

Unveiling the Mysteries of the Non-Profit/Public Partnership

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#ICMA2018

ICMA
conference

BALTIMORE
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Who is this guy, anyway?

- Credentialed Manager with over 15 years of service to local governments
- Served as City Manager, Assistant City Manager, and Department Head in communities throughout the U.S.
- Extensive practitioner in public-private partnerships, both as a provider and a beneficiary
- Time Magazine “Person of the Year, 1975”**

**Unattributed and likely false



An Era of Partnership

- The last 15 years has seen explosive growth in operational partnerships for cities and towns
- Sandy Springs, Georgia was home to one of the most recognizable partnerships—leveraging the model to support all non-safety services after their incorporation in 2005
- Since then, a wave of incorporations has washed over the country; with most new communities leveraging partnerships to support some segment of operations



Partnership Spectrum



Contractor:

You Pay:
They Do



Traditional PPP:

Fixed Price:
Profit Driven



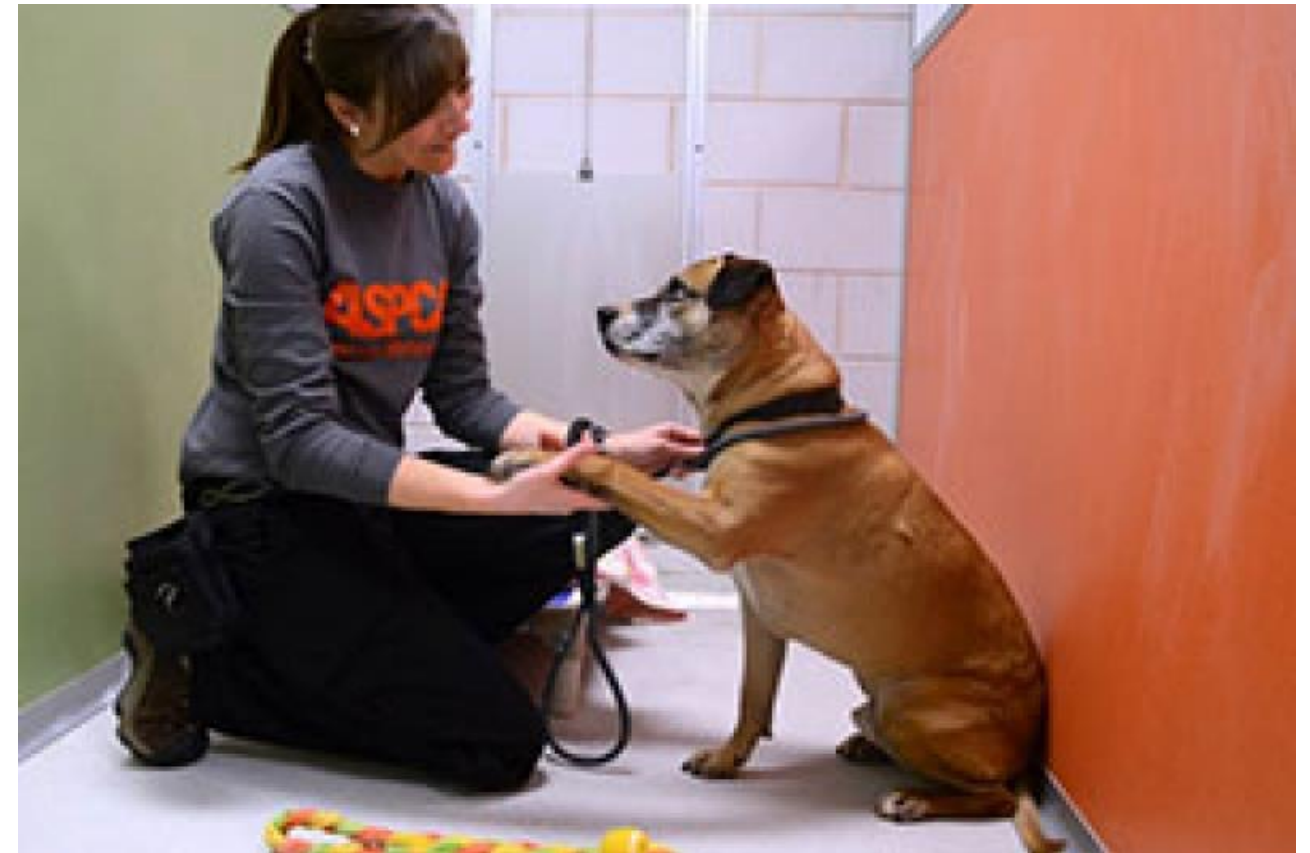
NP³:

Shared Risk:
Shared Reward



Why does this sound familiar?

- Chances are, you've already engaged in some sort of NP³ in your own community
- Local governments have worked with organizations like the SPCA, YMCA, Boys and Girls Club, etc. for many years to provide traditionally municipal services
- An expanded model yields broader benefits



SPCA Executive Director Ellen Wagner executes agreement for animal control services with Spots, Mayor of Elizabethtown, Alabama

NP³ Benefits



Defined lines of communication



Local Knowledge Retention/On-Demand Expertise



Performance Measurement and Reporting



Local Leadership Focus on Strategic Direction



Financial Transparency and Flexibility

Can my City use an NP³?

- **Services Offered:**

- **Administrative Services**

- Finance
 - Human Resources
 - Information Technology
 - GIS

- **Community Development**

- Development Plan Review
 - Permitting and Inspections
 - Comprehensive Planning
 - Small-Area Planning
 - Economic Impact Analysis
 - Environmental Review
 - Floodplain Management

- **Public Works**

- Engineering and Construction Management
 - Street and Highway Maintenance
 - Building Performance and Management
 - Fleet Management
 - Water and Wastewater Treatment/Distribution
 - Natural Gas Distribution/Line Maintenance

- **Parks and Recreation**

- Facilities Operations and Management
 - Programming

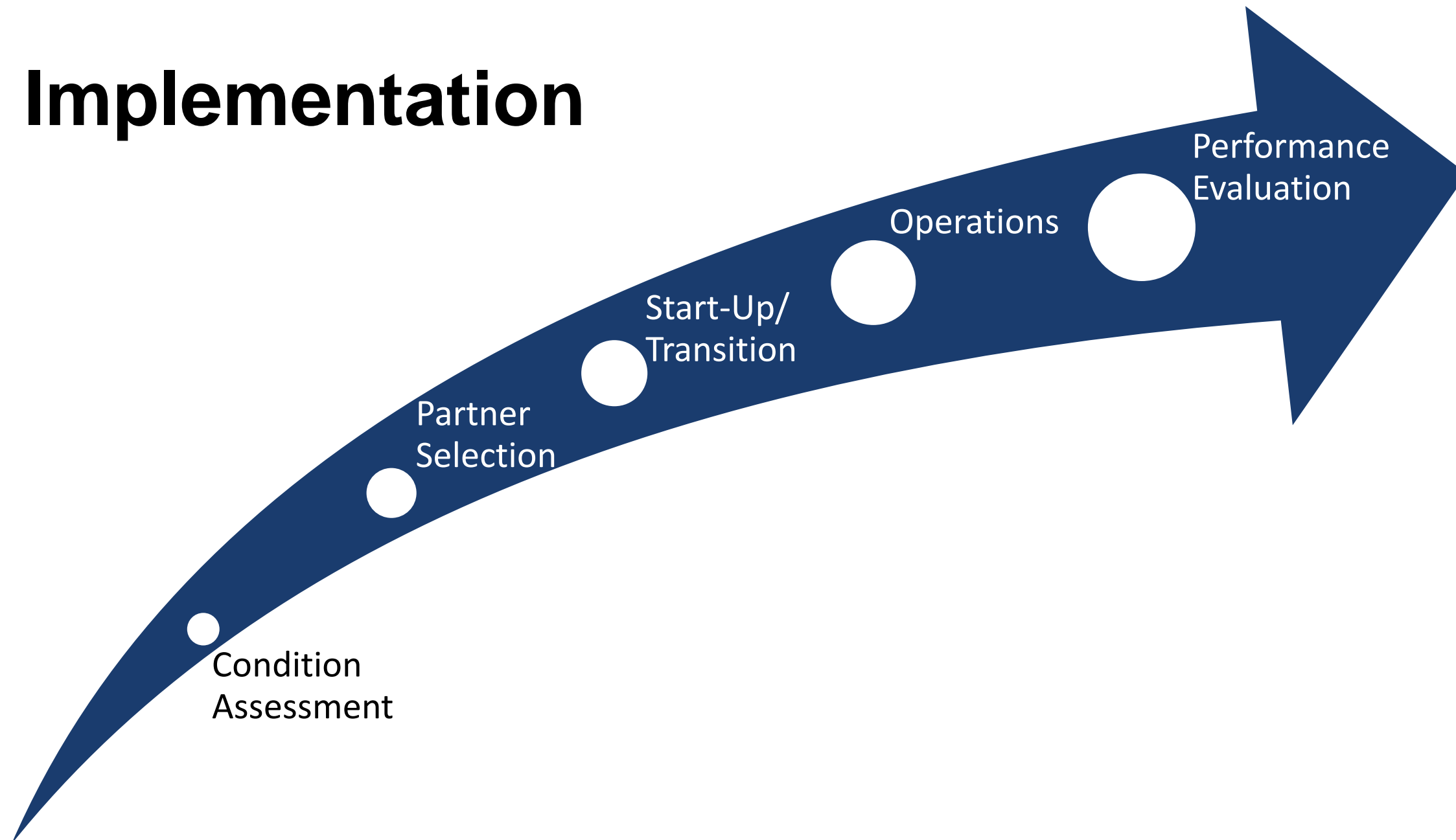
- **Customer Service**

- Work Order Management
 - Call Center Management

Is My Community Ripe for Partnership?

- Think through these questions:
 - What are our current service delivery challenges and/or pain points?
 - Are we meeting our community's expectations relative to services offered and customer satisfaction?
 - Are we able to readily quantify results and return on investment for our current service offerings?
 - Does our leadership have the time to focus on long-term strategic visioning, planning, and policy development; or are they stymied by day-to-day issues?
- Consider these value considerations:
 - Soft Costs:
 - How much time, energy, and money are we spending on program and project administration?
 - What are our organizational and community costs associated with short term focus?
 - Long Term Obligations
 - What is the long run cost of employee pension and health care' including OPEB?
 - How do workers compensation and other ancillary employee costs affect our bottom line?

Implementation



Condition Assessment

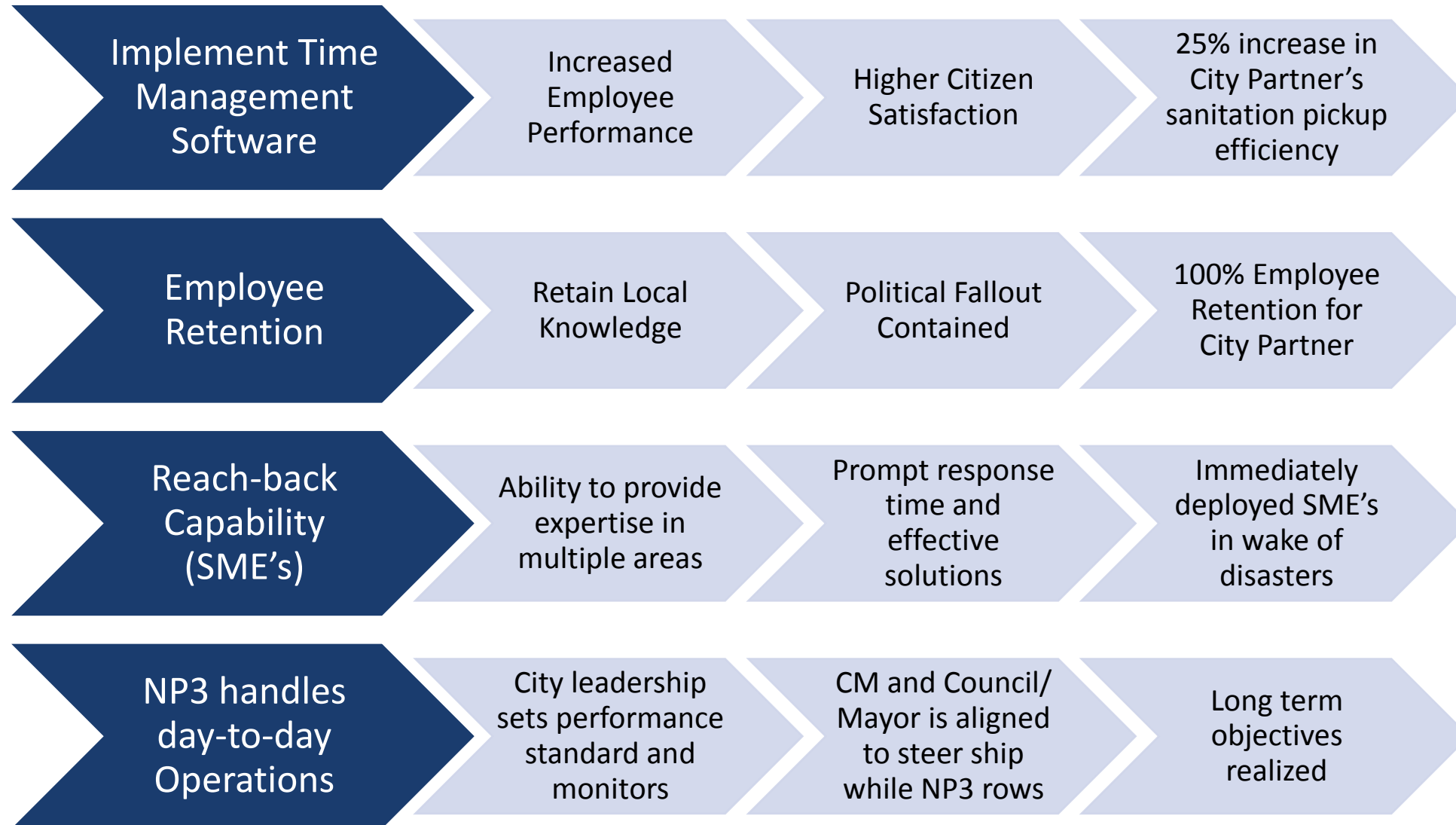
- Evaluate your community on:
 - Revenue streams and yield
 - Relevance/currency of ordinances
 - Human Resource policies/procedures
 - Current staffing/expertise
 - Succession needs
 - Information Technology Infrastructure
 - Street, Highway, Bridge Conditions
 - Underground Infrastructure Conditions
 - Heavy Equipment and Fleet Condition
 - Workflow Process and Management
 - Long term debt obligations
 - Long term employee benefit obligations
 - Insurance risks
 - Social and environmental concerns
 - Citizen satisfaction
 - Missing or deficient services

Finding the Right Partner

- To get the most bang for your investment, ensure that:
 - There is an alignment of mission and vision
 - Partner has strong track-record in selected service areas
 - The firm is financially sound and capable of supporting operations
 - The firm is committed to transparency of means and methods
 - Local team members are empowered to act in your community's best interest



Proven Results



Proven Results

Public Works/ Call Center Technology

Tracking of materials, resources, labor, location, response time and other task orientated info in real time

Data driven smart decisions VS. political driven decisions are calculated

City Partner field workers response time increased 50% due to work order management software

Employee Management/ Putting employees in “correct” positions

Employee morale increased and improved focus

Increased revenue and customer relationships

Significant revenue increase in utility billing and revenues

Pension Plan Management

NP3 handles internal rather than state agency bureaucracy

Decreased city’s fees for pension plan management

\$300k City savings per year for administrative fees. Total City liability reduction of over \$1mm

Takeaways...

- Partnerships enable leadership to be strategic, focusing on governance
- NP³ agreements provide a mission over margin approach
- Shared risk: Shared reward
- Successful implementation requires shared understanding of current conditions, shared expectations of performance, consistent communication of results
- Not clear whether or not Matt was actually Time's Man of the Year



About IBTS

- IBTS is a 501c3 solutions provider, with services delivered to all levels of government:
 - Governed by Board of Directors appointed by government advocacy agencies
 - Divisions include Federal and State Programs, Building Department Services, Disaster Recovery, Energy and Sustainability, and Local Government Solutions
 - Local Government Solutions provides operational support to over 50 clients across the United States



Questions?



An aerial photograph of Baltimore, Maryland, showing the harbor, city skyline, and waterfront buildings. The image is used as a background for the conference banner.

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