



Leaders at the Core of Better Communities

## 2012 Annual Awards Program

### Program Excellence Awards Nomination Form

**Deadline for Nominations: March 16, 2012**

Complete this form (sections 1 and 2) and submit with your descriptive narrative.

#### SECTION 1: Information About the Nominated Program

Program Excellence Award Category (*select only one*):

- Community Health and Safety
- Community Partnership
- Community Sustainability
- Strategic Leadership and Governance

Name of program being nominated: Municipal Partnering Initiative (MPI)

Jurisdiction(s) where program originated: Village of Glenview, IL; City of Lake Forest, IL

Jurisdiction population(s): Glenview – 44,692, Lake Forest – 19,375

Please indicate the month and year in which the program you are nominating was fully implemented. (Note: All Program Excellence Award nominations must have been fully implemented by or before January 31, 2011, to be eligible. The start date should not include the initial planning phase.)

Month: January Year: 2011

Name(s) and title(s) of individual(s) who should receive recognition for this award at the ICMA Annual Conference in Phoenix, Arizona, October 2012. (Each individual listed MUST be an ICMA member to be recognized.):

Name: Todd Hileman  
Title: Village Manager Jurisdiction: Village of Glenview

Name: Robert Kiely  
Title: City Manager Jurisdiction: City of Lake Forest

Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Jurisdiction: \_\_\_\_\_

## **SECTION 2: Information About the Nominator/Primary Contact**

Name of contact: Peter D'Agostino

Title: Management Analyst      Jurisdiction: Village of Glenview

Street address: 1225 Waukegan Road

City: Glenview      State/Province: IL

Zip/Postal Code: 60025      Country: USA

Telephone: (847) 904-4472      Fax: (847) 724-1752

E-mail: pdagostino@glenview.il.us

## NARRATIVE

Motivated by the national economic downturn and Illinois' fiscal crisis, management of 18 northern Cook County and Lake County municipalities began meeting in September 2010 to discuss a new business model, drawn from familiar concepts we've known for years – the powers of bulk purchasing, and working together instead of working independently. Instead of separately seeking contractors for work they routinely do, the administrations would work together to purchase shared services and commodities, in a concept the 18 communities referred to as the Municipal Partnering Initiative ("MPI"). The MPI's primary goal is to save tax dollars while preserving product quality and service level. The economies of scale achieved were expected to translate into savings that could be reallocated for other services.

The partnering communities had no clear estimate of the possible cost savings – at best, the communities would save money in their contractual costs; at worst, they would fare no better or worse than their current pricing.

The MPI had two major potential obstacles to overcome as they developed the program. First, the MPI was a major undertaking and required significant amounts of staff time to review bid specifications, service level needs, current contract costs, and write new bid specifications. Second, 18 communities were likely to have 18 different opinions and perspectives on bid specifications. The MPI partners overcame these obstacles by dividing the work amongst themselves by forming committees to evaluate and write bid specifications for different groups of services and commodities, including a Public Works Committee and a Construction Committee. Each partnering community assigned staff to work on the committees, and each committee was lead by a chairperson. The MPI partners overcame the potential obstacle of differing opinions of bid specifications by discussing each community's legacy programs and contracts, and each community maintained the ability to opt in or out of a contract with the group's bid specifications. This method respects each community's unique needs and political sensitivities, while still compelling each community to challenge the "this is the way we've always done it" mantra. Most importantly, committee members cultivated relationships with their peers and counterparts in other municipalities, and allowed members to share best practices and learn from each other.

Committees of staff from various communities worked over the winter of 2010-2011 on specific service areas. To date, the MPI partnering communities have entered into 12 joint contracts, and identified several services and commodities for future partnering projects.

A few of the completed projects include:

- Crack sealing – Morton Grove, Wilmette, Glenview and Winnetka expanded an existing joint contract to the communities of Buffalo Grove, Evanston, Glencoe, Highland Park, Lake Bluff, Lincolnshire, Skokie, and Clarendon Hills. Adding eight communities to the existing joint contract allowed staff to renegotiate contract pricing. Together, the 12 communities saved between \$50,000 and \$70,000 when the 2011 consolidated pricing was compared to 2010 non-consolidated pricing.
- Fire hydrant painting – Northbrook, Buffalo Grove, Lake Forest, Winnetka, Highland Park and Glenview jointly bid for a contractor to paint fire hydrants. The six communities save between \$8,000 and \$10,000 when the 2011 consolidated pricing was compared to 2010 non-consolidated pricing.
- Sewer lining – Buffalo Grove, Glenview, Highland Park, Skokie and North Chicago jointly bid a sewer lining contract. The \$1.09 million contract meant saved between \$30,000 and \$50,000 when the 2011 consolidated pricing was compared to the 2010 non-consolidated pricing. A second group of communities, consisting of Lake Forest, Morton Grove, Northbrook, Northfield, Park Ridge, Wheeling and Winnetka jointly bid a \$945,000 contract, which yielded savings of between \$60,000 and \$90,000.

To date, MPI members saved \$405,500 to \$545,500 for the taxpayers of the participating towns. Equally important, the MPI allowed administrators to unearth savings in their budgets they didn't know existed and give them the option to do additional work planned for future years with the money saved.

Participating communities can attest that the concept works. Not only are vendors open to negotiating to get expanded business, but municipal staffs are learning best practices from each other. As jurisdictional barriers are set aside, the interests of taxpayers come first. To top it off, the only cost of launching and maintaining the MPI is the time of each community's existing staffs – no consultants were used to develop the concept or facilitate the program. Each community's savings go straight to their bottom line, and will ultimately be reflected in residents' tax bills.

The MPI's innovation can be replicated easily and the concept deployed in virtually any area of the country:

- Bulk purchasing: Vendors were willing to charge less money for the same products or services, if they were guaranteed more customers.
- Sharing the work: The MPI is based on partnership, and each community took a portion of the MPI's administrative work. The staff

time impact to each partner was minimized, and the results maximized.

- Leadership: Many states and councils of governments offer purchasing cooperatives, but the products and services included may not meet each community’s needs, and may not provide for adequate local control of quality, service level, and choice. MPI members took matters into their own hands and created their own purchasing group, tailored to meet their needs.
- Sharing ideas: MPI members learned best practices from each other and challenged their own ways of doing business, with the shared end goal of saving taxpayer money.

Now that some initial bid packages have been completed, efforts to put together similar packages for this year’s bidding process have been more straightforward, and have required less staff time.

Joint contracts are in the works for other services, such as water meter testing, roadway pavement testing and janitorial services. Future opportunities for partnering include services like street sweeping, tree planting and leaf collection.

### MPI FINANCIAL ACHIEVEMENTS

Project	Number of communities	Total Project Value	Savings
Crack-Sealing	12	\$421k	\$50-70k
Resurfacing (Lake)	3	\$2.99m	\$100-120k
Resurfacing (Cook)	2	\$2.84m	\$80-100k
Concrete	8	\$966k	\$15-20k
Sewer Lining (group one)	5	\$1.09m	\$30-50k
Sewer Lining (group two)	7	\$945k	\$60-90k
Sewer Televising	4	\$365k	\$16-26k
Leak Detection	5	\$71k	\$3-5k
Hydrant Painting	6	\$60k	\$8-10k
Water Meter Testing	3	\$20k	\$500.00-1.5k
Emergency Contractor Assistance	11	\$150k	\$27-37k
Cold Patch (2012 project)	9	\$111k	\$16k

**TOTAL SAVINGS REALIZED \$405,500 – \$545,500**