



# *Village of Dobbs Ferry Village of Hastings-on-Hudson*

## *Feasibility Study of Consolidating Departments of Public Works*





# Introduction of the Consultant Team

## Laberge Group

- Benjamin H. Syden, AICP – Director of Planning & Community Development
- Donald C. Rhodes, PE – Senior Project Engineer
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- Michael R. Hattery, PhD – Director of Local Government Studies





*“The definition of insanity is doing the same thing over and over again and expecting a different result”*

*- Albert Einstein -*



# Internal and External Drivers for Change

## External

- Do More with Less - Declining state aid and funding
- Government policies and mandates
- Resident expectations and demands to lower cost and reduce duplication
- Resident demand for self-service, (i.e. interactive on-line tools and services)
- Financial incentives to cooperate to save and/or realize economies of scale

## Internal

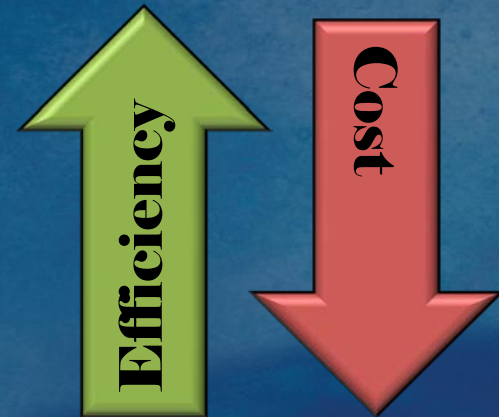
- Fiscal constraints
- Desire to improve service quality
- Growth and demographic shifts placing pressure on infrastructure
- Need to attract and retain skilled staff
- Need to keep up with rapid technology changes
- Need to standardize policies and technologies for greater accountability





# The Primary Objectives of Shared Services

- To contribute to the efficiency and effectiveness of local governments
- To achieve cost reductions based on economies of scale and better leverage
- To eliminate or minimize duplication of services
- To share resources and specialized skills





# Government “Do Over” Day

*What changes would you make?*

- In the current economic climate, spending of any kind is under the microscope and the pressure to cut back is intense
- Government organizations must strive to meet the implications of massive debt and loss of revenue sources
- Current service delivery is often redundant, inefficient and non-standardized
- Municipal responsibilities are becoming increasingly complex and demanding





# Government as a Business

- Why do we need a business case?
- The business case plays a number of important roles during any change project.
  - Provides background and context to the shared service proposals
  - Articulates the reason for change, to ensure the support and approval of key decision-makers
  - Communicates business needs and options for meeting those needs
  - Estimates costs, benefits and related financial metrics of the proposed solution
  - Sets out a baseline for project management and future benefits tracking
  - Establishes what success will look like and criteria by which it should be measured

*Evaluate if it makes “sense” or “cents”*



# Project Overview

- The Village of Dobbs Ferry and the Village of Hastings-on-Hudson received a Local Government Efficiency Program Grant to fund this study.
- The Purpose of the *Study* is to evaluate the feasibility of modifying or consolidating the provision of DPW services between the two villages into a more integrated service delivery system where potential areas of cost savings and efficiencies are possible.
- This will include a review of:
  - Personnel
  - Facilities
  - Equipment
  - Management Practices







# Highlights of our Scope of Services

- Inventory and Analysis Review
  - DPW organizational, functional, and administrative review
  - DPW facility assessment
  - Prepare financial and service cost analysis and preliminary findings summary
- Outreach and Key Stakeholder Involvement
  - Municipal department head questionnaires
  - Interviews with DPW Superintendents, Village Managers, and Elected Officials





## Scope of Services cont...

- Develop Opportunities, Fiscal Impact, and Draft Study
  - Shared services opportunities/options and fiscal impacts.
    - Consolidating equipment and facilities only
    - Consolidating staff only
    - Consolidating the management function
    - Consolidating one or more sub-departments such that specific public works services are provided to both villages by one team of staff and equipment
  - Draft Feasibility Study
  - Implementation matrix and next steps





# Project Understanding

- The Village of Dobbs Ferry and the Village of Hastings-on-Hudson Public Works Departments have an established good working relationship; sharing specialized equipment, skilled operators and other resources for many years.
- The ultimate goal of a consolidation study is to enhance the provision of DPW services while decreasing cost.
- Other favorable outcomes include:
  - Preserving the existing level of services while lowering cost
  - Enhancing the level of service while stabilizing costs over time



# Appraising Your Shared Service Options

## Key Actions:

- Appraise and assess the feasibility of shared service options and their attractiveness over other alternatives
- Benchmark baseline performance. Understand where you are now and where, individually and collectively a service could be if a shared service agreement were introduced
  - Where are policies and processes unclear or poorly designed?
  - Where is quality assurance absent?
  - Where are lines of communication and responsibility unclear?
  - Do the partners diligently track labor hours by function in a standard format?





# Fiscal Implications of Shared Services Options

The municipal partnership must consider the potential for savings from sharing costs and avoiding costs through a preliminary review of:

- Staffing
- Equipment
- Facilities
- Revenue and leveraged funding





# Fiscal Implications of Shared Services Options

The municipal partnership must consider the potential for savings from sharing costs and avoiding costs through a *further* review of:

- The potential to achieve cost savings and/or efficiencies and the tax impacts of the alternatives
- Each entity's assets, including but not limited to real and personal property, and the fair value
- Each entity's liabilities and indebtedness, bonded and otherwise
- The hidden costs or secondary impacts of sharing/consolidating services, i.e., union contracts, impact on revenues, future costs of personnel (benefits, advancement within new organizational structure)







# Understand the Perceived Barriers/Obstacles

- Importance of community identity and control of service delivery by one or more of the involved municipalities
- Concern over job loss, pay scale change, responsibility, change in organizational structure, policies and/or place of employment
- Importance of continuity of current level of service provision
- Concern over unknown factors and consequences from changing current arrangements
- Compatibility of capital assets
- Cost tradeoffs – one party may realize savings while another may see costs increase





# Building Consensus

## ➤ Vision and Communication

### ➤ Key Actions:

- Work with partners to develop a clear vision and plan
- Communicate the vision to all relevant stakeholders
- Allow all relevant stakeholders to be involved in 'fleshing out' the vision
- Ensure that the goals and values of the partnership are clearly articulated
- Deal with concerns and misconceptions
- Ensure the rationale shows the contribution of each partner
- Explain to individuals and groups the benefits they can expect





# Keys to Success

- Successful shared services are built upon committed and cooperative leadership.
- Leadership must understand and promote the 4 “C’s” of Shared Services:
  - Communication
  - Coordination
  - Collaboration
  - Cooperation





# *Public Input*