

APPENDIX D

Surveys Conducted by the University of Texas at Arlington Institute of Urban Studies

The University of Texas at Arlington's Institute of Urban Studies conducted several statewide studies in 1972, 1989, and 1994 in an attempt to gather some general information about interlocal contracting practices among Texas jurisdictions. The results of the most recent surveys are summarized and compared in the following paragraphs.

*Summary of 1994 Survey Results*¹

This survey was distributed in the spring and summer of 1994. The recipients of the survey included all regional councils of governments, all counties, and all Texas cities over 5,000 in population and a random sampling of cities under 5,000 in population. There were 426 returned responses, a 46.7% response rate. The survey asked respondents a number of questions about their experiences with interlocal contracting situations. The questions asked were used to gain information on the frequency of the use of interlocal contracts, number of contracts in place, types of contracts used, jurisdictional roles when entering into contracting relationships, factors influencing decisions to utilize interlocal contracts, drawbacks experienced in contract use, and the service areas of contracting activity. In addition to providing information about contracting activities, the results of the 1994 survey allowed the Institute of Urban Studies to compare the information gathered from the 1989 survey, since it was an almost identical survey of the same jurisdictions.

Frequency of Contract Use

Both surveys asked whether jurisdictions used interlocal contracts for services, and almost an identical proportion of respondents in both 1989 and 1994 (80% and 81%) indicated participating in at least one service contract. In both years, just over 66% of the small (under 5,000) cities, more than 90% of the medium-sized (5,000 to 25,000) cities and almost all (over 92%) of the large (over 25,000) cities indicated the use of contracts. It was concluded that while contract use was prevalent in jurisdictions of all sizes, it was most heavily used in larger areas. The survey results also showed that the pattern of contract use remained practically the same and the pattern did not change much over the five-year period (80% in 1989, 81% in 1994).

¹*Durable Partnerships in Texas: The Interlocal Contract at Mid-Decade*, University of Texas at Arlington, 1995.

The Institute of Urban Studies was also able to look at the use of contracts among the three separate jurisdictions. The cities' use from 1989 to 1994 remained practically the same. Regional councils and counties increased the frequency of their use from around 81% to over 91%.

Number of Contracts in Force

The survey asked respondents to indicate the number of contracts they had in effect at the time of the survey. The average number of contracts among all respondents at the time of the 1989 survey was 6.1, while the average number of contracts in 1994 was 10.7. The large jurisdictions indicated that they were the most active in participating with an increase of 9.3 in 1989 to 19.8 in 1994. The average for small jurisdictions remained the same (around 3.0) and the medium jurisdictions increased their use from 5.0 to 6.8.

The survey results also concluded that cities were the least likely of the three types (cities, counties, regional councils) of responding jurisdictions to enter into interlocal contracts, with an average of 6.4 contracts. The counties reported an average of 13.3 and regional councils participated in an average of 40.7. While contracting seemed to be a popular practice among local governments, on average, regional councils were the most active.

Type of Contract

The survey asked respondents to indicate type of contract use (service provision, facility, personnel, equipment, or goods). The results indicated that the most common type of contract use was for service-based contracts (67%). The least common type of contract use was for dealing with goods or commodities (13%).

Some distinct differences were found when comparing respondents by the size of their jurisdiction. Large jurisdictions (over 25,000) were considerably more likely to participate in service-based contracts than were small jurisdictions (about 91% versus 49%). The large jurisdictions were also twice as likely to utilize contracts for the provision of goods or commodities (24% compared with 11%) than small jurisdictions.

When considering the jurisdiction type, 75% of regional councils, 81% of counties and 63% of cities use contracts for service provision. Contracting for facilities (63%) and equipment (71%) were more prevalently used by counties compared to being used by regional councils or cities.

Regional councils (25%) were more likely contract for the provision of goods or commodities compared to counties (11%) or cities (13 %).

Jurisdictional Role in Contract Use

The survey asked respondents to indicate the role each played in contract provision. Did they mainly act as providers, recipients, or joint beneficiaries? Small jurisdictions most frequently indicated that they were recipients in a contracting arrangement (56.8 %) and seldom indicated that they held a provider role (4.5 %). Large jurisdictions were most likely to enter into contracts as a provider (24.1%) or as joint participants (63.1%) in a contractual relationship.

When the types of jurisdictions were compared, it was found that the cities were least likely to act as a provider (10.6 %) and more likely to act as a recipient or a combination of both. Counties indicated that they were mostly involved in joint relationships (64.2%) with other jurisdictions. Regional councils indicated that they tend to almost always be providers (67 %)

Advantages of Contracting

The survey asked the respondents to indicate the most important factors leading to the decision to enter into interlocal contracts. About 58.3% of respondents from all jurisdictions indicated the “need to obtain personnel” as the main contributing factor to their contracting activities. Over-half (57.4%) indicated the opportunity to “coordinate area-wide services” and “obtain emergency services” as advantages of contracting.

Regarding the sizes of the responding jurisdictions, the medium (66.7%) to large (74.4%) jurisdictions indicated the need to “coordinate area-wide services” as leading advantage to interlocal contracting. Small jurisdictions were more likely to indicate the “need to obtain personnel” as a major factor in contracting. This makes sense since the majority of small cities do not always have the resources or staff to carry out every single duty that has to be done. They sometimes need help from other large jurisdictions that would be able to possibly lend them equipment or share personnel. Regional councils indicated “area-wide coordination” (81.8%); whereas, counties (71.1%) thought “the avoidance of costly duplication” was a prime advantage.

Drawbacks to Contracting

The survey asked respondents to indicate some of the principal drawbacks to interlocal contracting. Surprisingly, very few respondents reported any major drawbacks or disadvantages of interlocal contracting. Of those that did respond, 15.0% indicated that the

most significant drawback was “limitation on independence of action”. The second most frequently mentioned drawback (according to 13.1% of respondents) was “adverse political reaction”.

When the size of the jurisdictions was considered, it was found that the large jurisdictions were more likely than the small ones to mention any drawbacks. Large jurisdictions typically have had more experience and have developed their own perceptions of interlocal contracting. The majority of the large jurisdictions indicated that “limitation on independence of action” (33.3 %), “poor performance of contractors” (21.4%) and “adverse political reactions” (21.4%) were the major drawbacks of interlocal contracting. The top disadvantage for medium-sized jurisdictions was the “limitation on independence of action” (16.5%); and for small jurisdictions, it was “uncertainty about legal authority” (12.8%).

Additional variances were noted when considering the type of jurisdictions. Counties (16.9%) and regional councils (16.7%) were more likely than cities (11.8 %) to indicate “uncertainty about legal authority” as a major drawback of contracting situations. Cities (16.3 %) were more likely to indicate “limitation on independence of action” than were counties (10.8 %) and regional councils (8.3%).

Contracting Activity by Functional Area

Lastly, the survey asked the respondents to indicate the services for which they currently had contracts. The survey results showed that interlocal contracting was taking place in virtually every area of government responsibility. Based on the survey responses, contracts seemed to be most heavily used for fire mutual aid (44.6%), jails and detention (34.4%), police mutual aid (31.2%), tax assessment (39.9%) and tax collection (40.6%). Contracts seemed to be less frequently used in areas such as hospitals (4.9%), housing (4.9%), planning and zoning (4.0%), records management (2.8%), street lighting (4.2%), and utility billings (2.3%).

The survey also asked the respondents to indicate the jurisdiction with which they were engaging in contracting activities, for each functional service area. Cities were very active contracting partners in areas such as animal control (44.7%), planning and zoning (52.9%), and sewage collection (52.5%). Counties, on the other hand, were most active in jails and detention (61.9%), street construction (54.5%), and street maintenance (64.1%). Regional councils were most active in areas such as insurance and investment (71.4%), police training (24.7%), and records management (58.3%).