



CITY OF MELROSE

DEPARTMENT OF PUBLIC WORKS

Administration-Engineering-Water-Sewer-Facilities
Parks-Forestry-Highway-Sanitation-Cemetery-Fleet

James Troup

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To: Melrose City Council
From: James Troup, DPW Deputy Director Administration and Finance
CC: Elena Proakis Ellis, DPW Director
RE: FY23 Budget Financial Submittal

Thank you for your consideration of the Department of Public Works FY23 Operating Budget request. Please accept the information below as further clarification to accompany our requests.

Salaries: The majority of the salaries for the Department of Public Works are aligned with the divisions in which they work. Engineering and Administrative support is proportionately split between the Operating Budget and the Water and Sewer Enterprise Funds. A complete list is shown below.

<u>POSITION</u>	<u>SALARY 1</u>	<u>SALARY 2</u>	<u>SALARY 3</u>	<u>OTHER</u>
Director of Public Works	50% Admin	25% Water	25% Sewer	
City Engineer	50% Admin	25% Water	25% Sewer	
Staff Engineer	50% Admin	25% Water	25% Sewer	
Deputy City Engineer	25% Admin	25% Water		50% Water/Sewer Bond
Project Engineer	15% Admin			85% Water/Sewer Bond
Water & Sewer Billing Clerk		50% Water	50% Sewer	
Billing and Engineering Clerk		50% Water	50% Sewer	
Clerk Sr. Accountant		50% Water	50% Sewer	
Deputy Director Admin/Finance	50% Admin	25% Water	25% Sewer	
Facilities Manager	70% Admin	15% Water	15% Sewer	
Operations Manager	50% Admin	25% Water	25% Sewer	
Facilities Technician	80% Admin	10% Water	10% Sewer	
SW&R Environmental Outreach	70% Admin	15% Water	15% Sewer	
Resident Service Rep	50% Admin	25% Water	25% Sewer	

Contractual and Service Obligations:

- Contractual increases in salaries (step increases for both union and non-union staff) are included in the budget as submitted. Please note that union cost-of-living increases are currently being negotiated and have therefore not been included at this time.
- Annual increases are included in Massachusetts Water Resource Authority assessments in water and sewer funds.
- In the Administration and Engineering Budget, increases to the line items of Professional Services and Professional Development are due to the additional contracted services that provide oversight on projects

and the professional association memberships for our staff. Many of the professional services needs in the Administration budget arise from traffic analysis requests that are recommended by the Traffic Commission. Similarly, professional services are needed for the Facilities Division, which has been tasked with many small capital projects for which outside consultant support is frequently required to assist with bid document preparation and construction administration. (These services for larger capital projects are typically included in the capital project budget, but for smaller projects paid for with operating funds, they do not presently have a funding source.)

- Some of the biggest challenges facing the DPW are with costs associated with delivering facilities maintenance services. Rising costs for supplies and materials have affected the Facilities Division more than any other DPW Division. To address the rising cost and inventory need to deliver services, we have requested increases to three supply line items, which are shown in the budget in the range of roughly 10-11%. These increases assume that costs will level off.
- For Snow and Ice Operations, it should be noted that our 5-year average annual spending is \$996,049. Although the budget has been adjusted each year, the average budgeted amount in the same period has been \$574,103.
- The Highway Division budget is drastically affected by our obligations for NPDES MS4 drain services under the related federal permit, thus resulting in increases requested to those line items. We do not have any option of not performing these tasks that are federally mandated. In addition, increases to traffic markings (bike lanes, etc.) have resulted in increased costs to maintain these markings, through both materials costs for in-house efforts and contractual costs with our on-call line painting contractor.
- Our Solid Waste and Recycling hauling and disposal contract will be entering the second of three option years. The base cost of the contract will increase to \$835,000. Disposal costs increase to \$68/ton. At a projection of 8,500 tons of trash, the result is a cost of \$578,000 in FY23. We will also see an increase in recycling costs that project to a \$159,000 need in order to fully fund the contract. Lastly, in response to resident and City Council requests to increase downtown barrel pickup, the additional costs to the overtime line item are \$2,000 to provide this added service.
- Requested increases in the Parks & Forestry Division are associated with our contracts to maintain our City trees with the increase in windstorms in recent years.
- The \$900 increase shown to the insurance at Wyoming Cemetery is an actual cost that must be covered.

Anticipated Changes: The only additional change we are expecting to our budget is the increase in salaries and wages when cost of living increases are negotiated with both the clerical and laborers' unions.

Other Noteworthy Items Going into FY23:

Critical goals for the Department of Public Works in FY23 include meeting the obligations of all regulatory programs, such as lead water service removals, NPDES MS4 drainage requirements, and hazardous materials reduction/removal, and fostering a positive work environment through enhanced professional development.

Of significant importance, the Department of Public Works is presently faced with staffing challenges and multiple openings throughout several of the Divisions. The retirement of our Operations Manager, along with several other key departures, has depleted the team in various Divisions. We have been fortunate to identify several candidates to fill vacancies, but we continue to struggle finding experienced candidates in some of the skilled trades, especially in our Fleet Division. We are working toward upgrading our technology with our time clock system and with a facilities asset management program. The goals of these programs are to improve efficiencies in the administration of the DPW, a more comprehensive facilities-focused preventive maintenance and work order system, and a stronger base to develop our Capital Improvement Program as it relates to our City's assets.

Thank you for your continued support of our Department and our staff as we continue to deliver critical services to our community.