

Shared Services and Sustainability Report for the City of Newburgh

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Introduction

This paper outlines shared services opportunities for the City of Newburgh. It is a component of the broader Charter Study for the City, funded through a Local Government Efficiency Incentive Grant from the New York State Department of State.

One of the primary goals of the Charter Study is to identify and evaluate potential service sharing opportunities for the City of Newburgh, both within its own operations, and with neighboring and overlapping local governments. Through interviews with City leaders, department heads and other staff, as well as a review of service sharing examples from elsewhere, this study identifies both inter-jurisdictional sharing opportunities, as well as consolidation of operations within the City of Newburgh. The study also describes opportunities for fiscal savings available through options other than shared services. Where these savings possibilities are defined or limited by the current Charter, or where improvements would be possible in a revised charter, we have so noted. We anticipate that there will be additional efforts to examine the Charter, thanks to the success of this effort funded by the State.

To that end, this study includes references to established best practices for shared services, including examples from other Hudson Valley municipalities and New York State communities that are working well.

Additionally, while not contemplated in the original scope of work, the consultant Hudson Valley Pattern for Progress established a "Roundtable of Mid Hudson Mayors." This included the mayors of the cities of Poughkeepsie, Kingston, Beacon and Newburgh. This effort supplemented, during the study period, the exchange of best practices among municipal governments that shared many of the same issues as Newburgh.. The time that the consultants spent on this initiative was not billed to the project but was considered highly valuable in pointing to ideas for the restructuring of the City of Newburgh. Among the areas highlighted were: housing, code enforcement, organizational structure of agencies and comparative staffing.

During the research, it became apparent that some of the adjoining towns and in some cases the County of Orange, considered their needs sufficiently different so as to preclude the investigation of shared services with the City. It is important to note as this curtailed a number of avenues of exploration.

At this time, the need for the City to rebuild confidence among its potential partners is paramount. A number of modest initiatives are identified in this report as 'door openers' to Newburgh's neighbors. The City possesses specialized equipment and technical expertise in several distinct areas. By offering these services at highly

competitive rates to surrounding municipalities, the City of Newburgh can gain credibility and good will with its neighbors. Through improved rapport, larger sharing of services may be possible.

Overview of City Departments

This review was targeted toward the major departments: fire, code compliance, police, and public works, water and sewer, as well as service areas offering significant opportunities for savings. Ancillary departments and functions also received review for purposes of identifying service areas where additional promise exists for savings.

Fire Department & Code Enforcement

The Newburgh Fire Department (NFD) has 56 full-time uniformed employees and five FTE civilian employees with an annual budget of just over \$9 million for 2012. The Department provides fire protection, suppression and other specialized emergency and rescue operations. The Fire Department also provides Emergency Medical Services (EMS), although Advanced Life Support (ALS) and ambulance services are handled through a contract with Mobile Life Support. Since 1960, the number of fire personnel on duty has been cut in half, while the annual call volume has risen to more than 3,000 incidents. To improve efficiency, the Department recently moved to 24-hour shifts for firefighters.

Article XII of Newburgh's existing Charter specifies that there shall be a Department of Fire, headed by a Fire Chief and including the Bureau of Code Compliance. Building code enforcement is organized under the Fire Department, and handled through a Code Enforcement Bureau as well as by 11 uniformed firefighters who are certified code enforcement officers. The Code Enforcement Bureau includes three building inspectors (one of whom is the supervisor), a plumbing inspector, and three clerical staff, with a separate budget (\$577,000 in 2012). Like the Fire Department, the Codes Bureau budget also has undergone dramatic cuts, with a reduction from seven to three inspectors since 2009. To help deal with workforce contraction, the Department is taking steps such as deploying an iPad-based building inspection system to improve productivity.

Together, the Fire Department including the Bureau of Code Compliance has a \$9.5 million budget for 2012 (23% of the General Fund total), supporting 68 staff. This is a reduction in staffing for 2012 of 19 positions, or 25% since 2009.

Despite many efficiency measures, the cuts over recent years are deep enough that in the Chief's view, a new service paradigm and/or new revenues are required if the Fire Department and Code Enforcement are to continue fulfilling their functions successfully. While some deeper cuts in personnel were avoided in 2011, it is likely

that Newburgh's financial difficulties will persist and additional cuts will occur in the near term. Absent other actions, the Chief believes that these cuts fundamentally threaten basic services, and in some cases existing revenues. For example, the Chief warns of:

- Increased fire damage or injuries to citizens and firefighters
- Reduced fire prevention activities (e.g., public education, outreach at fairs, school events, senior citizens, etc.) Changes in "ISO ratings" which could in turn mean increases in insurance premiums (e.g., Newburgh currently responds to fires with a force of 10 firefighters, whereas the national standard is 15; NFPA 1710). A negative impact on code inspection revenues and compliance (citations have declined 30 percent since 2007 due to staffing reductions)
- Potential inability for the Fire Department to respond to requests for mutual aid in support of neighboring fire districts, meaning that these communities may not feel an obligation to support the City's requests for aid

Accordingly, the Newburgh Fire Department, with its Code Enforcement Bureau, is seeking transformative changes to help reduce costs, raise revenues, or otherwise preserve mission-critical resources.

In budget presentations and elsewhere, Newburgh's Fire Chief has advocated that new revenue sources may be needed to help avoid further cuts, such as:

- Fees for commercial inspections, or other changes and new fees for building inspection or follow-up inspections (particularly if corrective actions have not been taken)
- Follow-up and tougher enforcement of Vacant Building Registry Fees
- Fee for marinas (to cover fire protection costs)
- Charge for operating permits for places of public assembly

The Chief has advocated for Fire Department-based Basic Life Support Transport and Advanced Life Support Service, which would raise additional revenues over time. He also is looking at contractual service sharing arrangements with neighboring fire departments, either for maintenance and light repair of fire apparatus, or more broadly, for the provision of fire protection services directly. These alternatives are discussed below.

As this study focuses on savings or service enhancements through sharing or functional consolidation of services, we have not examined every revenue-raising option in detail. Only those integrally related to service sharing or reconfiguration are reviewed here.

Police Department

The City of Newburgh Police Department (NPD) has a budget of \$12.75 million (35% of the total 2011 General Fund Budget), supporting 82 full-time positions and one part-time animal control officer. Including those supported by federal funding and other grants, the NPD currently has 71 sworn officers, including 45 patrol officers, 11 sergeants, 12 detectives, three lieutenants and the Chief. In addition, 17 part-time prisoner attendants control arrestees around the clock at both jails (55 Broadway and 300 Broadway). Of the detectives, 11 are funded by the City's General Fund and one detective, two officers and a crime analyst are funded by an "Operation Impact VIII" State grant program. A "COPS" grant which is a federal program provides funding for four officers.

The NPD also supports its own emergency dispatch operation, with two dispatchers and one desk officer per shift. Either trained dispatchers or sworn officers can perform dispatch services, and there are five full-time dispatchers on the NPD payroll. This is an area for potential consolidation within the City – i.e., with the separate dispatch operation currently run by the City's Fire Department. Additionally there may be a future consolidation opportunity with Orange County's 911 emergency response center.

One of the Chief's technical priorities is to put more electronic monitoring devices into operation. Currently, the NPD dispatch has responsibility for monitoring the Department's 20 street-watching cameras. The Chief feels these are very effective as a crime deterrent as well as an investigative and dispatch tool. In addition to cameras, he would like to acquire a "shot-spotter" system, which registers audible gunfire, and automatically turns cameras toward such gunfire (the NPD averages 33 gun-related calls per month, with an average of 20 shots fired per month).

The NPD maintains several divisions including: Patrol, Investigative Services, Narcotics, FBI Safe Streets Task Force, Professional Standards, Crime Analysis, Community Resource Officers, Crime Scene Unit, Jail Operations, Information Services, SWAT, SCUBA/Marine, Motorcycle Unit, Bicycle Unit, and Animal Control. In 2011, NPD officers handled 29,279 calls for service, resulting in 2,964 arrests. The Department investigated four Homicides, 11 Rapes, 248 Robberies, 258 Aggravated Assaults, 401 Burglaries, 782 Larcenies and 60 Auto Thefts. There is a high turnover rate for NPD officers, related to the high crime rate in the City. For example, in 2010 alone, the NPD lost 11 officers and a deputy chief. The Chief believes that this results, at least in part because of a combination of the high work load and the salary scale as compared to other police departments.

Department of Public Works (DPW)

The Department of Public Works (DPW) is responsible for the physical maintenance of all manner of equipment and property of the City of Newburgh. Approximately 35

employees have been cut from the entire Department since 2009. The Department currently has 43 Employees (including Sanitation) and still attempts all the same daily tasks and routines.

DPW responsibilities include:

- Sanitation and recycling collection
- Maintenance of City streets and bridges
- Snow Removal
- Maintenance of City Parks and other properties
- Maintenance of municipal buildings, including City Hall, Unified Courts, the 1841 Courthouse, Youth Bureaus, and police substations.
- Supervision of the City's sanitary sewers
- Administration of city and police garages and vehicles
- Enforcement of environmental standards
- Property Maintenance: Maintenance of approximately 300 City-Owned properties daily.
- Traffic Division: Maintenance and responsibility of approximately 400 Street Lights, 48 Traffic Lights, Parking Lots, Striping, Meters, and all related duties in all Municipal areas.
- Office Personnel: Daily Routines include: Heavy Communications between DPW and all other Departments - General Office Duties
- Record Keeping: Monitor and record all "trouble" calls. All calls are relayed to Superintendent and appropriate Supervisor. Dates and times recorded with any and all details. Recording any and all complaints and seeing the result through
- Municipality Monthly Fuel Report
- Worker Compensation Reports
- Dumpster Permits
- Dispatching - Disbursement of tasks to proper personnel from phone call to Supervisor
- Issue Requisitions – For this Department and all Departments within the Municipality for all Maintenance issues such as Climate Control, supplies, repairs, etc., for City Hall, Unified Courts, Police Department, Fire Department, Recreation Department, 123 Grand St.
- Purchase Orders – Keep record of all Purchase orders/Covering Purchase Orders/Run Balances – General Ledger
- Annual Reports to Orange County and State of New York

In 2012, responsibility for oversight of the Parking Enforcement Department was added to DPW workload

DPW has a General Fund Budget of \$3.8 million (10% of the total), also oversees Sewer and Sanitation Functions operated through separate enterprise funds, totaling \$7.9 million. The General Fund budget supports 19 positions, with another 25 positions provided for in the two enterprise funds.

Water Department

The City of Newburgh Water Department provides water service through an enterprise fund of \$4.9 million for 2011, supporting 18 positions. The City's water system serves approximately 27,000 people through more than 75 miles of water mains. The total water produced in 2006 was approximately 1.4 billion gallons. The majority of Newburgh's water comes from Lake Washington, part of the City's reservoir system; Silver Stream reservoir is a primary backup source, and the City also has access to the NYC Watershed System.

As described under "Opportunities with Other Local Governments," the City's water resources and sewer capacity represent key entry points for near term collaboration with neighboring towns.

Recreation

The City's Recreation Department is responsible for the use of and activities in Newburgh's parks, and other open spaces. These include a multipurpose Activity Center, Delano-Hitch Stadium and Recreational Park, Downing Park, and many others. In the City Charter, the Youth Bureau is the lead organization, containing the Divisions of Youth Services and the Recreation Division. The Recreation Director oversees both departments and reports to the City Manager. The Charter provides for an Advisory Board of Parks, Recreation and Conservation, but the committee has not been active for some time.

The Recreation Department, including Youth Services, has a General Fund Budget of \$0.3 million (a reduction of 45% in 2011), which supports 2.2 staff (full-time-equivalent basis). The Department also receives \$800,000 through a special "21st Century Community Learning Centers" grant for educational purposes, for after-school services and programs provided by outside contractors. This funding, however, should be viewed as temporary and of uncertain duration.

Other City Departments

The remainder of City Government includes general government functions such as the City Manager, Council, Clerk, Assessor, Tax Collector, Corporation Counsel, Finance, Data Processing, Civil Service, and the City Engineer. Appropriations for these operations in 2011 total \$5.6 million, which support 42 positions. Supervisory consolidation of some functions is examined later in this report.

As indicated above, this review targets the major departments: fire, codes enforcement, police, public works, water and sewer, as well as service areas offering unusual opportunities for savings. While ancillary departments and functions

received limited review, there are several areas where a best practices review suggests savings may be available.

Opportunities for Service Sharing & Consolidation

Major opportunities for service consolidation exist for the City of Newburgh in the emergency services area, including more fully integrating the property inspection program with the Fire Department operations; consolidation of police and fire dispatch; and providing Fire Department based EMS and transport service. Other opportunities may exist for consolidating vehicle repair, contracting out a portion or all of sanitation (garbage pick-up), and other various organizational improvements.

Opportunities for inter-jurisdictional sharing/consolidation include moving to a completely consolidated County-wide emergency dispatch system and developing a shared services model for Fire Apparatus repair, or a contractual arrangement for fire protection provided by the City of Newburgh to neighboring municipalities. Looking toward sharing or consolidating various back office financial and administrative functions with neighboring governments, Orange County, or the Newburgh City School District is another profitable area to examine. These options are described below.

Both the intra- and inter-jurisdictional service combinations described here are among best practices in other municipalities, as noted below. In many cases, these options were suggested through our discussions with City Managers from cities represented in the Mid Hudson Mayors Roundtable. In other areas, we have suggested ideas for service sharing based on best practices examples drawn from statewide sources.

Opportunities within the City of Newburgh

Many opportunities for service consolidation and supervisory unification exist within the City of Newburgh. Some of these are related to Charter changes, while others are not. Greater stability within the City Manager's office as a result of the 2011 Charter Revision will enhance the likelihood of achieving savings, cost avoidance, and greater efficiencies. Remarkably, prior to the Charter Revision, the City budget included significant costs for City Manager contract buyouts, legal costs and carrying expenses for an interim City Manager due to the volatile turnover in that position, [Note: *In 2009 alone, four individuals held the position of City Manager or Interim City Manager.*]

The following initiatives are under discussion:

Integrate Property Inspection

Under the Newburgh Charter, the Fire Department and its Chief have responsibility for supervision of the Bureau of Code Enforcement. Building inspections are carried out both through the Code Enforcement Bureau, as well as uniformed firefighters who are certified code enforcement officers. Code Enforcement activities include:

- Building permits
- New construction inspections
- Plans review
- Plumbing inspections
- Support for Zoning, Planning, Waterfront & Plumbing Boards
- Housing inspections & complaints

The NFD has 14 certified code enforcement officers between the Codes Bureau and the uniformed staff (not counting the plumbing inspector). With the City Council's March 2012 unanimous authorization of the Community Land Bank Pilot Project, the number of inspections will increase; thereby requiring the most efficient use of all these resources. [Note: *Among the first of its kind in the State of New York, the Land Bank is chartered to hold, maintain, rehabilitate and dispose of abandoned properties. The goal is to revitalize Newburgh's neighborhoods and put the properties back on the City's Tax rolls. With 501(c) 3 status, the Land Bank seeks funding from the private sector as well as government grants and loans.*

The partnership between the City, Newburgh's major educational and medical institutions, and private philanthropy and developers promises to make the Land Bank a model for other cities. This initiative reflects new determination to attract outside support to restore Newburgh's historic downtown and to change the community's image. The Fire Chief is the Director of the Land Bank.]

There are significant potential service improvements from the full integration of codes enforcement within the Fire Department. The Fire Chief's initial figures indicate an initial increase in inspection and enforcement activities of approximately 30%. The loss of code enforcement officers can be partially offset by using firefighters to perform inspections of commercial and vacant property and initial complaints. The Code Compliance Bureau can then concentrate on block by block residential and typical building inspections. Moreover, the Code Bureau staff has proposed a voluntary rental unit inspection program which would benefit the entire community.

In short, each time a landlord signs a new tenant, the landlord can request a voluntary pre-rental inspection. This inspection would provide a certificate of compliance that the apartment met all habitability standards, including smoke detectors, carbon monoxide detectors and that the apartment was free of vermin. A reasonable fee would be charged for such inspections. A fee of \$25 has been suggested.

While the voluntary rental inspection can benefit landlords by documenting that a unit “met warrant of habitability” when a new tenant takes possession, better overall structuring of codes including a fee schedule for all rentals and commercial occupancies is needed.

For instance, an apartment inspection is called for in Newburgh every three years but no charge or fee has been assigned to this service. Only SSI subsidized apartments have a fee assignment (\$75).

According to Joseph Schilling, Associate Professor at Virginia Tech and Director of the Metropolitan Institute’s new Sustainable Communities Initiative, ‘most plans do not connect themselves to land use, codes and other plans.’ He has identified an essential need to integrate these elements and is considered a national expert , recognized for work in New Orleans and other troubled cities.

Through the auspices of Pace Land Use Law Center, Professor Schilling will work with the City of Newburgh for a few days to develop a better code enforcement structure. Afterwards, he and the City will host a meeting with other neighboring municipalities to share ideas and lessons learned. Additional opportunities for functional consolidation also may exist. The support staff from the Codes Bureau could be rolled into the Fire Department. Future cost reductions may be realized through the automation of some functions.

At minimum, Newburgh hopes a new fee structure will generate \$125,000 to \$150,000 per year while improving housing and fire safety within the City’s borders. Sharing the expertise of Professor Schilling with other communities may help the City garner much needed good will from its neighbors as well.

Under the Charter, the Fire Chief already has supervision of the Codes Bureau, but various changes have occurred over the years. For example, prior to the mid-1990’s, the Fire Department had a Deputy Chief overseeing the Codes Bureau, which now reports directly to the Fire Chief. The Charter also specifies that there “shall be a Bureau of Code Compliance headed by the Code Compliance Supervisor, who shall be under the direct supervision of the Fire Chief. The offices of the Building Inspector and the Plumbing Inspector shall be within the Bureau of Code Compliance.”

Although it is expected, for example, that plumbing inspection will continue to require a separate position because of the specialized training required, it would be advantageous to not have detailed position descriptions within the City Charter. It would be preferable to leave the operational arrangements for individual positions such as these to the City Council’s discretion, as enacted through local laws. Optimally, the City should have organizational flexibility, as technology and other changes within the field allow for different, and perhaps more efficient approaches to oversight.

Fire Department Based Emergency Medical Services and Transport

Currently, the City of Newburgh Fire Department provides Emergency Medical Services (EMS) as first responders., Advanced Life Support (ALS) and ambulance transport services are handled through a contract with Mobile Life Support. Under the General Municipal Law, cities can bill for EMS/ambulance transport service (including Medicaid, Medicare, and private insurers). The provision of these services is overseen by the NYS Department of Health, which provides a "Certificate of Need" for operators delivering such services. In the City of Newburgh, all ambulance service (Basic Life Support -BLS as well as ALS) is currently provided via Mobile Life Support Services with a contract ending date of April 2013.

Mobile Life Support Services (MLSS) is a privately owned commercial service providing EMS ambulance services with ALS capability, i.e. a Paramedic as well as an Emergency Medical Technician (EMT) is on board. MLSS operates a fleet of over 50 paramedic ambulances and emergency response vehicles with a staff of over 350. Licensed by New York State, MLSS serves Orange, Rockland, Ulster and Dutchess counties, handling approximately 60,000 calls per year.

The NFD Chief has made a proposal for the provision of Fire Department-based Ambulance Transportation (described in a 2/26/2010 presentation to the City Council.) Essentially, this proposal researches the City's ability to bring EMS/Ambulance service under the umbrella of Newburgh's professional Fire Department, which is usually the first on the scene providing emergency medical services.

The Chief's Proposal would:

- Allow the Fire Department to respond, treat and transport patients rather than handing those patients off to another provider, promoting continuity of care while generating revenue.
- Meet ambulance response criteria of 8 minutes.
- Provide for more efficient use of tax dollars, by enhancing fire/EMS capabilities, increasing productivity, and producing new revenues from insurance payments for patient transport.
- Provide Newburgh with an estimated annual income in excess of \$200,000. Estimated revenues (net of start up costs) would be \$57,000 for the first year of operation, \$114,000 in year two.

The current fee for service agreement with a private ambulance is set to expire on April 1, 2013. Contact with the State and a review of State and regional EMS council policies indicate that the Fire Company is eligible for a Certificate of Need to operate this service. Since discussion of City-run EMS began, the contract ambulance service has provided Newburgh with \$40,000 and cost-free defibrillator training for staff in exchange for use of instruction space in the Fire House. Additionally, the City now receives \$15,000 worth of prisoner transports at no charge. (The Fire Chief believes

the Local Government Efficiency Incentive grant study helped stimulate these concessions.)

A variety of models for City-run EMS delivery exist in the Hudson Valley. The City of Troy has instituted a successful collaborative approach between the Fire Department and a commercial service that has been of mutual financial benefit. The City of Albany also maintains a shared service with a private provider but as the “agency of choice” is said to receive a fee of \$125 per ride from the commercial ambulance with which it alternates for each response.

In collaboration with the new City administration, the Fire Chief is examining alternative permutations of service delivery.

Because the NFD has firefighters cross-trained as Emergency Medical Technicians, members of the existing force are qualified to staff a Basic Life Support ambulance service. The location of Saint Luke’s Hospital in the heart of Newburgh also means a short transport distance for most patients. The vast majority of cases can reach definitive care at the hospital quickly and safely as BLS calls. [Note: *On February 28, 2012, a paramedic working in Newburgh stated “only 5% of calls are life saving; 95% could take a cab.”*]

For the City to provide ALS service, the NFD would require staffing and training levels for paramedics within the department. Because Newburgh has a commercial ALS ambulance service maintaining a regional station within the City, a hybrid form of service delivery may prove the most advantageous. The City should consider continuity of service with the commercial agency for ALS only and provide BLS ambulance service (at least 95% of calls) through the Fire Department.

Through employee teamwork and a distinctive command structure, the NFD-based system has the potential to deliver optimum EMS response and patient care including transport. Basic Life Support may be added to the Fire Department for moderate start-up costs which may be offset by transport revenue as early as the end of year one of operation. Provision of ALS can be included in the future if marginal costs of paramedic staffing can be reliably offset by revenues.

Consolidation of Police and Fire Dispatch

Long term savings may be possible through merging the currently separate dispatch services for Newburgh Fire and Police into a single emergency City dispatch center. Additionally, in light of Orange County’s recent completion of a \$40 million Emergency Operations Center, greater potential may exist in the future for shared services with the County on this front. County upgrades of \$2 million for computer-aided dispatch now allow County 911 dispatchers to identify and track the location of wireless calls. Several communities in Orange county already have moved to this centralized dispatch function.

Redundancy in emergency communications is vital, however, improved technology and availability of County 911 service could alleviate the need for multiple dispatch centers operated by the City. The separation of dispatch for Fire and Police dates back more than half a century. "It's always been that way" is a longstanding rationale; taking its origin from the traditional use of two separate buildings. The feasibility of co-locating Fire and Police dispatch is now dependent upon a new Public Safety Facility. Existing buildings are "antiquated" and offer no ability for the kind of expansion needed to house both dispatch functions.

The Fire Chief is advocating a plan which takes into consideration the capital cost outlay and the physical location of facilities. As a new 50,000 square foot Public Safety Building could be expected to cost as much as \$25 million, a shared service with the county may hold more immediate promise.

The City budgets approximately \$600,000 in personnel costs alone to support both of its dispatching units. Even if the City succeeds in co-locating Fire and Police dispatch, a significant dollar amount still will be required for personnel – particularly in the Police Department as their dispatch staff is also responsible for monitoring crime stopping technology.

Consolidated Vehicle Maintenance

Currently, the City Department of Public Works (DPW) has responsibility for the City and Police garages and maintenance/replacement of all vehicles. The exception is the Fire Department (NFD), which has responsibility and a mechanic specialist for maintaining fire trucks and apparatus .

Centralization of this function may provide greater efficiency, although various bureaus and divisions, particularly the police, feel that they would like greater control of the operation. Every department sees their priorities first, and this tension is to be expected. For the most part, the maintenance and replacement of departmental vehicles is accounted for in the individual departmental budgets (e.g., police), while the repairs and replacement decisions are centralized.

Currently, the NPD's police cars are maintained by the City's Department of Public Works (DPW), but the Chief has noted he would like to take this function back. The average life of an NPD patrol car is 100,000 miles. Older patrol vehicles cost more to operate and maintain. There are currently 12 patrol cars available for officers (not including unassigned vehicles, which are older, high-mileage vehicles used when cars are undergoing maintenance or out-of-service for any other reason. Generally, there are 8 officers assigned to a patrol shift (with three shifts each day, but vehicles should not be operated 24 hours a day, and to extend the life they should not be operated in excess of 16 hours daily (two shifts).. The department reviews driving

records and assigns officers with the safest records to the newest patrol cars. This promotes driver safety and may also add to the lifespan of the fleet.

Restructure Management Positions

The current Charter has separate water, sewer, highway, DPW and engineering all at the same level. Having management unified under one office – such as “the City Engineer” – would help improve coordination, general effectiveness and possibly reduce personnel expenses for management. This area is being explored for all functions.

A manageable ‘span of control’ spells out the number of subordinates that one supervisor can manage effectively. The desired range and national standard under NIMS is five to seven – with five considered optimum. This standard translates well into virtually all areas of public administration. Consolidation of multiple departments under the City Engineer would bring the number of directors reporting to the City Manager closer to the ideal span of control.

The City Manager is expected to present a new organizational chart to the City Council shortly. Less specificity in the Charter regarding management positions, also may provide the City Council with greater flexibility as conditions change in the future.

Opportunities with other Local Governments

Sharing and consolidation are not new topics, but with local fiscal conditions exacerbated by a prolonged recession and many major revenue sources in decline, there is heightened interest in exploring innovative ways to control local government and school district costs by eliminating duplicative services or finding new efficiencies.

This section describes opportunities for shared or consolidated services with other local governments, whether overlapping, neighboring, or at a higher level (e.g., Orange County or the State). Recent studies and reports have highlighted a variety of best practices that can save money, improve services, or both. In addition to a library of materials made available through the New York State Department of State, these include:

- Commission on Local Government Efficiency¹ – found major efficiencies available through sharing and consolidation of services, creating statewide estimate (where possible) exceeding \$1 billion.
- State Comptroller’s Report on Shared Services² – focused more closely on shared services for administrative and “back office” functions, estimating

that greater sharing of these functions could potentially save up to \$765 million statewide.

- Pattern for Progress white paper on Government Efficiency in the Hudson Valley³ – Paper summarizing issues and potential stumbling blocks when approaching shared or consolidated services.

Consolidating Emergency Dispatch with Orange County

Consolidation of Emergency Dispatch with modern county systems can save money and improve performance. A recent study⁴ in Schenectady County, for example, found significant savings, and some service improvement opportunities. As part of the study's consensus process, a unified communications center was recommended, which would takeover receive all emergency calls and dispatch all emergency service agencies throughout the County. It is expected this approach will improve public safety, operational efficiency, and save taxpayer funds. Implementation of the study recommendations is in progress.

As discussed earlier, some level of shared service with Orange County 911 should be explored. Newburgh has approached the County with an interest in pursuing grants to study the feasibility of City utilization of County 911. Currently, however, the County is reluctant to expand its resource requirement in order to accommodate additional municipalities.

While unified countywide 911 is desirable in the long term, the opportunity to consolidate Fire and Police dispatch in Newburgh may offer personnel savings of as much as 50% should the city find a viable means for co-location. In the event that the City is able to take advantage of County 911 sooner, the savings in personnel costs are likely to be similar (\$300,000). To preserve a level of practical redundancy and to continue to monitor crime stopping technology, the City will require some dispatch staffing.

Contract with Surrounding Municipalities to provide Fire Protection

Currently there are mutual aid agreements between the City of Newburgh and several fire districts in neighboring towns. Under the provisions of various mutual aid agreements, the Departments support each other as needed. These are not fee-for-service agreements, however, they are generally only meant to apply to coverage and support in emergency situations (e.g., when a large fire occurs that overwhelms existing capacity.) The NFD Chief also notes that under existing mutual aid agreements, the fire departments in surrounding areas generally come into the City when the NFD's resources are strained by either a very large incident or by multiple incidents occurring at the same time. He said that most often the NFD is providing mutual aid to surrounding communities during the day. Those communities often

cannot field a response during workday hours, as they rely on service from volunteers, who are often unavailable at that time. This was not the original concept behind mutual aid. What the Chief proposes is an explicit contract reimbursing the City for fire protection and suppression coverage.

At present, this idea is unlikely to advance with neighboring fire districts. The concept, however, has been utilized elsewhere. For example, as described in a study of city-town services, in both Oneonta and Norwich, a city-operated fire department (a combination of career and volunteer firefighters in Norwich and career and paid-call firefighters in Oneonta) provides fire fighting and rescue services under contract to surrounding town areas.⁵ In both cities, fire protection is provided under a shared services agreement, which defines the services provided and how those costs are shared between the municipalities.

Provide Maintenance and Light Repair for other Fire Departments' Vehicles

A more limited version of service sharing between NFD and neighboring fire departments is also under consideration. The NFD Chief is evaluating an entrepreneurial approach to providing fire suppression vehicle maintenance to surrounding fire departments. The City of Newburgh has a highly trained, full time fire apparatus and fire equipment mechanic. The Chief has learned that a few neighboring Fire Departments have a need for maintenance and light repair work. Their respective motor pools and fleet garages are not maintaining their equipment in the high state of readiness desired and required by the demands of the fire service. NFD has the tools and equipment to pilot the idea.

This is being considered as a goodwill building service. At present, the Fire Chief is entertaining the idea of charging a low (\$30/hour) rate plus materials to surrounding municipalities. Monies collected would help subsidize operation or – if highly successful – offset costs of an assistant. A good experience on the part of neighboring departments may open the door to more substantial sharing of services with their respective municipalities.

Expand Shared Services for Water/Sewer Service

The City Engineer foresees additional revenues for the City of Newburgh through increased shared water services with neighboring municipalities. In particular, as an analysis from the Orange County Water Authority has found, expansion of the City of Newburgh's water supply is the lowest cost option for the Towns of Newburgh and New Windsor. Both Towns are currently receiving water supplied in large part through access to the NYC water system, through aqueducts with near-term major repairs and shutdowns required. Both Towns will need additional water during the shutdown periods, and may want to have alternatives available afterward as they require new or upgraded treatment facilities. The creation of connection points can

be done relatively inexpensively as compared to other options. Both Towns are looking at this option [Orange County Water Authority report alternative 2. [Northeast Orange County Water Supply Feasibility Study \(Nov.2010\)](#)]

Because shutdown schedules and their duration are not definite yet, the revenue stream provided to the City of Newburgh short term is difficult to quantify. However, from August 31, 2011 through February 10, 2012, New Windsor paid the City of Newburgh \$732,857.56 for water.

The City, Towns and County have collaborated on a \$500,000 implementation grant proposal for water supply and shared infrastructure – with the City of Newburgh Treatment Plant serving as a regional facility. The Towns of Cornwall and Montgomery as well as Village of Cornwall also may consider joining the working group on this project. Development of a rate structure that can beat New York City's Delaware and Catskill water rates could make The City of Newburgh an attractive supplier – generating an estimated \$3.5 to \$4 million per annum.

While there are challenges negotiating any inter-municipal agreement, particularly those for vital services such as water, the economics of the situation, combined with neighboring communities' need for water, is likely to be a major factor in advancing such a possibility. This is also a superb gateway service for rebuilding the surrounding municipalities' confidence in the City of Newburgh.

Additionally, sewer services already are provided to the Town of Newburgh. Under the current Intermunicipal Agreement, up to 4.3 million gallons may be processed per day. (Approximately 2.5 million gallons is the usual flow.) Annually, more than \$750,000 is paid by the Town of Newburgh to the City of Newburgh for these services. Under the current agreement, use may be expanded. In minor amounts, this would be without additional costs, but if certain points of outflow are exceeded, the agreement must be amended. There may be opportunities, although further off, to expand this arrangement, providing for efficient use of regional capacities as well as more revenue to the City of Newburgh. While it is difficult to project the impact of a broader service-sharing agreement, the near term (5 years or so) effect could increase the annual revenue stream by \$250,000. Over the long term, with plant expansion and additional sewer trunk lines in the Town of Newburgh along the 9W corridor, it is possible for this activity to be expanded even further. To the credit of both the Town and City of Newburgh, successful water conservation is keeping sewer flows low. Net revenue beyond five years cannot be projected reliably at this time.

[Share Services with Neighboring Communities for Animal Control](#)

The Town of Newburgh has kennels and animal control staff, whereas the City uses out-of-town boarding and kennel services. Other neighboring communities (New Windsor) also have reported problems providing these services. Newburgh's

annual budget for animal control is approximately \$60,000 for one part-time Animal Control Officer and the related costs of boarding dogs with a local veterinary practice or in Humane Society facilities more than 25 miles away.

In 2010, 65 dogs were seized including 38 pit bulls. There were 47 dog bites investigated and 1,018 animal control related complaints. Currently, the City has virtually no provision for cat rescue or capacity for feline boarding.

Since closing the City animal shelter in September 2003, several attempts at re-establishing a facility have been made. Newburgh recognizes a practical need for a "regional shelter." As recently as 2006, nascent efforts and planning began between the City and Town of New Windsor. Such a project is expected to cost \$400,000 and could be a model shared service worthy of grant funding. Animal Control and the operation of a shelter serving multiple municipalities is the kind of initiative that will be possible once the City of Newburgh proves its partnering abilities with neighboring towns and villages.

Explore Utilizing City Court Office Space

The City is short on office space, yet owns the approximately 35,000 sq. ft. City Court building, which has a considerable amount of underutilized or unused space. The City should continue to explore its possible uses.

Consolidation of Civil Service Commission

Local governments are subject to the provisions of state Civil Service Law implemented under local civil service operations which may be administered at the county, city or town level. Currently there are 100 municipal civil service agencies (including counties, most cities, and two towns), and many believe that this system is cumbersome. Municipalities that want to get out of the business of overseeing civil service requirements are generally subject to referendum (as would be the case in Newburgh).

Only marginal savings could be realized by the City if it ended its own Civil Service operation, and allowed the County to administer Civil Service exams. Currently, 40% of Civil Service costs in Newburgh are borne by the School District. Moreover, even if this function was carried out exclusively by the County, examinations would need to be given within the City. Dimming likelihood of a referendum passing is the concern that the County would not provide tests within Newburgh which would be inconvenient for City residents who do not have cars or access to adequate public transportation.

Shared Services Opportunity – Traffic Signals Maintenance/Studies

The City of Newburgh's Traffic Department, within DPW, may have the potential to provide traffic signal maintenance services to neighboring municipalities. Towns like Cornwall have no traffic department, and it might be advantageous for them to receive services from the City of Newburgh rather than through private contractors. This could provide a modest revenue source for the City while building a spirit of cooperation with other communities. (For purposes of this report, we are estimating a nominal annual revenue stream of \$1,000.)

Sharing "Back Office" Functions with County, Neighboring Municipalities and/or the Newburgh City School District

According to a recent study from the State Comptroller's Office, there are many opportunities for municipalities and school districts to save money through combination or sharing of administrative functions. In particular, certain administrative and "back office" central business office functions appear to hold promise because there is both the potential for savings and they are often easier to implement. The study focused on administrative functions such as accounting, payroll processing, procurement, property tax assessment and collection, employee health insurance, equipment sharing, fuel facilities, and Information Technology (IT) administration, asset management and security.

Counties, cities, towns and villages spent nearly \$4.3 billion on these types of general government "back office" services in 2008. Most studies to date have identified savings of between two and five percent from shared services efforts in these areas. The City of Newburgh should continue to evaluate possibilities in these areas, and after an initial exploration of possibilities and interest on the part of other local governments, pursue additional study as to implementation strategies and savings.

Newburgh's school district serves the City as well as the Towns of Newburgh and New Windsor. There has been some discussion of the possibility of studying shared back office functions with the school, however, the timing is far from optimum at the moment. The school is said to be "downsizing a couple hundred" positions. School administrators' focus is understandably placed on other priorities for the very near term. Opportunities should be examined as soon as the school's time and resources permit.

Reviewing Opportunities for Highway Maintenance and Snow/Ice Removal with the County and State Governments

In Ulster County and elsewhere, there is a broad level of cooperative activity occurring among municipal highway departments and between the county and

municipal highway departments. Sharing of personnel, equipment and materials is routine, and there are many written bilateral agreements among municipalities that can provide savings, improved effectiveness, and liability protections, etc. for routine service sharing.⁶

Additionally, NYS has just passed another proposal from the Commission on Local Government Efficiency and Competitiveness to allow more shared services between the State Department of Transportation and local governments (enacted as part of the new tax cap/mandate relief bill). Specifically, statutory language now allows local governments and the State DOT to swap services directly, without reciprocal provision of services.

The City Engineer and DPW should look at alternative service delivery involving State and county roads. Whether additional revenue could flow to the City is unknown at this time.

Conclusion

While there may be a dearth of low-hanging fruit for shared services in the City of Newburgh, a number of major prospects presented themselves during the course of study made possible by the Local Government Efficiency Incentive Grant . They are summarized below.

The personality and leadership of Newburgh's Fire Chief and his ability to work creatively with the City Manager and Council make this a 'striking moment' to innovate within the Fire Service and Codes Bureau.

Efforts undertaken to bring some level of Emergency Medical and ambulance service into the Fire Department have resulted in significant savings in this year alone. After the idea of City-provided EMS was broached with the City Council, the commercial ambulance, currently under contract to Newburgh, made concessions and donations in excess of \$55K. In the future, if approved by the City Council, assumption of Basic Life Support ambulance service by the Fire Department could be expected to generate more than \$150,000 per year. This would offset costs of maintaining necessary staffing levels within the NFD. The price tag on enhanced public safety should not be underestimated.

Similarly, the initiative to adopt a new codes structure with assistance from a national expert offers a three-fold advantage to the City: 1) The structure may be expected to create a greatly fortified fee schedule. 2) More consistent and systematic property inspections will reduce in-home hazards – both to occupants and to first responders in emergencies. 3) Sharing access to expertise and modeling the Community Land Bank may benefit surrounding towns and help encourage greater intermunicipal cooperation. Implementation of the Land Bank concept also is designed to return abandoned properties to the tax rolls – further enhancing the City of Newburgh's fiscal health.

Unified dispatch for Fire and Police also may reduce staffing needs, however, the cost of building a new public safety facility could prove staggering. Future utilization of County 911 emergency dispatch may offer more realistic savings opportunities.

The City is uniquely capable of offering technical services and equipment to neighboring towns and villages. Firematic apparatus servicing, traffic signal maintenance and availability of sewer camera equipment are just a few examples. No fee schedule has been established for these services. The City recognizes that by offering help at essentially a break-even cost may result in larger shared service dividends later. For that reason, this is an area of potential goodwill building versus profit.

One larger, future shared service might be a collaborative effort with one or more municipalities to provide better Animal Control at lower cost.

Other explorations of shared services (consolidated Civil Service for example) did not appear to yield significant advantages for the City. A few – notably back office functions – may be revisited at a later date when prospective partners are better positioned to devote study time to the issue.

Shared Sewer and Water Services represent the largest area of potential for the City of Newburgh. A window of opportunity has been presented by New York City's closure of aqueducts for repair. An Orange County Water Authority feasibility study has identified Newburgh as having water resources and capacity adequate to serve neighboring communities. Monies also may be available for interconnects and other necessary infrastructure.

Long term relationships and success in this as well as other areas will depend upon the City of Newburgh inspiring confidence in its partner-customers as well as delivering services at competitive costs. The potential value of supplying water to communities outside of the City has been estimated in the millions.

In conclusion, it should be noted that the City's corporate counsel believes the majority or initiatives examined during the course of the Local Government Efficiency study could be accomplished through local law, without necessitating Charter change. One significant exception and accomplishment is the change delivered by last year's successful Charter Revision at the polls. The new stability in the City Manager's office, including clearly articulated hiring and firing requirements, offers genuine savings and greater efficiency.

A summary of potential savings and revenues includes:

\$ 150,000	City Manager Charter Revision
\$ 150,000	BLS Ambulance Service provision by NFD
\$ 55,000	Enhancements already realized with ALS Commercial Ambulance
\$ 125,000	Codes restructuring and rental unit inspections

Newburgh Shared Services

	Land Bank return of properties to tax rolls unknown at this time
\$ 300,000	Dispatch consolidation
\$ 60,000	Animal Control
Neutral	Technical services and equipment sharing to build goodwill
\$ 250,000	Expanding current Sewer IMA
\$1,500,000+	Shared water supply with other municipalities

TOTAL ESTIMATE: \$2,590,000

Taxpayer Impact Calculation

Current Homestead Tax per \$1,000 of assessed value is \$15.6465

Current Non-Homestead Tax per \$1,000 of assessed value is \$21.6435

A \$2.59 million potential positive impact on services and the City's \$41 million budget was identified in the course of preparing this report. Based on current tax rates, these reductions, cost avoidances and new revenues would impact the tax rate by 1.02% and reduce Homestead Tax per \$1,000 by approximately \$0.52 and almost \$0.09 for Non-Homestead taxpayers.

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Resources and Notes

Following is a list of websites with information on shared services.

Websites:

Pattern for Progress	pattern-for-progress.org
Commission on Local Government Efficiency	nyslocalgov.org
NYS Office of the State Comptroller	osc.state.ny.us
NYS Department of State	dos.state.ny.us

NOTES (links to resources cited in text)

¹*21st Century Local Government – Report of the NYS Commission on Local Government Efficiency & Competitiveness:*

http://www.nyslocalgov.org/pdf/LGEC_Final_Report.pdf?pagemode=bookmarks=pagemode=bookmarks

²*Shared Services Among New York’s Local Governments – Best Practices and Tips for Success* (Office of the NYS Comptroller, 2011):

<http://www.osc.state.ny.us/localgov/pubs/research/sharedservices.pdf>

³ *Government Efficiency in the Hudson Valley – Creating a Positive Approach to Change* (Pattern for Progress, April 2011):

http://pattern-for-progress.org/sites/default/files/WhitePaperGovEfficiency_1.pdf

⁴ *Schenectady County – Model for a Unified Communications Center* (NYSTEC, 2008):

<http://www.dos.state.ny.us/lg/publications/LGProjectReports/2006/SchenectadyFinalReport.pdf>

⁵ *Observations from Three City/Town Groups in Upstate New York* (CGR, 2008):

http://www.nyslocalgov.org/pdf/Shared_Services_and_Consolidation_Opportunities.pdf

⁶ See for example, *Intergovernmental Collaboration in Ulster County* (Pattern for Progress with CRREO, July 2010):

<http://www.co.ulster.ny.us/municipalities/FINAL%20Ulster%20Intergovernmental%20Summary%20Report%207-15.pdf>