

**Town of Cape Elizabeth
Municipal Operations Review Committee
Outline of Draft Report
May 14, 2010**

Introduction

The Cape Elizabeth Town Council formed the Municipal Operations Review Committee (MORC) in July 2009 and the committee first met on September 15, 2009.

The Town Council asked the committee to review Cape Elizabeth municipal operations to determine their efficiency and effectiveness. [\[Expand to explain how the Committee was formed. Further explanation of the charge.\]](#) The committee held 12 meetings between September 2009 and June 2010. In addition, six subcommittees were formed and each met an average of 4 times.

Committee Membership

Glenn Kersteen, Chair
Richard Bauman
William DeSena
Penelope Jordan
Mary Ann Lynch
Jean Ginn Marvin
David Sherman
Timothy Thompson
Michael Vaillancourt
Michael McGovern, Ex-officio Non-Voting Staff Liaison

Committee Organization

The committee organized itself into six subcommittees as follows:

General Government

Chair Dick Bauman
Bill DeSena
Dave Sherman
Staff Liaison - Michael McGovern, Town Manager

Public Safety

Chair Tim Thompson
Penelope Jordan
Bill DeSena
Staff Liaison - Neil Williams, Police Chief

Public Works

Chair Mary Ann Lynch
Dick Bauman
Penelope Jordan
Staff Liaison - Robert Malley, Public Works Director

Cultural/Community Services

Chair Jean Ginn Marvin

Mary Ann Lynch

Mike Vaillancourt

Staff Liaison - Jay Scherma, Library Director

Facilities/Other

Chair Mike Vaillancourt

Glenn Kersteen

Jean Ginn Marvin

Staff Liaison - Ernie MacVane, Facilities Manager

Revenues

Chair Dave Sherman

Glenn Kersteen

Tim Thompson

Staff Liaison - Matthew Sturgis, Assessor

Committee Process

- The committee familiarized itself with the Council-Manager Charter of the Town of Cape Elizabeth, with the Town's organizational structure, with Maine statutes determining municipal responsibilities, with municipal budgets and with benchmarking data from a limited number of area communities.
- The committee included opportunities for public participation in its deliberations in order to evaluate citizens' views of current services and possible changes in services. These opportunities included one formal public forum and occasional articles on the Town website seeking public comment. In addition, the committee took note of citizen recommendations at forums conducted by other parties and in particular with a forum the Cape Elizabeth School Department held regarding suggestions following a proposed curtailment of state funds for education.
- Municipal staff was given an opportunity by the committee to present data and to answer committee inquiries.
- The committee sought to identify alternative delivery methods of municipal services and/or municipal services to be added, modified or eliminated.
- The committee examined how services are paid for.

General Comments Regarding Committee Process

- The committee struggled with a number of issues during its tenure. We were limited to looking at the municipal (non-school) budget and the issue of health insurance was not within our review as another committee was studying the issue. Thus, we had an opportunity to review only about 27% of total local government spending here in Cape Elizabeth.
 - The committee was formed just as the municipal government was adjusting to regional dispatching and other service changes resulting from lower revenues. Thus, the budget process immediately before we began work had identified changes intended to improve efficiency and it made it difficult to again identify opportunities for savings to be realized in the short term.
 - The Town Council through its goal setting process was simultaneously identifying potential opportunities to improve efficiency and effectiveness. The committee found itself supportive of the Town Council's initiatives yet it made it more difficult for us to determine our role as the Council was concurrently moving forward with its agenda.
 - The committee wished to be transparent in all of its considerations and deliberations. ~~[Strike this?]~~
- (1)
- The Committee found it challenging to engage in discussions that may have affected positions within Town government.
 - The committee was divided on the issue of the extent to which outside consultants would be beneficial to our process.

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Introduction

This report, by its nature, is critical and offers numerous opportunities for future consideration by the Town Council and municipal management. These criticisms, comments and suggestions are intended to be constructive. Nothing herein identifies the valuable things that are accomplished within the Town or the effectiveness of existing methods of delivering services. Refer to the Appendix for a copy of management's report presenting recent accomplishments within the Town.

Report Components

The remainder of this report is divided into two sections. The first brief section outlines general principles which we believed to be worthy of consideration as we reviewed specific recommendations. The second section of the report identifies specific recommendations for the Town Council and for the community to consider.

General Principles

Limited Government

- Cape Elizabeth is a community that is geographically small in size and has a relatively small and slightly **decreasing** population. The community is almost totally residential, has no major highways and does not deal with challenges typically found in larger urban communities. Thus, there is an opportunity in Cape Elizabeth to keep municipal government small and property taxes for municipal services relatively low.

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Open Government

- For programs and services to be effective, it is necessary to include extensive opportunities for public participation. MORC notes the Town Council is currently reviewing strategies for greater citizen participation in policy review deliberations. MORC encourages the Town Council to have the communications strategy review be a model on how citizen participation can enhance local decision making. MORC also encourages the Cape Elizabeth website to be a model website for the inclusion of documents and media enabling two way communications with citizens.

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Effective Service Delivery

- Citizens in Cape Elizabeth expect services to be provided with professionalism, with effective cost controls and in a personal friendly manner. Past surveys have showed a high degree of regard for local services but new models for service delivery are possible as technology evolves and as there is greater citizen acceptance of non-traditional service delivery methods. MORC encourages the implementation of non-traditional methods for the effective delivery of municipal services while still maintaining personal friendly service and effective cost controls.

Specific Recommendations

Recommendations Related to All Departments

1. The MORC subcommittees and the full committee debated the advisability of an independent review of Cape Elizabeth municipal government by outside consultants. Some members felt that the investment would return quick dividends and others felt that the investment in consultants would not provide useful information and recommendations beyond those already being considered. MORC recommends that as non-traditional service delivery methods in specific areas are considered in the future, that there be a strong bias towards using outside consultants **[that the use of outside consultants or intra municipal working groups be considered, instead of “strong bias”]**. The argument for engaging consultants was principally that citizen committee members simply lack the expertise and available time to adequately perform in-depth reviews as originally charged. **[Additionally, we found that the right to know law impacted our ability to gather data – Tim Thompson] [Move this sentence to earlier in paragraph.] [Dick Bauman – okay with this paragraph until the words “strong bias”] [Glenn Kersteen – the Council review one department each year and, prior to such review, the Council would consider whether to retain a consultant for that purpose.] [Tim – Consultants could more easily gather data due to a greater ability to interview without creating a “public meeting.” Note that Tim is not advocating lack of transparency. Need to craft language to get to his intent.]**

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2. MORC noted the preparation of the “FY 2011-2021 Municipal Infrastructure Stewardship Plan” which outlined capital needs over the next ten years. MORC recommends that this report be annually updated with similar scope and content as contained in the FY 2011-2021 plan. Approved
3. MORC recommends that the Town better track the progress and status of capital projects. The Town Council should receive a quarterly update on the scheduling, progress and costs of current projects and projects planned for the following two years. Approved
4. MORC recommends that the annual budget document include a review of capital projects being undertaken and the document also identify specific projects in the stewardship plan that are proposed to be deferred or abandoned due to insufficient funds or a change in direction. Approved
5. MORC recommends that the annual budget document include a detailed accounting of the services provides by the Cape Elizabeth School Department to the municipal departments and vice versa. Approved
6. MORC reviewed the Town’s policy related to undesignated surplus. MORC recommends that the Town Manager consult with an independent financial advisor and provide a report to the Town Council on any changes suggested in the current policy. Approved
7. ~~[Swift-Kayatta: Need for footnote to the Personnel Code.] [Others: Is this an issue?] [Mike McGovern: Not an issue.] 4-3 vote to strike~~
8. The Town website is not consistent in the timing of the posting of minutes and other material from boards and commissions. MORC recommends a policy be developed to have consistent posting practices. ~~[Dick – the issue is how quickly minutes get drafted and posted. Not the case that minutes are not being posted.] [Eliminate reference to website; emphasize point of consistent practice of getting minutes drafted and disseminated.]~~
9. MORC believes that the Town should regularly - perhaps ~~every three years -~~ engage professional assistance in surveying citizens on the effectiveness of government services and on other key policy questions. This should be done cooperatively with the Cape Elizabeth School Department. Approved.
10. MORC recommends the development of an ongoing public information program that encourages Cape Elizabeth residents and others who do business with the Town to use available online options for license and permit transactions. Now that Maine law permits municipalities to charge users for the costs associated with the use of credit and debit cards, MORC recommends an extensive expansion of online services and use of credit cards and debit cards within municipal offices. MORC does not recommend the recovery of such fees at our entrepreneurial operations such as within Fort Williams Park and Portland Head Light at least at this time. ~~[Approved with deletion of Community Services.]~~

Deleted: MORC reviewed provisions of the Personnel Code related to sick leave. The committee has concern with the lack of clarity on the number of days needed for an employee to be out prior to management requesting a doctor’s certificate. MORC recommends this policy contain a specific number of days.

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General Government Recommendations

11. MORC foresees a potential opportunity for savings if Cape Elizabeth and other largely residential communities in close proximity explore opportunities for regionalization¹ of assessing, planning and code enforcement services. MORC recommends the Town Council authorize the Town Manager to take a leadership role in meeting with other nearby towns to discuss new models for providing assessing services. A cost benefit study should immediately ensue if there is interest from other communities. Approved. [Merge some of the language from paragraphs 12 and 13 into paragraph 11.]

Deleted: merge their property assessment functions into a joint assessment team.

12. MORC has concluded that various functions of the tax office and the Town Clerk are done with antiquated processes and equipment. Equipment and processes should be evaluated to determine if current practices could be modified to enhance productivity. In addition, some of the back office processes could also be accomplished as part of a regional tax collection system. MORC recommends that the Town Council authorize the Town Manager to take a lead role in determining if other municipalities have an interest in the potential benefits of a regional tax collection back office operation either provided through privatization or a regional Interlocal agreement. [Dick Bauman did not like the use of the word, "antiquated." He will send his proposed language to Glenn Kersteen.]

Deleted: <#>MORC believes the enforcement of building codes is largely a matter of applying uniform regulations that are developed at state and national levels. MORC recommends that the Town Council authorize the Town Manager to take a leadership role in meeting with other nearby towns to discuss new models for providing code enforcement services. A cost benefit study should immediately ensue if there is interest from other communities. ¶

❤MORC has noted that the planner, code enforcement officer and assessor were internally assigned additional responsibilities during the last two years as the economy resulted in less development review and construction activity. MORC believes that the staffing level in these areas is currently appropriate, but in addition to looking at regional team models, another option to be considered is offering the assistance of our professionals to other communities in times of economic recession. MORC is also concerned with the lack of plans to deal with unexpected absences of any of these professionals. MORC recommends that as part of the discussion of regional teams, that the Town Manager also review opportunities for contingencies if these professionals are not available for work. ¶

Library Recommendations

13. MORC has noted the popularity of the Interlibrary Loan Program and the availability of library collection information through the Minerva system. A recent study process recommended the construction of a new Thomas Memorial Library. Many citizens have questioned why we have three fully staffed and equipped school libraries and a proposed municipal library all on the same property lot. MORC recommends a dialogue among municipal and school leadership in South Portland and Cape Elizabeth to review partnering opportunities prior to funding being provided for a new Thomas Memorial Library.

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14. New paragraph on role of libraries in the future...

Deleted: The committee also noted that the City of South Portland has identified a need to plan for future library services.

15. MORC recommends that the hours of the Thomas Memorial Library be reviewed prior to the consideration of the FY 2012 budget.

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Deleted: MORC in reviewing library hours observed that the Thomas Memorial Library is open ten hours above the number of hours required by the State of Maine.

Community Services

16. There is currently a significant amount of office space attached to the Community Services building that is empty and the rent goes directly to the Community Services Budget. MORC recommends a plan put in to place to rent this space.

Deleted: <#>MORC believes that the library could be more aggressive in renting out space for meetings. ¶

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¹ Need to define regionalization.

17. Community Services currently uses an antiquated system to register citizens for classes. MORC recommends new software should be obtained so citizens need not appear in person to register. In addition this would allow for payment with credit cards.

18. MORC recommends a new plan for marketing be implemented. A printed brochure is no longer effective as the primary or sole [?] method of communicating with the population. Social media opportunities (a Facebook page, and a Twitter account for example) need to be used. E-mails for all prior customers need to be kept in a data base and weekly updates of availability of classes should be issued. Regular articles should be in local papers that discuss availability of programs.

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19. MORC recommends polling of Community Services customers be done to see what kind of classes the community at large would like to see and answer the question as to whether or not current programs are meeting the needs of our citizens.

Public Safety Recommendations

20. MORC believes that opportunities exist for looking further into leasing/hiring out, sharing or regionalizing services. In the police, rescue and fire departments, the opportunity to save on vehicle uses and services, purchasing, personnel and other synergistic areas exist and need further pursuit.

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21. In the area of fire, we recognize that the magic that exists in this department is in our volunteers. We appear to be the envy of the state as a volunteer department. Our department's leadership team and our volunteers perform the duties and training on an organized and professional basis. Care should be taken to protect at all costs the asset we have with our dedicated and professionally trained pool of volunteers.

Deleted: In the area of police, it appears savings could be realized in personnel and certainly in equipment, as well as, significant savings and realignment of resources as

Deleted: could be reinvented to serve the town in a broader array of services and uses.

22. In the area of fire and rescue, staffing calls, seems to provide our department with a challenge from time to time and could benefit from regionalization, recruiting and further support from neighboring communities. [Should we add: It should be noted that the fire and rescue departments are already pursuing these goals.]

Deleted: As the MORC Public Safety Subcommittee included no professionals in the area of data collection and interviewing of personnel to identify savings or efficiencies, our work is an inch deep and of only minor significance. We recognized the further pursuit of information was very difficult as processes, laws and controls made it almost impossible to accomplish. It would, therefore, be our strong recommendation that a third party be brought in to professionally study the departments to provide the underlying data and information to provide a firmer foundation to our work. We feel strongly that having the professional review is imperative at this time and the expense would either provide numerous ideas and recommendations or an affirmation of how well we are already doing. Either outcome would be a positive to the one town concept.

23. Because the police station has extra space (due to the regionalization of services such as dispatch and the crime lab), the town should pursue opportunities to reprogram this space.

[Deleted since the issue of a consultant is already addressed in item 1.]

Public Works Recommendations

24. MORC endorses the Council's consideration of a pay per bag solid waste system. The fees to ecomaine are the biggest line item in the town budget after spending on education. While Cape's recycling rates have improved with the implementation of single stream recycling, residents (both individuals and businesses), can do more. An examination of recycling rates for towns that have

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pay per bag and/or curbside recycling show how much better residents can do. Since the Town Council is already exploring pay per bag, we did not see the need to duplicate the Town Council's efforts.

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25. MORC believes that the schools need to have a financial incentive to do more recycling. We suggest that the Council, in its budget adopt a dollar amount for ecomaine and move that money directly to the school budget. If there were savings, which there could and should be if the schools increase their recycling rates, savings would accrue to the schools. If there are overages, then such expenses should also come out of the school budget. [Consider having school department pay for its waste disposal? Need to re-work this language?]

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Deleted: MORC discussed the previously proposed pay-and-display system at the Fort. Other revenue sources that could be enhanced or added to that facility that may be worth exploring: (a) gift shop (expansion); (b) rental of Officer's Row buildings – need to ease current restrictions; (c) kiosks for vendors or a concession stand. Again, the Town Council is already actively pursuing this issue. We believe that MORC should endorse the active pursuit of revenues at the Fort.

26. The Department of Public Works provides mowing and landscaping for some developments in town, most notably, Cross Hill. Other developments, such as Stonegate, have homeowners associations that maintain the common areas. MORC recommends that as a *requirement* of future permitting the Town require that a homeowners' association be required to maintain such areas, rather than the town.

Deleted: <#>Transfer station. MORC also discussed the possibility of imposing a fee for users, either on a pay-per-bag basis or charging for a residential permit. The Town Council has already included the consideration of a pay-per-bag system among its top goals for 2010. MORC supports exploring Pay Per Bag. ¶

27. MORC believes there is insufficient knowledge by the public of the breadth of work performed by Public Works. MORC recommends that an activity report be published annually on the town web page.

¶ The Subcommittee also reviewed the list of recommendations resulting from the Curtailment Committee public workshop, in which citizens were asked to brainstorm any ideas for revenue generation. Some of the suggestions found support among members of the Subcommittee. Caveat – many of the proposed ideas must be addressed by the School Board, so the Subcommittee would like there to be a discussion of whether it's even appropriate for M.O.R.C. to weigh in here. ¶

Revenues Recommendations

28. Fort Williams Park. Regardless of the outcome of the advisory vote on the proposed pay and display system, we urge the Council to continue to explore all sources of revenue at the Fort.

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29. Grant Writing. MORC believes that grants should continue to be explored.

30. Tax Deductible Donations. Include a letter with the tax bill that identifies local non-profit groups. [?]

Deleted: ¶ <#>Tax-Deductible Donations. MORC recognizes that there are already a number of organizations in Cape Elizabeth that raise money for various civic projects, including the Cape Elizabeth Land Trust, the Cape Elizabeth Education Foundation, the Fort Williams Charitable Foundation, the Turf Field Project, the parent associations and (... [1]

Sponsorships. When a new facility is constructed (e.g., the Turf Field), there may be an opportunity to sell naming rights to a local or even national business or in honor of a local citizen or patron. In addition, perhaps a group could be formed to identify other public assets that could be the subject of a naming opportunity.

31. Pool Fees. MORC favors efforts to increase pool revenues, and the Town Council has already taken steps in this direction.

Deleted: A lot of attention was focused on "athletic sponsorships," but that is ultimately a decision of the School Board. <#>¶

Conclusion

<#>Increased Student Parking Fees at the High School. The School Board h (... [2]

[Glenn to draft this section.]

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Thanks to all who participated, etc.
To be completed

Deleted: MORC also explored, and rejected, the following ideas: ¶

¶ <#>Excise Taxes. It did not appear that the Town was in a position to boost excise tax revenues, although we (... [3]

APPENDIX

Management's Report attached to recent audit reports.

Summary of salient benchmarking data and graphs

Minority Reports and Comments as submitted by Committee Members

Tax-Deductible Donations. MORC recognizes that there are already a number of organizations in Cape Elizabeth that raise money for various civic projects, including the Cape Elizabeth Land Trust, the Cape Elizabeth Education Foundation, the Fort Williams Charitable Foundation, the Turf Field Project, the parent associations and booster groups, to name just a few. Perhaps special projects should be identified (independently or in conjunction with these organizations) to determine if there would be an individual or group or organization that would get behind it and donate the funds to make it happen.

A lot of attention was focused on “athletic sponsorships,” but that is ultimately a decision of the School Board.

Increased Student Parking Fees at the High School. The School Board has proposed increasing the student parking fee. As a general rule, MORC was less interested in ideas that would have only a modest impact on the bottom line.

Adult Education Classes / Renting of School Facilities. Although a School Board issue, MORC believes this ought to be pursued.

Boosters. MORC was divided on the issue of generating more revenues from the Booster organizations.

Buses. MORC was divided on the issue of charging for riding the school bus. One member opposed this idea on the grounds that the “parent tax” is already an issue for many parents of school-aged children.

Tuition for International Students. This may be worth pursuing, but is a School Board issue.

MORC also explored, and rejected, the following ideas:

Excise Taxes. It did not appear that the Town was in a position to boost excise tax revenues, although we discussed the possibility of enticing businesses to excise their “fleet” in Cape Elizabeth. Given that only a few businesses are domiciled here, and there is not an abundance of commercial space within the existing business districts and Town Center district, this did not appear to be a realistic option.

Revenue Generating Ideas (from the Curtailment Workshop) Not Endorsed by the Subcommittee. Ideas that did not find support among Subcommittee members included: (a) increasing charges to participate in sports; (b) increasing fees for participation in extra-curricular activities. The subcommittee also had no consensus on the notion of privatizing the schools (like Thornton Academy), but felt that this was an issue for the School Board to explore anyway.

