
Plan to Cooperate, Collaborate, and Consolidate Services

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City of Newaygo
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EXECUTIVE SUMMARY

As part of new state government requirements to improve intergovernmental cooperation throughout the State of Michigan, the City of Newaygo has developed this Collaboration/Consolidation Plan for our residents. The first section details and summarizes many of the current and past collaboration efforts undertaken by the City of Newaygo. The second section proposes some new collaboration efforts. Cost savings/positive fiscal impact numbers, as well as timelines, are estimated and not the result of exhaustive research. All information is subject to change as new information becomes available.

The City of Newaygo has a long history of collaboration and cost savings as detailed in the following pages. This has occurred despite state regulations and will continue. Such efforts have always been necessary for businesses and governments to remain viable and are largely driven by economic factors.

The search for new ways to collaborate or consolidate is a never ending endeavor. New ideas surface each year as changes take place in technology, the economy and environment. The City continually looks for better ways to service the public by dialoging with citizens, dialoging with other units of governments, reading publications, attending seminars and conferences, and participating in relevant associations. The City of Newaygo welcomes further ideas to improve the City and make it a great place to live, work, and play.

Sincerely,

Jon Schneider

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CURRENT/PAST COLLABORATIVE EFFORTS

1. "The Stream" Economic Development Project

The Stream is a 13,000 SF multifaceted facility that is changing the way people learn, work, and innovate. It is an entrepreneurial hub that is incubating businesses, providing higher education, and allowing people to collaborate and work locally. The Stream operates under the new reality that community and business problems are not solved by a single entity but rather through an unlikely combination of private investment, corporate interest, public and private foundations, various levels of government, and higher education. The Stream uses varying technologies and different space configurations to make this model possible.

- a. **Key Partners:** Newaygo County Economic Development Organization, Fremont Area Community Foundation, Haworth Corporation, Muskegon Community College, Michigan Works! West Central, State Representative Goeff Hansen, State Senator Gerald Van Woerkom, City of Newaygo Tax Increment Finance Authority, Newaygo County Brownfield Authority, Visser Brothers Contractors
- b. **Budget:** ~\$450,000 annually
- c. **Benefits:** Economic growth through incubation of new businesses and support of existing businesses, more educated citizenry, reduced travel costs and time, improvement of the environment through reduction in greenhouse gases, economic activity through use of local business services, indirect economic development (i.e. Sandmold Systems used facility to land a multi-million dollar contract), promotion of entrepreneurial activity
- d. **Cost Savings/Positive Fiscal Impact:** Making higher education local, rather than commuting outside the County is estimated to save students ~\$2,000,000 annually in tuition and travel costs. Factoring in the ability for many people to work locally, it is estimated workers and students would save approximately 7,800,000 driven miles, save ~393,000 gallons of gasoline, and not emit ~3,400 metric tons of greenhouse gases. It is difficult to measure the amount of local business activity The Stream will generate or predict the number of jobs that will result. This will happen and it does have great value.

2. Safe Routes to School Project

This program is a collaboration between the Newaygo Public School System, City of Newaygo and other organizations. Its goal is to increase the number of children hiking and biking to school. This is made possible by the installation of sidewalks and paths along with an educational campaign to teachers, students, parents, and residents. Approximately \$210,000 of the program was funded by a grant.

- a. **Key Partners:** Newaygo Public Schools, Newaygo Police Dept, Parent Teacher Org, State Police, MDOT, Michigan Physical Fitness
- b. **Budget:** ~\$250,000 for infrastructure and education program
- c. **Benefits:** The increased exercise will help to address childhood obesity and improve the overall health of children making them more ready to learn. It will also reduce traffic congestion and reduce greenhouse gases adding to the health of the community.
- d. **Cost Savings/Positive Fiscal Impact:** ~\$200,000 for cost of new sidewalks

3. Newaygo Area District Library

From 1915 through September 2005, the City of Newaygo operated a City Library. In 2005 the City of Newaygo along with Brooks Township and Garfield Township formed a district library. Initially the library was funded from General Fund contributions from each township and a separate library tax levy within the City. All of that was replaced with a district-wide library

millage of 1.1 mills in 2010. The District Library has its own independent board of directors with members of the board appointed by each jurisdiction.

- a. **Key Partners:** Brooks Township, Garfield Township
- b. **Budget:** Approximately \$200,000 annually
- c. **Benefits:** Township residents have always used Newaygo library services. Now they are part owners of the library. With part ownership, surrounding townships are more invested in the operation and improvement of the library. The District Library also eliminates duplication of personnel, equipment, inventory, and facilities. With expenses shared, the library is able to afford a diverse offering of books, audio, visual, programs, and computer/internet access.
- d. **Cost Savings/Positive Fiscal Impact:** Unknown. As a district library, public receives more benefits as mentioned above.

4. **Newaygo Community Recreation Authority (NCRA)**

NCRA was formed in 2006. It was the result of a collaborative pilot program called Partnerships for Change. The program was funded by the Fremont Area Community Foundation and administered by the Land Information Access Association (LIAA). Since its inception many projects have been accomplished using grant funds, contribution from local governments, and donations from non-governmental organizations. No new tax millage has been levied to fund NCRA. Projects include improvements done at Henning park, Shaw Park, Soccer fields, baseball fields, Graves Lodge, Newaygo County Welcome Center, and Marshall Trail. A joint Recreation Plan is also a result of this collaborative effort.

- a. **Key Partners:** Brooks Twp, Garfield Twp, Croton Twp, County of Newaygo
- b. **Budget:** Approximately \$20,000 operating, periodic capital projects vary in size
- c. **Benefits:** Ability to develop a community-wide plan for recreation and natural resources, shared expenses on jointly used recreation amenities, development of recreation amenities that cross jurisdictional boundaries, greater opportunities for grant funding
- d. **Cost Savings/Positive Fiscal Impact:** Approximately \$300,000 worth of amenities that the Authority handled rather than the City of Newaygo

5. **Newaygo Area Fire District**

The City of Newaygo does not own and operate its own fire department. Since the early 1980's, the City of Newaygo has worked in collaboration with neighboring Townships to operate a fire district. The District serves all of Brooks Township, City of Newaygo and approximately half of Garfield Township. The District is funded through a special assessment each year. The annual assessment equates to less than one mill of taxable value. The total budget below is split proportionally across each of the jurisdictions included in the fire district.

- a. **Key Partners:** Brooks Township, Garfield Township
- b. **Budget:** Approximately \$200,000 annually
- c. **Benefits:** By operating as part of a fire district, the City eliminates duplication of personnel, equipment, and land holdings. There is also a wider population from which to obtain fire fighters, allowing the fire district to maintain trained and qualified personnel.
- d. **Cost Savings/Positive Fiscal Impact:** Approximately \$65,000 annually since City only bears 1/3 of cost. Cost savings since creation of the fire district is estimated at over \$1,000,000.

Other Collaborative Efforts

In order to not fatigue the reader but make the reader aware, the following current/past collaborative efforts are simply listed rather than described in detail. Numbering continues from section above and corresponds to item number found in the summary table following this section. More information regarding these items is found in the summary table. An estimated Cost Savings/Positive Fiscal Impact was attached to each endeavor in the summary table. Some numbers represent actual savings to the City of Newaygo, other numbers represent the value of economic activity or revenue received by the City under the program. Dollar figures and timelines in the summary table are estimates and not the result of exhaustive research.

6. Newaygo County Economic Development Organization member
7. Newaygo County Brownfield Authority member
8. MiDeal: State bid pricing
9. County GIS system
10. Police Mutual Aid Agreement
11. Reductions in Staff
12. Wellhead Protection Program
13. Computerized receipting of tax records
14. MML member: Insurance pool
15. Use of State crime lab
16. Use of finger printing facilities in Fremont
17. Center for Non-Profit Housing projects
18. MSHDA projects: Rental Rehab
19. Newaygo Garden Club
20. Salt from Road Commission

City of Newaygo

CURRENT/PAST COLLABORATIVE EFFORTS

Item No	Consolidation/Cooperative Effort	Partners	Cost Savings/Positive Fiscal Impact	Years Effective
1	"The Stream" Entrepreneur Hub	various - see detail	~\$2,000,000	1.5 Years
2	Safe Routes to School project	State, public school sys	~\$200,000	2 Years
3	Newaygo Area District Library	Library Board	More services	6 Years
4	Newaygo Community Recreation Authority	Brooks Twp, Garfield Twp, Croton Twp, Newaygo County	~\$300,000	6 Years
5	Newaygo Area Fire District	Brooks Twp, Garfield Twp	~\$1,000,000	25+ Years
6	Newaygo County Economic Development Organization member	NCEDO	~\$1,500,000	10+ Years
7	Newaygo County Brownfield Authority member	Newaygo County, various local units	~\$200,000	4+ Years
8	MiDeal: State bid pricing	State of Michigan	~\$70,000	7 Years
9	County GIS system	Newaygo County	~\$50,000	10+ Years
10	Police Mutual Aid Agreement	NC Sheriff Dept, City police depts	~\$150,000	10+ Years
11	Reductions in Staff	Internal	~\$100,000	2+ Years
12	Wellhead Protection Program	Brooks Twp	Safety of Water Supply	7.5 Years
13	Computerized receipting of tax records	Internal	~\$15,000	8 Years
14	MML member: Insurance pool	MML, Local units across state	~\$100,000	20+ Years
15	Use of State crime lab	State Police	~\$100,000	10+ Years
16	Use of finger printing facilities in Fremont	City of Fremont	~\$10,000	5+ Years
17	Center for Non-Profit Housing projects	CHN	~\$300,000	5+ Years
18	MSHDA projects: Rental Rehab	MSHDA, private prop owners	~\$750,000	10 Years
19	Newaygo Garden Club	Local citizens	~\$100,000	5+ Years
20	Salt from Road Commission	NC Road Commission	~\$10,000	3+ Years
Total:			~\$6,955,000	

PROPOSED COLLABORATIVE EFFORTS

1. **Newaygo Area District Library building expansion**

The City of Newaygo and Newaygo Area District Library (NADL) plan to cooperate on expanding the library building currently used by NADL which is adjacent to City Hall. Previous NADL plans for a library building on an alternate site were estimated to cost ~\$3,500,000. Through an innovative partnership with the City, the Library and City will be able to share resources and space by connecting the library building with City Hall, thereby reducing the estimated project cost to approximately \$1,400,000.

- a. **Key Partners:** NADL
- b. **Budget:** Project budget of ~\$1,400,000
- c. **Benefits:** Sharing of resources, sharing of operational expenses, sharing of costs for capital improvements to parking lot, non-duplication of infrastructure, construction savings of ~\$2,000,000 on library building expansion,
- d. **Cost Savings:** ~\$2,000,000 in construction costs of library building expansion. Fifty percent of maintenance and capital costs for parking lot (~\$10,000 over the next 10 yrs).
- e. **Likelihood of Success:** Great

2. **Newaygo Area Growth Management Council**

The Newaygo Area Growth Management Plan and Council were adopted in 2009 as a result of about two years of collaborative planning and citizen outreach. The plan proactively addresses which areas of the community are to be preserved in a more natural state and which areas are to receive development if it occurs. Template documents for land transfer agreements are part of the plan to handle properties needing City Services. Revenue sharing that takes place under the plan would generate funds for area-wide amenities such as recreation. Since adoption, the plan has not been fully implemented and the Council has ceased to meet after only meeting twice. The City of Newaygo would like to see the Council come back together and put the plan into action.

- a. **Key Partners:** Brooks Twp, Garfield Twp
- b. **Budget:** The Council has no operating funds unless land transfers occur as a result of development
- c. **Benefits:** Implementation of plan will proactively shape the face of the community instead of leaving it to chance, address some financial issues for area-wide amenities such as recreation, reduce uncertainty regarding land transfer issues, help to preserve natural resources, and could reduce transaction costs of land transfers by approximately \$30,000 per occurrence.
- d. **Cost Savings:** ~\$30,000 on each land transfer. Five land transfers over next 15 years would save \$150,000. There are intangible savings such as reduction in uncertainty and anxiety over land transfer issues and other development issues. Sharing costs of area-wide amenities is unknown at this time.
- e. **Likelihood of Success:** Very promising

3. **DPW Mutual Aid Agreement**

Municipalities in Newaygo County are planning to support each other's Dept of Public Works (DPW) through a Mutual Aid Agreement. With constant pressure to shrink the size of government and reduce expenses, yet provide nearly the same level of service, local units of government struggle to maintain the personnel, expertise, and equipment necessary to have a vibrant and safe community. This is complicated by the fact that government often requires specialized machinery in order to care for the infrastructure that allows the community to

function properly. A mutual aid agreement will establish a framework necessary to efficiently and equitably share equipment and personnel.

- a. **Key Partners:** City of Grant, City of Fremont, City of White Cloud, and other municipalities in Newaygo County
 - b. **Budget:** There is no formal budget for this collaboration. Aid is requested/supplied and paid for on an as-needed basis only.
 - c. **Benefits:** Reduce or eliminate purchases of duplicate equipment across the County, capitalize on existing expertise of neighboring municipalities, sharing of best practices, extra support during times of emergency.
 - d. **Cost Savings/Positive Fiscal Impact:** Depending on the piece of equipment, eliminating a single purchase could save the City thousands of dollars. Some trucks and heavy equipment can cost \$50,000 - \$100,000. Sharing existing equipment can also gain the City some revenue since all expenses and equipment time would be reimbursed under the agreement. Training and personnel costs could potentially be reduced as expertise is shared among municipalities.
 - e. **Likelihood of Success:** Almost certain.
4. **Electronic Communication with Court System**

In Newaygo County, much of the communication and documentation process surrounding cases that go to court involve old methods and do not utilize existing technologies to their fullest. For example, the City police dept must make paper copies of many documents, duplicate the same documents many times, and deliver these documents to the court. Much of the information that is copied is available electronically. It could be viewed through access to existing databases, emailed, or submitted through some other electronic means. The City of Newaygo hopes to collaborate with the Newaygo County Court system and develop ways to electronically submit and view information relating to court cases.

- a. **Key Partners:** Newaygo County Court System, police agencies in Newaygo County
- b. **Budget:** Unknown. Adjustments in equipment and personnel would be necessary.
- c. **Benefits:** Greatly reduce time necessary to process paperwork and prepare for court, possible reductions in staff, elimination of errors due to information needing to be entered manually in different systems, reduction in transportation costs needed to transport hard copy information.
- d. **Cost Savings/Positive Fiscal Impact:** The time savings would save the City ~\$5,000 - \$10,000 per year in personnel costs. Savings in transportation costs would be at least a couple thousand dollars per year.
- e. **Likelihood of Success:** Promising. Economic pressures will likely make this happen.

City of Newaygo
PROPOSED COLLABORATIVE EFFORTS

Item No	Consolidation/Cooperative Effort	Partners	Cost Savings/Positive Fiscal Impact	Savings Timeline
1	District Library building expansion	NADL Board	~\$2,000,000	project savings
2	Newaygo Area Growth Mgmt Council	Brooks Twp, Garfield Twp	~\$150,000	15 Years
3	DPW Mutual Aid Agreement	Local units govt in Newaygo Co	~\$100,000	10 Years
4	Electronic Communication with Courts	Newaygo County Courts	~\$100,000	10 Years
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Total:			~\$2,350,000	