



BOARD OF COMMISSIONERS

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MEMORANDUM

TO: Washtenaw County Board of Commissioners

FROM: David Behen
Washtenaw County Administration

DATE: January 21, 2009

RE: Shared Services Report

BACKGROUND:

The Governor has asked and encouraged partnering and collaboration of local units of government and municipalities in an effort to reduce the cost of doing business and at the same time provide enhanced customer services to the citizens of the State of Michigan. Additionally, Washtenaw County believes that combining services where possible with other entities reduces costs of operations, therefore freeing up taxpayer money for direct services to the public.

DISCUSSION:

The following paragraphs describe the County's progress on shared service partnerships with the City of Ann Arbor, Pittsfield Township, City of Chelsea, City of Ypsilanti and the Washtenaw County Road Commission.

City of Ann Arbor: The County and City engaged in a partnership discussion in March 2008. Sixteen departments met to discuss possible collaborations and partnerships. As a result of these meetings, 83 projects were identified as potential partnerships. After discussions with City Administration it was determined that three information technology projects were the top priorities. These projects include the development of a ***joint IT strategic plan; combination of data centers and a needs assessment for our Enterprise Resource Planning system*** (HR/Financial management systems)

The most immediate project is the combination of the city and county data centers. This project is on schedule and on budget. This project is to be completed by the first week of March 2009. The joint IT strategic plan is currently being developed and the needs assessment for the enterprise resource planning system is currently on hold.

Pittsfield Township

Progress continues to be made on an shared services partnership agreement with Pittsfield Township. This partnership currently has two major components:

1. Human Resources/Labor Relations

Washtenaw County HR/LR is recommending collaborating with Pittsfield Township to provide oversight and supervision of all HR programming. The County would manage day-to-day HR operations as well as serve as the chief negotiator for the Township in all labor relations. This proposal would allow Pittsfield Township the ability to not fill their HR Director vacancy and realize such cost savings. If accepted, it is anticipated that such transition would take approximately 90 days to fully implement by Washtenaw County HR/LR. Discussions on this proposal are currently underway with Pittsfield Township.

2. IT Assessment

The County completed an IT assessment of the township's connectivity, servers, work stations, and applications. As a result several potential partnerships have been identified. Some of these partnerships might include inclusion in the fiber optic project, GIS, development of an intranet, on-line timesheets, joint licensing for Microsoft software, etc. By January 30, 2009 the County will provide Pittsfield Township with a comprehensive business plan which will detail and identify the services we can establish partnerships and the cost of those services. Discussions are also planned for sharing a financial system (Oracle/JDEdwards).

Additionally, the County is entering into Year two of a partnership with the Pittsfield Township Department of Public Safety. The County supports the department's entire IT operations and several remote sites. 2008 revenue from this project was \$25,177.

City of Chelsea

Police Department IT

The County completely supports the IT functions of the Chelsea Police Department. This partnership has been in place for just over a year; the County received \$4,000 in revenue in 2008.

City of Ypsilanti

IT Services and Infrastructure

This partnership is entering year three. The County services Ypsilanti's entire IT infrastructure, including telecommunications and several remote sites. Washtenaw County receives \$35,000 annually for this partnership.

Washtenaw County Road Commission

Human Resources/Labor Relations

Washtenaw County HR / LR provides oversight and supervision of the current Washtenaw County Road Commission HR Generalist, allowing her to continue with the day-to-day processing of necessary functions. Utilizing interest based bargaining, Washtenaw County HR/LR functions as the chief negotiator for the WCRC, as well as handling all grievances, special conferences, arbitrations and related labor relations matters with the assistance of the HR Generalist and guidance of a labor attorney.

The partnership provides for the WCRC to pay normal staff costs of \$37,000 annually, while at the same time allowing the WCRC the ability of not filling a Director position (\$86,528) and realize such cost savings.

Regional Dispatch

As presented at the October 2, 2008 Working Session, Washtenaw County and the City of Ann Arbor have been working on consolidating dispatch centers. A Regional Dispatch Authority already exists and would be charged with overseeing the operations of the dispatch center. The Authority has met to amend the agreement, which will require approval of the Board of Commissioners, the Department of State Police and the City of Ann Arbor before being presented to the Governor for approval. Current projections show that by combining the two centers, the two public entities could save a combined \$6.4 million over the course of ten years. The potential timeframe for this is that the new center could open as early as April 2010, pending approval from the Board of Commissioners, State Police and city council.

Staff is drafting a general policy on shared services for the Board of Commissioners review and approval. The policy and procedures will address the following items:

1. Steps to explore shared service arrangements when contacted by our local partners;
2. Parameters around the development of a shared service business plan/partnership agreement – i.e. Responsibilities and cost to each partner;
3. Approval process for future shared services relationships;
4. Identify methods for county and partners to track costs and outcomes of partnership;
5. Identify public reports of success and how identified savings are used.

I anticipate a recommended policy be brought to the Board of Commissioners within the next 30 days.