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## Interlocal Cooperation in the Bluegrass Area Development District: What Factors Lead to Success?

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# Interlocal Cooperation in the Bluegrass Area Development District: What Factors Lead to Success?



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## EXECUTIVE SUMMARY

Regionalism, or interlocal cooperation, is an important consideration for elected officials in the Bluegrass Area Development District. The reasons to join in a partnership and the suspected outcome are of great concern to the judge-executives and mayors but also to the communities they serve. In order to assist elected officials in their decision-making capacities, this study was designed to primarily analyze what factors lead to success in regional projects within the Bluegrass ADD. A secondary consideration was to look at when and why local governments enter into regional efforts.

A statistical analysis was performed on a sample of regional projects within the Bluegrass ADD using data from the ADD and surveys given to judge-executives and mayors. Descriptive statistics showed that rural or remote jurisdictions were highly likely to participate in regional projects. Regional cooperation is likely to occur when three or fewer communities are involved at the same time. Also, projects are highly likely to have an intermediary party involved such as the Bluegrass ADD for consulting, grant writing, or other support services.

Some factors were found to be statistically significant in relation to the success of regional projects. The number of jurisdictions involved in the project was highly significant to the level of success demonstrating a negative relationship. The variable showing grants received was also significant with a negative relationship. Whether or not a project resulted from a state or federal mandate also showed statistical significance displaying a positive relationship. Though these factors showed statistical significance, further research is needed to determine the fine detail involved in such partnerships to gain a full understanding of what leads to success and why.

Recommendations are made on the basis of these results and implications are discussed.

- It is recommended, based on results of this analysis, that jurisdictions choosing to cooperate regionally do so when a small number of jurisdictions are involved in order to realize higher levels of success.
- Pending further research, it may not be in the best interests of local governments to work together when the project deals with a state or federal mandate.
- Based on the findings, local governments are encouraged to apply for grant funds since receipt of grant funds shows a greater likelihood of attaining a higher level of success.
- Implications such as government mergers are noted as county and city boundaries are blurred and more regionalism takes place.

Although this research does not imply causality, it does provide interesting and thought provoking notions about why governments cooperate and when they may be successful in working together regionally.

## **INTRODUCTION**

Local governments bear a heavy burden with the numerous services they must provide to their citizens. Public safety, infrastructure, recreation, and economic opportunities are just a few examples of the various services the public demands. Fiscal stress, unfunded mandates, and inadequate tax codes all lead to more strained local governments through which to provide these services. Not only are basic services such as water, sewer, and roadways being demanded by larger numbers of residents, but the variety of services is also expanding. This places such a burden on local governments that they must look to alternative methods for service delivery. Although some local governments are capable of providing these services and prefer to do so independent of other jurisdictions, other local governments need assistance.

Though many alternatives for service provision currently exist, this paper will explore the concept of interlocal cooperation, or regionalism. For the purposes of this study, the concept of regionalism or interlocal cooperation is defined as any policy or project involving two or more local governments working together. The area of focus is the 17 counties and 33 cities that form the Bluegrass Area Development District (BGADD). Covering Central Kentucky, this area spans both rural and urban jurisdictions as well as various forms of governments. There is one merged urban county government and several cities with city managers in addition to elected

mayors. These differences are important to note in order to realize the variety within the observed population.

To effectively serve the populace, many governments have chosen to cooperate interlocally over the past several years. Many chief elected officials in the ADD believe that regional cooperation is becoming more of a necessity with the increased demand for basic services and a demand for a wider variety of services that may have been deemed luxuries in the past. In order to effectively cooperate, it is important to understand what lends to successful ventures. This study will analyze several factors to see which, if any, are statistically significant with the level of success of interlocal cooperation. Though this will not determine causality, the findings will be useful to elected officials when trying to determine under what conditions interlocal cooperation is most successful. The factors used to predict success are derived from past studies and concerns voiced from elected officials within Bluegrass ADD so as to look at a range of predictive factors.

## **OVERVIEW OF BLUEGRASS AREA DEVELOPMENT DISTRICT**

The BGADD is one of 15 Area Development Districts in Kentucky. Established in the early 1970s, the ADDs were designed to be a regional support entity to cities and counties within their boundaries. They provide technical support, urban and regional planning, grant writing, economic development assistance, and a variety of other areas of support. They also provide a venue for communication across city and county boundaries by the

advisory committees they use for different subjects, which are composed of representatives from each of the counties within the ADDs.

Bluegrass ADD is the largest ADD in the state, containing 17 counties and 33 cities (see Appendix A for list of counties and cities). Of those jurisdictions, some are very populated and others less populated. The relative wealth of the counties and cities varies greatly. These and other qualities make BGADD one of the most diverse ADDs in the state.

Judge-executives, mayors, and citizen members make up the ADD Board of Directors. They bear ultimate responsibility for the activities and direction of the ADD. The executive director is responsible for day-to-day activities of the office itself while everyone below that position conducts the various projects and activities. The BGADD has several divisions including: Area Agency on Aging, Workforce Investment Agency, Geographic Information Systems, and the Division for Community and Economic Development. These different departmental service providers allow for a multitude of diverse projects with which to work.

## **LITERATURE REVIEW**

Perhaps the New York State Department of State explains interlocal cooperation best in the following, “Intergovernmental cooperation may be defined as an arrangement between two or more governments for accomplishing common goals, providing a service or solving a mutual problem” (New York State Department of State 1998). This can cover a wide range of activities from infrastructure to recreation. Projects can also come

about in a variety of different ways and can be established formally or informally.

The New York State Department of State points out that a number of factors should be considered when contemplating interlocal arrangements. Some of these contributing factors include: the activity being considered, economies of scale, issues of home rule, and a jurisdiction's size (New York State Department of State 1998). Lackey, Freshwater, and Rupasingha (2002) suggest that civic engagement, social and human capital, and feelings of trust are important factors to be considered in the formation of intergovernmental arrangements. This places quite a large emphasis on the players involved and the educational/social quality of the communities included in the project. From this, one can see that a regional approach has many important facets, not a single one such as the type of project being implemented.

Aside from the previously mentioned consideration, reasons for cooperation are vitally important to the regional process. Cigler (1999) ushers forth the idea that disasters spawn interlocal cooperation. This can trigger fiscal stress or make communities feel as though they are under dire stress and, therefore, need assistance in the performance or fulfillment of some service. Resource dependence, which can also come to realization as a result of a disaster occurrence, is another factor that Cigler identifies as one likely to increase local governments' willingness to cooperate interlocally (1999).



In an earlier study, Cigler (1994) elaborates on a number of what she terms “pre-conditions” to community collaboration. Disaster occurrence and fiscal stress are noted in addition to political constituency and a related body of support, the presence of programs encouraging cooperation, and a clear benefit to involved communities among other factors. Cigler takes this analysis a step further by applying these pre-conditions to case study communities in Nebraska, Michigan, and Canada. The article finds that the pre-conditions theory has merit as a first step in studying intergovernmental cooperation, but more work needs to be done.

Lackey, Freshwater, and Rupasingha (2002) speculate on some factors that may contribute to more successful cooperative arrangements. One of these characteristics is the presence of a sparkplug. The authors suggest that this intermediary party aids in several ways. As a facilitator, this entity helps by making the other parties feel as though they are in a safer, more trustworthy environment. Lackey and others describe sparkplugs as bodies that allay the suspicion of others’ involved (2002).

Although the previously mentioned studies identified characteristics that may lead to or are conducive to interlocal cooperation, impediments to these efforts also abound. Lackey and others (2002) identify some of these obstacles. A lack of a support body, distrust of other local governments, individualism, and competition are all impediments to cooperation. Whether or not governments are able to overcome these obstacles and regionalize their efforts is another matter. If benefits are perceived to outweigh the cost

of overcoming these roadblocks, then local governments would probably be more willing to work together. Shared resources, ease of financial burden, and the opportunity for interaction can all help to shift the balance toward cooperation (Lackey et al. 2002).

Once governments do decide to cooperate, they can do this in a variety of ways. Both formal and informal agreements are prevalent. A regional partnership can exist by handshake alone, but it can also be more strictly detailed as in a binding legal agreement. The type of agreement usually depends on the magnitude of the project. If there is a minimal amount of effort and resources at stake, a handshake will probably meet the need. However, when one government has a great deal invested in a project, he or she will probably want to place more care in its formation. Thurmaier and Wood (2002) assert that interlocal agreements are abundant since a large number of cities and counties are involved in at least one interlocal agreement. Two of the more formalized agreements are service agreements and joint agreements. Each is a written agreement set up according to the nature of the relationship. Service agreements are used when one government contracts with another to provide a service whereas a joint agreement binds two or more governments together to share responsibility for some project (New York State Department of State 1998). Both are prevalent throughout regional approaches. Mutual aid agreements are also prevalent in intergovernmental policies. Mainly used in the area of public safety, these pacts are set up to “specify roles, payment, and chain of command...in

coordinating the numerous response organizations likely to be involved” (Government Product News 2004). These agreements are especially applicable in the post-9/11 era where local governments depend heavily on their neighbors in the event of a large scale attack. Fire departments, police, and HAZMAT (hazardous materials) response teams all benefit from mutual aid agreements.

While many scholars suggest that regionalism is becoming more prevalent, some are skeptical about its benefits and how long it will last. Florestano and Wilson-Gentry (1994) look at the satisfaction with regional agencies’ decision making capabilities. Overall, they do not believe regionalism and regional agencies will be a major force in dealing with local problems in the future. They do not believe these regional groups will grow exponentially although they will not disappear. Since this article was written in 1994, some scholars may disagree as the literature has already shown. Olberding (2002) points out that another study she did in 1997 asserts that regional partnerships for economic development increased greatly in large metropolitan areas in the southeastern part of the country. She is quick to note that there exists a lack of research to substantiate this, however.

The scholarly coverage of intergovernmental cooperation provides many good leads for research, but it also leaves many lingering questions. It appears as though not enough research has been done on what makes a regional project or approach successful. Many authors have explored possible reasons for why partnerships are initially formed, but most have

failed to test these relationships to see the effect on the outcome of these interlocal approaches. A review of the literature has solidly grounded the need for a more conclusive type of research and has provided a variety of important factors to model.

## **PROBLEM STATEMENT**

At some point during an elected official's tenure, he or she faces the prospect of cooperating with another local government to provide a service or solve a mutual problem. Not knowing the likelihood of success or reasons to cooperate can often hinder one's ability to determine the benefit of interlocal cooperation. In effect, a lack of knowledge or understanding about factors affecting the outcome of these arrangements can greatly handicap a government's decision making capability. Therefore, the problem dealt with here is a lack of understanding regarding the factors that influence the degree of success with respect to interlocal projects. Formally stated, what factors or conditions are statistically significant related to the degree of success pertaining to interlocal cooperative projects?

Characteristics used to determine the level of success of regional projects are derived from past analyses of interlocal cooperation and factors important to local elected officials within the Bluegrass ADD. Upon reviewing literature relevant to this topic, some hypotheses can be derived. It is believed that regional projects employing the use of a sparkplug, such as the Bluegrass ADD for consulting, facilitating, or other services will be more likely to be successful than those projects without a sparkplug. The article by

Lackey and others (2002) supports this hypothesis through their study. This article also purports that communities with greater human capital will more thoughtfully enter into regional approaches. In this instance, human capital will be measured by the level of educational attainment in the jurisdiction (Lackey et al 2002). Since jurisdictions with higher levels of human capital are thought to be more successful, this study hypothesizes that projects involving a local government where there is a more highly educated populace will be more successful than those not involving a government where there is a high level of educational attainment. The assumption is that the government with the more highly educated citizenry will more carefully decide when to become involved in a regional project and will then take a leadership role in the cooperative effort. This, in turn, is believed to lead to a more successful project.

## **METHODOLOGY**

This paper seeks to analyze what factors are related to the degree of success of interlocal cooperative projects. Secondarily, it will look at what factors are prevalent in interlocal cooperative efforts. Both questions are directed only at projects occurring within the Bluegrass Area Development District since that is the scope of study. The purpose of this study is to provide elected officials in Bluegrass ADD with a better understanding of when to enter into interlocal cooperative efforts in order to be more successful. It will also provide areas for further research.

A literature review was conducted to support the need and relevancy for research into this topic. It was also used to assist in the identification of factors and characteristics that lead to regional projects and ultimately influence their success. A review of the literature researching this topic also provided ways to approach the research design for this study.

The population in this study is all interlocal projects occurring in the Bluegrass Area Development District during its 30 plus years of existence. The sample is a subset of regional projects in the ADD, which were identified through a heterogeneity purposive non-probability sampling. This was done in order to obtain diversity among projects. This type of sampling was also used to reach a targeted sample quickly and because proportionality was not the primary concern. The sample was chosen to have at least 30 units in it so as to make for an approximate normal distribution. The sample frame is projects involving two or more of the following jurisdictions: Anderson County, Lawrenceburg, Bourbon County, Paris, Millersburg, North Middletown, Boyle County, Danville, Junction City, Perryville, Clark County, Winchester, Estill County, Irvine, Ravenna, Fayette County, Lexington, Franklin County, Frankfort, Garrard County, Lancaster, Harrison County, Cynthiana, Berry, Jessamine County, Nicholasville, Wilmore, Lincoln County, Stanford, Crab Orchard, Hustonville, Eubank, Madison County, Richmond, Berea, Mercer County, Harrodsburg, Burgin, Nicholas County, Carlisle, Powell County, Stanton, Clay City, Scott County, Georgetown, Stamping

Ground, Sadieville, Woodford County, Versailles, and Midway. The regional projects analyzed in this paper are noted in Appendix B.

The independent variables in this study are intended to cover possible factors that could influence the outcome of regional projects. These variables are based on past studies and characteristics deemed important by elected officials in the Bluegrass ADD. The independent variables include: type, size, sparkplug, fiscal stress, interstate access, education, mandate, grant funds, regional incentives, and disaster. Type refers to the kind of project described. This is set up as a dichotomous variable capturing infrastructure/economic development projects versus other types of projects. Size is a dichotomous variable looking at whether or not projects involve three or fewer jurisdictions. Sparkplug, which is an intermediary party that helps guide the participants, considers whether or not there is a consulting/technical party involved in the effort. Fiscal stress is determined by whether or not the project involves a jurisdiction whose percentage of the population below poverty level is higher than the statewide percentage. This is indicative of fiscal stress due to the decreased tax revenue that can be collected in that jurisdiction, and thus, used for provision of services. Transportation looks at whether or not the cooperative arrangement involves a county in which there is no interstate access. This indicates remoteness of a locale. Education looks at whether or not a project involves a highly educated community, which is based on having a percentage of the population of persons aged 25 and over with a BA higher than the state percentage. Mandate describes whether

or not the project originated because of a state or federal mandate. The variable grant funds tells whether or not funds were applied for and received for the project. Regional incentives is used to assess whether or not a project could get bonus points or be eligible to apply for more money as a multi-jurisdictional project. Disaster explains if the project occurred based on a disaster, either natural or economic. An economic disaster refers to a loss of industry or a specific business that has a large effect on the community, as determined by the local elected official. The data for these variables were gathered from expert non-probability interviews with ADD employees that have been there for the longevity of the organization and the Comprehensive Economic Development Strategy (CEDS), which is published by the ADD.

The dependent variable is the level of success of the project. As an ordinal variable, it looks at the different degrees of success. These levels are: 1) unsuccessful, 2) fairly successful, 3) successful, and 4) very successful. This variable is measured through surveys given to elected officials of the various jurisdictions involved in the numerous regional projects. In order to cover a broad definition for success, three components are analyzed. Planning process, implementation, and overall outcome are used to measure the total level of success. These were each scored from 1-5 with 1 being least satisfied and 5 being most satisfied. Surveys were given to every chief elected official for each project involving their jurisdiction. A composite score was derived for each project. This was done by averaging all scores for planning, implementation, and outcome for each project. That number was



then totaled among the three areas and then divided by three to garner a composite score with a possible range from 1-5. Outcomes were ordered as follows:

<u>Score</u>	<u>Success Level</u>
1-1.9	Unsuccessful
2-2.9	Fairly Successful
3-3.9	Successful
4-5	Very Successful

Since the same elected official has not been in office since the beginning of each project, the survey questions were worded as follows:

1. Based on your information about (given project), how satisfied are you with the planning process for this project?
2. Based on your information about (given project), how satisfied are you with the implementation of this project?
3. Based on your information about (given project), how satisfied are you with the overall outcome of this project?

This study uses ordinal logistic regression in STATA to statistically analyze the data. This type of analysis is performed since the dependent variable is ordinal in nature. From the analysis, it should be evident what, if any, independent variables are related to the level of success. Descriptive statistics are also used to detail characteristics of the interlocal efforts such as when are they likely to be formed and by whom. Upon analysis of the data, results and implications are discussed. Recommendations are made based on results of the statistical analyses.

## **ANALYSIS**

Descriptive statistics provide an overall picture of the data. They show the frequency of the independent variables present in the regional projects chosen for the sample. The table portrays the explanatory variables and how

often they were displayed in the sample of projects, which included 41 of approximately 70 projects due to a 60% response rate.

**Table A**

<u>Independent Variable Description</u>	<u>Frequency of Occurrence (% of projects)</u>
Project type involves economic development or infrastructure	43.9
Size of project involves three or fewer jurisdictions	85.37
Project involves a sparkplug, or intermediary	90.24
Project involves a fiscally stressed jurisdiction	19.51
Project involves a highly educated community	36.59
Project applied for and received grant funds	46.34
Project had incentives to regionalize	43.9
Project was result of economic or natural disaster	14.63
Project included remote or rural jurisdiction	78.05
Project was result of state or federal mandate	7.32

Table B shows the number of projects falling under the varying degrees of the dependent variable, success.

**Table B**

<u>Level of Success</u>	<u>Number of Projects</u>
Unsuccessful	3
Fairly Successful	3
Successful	8
Very Successful	27

As one can see from Table A, some findings from other scholars seem to have parallels in the Bluegrass ADD while others do not. The literature review showed that a disaster was often a pre-condition for cooperation (Cigler 1999). The data collected for these projects shows that this was only the case about 14% of the time, which makes that characteristic far from a pre-condition for regionalism among these counties and cities. Other studies alluded to the theory that governments with a more educated populace or higher level of human capital (Lackey et al 2002) would be more likely to enter into regional efforts because they would realize the benefits of it. However, evidence in the BGADD shows that only 36.59% of the projects included a jurisdiction with a highly educated populace. Cigler (1994) asserts that fiscally stressed governments will be more likely to cooperate. The data shown here suggests the opposite. It appears as though fiscally stressed areas are less likely to participate in interlocal approaches since only 19.51% of the projects analyzed in this study included fiscally stressed jurisdictions. Fourteen communities in the BGADD would be considered fiscally stressed, which accounts for 28% of all communities considered. This may be taken into account when looking at the proportion of fiscally stressed jurisdictions that participate in regional projects. Cigler (1994) also posits the idea that rural communities are more likely to participate regionally. This seems to hold true in this study since 78% of projects included a remote or rural local government. One can also see that approximately 44% of projects had incentives to cooperate regionally. This is due to an increased amount of

funding availability for projects involving more than one jurisdiction and bonus points on grant applications for projects involving more than two jurisdictions. One must keep in mind that the basis of inference for these findings is a comparison between communities that participate interlocally and those that do not cooperate interlocally. This does not take into account projects that fail or never get implemented.

Now that one sees when governments in the Bluegrass ADD choose to cooperate with one another, it is imperative to see if these reasons have an effect on the project's outcome. Ordinal logistic regression is used, or *ologit* in STATA, to see what independent variables have a significant relationship with the ordered outcome, success. Several models were run in order to see what the best fit would be and when the variables would be the most statistically significant, if ever.

The independent variables were recoded as dummy variables using STATA in order to treat them as dichotomous, categorical variables. The dependent variable, success, was left as an ordinal variable. Under ordinal logistic regression, STATA treated success as increasing with each increase in the scored values. The output presented coefficients and p-values by which to determine statistical significance. A pseudo  $R^2$  and  $\text{prob} > \chi^2$  were also output to describe and show goodness of fit.

The first model run in *ologit* was the following:

```
ologit success type size fiscal-stress grants incentives education interstate-  
access disaster mandate sparkplug
```

This regressed all independent variables against the dependent variable success. The results were as follows:

**Table C**

<b>success</b>	<b>Coefficient</b>	<b>P-value</b>
<b>type</b>	-.109	.886
<b>size</b>	-2.296	.085
<b>fiscal stress</b>	-.449	.619
<b>grants</b>	-2.317	.020
<b>incentives</b>	.919	.335
<b>education</b>	.397	.601
<b>interstate access</b>	.628	.460
<b>disaster</b>	-.409	.728
<b>mandate</b>	2.38	.057
<b>sparkplug</b>	-.186	.870

Prob>chi <sup>2</sup>	.1719
Pseudo R <sup>2</sup>	.1418

When running all independent variables in the model, only one is statistically significant at the .05 level. The variable, grant funds received, is significant at the 95% confidence level. Size and mandate are each significant at the .10 level, and thus are worthy of further analysis. Positive coefficients demonstrate the likelihood that a given variable will be observed in a higher level of success increases while negative coefficients decrease the likelihood that a given variable will be observed in a higher level of success. The pseudo R<sup>2</sup> shows that this model is not a good description overall, and the prob>chi<sup>2</sup> shows that the overall model is not a significantly good fit. The coefficients represent the odds ratio that a higher level of success will be present to it not being present. A negative coefficient, therefore, suggests that the independent variable will not have a higher level of success present.

After looking at the entire model, the p-values give rise to the fact that size, mandate, and grant should be explored more closely. Looking at Table C, one will notice that size and grant have negative coefficients, therefore, implying that they are each negatively correlated with the dependent variable. Mandate, however, is positively correlated.

The next model run in the analysis is the following.

ologit success grants mandate size

This model regresses grant, mandate, and size against success. The results from this model are in Table D.

**Table D**

<b>success</b>	<b>Coefficient</b>	<b>P-value</b>
<b>grants</b>	-1.623	.026
<b>mandate</b>	2.261	.057
<b>size</b>	-2.133	.017

Prob>chi2	.0073
Pseudo R2	.1216

Although the model still does not have a high level of goodness of fit, possibly due to having a small sample, it is a statistically significant model with an overall value of .0073. Both grant and size are statistically significant at the 95% confidence level. Again, both are negatively correlated. Mandate is very close to being significant at the 95% confidence level and has a positive coefficient for correlation.

After running several different models, mandate still hovers slightly above significance at the 95% confidence level. Grant and size show strong statistical significance but in a negative direction.

## **DISCUSSION**

Based on the results of this analysis, several things can be noted. From the descriptive statistics, one can see what factors are prevalent or lacking in the formation of regional partnerships. Projects are likely to include three or fewer participants, involve a rural community, and include a sparkplug as an intermediary. Regional projects in the Bluegrass ADD are not likely to result from a state or federal mandate or from a disaster, as a review of the literature suggested would occur. Interlocal cooperative arrangements include fiscally stressed jurisdictions only about 20% of the time. This helps to shed light on who is more likely to participate in regional projects and for what reasons.

The answer to whether these conditions influence the outcome is still somewhat unclear. Three variables are found to be statistically significant. The variable size is shown to imply that as the number of governments involved in a project increases beyond three, the likelihood of having a higher outcome level decreases. Therefore, projects involving three or fewer jurisdictions are deemed to be more successful. The significance of mandate suggests that when mandates are not involved in projects, the likelihood of having a higher level of success increases. The variable depicting grants received states that as grants are not received in projects, the likelihood of a higher success level decreases.

The significance of size poses the implication of mergers among smaller governments. If a small number of counties and cities within a certain

area can work together without boundaries and territory being an issue, this leads to the assumption that a smaller number of legal entities would suffice.

## **RECOMMENDATIONS**

As stated early on, regional cooperation is not the only alternative for service delivery or solving a problem. However, many local governments including those in Bluegrass ADD are turning to regionalism and for various reasons. The research shown here describes several situations in which intergovernmental cooperation is adopted including: the ability to use a sparkplug or intermediary and if you are a rural community. This study has also attempted to show what, if any, factors affect the outcome or success of regional efforts. Size, grants, and mandates have been shown to be statistically significant at the 90% and 95% confidence levels. Keeping in mind that these models show only correlation and not causality, some recommendations can be made.

First, when deciding whether or not to become involved in a regional project, it is best to limit the involvement to a few parties. Success level appears to increase when fewer governments are involved. Coordination and communication is easier with fewer parties, which could support the finding. The burden of involving multiple partners and strained coordination could, in turn, lead to lower levels of satisfaction. This is not to say that success will result from any project where two or three units work together, but from this study it appears to be a better likelihood.



Second, grant funds are found to lend to higher levels of success in a project. Many regional projects are formed because a single jurisdiction lacks the resources to implement the project. Receipt of grant funds can help eliminate this problem. This also gives each participating government a product with a shared cost among the partners that is now less due to grant funds aiding the project.

Third, mandates (especially unfunded mandates) should be more thoroughly explored. Though the model I ran in this analysis shows statistical significance between projects not based on mandates having higher levels of success, only a small number of projects in this sample involves mandates. Mandates may have this effect when they are unfunded mandates. When governments work together to provide a service because of a mandate, their satisfaction may be minimal due to poor coordination and assistance since they are forced to be reactive instead of proactive. Satisfaction, therefore, would negatively affect success. A more thorough study of this model should be done including a larger sample of projects involving mandates. The model shown here at least gives grounding for future study of this situation.

Lastly, more research is needed in the area of regionalism and intergovernmental cooperation. As an initial look at this topic in the Bluegrass ADD, this study has shed light on several factors concerning local officials and their communities. Though it has shown some significant variables to consider, it has opened up additional questions for further research. How much of a difference do grants make in the success of projects eligible for

grant money? What will happen to regional projects if grant programs such as the Community Development Block Grant (CDBG) are cut or discontinued? How do mandates influence the success of regional approaches? Though questions still abound, this research gives elected officials in the BGADD a better idea of when to consider interlocal cooperation and what factors will influence the success of their regional partnerships.

## **LIMITATIONS**

As with any study, this analysis has its limitations. Since this was designed to deal specifically with projects in the BGADD, it is not intended to have external validity, thus being generalized to other populations. Although confidentiality was stressed, social response bias could have been present in the surveys given to the elected officials. Instead of honestly ranking their satisfaction with given projects, they may have biased their answers. However, every effort was made to ensure their ability and security to be honest and forthright in their answers. When inputting data, this did not appear to be a problem due to the variation in responses.

The dependent variable, success, could be seen as a limitation in itself. Since it is measured by categories of satisfaction, this constrains what one's concept is of success. Perhaps other measures would have been better, such as cost-benefit. These would be difficult to obtain due to the nature of regional projects: turnover of elected officials, paperwork changing hands, and other fluctuating factors. Satisfaction, therefore, seemed the most feasible measure for success.

Elected officials' knowledge of various projects was somewhat of a limitation. No one person has been in office for the duration of all these projects, so information was not complete in all cases. This is obviously a limitation that could not be remedied, which is why the survey questions allowed for each official's given level of information. Since most elected officials have been longtime residents at their time of election and/or previously were associated with the government in some form, their knowledge base is not believed to be a hindrance.

## **CONCLUSION**

In summary, the analysis provided herein has provided insight into the area of interlocal cooperation within the BGADD. It has shown some theories from past literature to be plausible and others not to be the case in Bluegrass ADD. The research shows elected officials what characteristics are more prevalent in partnerships. Through ordinal logistic regression, the study has shown three variables to be statistically significant with the level of success of regional projects. In the end, this study has educated elected officials in the Bluegrass ADD about what influences successful outcomes of regional projects as well as what leads to one's involvement in them. Finally, it has laid the groundwork for future research in the Bluegrass ADD and in other areas of the state and the country with respect to regionalism.

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**APPENDIX A**

**COUNTIES AND CITIES WITHIN THE BLUEGRASS AREA  
DEVELOPMENT DISTRICT**

Anderson—Lawrenceburg  
Bourbon—Paris, Millersburg, North Middletown  
Boyle—Danville, Junction City, Perryville  
Clark—Winchester  
Estill—Irvine, Ravenna  
Fayette—Lexington  
Franklin—Frankfort  
Garrard—Lancaster  
Harrison—Cynthiana, Berry  
Jessamine—Nicholasville, Wilmore  
Lincoln—Stanford, Crab Orchard, Hustonville, Eubank\*  
Madison—Richmond, Berea  
Mercer—Harrodsburg, Burgin  
Nicholas—Carlisle  
Powell—Stanton, Clay City  
Scott—Georgetown, Stamping Ground, Sadieville  
Woodford—Versailles, Midway

\*City lies on border between two counties.

## **APPENDIX B**

### **LIST OF REGIONAL PROJECTS IN SAMPLE**



Lincoln County, Crab Orchard, Stanford, Hustonville Wastewater  
Boyle County and Mercer County Jail  
Jessamine County-Nicholasville Riney-B Park  
Cynthiana-Harrison County Park  
Mercer County-Harrodsburg Senior Citizens Center  
Paris-Bourbon County Industrial Park  
Lincoln County-Stanford Industrial Park  
Tri-County Wastewater  
Jessamine County and Nicholasville Industrial Park  
Harrison County and Cynthiana Industrial Park  
Wilmore and Jessamine County Senior Citizens Center  
Bourbon County, Paris, Millersburg Water  
Mercer County, Burgin, and Harrodsburg Wastewater  
Georgetown-Scott County Pavilion  
Lincoln County-Stanford Old Presbyterian Meeting House Restoration  
Bourbon County-Paris Courthouse Restoration  
Bluegrass Water Supply Commission  
2004 Homeland Security Project  
Winchester and Clark County Wastewater  
Lawrenceburg and Anderson County Senior Citizens Center  
Paris-Bourbon County ADF Emergency Medical Services Equipment  
Irvine and Estill County Wastewater Facilities Plan  
Bluegrass Regional Recycling Corporation  
Cynthiana, Harrison County, Paris, Bourbon County Flood Control Study  
Harrison Co., Bourbon Co., Nicholas Co. Water Supply Planning Council  
Jessamine County and Wilmore Planning Commission  
Carlisle and Nicholas County Economic Recovery Strategy Plan  
Georgetown/Scott County Small Urban Area Study  
Georgetown and Scott County Senior Citizens Center  
Georgetown/Scott County Parks and Recreation  
Harrodsburg and Mercer County Parks and Recreation  
Nicholasville and Jessamine County Parks and Recreation  
Cynthiana and Harrison County Parks and Recreation  
Winchester and Clark County Parks and Recreation  
Paris and Bourbon County Joint Planning Commission  
Paris and Bourbon County Economic Development Authority  
Winchester and Clark County Industrial Authority  
Lancaster and Garrard County Industrial Development Authority  
Stanford and Lincoln County Industrial Authority  
Carlisle and Nicholas County Industrial Authority  
Georgetown and Scott County Joint Planning Commission

## **APPENDIX C**

### **LETTER SENT TO JUDGE-EXECUTIVES AND MAYORS**

March 11, 2005

Judge or Mayor \_\_\_\_\_

\_\_\_\_\_

Dear Judge or Mayor \_\_\_\_\_:

As you may know, in addition to working full-time at Bluegrass ADD as a Community Development Specialist, I am also completing my Master's of Public Administration degree. I must research, analyze, and present a topic of study in the field of public administration in order to complete my degree. Through working with various communities, I have realized the importance of interlocal cooperation. This realization led me to choose interlocal cooperation as the topic for my research. In discussions with Jas Sekhon, BGADD Executive Director, we feel that a study of this nature would be of great benefit to communities within the ADD.

In addition to gathering data from the ADD office as part of my research, I will also need to survey local elected officials to assess their satisfaction of specific projects, which will be used to determine the degree of success or failure of interlocal cooperation. I will be calling judges and mayors during the next 1-2 weeks to conduct an interview that will last approximately five minutes. This will be used to assess your satisfaction of a project based on your known information about it. Answers will be kept confidential, and participation is voluntary. However, your cooperation in this effort would be greatly appreciated in order to provide for a thorough study.

Ultimately, this study will assess the factors that are significantly related to the success or failure of interlocal cooperation. The document will be made available to you, as I believe it will be of benefit to you and your community. Please contact me with any questions or concerns you may have. I look forward to speaking with you in the coming days.

Sincerely,

Lora B. Littleton  
Community Development Specialist