/revenue associated with the arrangement.

Local Organizations/Agencies:

1. Older Person's Commission (OPC)

Partnership Since: 1983

Revenue: \$26,910

Savings: \$314,718.00

- For nearly twenty-nine (29) years, the Accounting Division has been providing the Older Person's Commission with accounting services. Additionally, the Rochester Hills Department of Public Services provides maintenance and repairs of twenty-two (22) busses and vans used for the OPC's transportation program. These services add up to nearly \$37,000 in additional revenue for the City of Rochester Hills that is used to offset expenses.

2. Rochester Avon Recreational Authority (RARA)

Partnership Since: 1985

Revenue: \$21,360

Savings: \$90,515

- The Rochester Avon Recreational Authority (RARA) was established in 1971 under an interlocal agreement between the City of Rochester Hills (formerly Avon Township), the City of Rochester, Rochester Community Schools, and the Avondale School District for the purpose of organizing and providing recreation programming for area residents. RARA offers programs for youth and adult sports, summer programs, and enrichment activities.
- Since 1985, the City of Rochester Hills has performed all of RARA's accounting services including; Payroll, Accounts Payables, General Ledger and Revenue and Expense Reports. These services generate over \$21,000 annually for the city and are used to offset expenses.

3. Rochester Hills Public Library

Partnership Since: FY 2010

Revenue: \$6,000 annually

Savings: \$1,050,000

- The Rochester Hills Department of Public Service provides maintenance and repair of two (2) Bookmobiles used for the library's Community Outreach Program.

4. Clinton River Watershed Council

Partnership Since: January 2011

Revenue/Savings: \$18,000

- The Clinton River Watershed Council (CRWC) is currently leasing office space from the City of Rochester Hills in what was previously known as the Environmental Education Center. This partnership is truly a win-win for both parties as it allows the Clinton River Watershed Council to keep their headquarters on the Clinton River, while allowing the City of Rochester Hills to save in the operational costs of building that would otherwise be vacant.

5. Oakland County Sherriff's Office (OCSO)

Partnership Since: Early 1970

Savings: \$650,000 annually

- The City of Rochester Hills has long recognized the opportunity afforded to consolidate services and contain escalating costs by contracting with the Oakland County Sheriff's Office for law enforcement services. By contracting for law enforcement services, the City of Rochester Hills (population 71,000) shares cost centers with a total of 19 other Oakland County communities, providing police services for more than 275,000 citizens of Oakland County.
- The costs, per population, for providing police service through this contract arrangement with the OCSO is far lower than surrounding Cities. **On average, Rochester Hills per population costs are 32% less than the other surrounding communities who also contract services from OCSO.**
 - ✓ Rochester Hills =\$128/ population
 - ✓ Rochester=\$256/population
 - ✓ Auburn Hills=\$627/population
 - ✓ Troy=\$344/population
- **Realizing additional savings potential, in July 2010 the City of Rochester Hills transferred the 911 and Dispatch Services to Oakland County Sheriff Department, saving the city approximately \$650,000 per year the contract is in place.** This contract arrangement allows each of these communities to provide police services and avoid the additional expense for the following police related requirements;
 - ✓ A 9-1-1 Emergency Dispatch Center
 - ✓ Gun Range,
 - ✓ Training Unit
 - ✓ Records Unit
 - ✓ Human Resources Unit
 - ✓ Vehicle Repair Center
- Additionally, the contract provides for these Supplemental Services at no additional cost to the City of Rochester Hills.
 - ✓ Patrol Services:
 - ✓ Reserve Unit
 - ✓ Auto Theft Unit
 - ✓ Traffic P.A. 416
 - ✓ Forensic Crime Lab
 - ✓ Alcohol Enforcement
 - ✓ Special Investigations
 - ✓ K-9 Unit
 - ✓ Special Response Team
 - ✓ Fugitive Apprehension Team
 - ✓ Aviation Unit
 - ✓ Computer Crimes Unit
 - ✓ Violent Crimes Task Force (Gangs)
 - ✓ Investigative & Forensic Services
 - ✓ Fire/Arson Investigations Unit
- **In January of 2011, the Oakland County Sheriff's Rochester Hills Substation entered into an agreement to join the Major Case Assistance Team (MCAT).** This is a support agreement with the Cities of Auburn Hills, Birmingham, Clawson, Troy and Bloomfield Township. MCAT is a multi-jurisdictional, cooperative initiative that provides investigative assistance to member agencies during investigations of homicides, abductions, serial sexual assaults, serial arsons and other major crimes.

6. Republic Waste Management

Partnership Since: 2009

Savings: \$3 Million annually

- The City negotiated and signed a contract to have a single solid waste hauler provide solid waste, yard waste, and recycling services to residents of single family homes. The switch to a single waste hauler resulted in residents saving money on their annual trash bill and receiving coupons

for recycling. With the coupons and discounts available, residents can actually cover the cost of their solid waste services saving approximately half of their waste hauling bill before the single contract, or \$170/year. **With 19,000 residential homes, that represents an annual savings of approximately \$3 million.**

7. Rochester Community Schools
Partnership Since: January 2011
Revenue: \$4,000 annually

- The Rochester Community Schools agreed to the transfer of ownership of the historic 1848 Stoney Creek Schoolhouse to the City of Rochester Hills. The Rochester Community Schools still remains a vital partner by providing a stipend to help support the operating costs, in addition to scheduling more than 4,000 students to visit the schoolhouse. In exchange for the stipend, the Rochester Hills Museum oversees the care and preservation of the schoolhouse and items housed inside.

City Collaborations:

1. City of Auburn Hills
Partnership Since: 2010
Revenue: \$30,000

- The City of Auburn Hills has rented their sewer easement machine to Rochester Hills, when needed, as an alternative to purchasing a new machine. Had it been purchased, it would have cost Rochester Hills \$30,000.
- Additionally, both cities continue to discuss additional opportunities to reduce expenses through the rental of other equipment, as well as Rochester Hills Department of Public Service to conduct future equipment repairs and maintenance.

2. City of Rochester
Partnership Since:
Revenue: \$25,000 annually

- The City of Rochester Hills Department of Public Services has been providing Water meter testing, T.V. viewing of sewer lines, and Vactor back up support for a substantial period of time. After witnessing how successful the relationship was, the city council for both communities will be moving forward to sign an Inter-Local Service Agreement that incorporates all service areas.
- Services provided also include the fabrication of traffic signs for Rochester, the Paint Creek Trail Way and Rochester Community Schools. As well as the maintenance and repair of fire apparatus vehicles, along with calibration and repair of their salt truck spreader and pre-wet systems.

3. Shelby Township
Partner Since: March 2011
Savings: \$10,000 annually

- **On March 10, 2011 the City entered into an inter-local agreement with Shelby Township to share building department services.** This agreement allows Rochester Hills and Shelby Township to assist each other in plan review and inspection services. It is a mutual aid agreement that will not require compensation from either party unless the hours of service provided become unbalanced by more than 50 hours. Rochester Hills will save approximately \$10,000, the cost of a part-time inspector, by using Shelby inspectors to fill in for vacations and workload fluctuations.

Proposed & Future Opportunities

Below identifies a few of the current opportunities that we continue develop.

1. We are currently working with Bloomfield Township on a similar Inter-Local Agreement that we currently have with Shelby Township, allowing for the sharing of Building Department Services.
Estimated Cost Savings/Revenue: \$10,000 (estimate)
2. Additionally, as a member of the Oakland County Building Officials Association (OCBOA), we are working on getting all Oakland County communities to enter into an inter-local mutual aid agreement that would allow us to assist other communities with damage assessment of buildings in the event of an emergency. The City of Rochester Hills was the author of this agreement and there are currently 19 communities that have agreed to it and 42 others that may be considering it in the future.
Estimated Cost Savings/Revenue: Undetermined at this time
3. The City of Rochester Hills Department of Public Services is looking to build upon its already successful Fleet services partnership with the City of Rochester Fire, the Older Person Commission and the City of Rochester Hills Library by partnering with agencies on Public Works services.

Just last month, the City of Rochester Hills and the City of Rochester consummated an Inter-Local government agreement to provide Public Works services to each other. Further, communications are on-going with Auburn Hills for Fleet services, the Oakland County Water Resource Committee for both Fleet & Public Works services, and with the City of Pontiac for the disposal of vector spoils.

These initiatives seek to provide mutual benefit to all agencies involved by maximizing each other's ability to provide service due to their expertise as well as close proximity, and to make the most of underutilized facilities resulting in greater operational efficiency.

Estimated Cost Savings/Revenue: *By diverting our spoils from Mt. Clemens to Pontiac, we could potentially save \$10,796 in transport & employee productivity.*