

CITY OF ESCANABA, DELTA COUNTY, MICHIGAN (PREVIOUS FILER)

LOCAL UNIT CODE: 212010

**PLAN OF COOPERATION, COLLABORATION
AND
CONSOLIDATION OF SERVICES**

**Category 2 of the State of Michigan
Economic Vitality Incentive Program (EVIP) – As of December 31, 2013**

Beginning on October 1, 2011, the City had to meet certain requirements to be eligible for a portion of revenue sharing under PA 140. Under the Economic Vitality Incentive Program (EVIP), the City must produce a plan with one or more proposals to increase existing levels of cooperation, collaboration and consolidation within the City or with other units of government. The EVIP program identifies three requirements that all Michigan cities need to accomplish in order to receive their share of this State funding.

The three requirements are:

1. **Accountability and Transparency.** By October 1, 2013, the City had to submit to the Department of Treasury a citizen's guide and dashboard on how money is being spent in the City. The guide was completed and filed with the State Department of Treasury. The guide is available on the City of Escanaba website at www.escanaba.org and is called "Dollars and Sense – How the City of Escanaba Spends Your Money". A copy of the guide is also available at the Escanaba City Clerk's Office, 410 Ludington Street, Escanaba.
2. **Consolidation of Services.** By February 1, 2014, communities must complete a plan with one or more proposals to increase existing levels of cooperation, collaboration and consolidation within our own jurisdiction or with other local units of government. The plan must list previous efforts and include any cost savings and/or projected cost savings through future efforts. The plan is available on the City of Escanaba website at www.escanaba.org and is called "Plan of Cooperation, Collaboration and Consolidation of Services". A copy of the plan is also available at the Escanaba City Clerk's Office, 410 Ludington Street, Escanaba.
3. **Employee Compensation.** By June 1, 2014, in order to qualify for the last 1/3 of EVIP funding, communities must certify to the State Department of Treasury their intent to implement a number of employee compensation criteria for any new, modified or extended contracts or employment agreements for employees that are not covered currently under contract or employment contract. Within this program there are two provisions that apply to all new hires and two that apply to all employees. A copy of the current plan is available on the City of Escanaba website at www.escanaba.org. A copy of the current plan is also available at the Escanaba City Clerk's Office, 410 Ludington Street. The updated plan will be available on or around June 1, 2014.

Economic Vitality Incentive Program/County Incentive Program Certification of Consolidation of Services

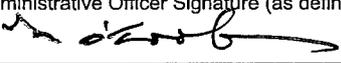
Issued under authority of 2013 Public Act 59. Filing is mandatory to qualify for payments.

Each city/village/township/county 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 Consolidation Plan as required by 2013 Public Act 59. The plan shall be made available for public viewing in the clerk's office or posted on a publicly accessible Internet site.
2. Submit to Treasury a Consolidation Plan.

City/village/township: This certification, along with a Consolidation Plan, **must be received by February 1, 2014** to receive the February and April payments or on or before March 31, 2014 to receive the April payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

County: This certification, along with a Consolidation Plan, **must be received by February 1, 2014** (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 Escanaba		Local Unit County Name Delta	
Local Unit Code 212010		Contact E-Mail Address jotoole@escanaba.org	
Contact Name James V. O'Toole	Contact Title City Manager	Contact Telephone Number (906) 786-9402	Extension
Website Address, if plan is available online www.escanaba.org			
PART 2: CERTIFICATION			
<i>In accordance with 2013 Public Act 59, the undersigned hereby certifies to Treasury that the above mentioned local unit has produced a Consolidation Plan and has made the plan available for public viewing in the city, village, township, or county clerk's office or has posted the plan on a publicly accessible Internet site. The Consolidation Plan is attached to this signed certification.</i>			
Chief Administrative Officer Signature (as defined in MCL 141.422b) 		Printed Name of Chief Administrative Officer (as defined in MCL 141.422b) James V. O'Toole	
Title City Manager		Date 2/24/14	

Completed and signed form (including required attachment) should be e-mailed to: TreasRevenueSharing@michigan.gov

If you are unable to submit via e-mail, fax to (517) 335-3298, or mail the completed form and required attachment to:

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

TREASURY USE ONLY		
EVIP/CIP Eligible Y N	Certification Received	EVIP/CIP Notes
Final Certification	Plan Received	
	1st C/P Submission Y N	

**ECONOMIC VITALITY INCENTIVE PROGRAM/COUNTY INCENTIVE PROGRAM
 FY 2014 CONSOLIDATION PLAN (Previous Filer)**

LOCAL UNIT NAME: City of Escanaba
LOCAL UNIT CODE: 212010

PROPOSED FOR 2013
COMPLETED

**UPDATE STATUS OF PREVIOUS YEAR'S SERVICE CONSOLIDATION PROPOSALS – 2013 SUBMITTED
 PROPOSALS**

Proposal Name: City of Escanaba/Delta County Airport Fiber Network and Equipment Service Agreement

Status: Completed

Status Description of New Proposal Description	
The City of Escanaba provided the Delta County Airport access to the City's networking services and network equipment which allowed Delta County to "piggy back" on the City's system in providing data communication between Delta County and the Delta County Airport. Without this cooperative effort, Delta County would have had to install a County dedicated system at an estimated cost of \$60,000.	
Jurisdictions/Organizations Involved	
City of Escanaba and Delta County.	
Estimated Savings/Improved Service or Efficiency	
Delta County and the Delta County Airport would have had to invest approximately \$60,000 tax dollars to install their own fiber network system and equipment.	
Barriers Experienced	
None.	

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	11/09/12	Meeting conducted to determine feasibility of proposed project.
Significant Progress Dates (Required)	01/17/13	City Council approved.
	04/30/13	Work started.
Implementation Date (Required)	06/01/13	Project completed.

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PROPOSED FOR 2013
COMPLETED

**UPDATE STATUS OF PREVIOUS YEAR'S SERVICE CONSOLIDATION PROPOSALS – 2013 SUBMITTED
 PROPOSALS**

Proposal Name: City of Escanaba and Ford River Township Miss Dig Service Agreement

Status: Completed

Status Description of New Proposal Description	
The City of Escanaba and the Ford River Township entered into an agreement for the City of Escanaba to provide Miss Dig services in support of the Ford River water system operation. Under the terms of the agreement, the City of Escanaba will provide aid at any time, providing resources allocated to the Ford River Township will not affect critical functions with the City. All costs associated with the work, if called upon, will be billed to the Ford River Township on a time and material basis.	
Jurisdictions/Organizations Involved	
City of Escanaba and Ford River Township.	
Estimated Savings/Improved Service or Efficiency	
Because Ford River Township would not have to establish, manage and fund their own department for this operation, the estimated savings to the Ford River Township is projected to be approximately \$3,000 to \$4,000 annually.	
Barriers Experienced	
None.	

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	11/28/12	Feasibility meeting conducted.
Significant Progress Dates (Required)	06/06/13	Agreement approved by Escanaba City Council.
	07/08/13	Agreement approved by Ford River Township Board.
Implementation (Required)	Date 07/09/13	Agreement implemented.

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OPPORTUNITY FOR 2013
COMPLETED

OPPORTUNISTIC COOPERATION AND CONSOLIDATION CONSIDERATIONS AND EFFORTS MADE IN 2013

Proposal Name: Next Michigan Development Corporation/U.P. Regional Economic Development District/Bill Amendment – PA 275 of 2010 – Phase I

Status: Completed

<p>Status Description of New Proposal Description</p> <p>The local units of government in the Counties and Delta and Marquette banded together to have Public Act 275 of 2010 amended to give preference to an eligible Act 7 entity that is made up of not fewer than two contiguous counties that combined a population of more than 103,000 but less than 106,000 according to the most recent decennial census and the population of the largest city of one of those counties when combined with the largest city of the other county is more than 32,500 but less than 35,500. The purpose of this project was to allow for the creation of a Next Michigan Development Corporation in the Central Upper Peninsula region which will foster economic opportunities in the state and present conditions of unemployment and underemployment and to promote economic growth in the Upper Peninsula.</p>
<p>Jurisdictions/Organizations Involved</p> <p>City of Escanaba, City of Marquette, City of Gladstone, Marquette County, Delta County and townships located within Delta and Marquette Counties.</p>
<p>Estimated Savings/Improved Service or Efficiency</p> <p>On December 21, 2013, Governor Rick Snyder signed into law House Bill 4782 and Senate Bill 397 which became Public Act 239, 2013, which amended Public Act 275, 2010, which allows for the designation of a sixth Next Michigan Development Corporation (to be specifically located in the Upper Peninsula) and gave preference to an eligible unit of government(s) to make application to the Michigan Strategic Fund for a Next Michigan Development Corporation designation. If the units of government in Delta and Marquette Counties are successful in completing the upcoming second phase of this project, which is the creation of articles of incorporation and enabling inter-local agreements, and with the approval of a yet to be submitted application to the Michigan Strategic Fund, the units of government in Delta and Marquette Counties will be able to utilize economic development tools which promote economic growth focused on multi-modal transportation such as the creation of renaissance zones, the development of local developing financing act plan, new personal property tax exemptions and industrial facilities tax exemptions.</p>
<p>Barriers Experienced</p> <p>Due to the number of units of government located with Delta and Marquette Counties and the differences in the forms of government (city government, county government and township government) finding common ground between all the units took a great deal of discussion, cooperation and trust building.</p>

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	2/13/13	Introduced to Delta County Joint Governmental Roundtable meeting to discuss the concept of the project
Significant Progress Dates	2/18/13	City of Escanaba participated in a Marquette County Joint Governmental Roundtable meeting to discuss the concept of the project.
	On-going (Monthly)	Monthly updates were made at the Delta County Joint Government Roundtable meetings.
	8/15/13	Senate Economic Development Commerce Hearing Conducted in the City of Escanaba on proposed bill amendments. City Manager's from the Cities of Escanaba, Gladstone and Marquette along with County Administrators from Delta and Marquette County testified before the committee about the importance of the bill amendment.
	10/9/13	House Commerce Committee Hearing conducted in Lansing on proposed bill amendments. Escanaba City Manager and Marquette County Administrator testify before the committee about the importance of the bill amendment. Additionally, Senator Casperson and Representative Kivila testified before the committee about the importance of the bill amendment.
Implementation Date (Required)	12/21/13	Governor Rick Snyder signed into law House Bill 4782 and Senate Bill 379
Completion Date	12/26/13	House Bill 4782 and Senate Bill 379 took immediate effect and became law on 12/26/13.

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FY 2014 CONSOLIDATION PLAN (Previous Filer)**

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OPPORTUNITY FOR 2013
COMPLETED

OPPORTUNISTIC COOPERATION AND CONSOLIDATION CONSIDERATIONS AND EFFORTS MADE IN 2013

Proposal Name: Central Upper Peninsula Revolving Loan Fund Regionalization Project
Status: New – In Progress

Status Description of New Proposal Description	
An Upper Peninsula Regional Revolving Loan Fund (RLF) has been created through the merger of eleven funds which were previously independently operated. The Regional Fund is administered by Northern Initiatives (NI), a non-profit CDI, which operates from offices in Marquette.	
Jurisdictions/Organizations Involved	
Luce County, City of Menominee, City of Ironwood, City of Kingsford, Spalding Township, City of Escanaba, City of Gladstone, Village of Baraga, Baldwin Township, Marquette County, Ontonagon County, and Iron County	
Estimated Savings/Improved Service or Efficiency	
By pooling resources and creating a large regional loan fund, the regional has the capacity to finance much larger projects than ever before, thereby affording increased job creation and greater expansion of the Region's tax base. In addition, administrative efficiencies are gained through "single source" portfolio administration, and single source HUD and MEDC compliance. Furthermore, the region should experience loan loss reductions as a result of a NI's professional management of the loan portfolio.	
Barriers Experienced	
The Region is large, geographically dispersed, and far removed from Lansing based MEDC who coordinated the Regionalization effort. Although MEDC served as project coordinator, they were also the most significant barrier faced by the group. This is a result of an ever-changing operating model, and nearly four years of legal machinations intended to bring MEDC/MSF into compliance with HUD audit directives. Instructions, rules and guidance from MEDC were very inconsistent throughout the entire four year process.	

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	10/05/09	Kickoff meeting in Marquette
Significant Progress Dates	02/24/10	MEDC promulgation of authority
	04/28/10	MSF approved plan
	8/28/11	MSF adopted Regional Reuse Plan
	10/24/12	MSB Board approved Northern Initiative as fund manager
	03/21/13	Entities met to finalize plan
	09/05/13	City Council action to adopt Regional Mode
	09/30/13	Documents executed
Significant Progress Dates (Required)	Pending	Waiting on direction from MEDC
Implementation Date (Required)	01/30/14	Anticipated funding of Regional RLF

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OPPORTUNITY FOR 2013
COMPLETED

OPPORTUNISTIC COOPERATION AND CONSOLIDATION CONSIDERATIONS MADE IN 2013

Proposal Name: Wells Township Railroad Crossing Improvement – Danforth Road

Status: Completed

Status Description of New Proposal Description	
The City of Escanaba partnered with the Delta County Road Commission and CN Rail Road to improve a hazardous rail road crossing on a main artillery road coming from the township into the City. The rail road crossing was located outside of the City limits, however, the City of Escanaba provided engineering, technical review services and road signage services to the Delta County Road Commission so that the project could be completed.	
Jurisdictions/Organizations Involved	
City of Escanaba, Delta County Road Commission and CN Rail Road.	
Estimated Savings/Improved Service or Efficiency	
The project involved multiple agencies cooperating on a multi-jurisdictional project for the improvement of a major regional stress found in a defective rail road crossing.	
Barriers Experienced	
Each agency had to work through their respective organizational hierarchy to commit the necessary human resources and funding resources required to complete the project by a specified start date and specified completion date.	

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	08/19/13	Discussion took place on the concept of cooperating on the design and construction of the project.
Significant Progress Dates (Required)	09/16/13	Construction of project began.
Implementation Date (Required)	09/20/13	Construction project completed. Road open for public use.

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OPPORTUNITY FOR 2013
COMPLETED

OPPORTUNISTIC COOPERATION AND CONSOLIDATION CONSIDERATIONS MADE IN 2013

Proposal Name: Sale of City Sand to the Delta Solid Waste Management Authority

Status: Completed

Status Description of New Proposal Description	
The City of Escanaba has entered into an agreement with the Delta Solid Waste Management Authority to sell large quantities of sand for the DSWMA's fourth coming capping project at the landfill. The sand purchased by the DSWMA is being sold to them at a discounted rate.	
Jurisdictions/Organizations Involved	
City of Escanaba and the Delta County Solid Waste Management Authority.	
Estimated Savings/Improved Service or Efficiency	
The DSWMA was able to save approximately \$26,000 by purchasing sand from the City of Escanaba due the location of the City's supply in relation to the location of the DSWMA landfill.	
Barriers Experienced	
None.	

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	07/24/13	Request to purchase sand received from the DSWMA
Significant Progress Dates (Required)	08/10/13	City of Escanaba approval of request made
	08/21/13	City of Escanaba and DSWMA agreed on quantities of sand that would be needed
Implementation (Required)	Date 10/24/13	City received payment for sand

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PROPOSED FOR 2014

PROPOSED COOPERATION AND CONSOLIDATION CONSIDERATIONS AND EFFORTS FOR 2014

Proposal Name: Next Michigan Development Corporation/U.P. Regional Economic Development District – Articles of Incorporation Creation/ Inter-local Agreement Incorporation– Strategic Fund Application – 2013 PA 239 – Phase II

Status: Proposed and On-going

Status Description of New Proposal Description
The local units of government in the Counties and Delta and Marquette banded together to have Public Act 275 of 2010 amended to give preference to an eligible Act 7 entity that is made up of not fewer than two contiguous counties that combined a population of more than 103,000 but less than 106,000 according to the most recent decennial census and the population of the largest city of one of those counties when combined with the largest city of the other county is more than 32,500 but less than 35,500. On December 21, 2013, Governor Rick Snyder signed into law 2013 Public Act 239 which allows for the designation of a sixth Next Michigan Development Corporation in the Upper Peninsula. In 2014, the units of government in Delta and Marquette Counties will work together in creating a Next Michigan Development Corporation which is intended to advance projects on a regional level.
Jurisdictions/Organizations Involved
City of Escanaba, City of Marquette, City of Gladstone, Marquette County, Delta County and townships located within Delta and Marquette Counties.
Estimated Savings/Improved Service or Efficiency
2013 Public Act 239, allows for the designation of a sixth Next Michigan Development Corporation (to be specifically located in the Upper Peninsula) and gives preference to an eligible unit of government(s) to make application to the Michigan Strategic Fund for a Next Michigan Development Corporation designation. The units of government in Delta and Marquette Counties will be collaborating on the creation of a sixth zone in the central Upper Peninsula by collectively working towards the creation of articles of incorporation, enabling inter-local agreements and a Michigan Strategic Fund application which if approved will advance projects on a regional basis utilizing economic development tools focused on multi-modal transportation such as the creation of renaissance zones, the development of local development financing tools, new personal property tax exemptions and industrial facilities tax exemptions
Barriers Experienced (or anticipated)
Due to the number of units of government involved and the complexities associated with the creation of legal documents, articles of incorporation and funding of a new developmental organization, the units of government located in Delta and Marquette Counties are going to have to have in depth discussions on concepts and principals which are fair and equitable to all parties and terms that will be beneficial to each and the public that each represents.

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	1/8/14	Introduced to Delta County Joint Governmental Roundtable an overview of 2013 P.A. 239 and talked about the upcoming steps that will have to be taken to advance the concept of a Central Upper Peninsula Regional Economic Zone (Micropolitan).
Significant Progress Dates	Date to be Scheduled	Marquette County Joint Governmental Roundtable meeting to be scheduled to discuss the concept of the project.
Implementation Date (Required)	Pending Completion	December 31, 2014 is being targeted for the completion of this project.

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PROPOSED FOR 2014

**UPDATE STATUS OF PREVIOUS YEAR'S SERVICE CONSOLIDATION PROPOSALS – 2013 SUBMITTED
 PROPOSALS**

Proposal Name: City of Escanaba/Delta County Shared Maintenance Position

Status: New – In Progress

Status Description of New Proposal Description
The City of Escanaba and Delta County are exploring the possibility of sharing (50/50) a maintenance position. Under the concept, the staff person would be responsible for performing all maintenance type duties associated with a building and their grounds at the Escanaba City Hall/Library Complex (50%) and the Delta County Administrative and Court Building and Jail (50%).
Jurisdictions/Organizations Involved
City of Escanaba and Delta County.
Estimated Savings/Improved Service or Efficiency
The position is estimated to cost approximately \$58,000 (up to) annually plus overhead of approximately \$26,100 (up to) for a total approximate cost of up to \$84,100. Under the concept, the City would bear an approximate cost of \$42,050 with the other half being paid by Delta County.
Barriers Experienced
Things such as a job description would need to be created and agreed upon along with a scope of work and schedule. Also, collective bargaining agreements from two different labor groups would have to be reviewed and executed in a way that is fair and equitable. Two elected bodies must approve the final proposal.

Estimated Timeline (Month, season, or quarter along with a year)		
	Date	Action/Steps
Start Date (Required)	12/16/13	A preliminary "interest" meeting was conducted between the City of Escanaba and Delta County.
Significant Progress Dates (Required)		
Implementation Date (Required)	Pending	