

CITY OF ALLEGAN

2012

COOPERATION, COLLABORATION AND CONSOLIDATION PLAN

Department of Treasury Directive:

Certify to the Michigan Department of Treasury (using [form #4887](#)) that by January 1, 2012 they have produced and made readily available to the public, a plan with one or more proposals to increase its existing level of cooperation, collaboration, and consolidation, either within the jurisdiction or with other jurisdictions. A plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of the potential savings for any new service consolidations being planned.

Submit a copy of their cooperation, collaboration and consolidation plan, in accordance with the provisions of Public Act 63 of 2011, section 951(3)(b), to the Michigan Department of Treasury.

City of Allegan Plan:

The City of Allegan has been a leader in cooperation, collaboration and consolidation for a variety of services over the last decade. The City has worked closely with Allegan Township, Allegan County Road Commission and other agencies on a variety of initiatives.

In 2006, the City of Allegan and the Township of Allegan formed the Allegan Fire District. This initiative has saved approximately \$10,000 annually in operating funds. More importantly though, this consolidation has created a partnership which will allow the city to save over \$150,000, in the next decade when a new fire engine is purchased, because instead of buying an engine for each municipality, the City and the Township will be able to purchase only one, because we will be able to split the cost of this very expensive equipment.

In 2007, the City of Allegan, and the Townships of Allegan, Cheshire, Trowbridge and Valley, through the Allegan Emergency Medical Services, reestablished a partnership and signed an agreement to provide ambulance service with LIFE EMS, out of Grand Rapids, Michigan. These municipalities had a previous partnership, but with decreasing services from the previous provider, and the opportunity for each go separate ways, the partnership negotiated an agreement, stabilized the financial outlook of this service, and as a result, provides excellent service to the Allegan Area. Financial, the fee structure is set up to minimize future capital expenses and save the City at least \$20,000 in capital investment when the replacement of an ambulance is required.

In 2009, the City of Allegan, Allegan Public Schools and the Allegan Library, was able to collaborate and through a vote of the people, create the Allegan Library District. This initiative saved the city tax payers approximately \$75,000, and created a stable financial plan for future investment in this service, because the funding is based on a mandatory millage versus an optional contribution from the Township. The creation of the District assures all students of the Allegan Public School District has access to the library, since the previous model did not account for the entire geographic area.

In 2010, the City and the Allegan County Road Commission combined resources to design, inspect and resurface Babylon Road. We estimated the project saved the City \$10,000, because the City and County utilized federal funds for this project, but local funds were used for inspection services and a match on construction.

In 2011, the City of Allegan and the Allegan Township cooperated on a joint planning study to improve the M-89 Corridor. This corridor is the gateway to the Allegan Community, and by working on a joint design vision, this project will allow future planning and shared finances for impactful projects to bolster the corridor. The corridor is also controlled by the Michigan Department of Transportation, so when joint projects are implemented in the next five years, purchasing and services will be reduced based on larger quantities and more competitive bids. At a minimum, the project saved the City of Allegan \$8,000 based on the contribution from the Township, and through a grant through the Land Information Access Association, which provided funding because of the cooperation expressed by the City and Township.

As we approached future efforts, the City sought consolidation of assessing, money collection, purchasing, and law enforcement with the Township. However, because of the unique nature and geography of the City of Allegan as compared with other municipalities, these initiatives had no cost savings, based on statutory requirements and no cost incentives for the townships to participate. However, we did discover an opportunity to cooperate further with the County of Allegan Road Commission.

In 2012, the City of Allegan and the Allegan County Road Commission plan on cooperating on a joint purchase agreement to provide road maintenance services, specifically traffic striping and seal coating services. The City of Allegan and the Allegan County Road Commission in the past separately bid these services. However, by working together, and coordinating administration, the City and County will solicit bids, and as a result of larger quantities and attracting more competitive bids, the City should save over \$5,000, depending on the specifics in the contract.

The City will continue to seek additional cost saving measures. Please contact the City if you have any questions.