

## Economic Vitality Incentive Program Certification of Consolidation of Services

Issued under authority of Public Act 63 of 2011. Filing is mandatory to qualify for payments.

Each city/village/township applying for Consolidation of Services payments must:

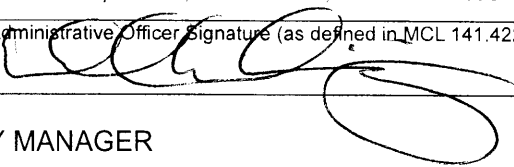
1. Certify to the Michigan Department of Treasury (Treasury) that the local unit listed below has produced and made readily available to the public, a plan to increase its existing level of cooperation, collaboration, and consolidation of services (either within the jurisdiction or with other jurisdictions). The plan shall include a listing of any previous services consolidated with the cost savings realized from each consolidation and an estimate of potential savings for any new service consolidations being planned.
2. Submit to Treasury a copy of the plan to increase cooperation, collaboration, and consolidation of services.

This certification, along with a cooperation, collaboration, and consolidation plan, **must be received by January 1, 2012** (or the first day of a payment month) in order to qualify for that month's payment. Post mark dates will not be considered. For questions, call (517) 373-2697.

### PART 1: LOCAL UNIT INFORMATION

Local Unit Name CITY OF BESSEMER	
Local Unit Code 2702	Local Unit County GOGEBIC
Contact Name MIKE USKIEWICZ	Contact Telephone Number (906) 663-4311

### PART 2: CERTIFICATION

<i>In accordance with Public Act 63 of 2011, the undersigned hereby certifies to Treasury that by January 1, 2012, the above mentioned local unit has produced and made readily available to the public a plan to increase cooperation, collaboration, and consolidation of services. The plan for cooperation, collaboration, and consolidation of services is attached to this signed certification.</i>	
Chief Administrative Officer Signature (as defined in MCL 141.422b) 	
Title CITY MANAGER	Date DECEMBER 20, 2011

Completed and signed forms (including required attachments) should be e-mailed to: [TreasORTA@michigan.gov](mailto:TreasORTA@michigan.gov)

If you are unable to submit via e-mail, mail the completed form and required attachments to:

Michigan Department of Treasury  
Office of Revenue and Tax Analysis  
PO Box 30722  
Lansing MI 48909

Treasury Use Only		
EVIP Eligible	Certification Received	EVIP Notes
Y      N	Plan Received	
Final Certification		



CITY OF BESSEMER  
CITY HALL  
111 S. Sophie Street  
Bessemer, Michigan 49911

City Treasurer: (906) 663-4101 City Manager: (906) 663-4311

Phone: (906) 667-0467  
Michigan Toll Free: 1-800-649-3777

Mayor

## ECONOMIC VITALITY INCENTIVE PROGRAM

### CITY OF BESSEMER

## COOPERATION, COLLABORATION AND CONSOLIDATION PLAN

### Previous Consolidated Services

The City of Bessemer is always looking to provide cost effective service to the citizens of the community, and in an effort to accomplish that goal, the City has participated in the following cooperation, collaboration and consolidation efforts:

The City of Bessemer and the City of Wakefield contract with the Gogebic County Sheriff's Department for police services. This contract began in 1984, when neither city could afford a city operated police department. The number of hours has had to be reduced, limiting the coverage in the City. This is primarily due to cuts in our Revenue Sharing payments. Our current contract, we share 80 hours per week at a cost of approximately \$182,000. **(Annual Savings: \$91,000)**

The City of Bessemer provides library, cemetery, and park services for Bessemer Township. This cooperation effort is beneficial to the region. The City receives no payment to cover expenses from the Township other than fees for services by customers. The Township residents receive services at an economical cost. This is an area that provides improved service to the region and greater efficiency by sharing services.

The City of Bessemer has joined an Authority to provide water services to the area. Bessemer has joined with Wakefield and three townships to form the Gogebic Range Water Authority (GRWA). The Authority provides the ability to provide safe, reliable drinking water to Western Upper Peninsula residents through the cooperative effort of the local governmental units. The conceptual plan of the late 1970's to construct a regional water distribution system with multiple water sources has become a reality. This partnership has saved the City hundreds of thousands of dollars and has clearly improved service and provided greater efficiency. **(Annual Savings: \$74,000)**

The City of Bessemer and the City of Wakefield, along with three townships, have formed the Gogebic Range Solid Waste Management Authority (GRSWMA), which enables the Western Upper Peninsula communities to efficiently manage the cost of garbage disposal for its residents. This has saved the City several thousands of dollars by no longer operating a landfill and has further improved service to the region. **(Annual Savings: \$160,000)**

The City of Bessemer has joined with Bessemer Township and the Powderhorn Area Utility District to form the Bessemer Area Sewer Authority. A wastewater treatment plant has been established to provide greater service and efficient treatment of waste in the City and Township. This has saved the City several thousand dollars. We efficiently share the cost over a greater number of users in the system. **(Annual Savings: \$30,000)**

The City of Bessemer has also conducted some internal consolidation activities as well. We have combined City Water Utility Leadman and Street Leadman into one position, with an annual savings of \$30,000 per year. The City has also combined the City Clerk and Treasurer positions into one position, annual savings of \$45,000 per year. **(Total Annual Savings: \$75,000)**

The City of Bessemer has worked with Gogebic County Treasurer's office to print and mail the City's summer and winter taxes. **(Annual Savings: \$5,000)**

The City of Bessemer is currently contracting with a private sector individual to provide assessing services for the City. **(Annual Savings: \$15,000)**

The City of Bessemer has contracted with Bessemer Area Schools and the Intermediate School District to collect their annual taxes for the school districts while providing a minimal revenue source for the City. This is an area of providing greater service and efficiency to the Bessemer residents.

The Gogebic County communities are all full service communities providing to their residents. The cities in the County cannot afford to maintain an inventory of replacement fittings for water and sewer lines, it is common practice to borrow a fitting from a neighboring community and replacing it upon the completion of the repair. The cities use equipment to maintain water, sewer, electrical facilities, maintain road systems and provide services such as garbage collection. Cities can't afford new equipment. The cities have older equipment and often experience breakdowns. Due to the high cost of equipment, it has been necessary to either use parts from neighboring cities to repair the equipment or, in many cases, use the other

community's equipment until equipment is repaired. This has no real cost savings; however, it does provide the ability to improve the level of service to the residents with greater efficiency, as there is no lost time in providing service.

The City of Bessemer continues to review its operations and the delivery of our services. With that being said, the City is continually looking for ways to enhance and explore additional cost savings efforts.

### **Potential Future Shared Services Projects**

City of Bessemer will join with 48 other municipalities in cost sharing on regional educational training – Northern Michigan Public Service Academy (NMPSA). **(Annual Estimated Savings: \$4,000)**

City of Bessemer is looking into partnering with the City of Ironwood for code enforcement service. This is not a cost savings; however, it will greatly enhance the delivery of services to the residents of Bessemer.

The City of Bessemer is looking to share a garbage truck acquisition with Bessemer Township and the City of Wakefield. **(Annual Estimated Savings: \$20,000)**

The City of Bessemer is partnering with the Gogebic Range Water Authority for the expansion of the water system for greater service and effective delivery to the region. **(Annual Estimated Savings: \$60,000)**

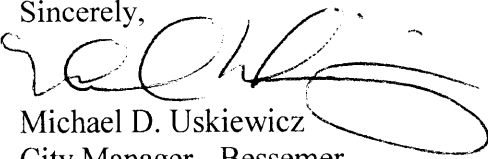
The City is looking into a multi-jurisdictional regional bike/pathway system to provide a greater recreational offering for the region. **(Estimated Savings: \$10,000)**

Participation with Upper Peninsula Regional Library regarding broad band services. The cost for the Merit program to bring fiber optic to Western Upper Peninsula is in the millions. Bessemer would incur an expense to participate; however, it will definitely improve economic development and provide greater service to the citizens of Bessemer.

The City of Bessemer has in the past, and will continue to coordinate travel plans to required municipal meetings with other municipalities to reduce the cost for each municipality. **(Annual Estimated Savings: \$3,000)**

The City of Bessemer is pleased to provide this review of activities. We are undertaking and researching measures to maximize the effective use of the tax dollars we receive.

Sincerely,



Michael D. Uskiewicz  
City Manager - Bessemer