



**City of Three Rivers**  
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December 12, 2011

To the Citizens of Three Rivers:

The City of Three Rivers is submitting this letter to fulfill our requirement to comply with the Governor's Economic Vitality & Incentive Program, which encourages local governments to improve intergovernmental cooperation, collaboration and potentially consolidation of services with each other. I would like to start by providing some background detail on some of our prior/ongoing collaborative efforts.

The City of Three Rivers has a long history of collaborating with other governmental units in order to save money and provide critical services. The following list contains many of the current cooperative efforts that we have in place:

1. **Land Transfer Agreements:** The City has over 20 PA 425 agreements with surrounding Townships to provide sewer and water services. This allows the area to grow and multiple jurisdictions to share in the tax revenue. It also limits the need for duplicate sewer and water systems. Cost Savings: It would cost each jurisdiction millions of dollars if they were to build and operate their own services.
2. **Village of Constantine:** The City of Three Rivers provides sewer services to the entire Village of Constantine. This is done through a contractual arrangement. Cost Savings: It is estimated that the Village of Constantine saved millions of dollars in plant improvements and removed a foul odor producing plant from their community.
3. **Police Department:** The Three Rivers Police Department contributes manpower and equipment to a county wide, SWAT Team (SRT), Major Crimes Taskforce, and Drug Enforcement team. The cost of these teams is spread out over the various municipalities in the County. No one department could afford to staff a team and have it available on demand. Cost Savings: This saves each department from paying 100% of the cost for a team of investigators or for a full team of SRT personnel. It is estimated that each jurisdiction would have to pay an additional \$100,000 to \$150,000 dollars per year to fund the operation themselves.
4. **Three Rivers Fire Department:** The City Fire Department and Fabius Township Fire Department operate on an "Initial Aid" system where we automatically respond together on major incidents. By sharing our labor and equipment we are spreading the

cost of providing service over the entire City and Township jurisdiction. Each Department spends about \$400,000 dollars a year for fire protection.

5. **Three Rivers Ambulance Service:** The City of Three Rivers Ambulance service provides coverage for Fabius Township, Lockport Township, Park Township and half of Flowerfield Township. Each Township pays a per capita subsidy that's adjusted annually by the CPI-U. We receive approximately \$42,000 in subsidies annually. This is far less expensive for the townships than having their individual services. The City benefits by supplementing their budget with service fees from a larger geographic area. Call volume is greater so we have less down time.
6. **Central Dispatch:** The City of Three Rivers gave up its own dispatch center over 15 years ago and participates in a county wide dispatch program. This saves the City approximately \$150,000 a year in personnel costs.
7. **Economic Development:** The City of Three Rivers supports the County Economic Development Corporation financially and by serving on the board. This has been going for over 10 years. The City pays approximately \$7,500 per year to support the EDC. The City would have to spend between \$30,000 and \$75,000 dollars to fund a part time or full time person with the required experience and knowledge.
8. **County Grant Writer:** The City of Three Rivers used to have its own grant writer. In 2007 we transitioned this person into a grant writer for the entire county and it is now funded by the City of Sturgis, City of Three Rivers, and St. Joseph County. The City was funding the position at \$75,000 a year and reduced its cost to \$10,000 a year.

In looking towards the future, the City of Three Rivers has formed a Community Development Committee that consist of the City of Three Rivers and the townships that surround the City (Lockport, Fabius and Park), and representatives from St. Joseph County government. The focus of this group is to look at potential areas that we can consolidate or work more closely together and save costs. The Group is currently evaluating the potential consolidation of the Fire and Ambulance services but could look at the following areas in the future:

**Fire Department:** Three Rivers Fire Department and Fabius Park Fire Department, currently enjoy a good working relationship. Last year we implemented an "Initial Aid" policy, which requires both fire departments to be dispatched immediately on major type incidents. This agreement allows both departments an opportunity to provide manpower and equipment faster to the scenes of incidents. However, we would consider consolidation or perhaps have some joint purchasing policies that will save us money and allow for better use of our resources.

The group is exploring the current costs of providing services and attempting to identifying the potential cost savings of a consolidated "fire/ambulance authority" or to see if the funding is

equitable for all users. The Three Rivers Fire Chief has begun a phased analysis of fire costs of each department and ambulance costs for our service area.

**Police Department:** The City will investigate joining an area wide police authority or contract law enforcement services with St. Joseph County. This will be evaluated to determine if the appropriate service level can be obtained at a cost savings.

**Fisher Lake Sewer Service:** The City is negotiating with the Fisher Lake Association and Lockport Township to provide sewer service to the lake residents. Our Clean Water Plant would be one step closer to becoming a regional facility servicing multiple jurisdictions. As you can see the City has cooperative agreements with other jurisdictions in order to maximize the use of our resources and avoid redundant services. We will continue to look for ways to better serve our citizens and give them the best value for their tax dollars.

**District Library Concept:** Currently the City of Three Rivers supports a City Library with a millage. It also relies on donations from the surrounding townships in the amount of about \$80,000. However, the library's budget is 538,284 dollars. A district library supported by a larger area may reduce the tax burden of the City residents and businesses and more equitably distribute the cost of providing this service.

Sincerely,



Joseph A. Bippus

City Manager