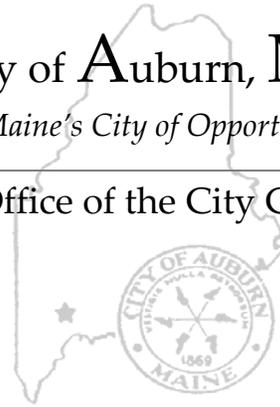


City of Auburn, Maine

"Maine's City of Opportunity"

Office of the City Clerk



Council Meeting Agenda Packet

February 13, 2006

This packet contains the City Council Agenda and supporting documents. The items in this packet are bookmarked in Adobe Acrobat .pdf format. You may need to click on the Bookmark tab on the left to open the Bookmark window. If you do not see a Bookmark tab on the left, you may need to select the Show/Hide Navigation Pane button in your icon toolbar above or update your version of the Adobe Reader. You can download the free Adobe Reader application at www.adobe.com.



Lewiston-Auburn City Council



Joint Meeting
February 13, 2006
Auburn Hall

5:30 p.m. Dinner
6:00 p.m. Meeting

AGENDA

1. Welcome and Introductions
 - Mayor Normand Guay- City of Auburn
 - Mayor Lionel Guay – City of Lewiston

2. Presentation of the Final Report: Commission on Joint Services

3. Discussion of Joint Agency Budgets
(Council expectations, meeting date, etc.)

4. Other

Adjourn



Final Report

of the

Lewiston-Auburn Commission on Joint Services

**To the Mayors and City Councils
of Auburn and Lewiston**

The Choices Facing Auburn and Lewiston

February, 2006

The Lewiston-Auburn Commission on Joint Services

Chairs:

- **Robert Clifford**, Justice, Maine Supreme Judicial Court
- **Donna Steckino**, CEO, Community Credit Union

Members:

- **Ronald Bissonnette**, Attorney, Isaacson & Raymond
- **Mark Carrier**, Certified Public Accountant, Ouellette, LaBonte Roberge & Allen, P.A.
- **John Emerson**, Emerson Chevrolet
- **K.C. Geiger**, retired executive, Geiger Bros.
- **Laurent F. Gilbert, Sr.**, Associate Director, Maine Community Policing Institute
- **Jeffrey Harmon**, Senior Consultant, MAXIMUS
- **Linda Hertell**, CEO, Richardson Hollow Associates
- **George Hess**, Attorney, The Hess Law Firm

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I. Background

In October of 2004, the Auburn and Lewiston City Councils passed a resolution authorizing their Mayors to establish the “L-A Commission on Joint Services.” The resolution charged the Commission to identify “areas of municipal service delivery and operations where new or enhanced cooperative or collaborative efforts will provide improved services, reduced costs, productivity efficiencies, and effectiveness.”

The Commission was appointed in the fall of 2004, and has met several times each month since then. It issued a Preliminary Report in August of 2005. This is our Final Report. It speaks to decision-makers and the general public about the reasons for change for the Cities of Lewiston and Auburn, and how it can be accomplished. In a separate report, the Commission provides city officials and interested parties with working papers describing a process for planning the consolidation of specific service areas.

We wish to thank the Mayors of Auburn and Lewiston for entrusting us with this important task; the City Councilors of Lewiston and Auburn for their advice and support; the management, department heads, and union representatives from both Auburn and Lewiston whose advice and counsel have been invaluable; and all of the citizens of Lewiston and Auburn who have offered comments and suggestions and help.

We would also like to acknowledge those who have provided technical help to the Commission in its work. The Maine Department of Economic and Community Development and the Maine Development Foundation have provided generous grants to assist our work. Lynn Berube of Richardson Hollow Associates has faithfully attended every meeting and recorded the minutes. Frank O’Hara and Tabitha Plaisted of Planning Decisions, Inc., hired pursuant to grants listed above, have assisted with analysis and research. They, in turn, have supervised research conducted by Charles Lawton of Planning Decisions, Peter Thibeault of Delphi Global Services, Chris Branch of Technical Services, and Jonathan LaBonte of the University of Maine. Professor Christopher Potholm, principal of Command Research (part of the Potholm Group), also conducted preliminary research for the Commission.

II. Benefits of Integrating Municipal Services

The Commission has interviewed dozens of municipal officials and community leaders, pored over consultant analyses, read previous reports, and debated the question of service delivery from all perspectives. Based on this research, we have come to a firm conclusion:

There are few activities undertaken by city governments in Lewiston and Auburn separately today that would not benefit from an integrated approach to service delivery.

This conclusion is supported by five elements: past success, past inaction, current analysis, future projections, and citizen support.

1. Lewiston-Auburn cooperation has proven its value by benefiting both communities in the past.

Lewiston and Auburn have been working closely together for over 150 years. In the 1800s, the cities established a joint fire protection district, a railroad, and a water district. After World War II, the two communities created a joint airport and the first tax-sharing arrangement in Maine. Since then, sewage treatment, bus service, transportation planning, waterfront development, Lake Auburn watershed protection, and emergency dispatch have been undertaken on a joint basis.

The highest profile cooperative effort is in economic development. In this area, the Lewiston-Auburn Economic Growth Council has had a great impact. Its efforts are contributing to the unprecedented level of investment and job creation now taking place in the two cities. During the past year, the Cities of Lewiston, Auburn, and the Growth Council's success were recognized with awards from the Maine Development Foundation and the Maine State Chamber of Commerce.

In 1996, an effort called *L/A Together* engaged hundreds of citizens from both cities in studying ways to increase cooperation. The conversation it started has continued through the years, resulting in increased cooperation between the cities in public works, police, and other departments.

From all of this history, our Commission concludes that cooperative efforts should continue and can bring benefits across a wide spectrum of public services.

2. The failure to cooperate in the past may have made city services more expensive today than they had to be.

Our history also includes lost opportunities for cooperation, and from these the Commission has also drawn lessons. A well known missed opportunity in recent years was the failure to join together the Auburn and Lewiston libraries. Both libraries spent millions of dollars to renovate separate buildings. The unfortunate result is that both must spend more to finance and maintain their structures, and that less is available for books and programs.¹

The same lesson could be drawn from recent major renovations of the two City Halls. In general, a consolidation of building construction and maintenance costs saves the taxpayers a significant amount of money.

Another missed opportunity has been in the area of technology. The *L/A Together* report recommended that the two cities “purchase goods and services jointly” whenever possible, and establish “common sense standards and specifications for goods and services.” In response to special incentives offered to each City, and the different preferences of the technical experts in each City, Lewiston and Auburn have purchased and are installing different software programs for record-keeping and communications. These decisions mean that there will be delays in achieving economies of scale in the purchases of equipment and training, and more difficulty in sharing information.

3. Our analysis shows financial and service benefits from cooperation in several areas.

The Commission has carefully looked at code enforcement, assessment, financial services, technology, public safety, and public works². In every case, better services at lower or comparable costs would result if the services were integrated into one operation. Although achieving such integration would involve some initial cost, and the payoffs may vary by area, the Commission has concluded that there is no area in which the service would be better provided in the long run by remaining separate. Specifically, the Cities could benefit from:

- Coordinated code enforcement that would allow contractors and landlords to work from one set of standards, and also provide the cities with the flexibility to shift

¹ State figures show that in 2004, both libraries had smaller collections than average for Maine, with higher per-capita operating costs. See Maine State Library website, <http://www.maine.gov/msl/libs/statistics/>.

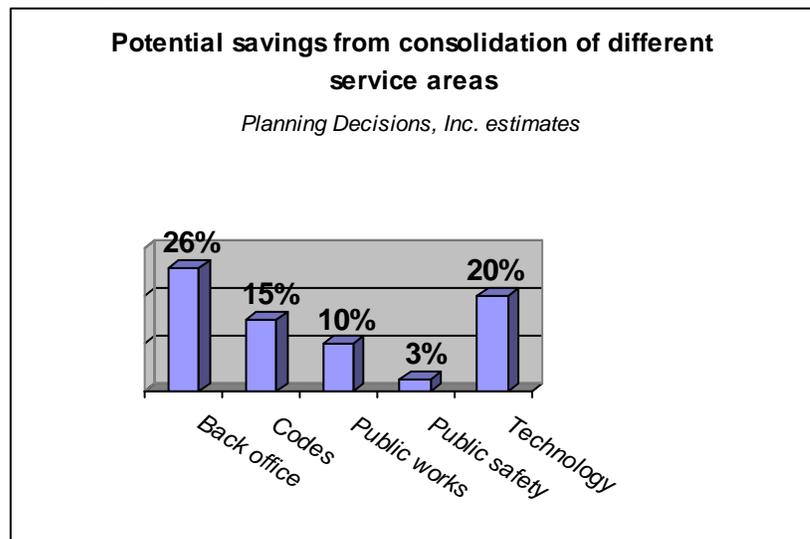
² For more detail on these areas, see the report entitled Workign Papers of the Lewiston-Auburn Commission on Joint Services, February, 2006

- staff around for big projects;
- Coordinated assessment that would improve the ability to phase work over time between the two cities, and common software that would result in long term cost savings;
 - Coordinated financial services that would result in having better real-time information available to the decision makers and the staff in the Cities, and that would reduce the time staff would be required to spend on data entry and re-entry;
 - Coordinated technology that would allow the two Cities to purchase more sophisticated software and conduct more advanced training for the same dollars;
 - Coordinated public safety that would enable more specialization in the fire and police departments in areas such as homeland security, coordination of equipment and training, implementation of one set of policies and protocols, and operation of the departments under a common philosophy;
 - Coordinated public works that would mean a more efficient allocation of staff and equipment in the two Cities; and
 - Coordinated land use planning that would benefit the cities because it would help to identify the most promising areas for development and tax base growth, and for land conservation and protection, in both Cities.

In these areas, our estimate is that if the services had been consolidated five years ago, today's cost of providing those services would be 7% less. This would mean about \$2 million less annually in expenditures in the two cities.

Before such savings from consolidation could be realized, however, there would be some added costs in the short run for new technology,

new training, and other transition costs. If the cities had invested in consolidated services in these areas five years ago, the operating costs of these services would be less today.



4. A cooperative investment in e-government technology will help Lewiston and Auburn compete better in the future world economy.

The Cities of Lewiston and Auburn are locked in intense and growing competition for people, businesses, and investment.

Lewiston and Auburn need to attract and retain talented young people. We are in competition for college graduates with other locations—Boston, Washington, San Diego, or Seattle. This is a serious challenge for all of central and northern Maine.

Lewiston and Auburn also need to attract and keep businesses. Wal-Mart recently considered alternative warehouse locations elsewhere in New England before choosing Lewiston-Auburn. Manufacturing businesses must compare Lewiston-Auburn to locations around the world, including Mexico, India, and China. Telephone response services compare costs and quality of doing business in our area to the Midwestern United States, and even to India. Lewiston and Auburn are in competition with communities located around the world.

It is encouraging that, after decades of losing in the competition, of mill closures, operations moving overseas, high school and college graduates leaving the area, and reduction and deterioration of housing, the Cities of Lewiston and Auburn are now turning the corner and competing effectively in the global race. There is as much new business investment in Lewiston and Auburn as in any other region in Maine. The decline in population has been turned around. Real estate investment is on the rise.

This is not a time to stop and rest on our laurels, however. Looking ahead, the competition will become even more intense. The municipal governments of Lewiston and Auburn, which have led the region out of its past troubles, must be counted on to provide leadership for the next generation of challenges as well.

In a world of global competition, it is not enough for Lewiston and Auburn to be among the best, most efficient, and most cooperative cities in Maine. It is not enough to win awards from State organizations, or plaudits from State officials. Our competition is not just from other municipalities in Maine. We compete with the rest of New England, the rest of the United States, and the rest of the world. In the new competitive environment, Lewiston and Auburn should be among the leaders in city government in the entire nation, not just in Maine.

Success in future world economy will be achieved through the internet, technology, and communications. This is how business people will discover and learn about Lewiston and Auburn. It is how business people from the cities themselves will interact with local governments. It is important to address and improve those areas.

In the future, governments in Lewiston and Auburn will utilize a new generation of technology that will transform municipal services and the ways they are delivered, resulting in far better service to all constituencies. Sometimes this technological

revolution is referred to as “e-government.” What e-government means in practical terms is:

Citizens and voters will be able to:

- Pay their taxes and register their cars online — and perhaps someday vote as well;
- View and participate in city meetings, track city finances on a real-time basis, submit comments on proposals under consideration, all without leaving home;
- View their property tax assessment card, observe how their property is assessed, and compare their assessment to neighboring and comparable properties city-wide.

Businesses already in Lewiston and Auburn, and those considering L-A will be able to:

- Learn about and apply online for loans, job training, small business counseling;
- Find out about vacant land availability, the costs of doing business, and assets and services in both Cities, as well as enter into communication with providers of all such services in the region;
- Access a single set of codes that apply to both Cities, look at common zoning ordinances with consistent definitions that apply in both Cities, consult a single compliance plan that covers both cities, deal with the same staff carrying out the same procedures for permitting in both Cities;
- Consult maps online that overlay roads, utilities, property lines, and other municipal and census data on a block-by-block basis;
- Engage in two-way communication with City officials, consult assessment information, access documents, and the like.

City workers will be able to:

- Make time sheet entries into an integrated financial system;
- Have immediate access to authoritative financial information regarding department budgets, expenditures by program, and the balances of different accounts;
- Have appropriate access to up-to-date records and information in both Cities;
- Enlist fellow workers in the other City to assist at busy times or in times of unexpected workloads;
- Spend less time doing repetitive tasks, such as re-entering the same data in different spreadsheets, and have more time available for other work;
- Work with citizens to solve problems through the use of interactive tools;
- Apply for jobs in either Lewiston or Auburn through the same procedures and with consistent job descriptions, pay scales, and tests.

These dramatic changes are coming to city governments around the world. The question is not whether Lewiston and Auburn will pursue these technologies. All city

governments will. The question is when, and at what cost. The faster Lewiston and Auburn move into this new world, the more competitive the Cities will be for businesses, and the more user friendly for people.

We believe that the two Cities can create this world-class municipal infrastructure faster and at a more affordable cost working together than by trying to create such systems independently.

5. The Citizens of Lewiston and Auburn support cooperation.

The citizens of Lewiston and Auburn realize the benefits of cooperation. In June of 2005, Professor Chris Potholm, principal of Command Research of Brunswick, Maine, conducted a scientific survey of 300 area adults – 150 from Auburn, 150 from Lewiston. The survey gave us a glimpse at whether Lewiston and Auburn residents supported additional intermunicipal cooperation, and the reasons why, and identified the areas in which cooperation would be most successful.

The survey revealed strong support for cooperation. That support is strongest when such cooperation meets the practical tests of saving money and improving services. Specifically, the majority of citizens of both cities support cooperation when it:

- helps hold down property taxes (65%)
- raises the quality of services in both communities (64%)
- reduces duplicative staff (63%)
- increases the political clout of the two Cities in Augusta and Washington (61%)
- increases State aid (57%)
- brings the people of the two Cities closer together (52%)

Citizens identified the area of back office operations – those that are “invisible” to the average citizen as having the greatest potential for successful cooperation. The majority of citizens think the Cities should work together to:

- combine back office operations such as computers, accounting, purchasing, personnel and financial functions (70%)
- create one set of codes and standards for both Cities (65%)
- merge economic development functions into one unified program and share the tax benefits, no matter where the growth occurs (65%)
- merge the police departments (57%)
- merge the fire departments (54%)

Based on all of the above information and citizen support, the Commission has concluded that there are major benefits to be gained from moving forward in consolidating services.

III. Most Promising Services for Consolidation

In considering the range of services offered by the Cities of Auburn and Lewiston, the Commission identified the following priorities for consolidation:

Priority 1: Services that are easy to bring together, and offer visible and immediate benefits.

Code Enforcement. Currently, the codes in the two Cities are different, the two staffs are overworked, and workflows are hard to manage. Combining code enforcement activities would create a simpler system for citizens and businesses to use, would allow staff to specialize in specific areas, and would create the flexibility to shift staff back and forth to deal with larger projects. The cost-savings would be minimal.

Public works services Arborist and Traffic programs. Both Cities could be served by one arborist and one traffic supervisor, in both cases with staff support, by consolidation, or alternatively one city could provide the service on a contractual basis to the other. There would be some cost savings and better service.

Priority 1 services could be consolidated within a year, once the Councils identify them as goals.

Priority 2: Services that are less visible to citizens, but that provide back office support to all city operations.

One important reason that more services are not already provided on a combined basis is that the “infrastructure” of the two city governments is different – each city has different computers, financial accounting systems, human resource policies³, tax assessment programs, and communications systems. These are often referred to as “back office” functions because the average citizen has little contact with them.

There are several reasons why it is important to bring these services together:

1. There is potential for cost savings to taxpayers over the long term if the two cities would purchase and operate the same technology, train staff on the same functions, and eliminate duplicative data entry.

³ Note that human resource systems and policies and advertising and training can be consolidated with great efficiencies resulting, while at the same time leaving sensitive matters such as job descriptions and pay levels and hiring and evaluations to the discretion of each city’s administrators.

2. If these systems were standardized on both sides of the River, it would make future cooperation in other significant areas easier to accomplish;
3. Because these systems are largely invisible to the public, and are involved in few transactions face-to-face with citizens, the services can be integrated without disrupting the citizens' relationship with city government;
4. These technology-related services are the linchpin of the future e-government configuration of local governments. They can help Lewiston and Auburn to compete in the global economy. They create tools for progress.

Priority 2 services could be merged over a three-year period, once the Councils adopted them as goals. The first year of activities would involve the creation of in-house staff teams to create consolidation plans in each of these areas – technology, finance, human resources, assessment. The teams would work with union representatives to address specific staffing issues. The second year would involve laying the groundwork, and in the third year consolidated offices could be established.⁴

Priority 3: Bread and butter municipal services – police, fire, public works.

Once the infrastructure is established and common financial reporting forms, job descriptions, and similar documents are in place, it will be easier to consider the consolidation of larger departments, such as police, fire, and public works.

The potential benefits of consolidation in police and fire functions include joint equipment planning and purchasing, increased capabilities in emerging fields like homeland security and hazardous materials, more efficient staff assignments, and better teamwork through the adoption of common policies and protocols that meet national accreditation standards.

In the public works area, consolidation would allow a Director to reconfigure garages and plowing routes in a more efficient manner. The combination of water, sewer, storm water, and electrical operations into one utility could provide added engineering capabilities for all functions, and certainly a simpler governance structure.

⁴ The school departments of Lewiston and Auburn should not be exempt from the planning for consolidation of back office functions. There are often more similarities between the two school departments than between the rest of the city government and the school departments.

Priority 3 services could be merged over a three to five-year period, once the Councils adopt these as goals. As with the other services, the first step would be to create in-house staff teams. The pace of activities thereafter would depend upon the plans themselves, as well as the progress of the other program areas described in Priority 2.

IV. The Merger Possibility

A straight line is the shortest distance between two points. If the goal is to consolidate services between the two City governments, the most direct way to achieve this is to merge the two Cities into one.

If the two Cities merge to become one, the arc of future decision-making is clear. Department heads naturally integrate technology and communications, redeploy staff, coordinate capital equipment expenditures, and combine policies. Every decision will be directed toward integrating and simplifying operations. The inherent inertia of the status quo will be overcome.

Another advantage of consolidating the cities is that it will eliminate the difficulty of property tax competition. Right now, in considering the best places to locate different services, or business parks, or commercial areas, the need to provide roughly equal property tax revenues on both sides of the River is a factor that can complicate cooperation efforts, and sometimes lead to less than optimal solutions from a regional perspective. In a consolidated city, when something good happens on either side of the River, all taxpayers will benefit.

The procedure for consolidation is straightforward. The townships of Dover and Foxcroft followed it for their merger in 1922. The procedure is found in 30 M.R.S.A. §§ 2151-2156 (1996) (on line at <http://janus.state.me.us/legis/statutes/30-A/title30-Asec2152.html>).

The steps are:

- 10% of voters in both municipalities sign a petition requesting that a Joint Charter Commission be set up;
- At the next local election, each municipality elects three members to the Joint Charter Commission;
- The Joint Charter Commission creates a draft consolidation agreement,
- The voters of both municipalities vote to approve the consolidation agreement at the next regular municipal elections.

Alternately, the municipal officers of the Cities may act as a Joint Charter Commission without a petition.

The consolidation agreement would deal with issues such as the configuration of a merged City Council and a single school committee, the plan for disposing of past debts, and the manner of addressing legal obligations incurred by one or the other City government.

The Cities would have to explore the question of whether a consolidation would affect the amount of state revenues the two Cities receive for school funding and revenue sharing. The Maine Department of Education has indicated that a consolidation should have no effect on school funding. The school funding formula is driven by the number of total students and special needs students, and this number would remain the same regardless of whether the municipalities become one. Likewise, municipal revenue sharing is a formula driven by fixed numbers of population and tax effort, and these should not change significantly if two communities are combined. In the future, given the State emphasis on consolidation, there is a good likelihood that the State will provide incentives for consolidation in state aid formulas.

The consolidated city would rival the City of Portland in population. In the year 2000, Lewiston and Auburn together had 5,356 fewer people than Portland. In 2004, the difference had shrunk to 4,578. As the land area of Lewiston and Auburn combined is 93.9 square miles, and the land area of Portland is 21.2 square miles, there is much more available land to develop in the Twin Cities. It is reasonable to expect that at some point in the not too distant future, the population of the combined cities would become the largest in the State.

The Commission believes there should be extensive public discussion and education about the advantages and disadvantages of a merger of the cities of Lewiston and Auburn.

V. Recommendations

Until the Cities are prepared to consider the substantial step of municipal merger, the Cities should continue to seek ways to further cooperate and to consolidate services, as Lewiston and Auburn have been doing for the past several decades. It requires that every consolidated service proposal achieve consensus support among numerous parties (i.e., councilors, managers, department heads, unions) on both sides of the River. For the Cities to continue moving toward consolidating City services, the Commission makes three recommendations:

First, the adoption of a joint resolution by both City Councils with specific objectives for consolidation and a specific timetable. Progress can best occur if it is clear that the two Councils support change and lay out a schedule for it to happen.

Second, the creation of public accountability for progress. Our predecessor commission on joint services in Lewiston and Auburn, L-A Together, made many worthwhile recommendations in its 1996 report. Some of these recommendations have been acted upon, often without public notice, such as the improvement in communications between the two police departments, and extensive coordination in the public works area. Others, such as the recommendation for the two cities to adopt a common capital improvements plan, have not been implemented. The failure to coordinate capital improvements over the past several years, particularly with regard to financial and communications software, result in additional potential costs when planning for cooperation and consolidation of services for the future. With more public awareness and accountability, city officials will remain more aware of that cooperation and opportunities would be less likely to be lost in the future.

To achieve this, we recommend the creation of a ***Citizens Commission on Auburn-Lewiston Cooperation***. Members would be appointed by the two city councils, and could include some city councilors. The group would be responsible for issuing an annual report on the state of cooperation between Auburn and Lewiston. It might consist of ten members, five from each City, to be appointed by the City Councils. The Commission would be housed at, and staffed by, the Lewiston-Auburn Economic Growth Council.

Third, the designation of a coordinator of joint services with responsibility for furthering cooperation. Cooperation and consolidation take effort and leadership. It is unrealistic to expect that major functions can be brought together without intensive effort, above and beyond that which can be given by existing city staff in the course of carrying out their day-to-day responsibilities. Therefore, we recommend the designation of a staff position to be housed with the Lewiston-Auburn Economic Growth Council to be

responsible for creating cooperation plans and staffing the Citizens Commission described above. This position would work under the direction of the Executive Director of the Growth Council, and in consultation with both the Lewiston Administrator and the Auburn Manager. We recommend further that the Council seek outside grant funding to support the position for at least a two-year period; thereafter, the two City Councils can evaluate for themselves whether the cost savings and benefits generated by this position justify paying for its continuance out of local funds.

In the accompanying Working Papers, the Commission describes a process for planning the consolidation of the service areas discussed in this report, namely: code enforcement, back office operations, assessment, information technology, public works, police, and fire.

In short, the Commission sees the goal as clear – to bring together the significant municipal services of Lewiston and Auburn into one administrative effort as soon as practicable. There are several courses that can get the cities there, some faster than others, some easier to achieve than others. The course we recommend above is balanced. It is aggressive in its aims, yet allows citizens and city staff time and the opportunity for involvement in the actual implementation. We believe that this approach can provide a platform for Lewiston and Auburn to maintain its leadership and competitive edge into the future.

A note from the Commission to City employees and union representatives

Cooperation and consolidation should not be viewed as threats to your jobs. We do not propose or support layoffs. If further planning identifies staff reductions in specific areas, we support making them through attrition. Further, we believe that the consolidation of services offers the potential for making your job more interesting, your career path more varied, and your job satisfaction higher. Larger organizations, by definition, can offer more to the employee – more specialized work, more job openings from turnover, more colleagues to learn from and work with, higher quality support services, better technology, and in many cases higher pay. By doing things better for the taxpayer, we can also make work more rewarding for the staff. To ensure that the consolidation plans are achievable, we propose that the actual details of the plans be put together through a bottom-up process – by the line staff who know the issues the best.