



CITY OF MELROSE

DEPARTMENT OF PUBLIC WORKS

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

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To: Melrose City Council
From: James Troup, DPW Deputy Director of Administration and Finance
CC: Elena Proakis Ellis, DPW Director
RE: FY24 Budget Financial Submittal

Thank you for your consideration of the Department of Public Works FY24 Operating Budget request. Please accept the information below as further clarification and for more information to accompany our requests.

Noteworthy Changes: Of significant importance, the Department of Public Works is faced with staffing challenges and multiple openings throughout several of the Divisions. Retirements, resignations, and extended vacancies contribute to staffing issues while the market for qualified candidates has yet to shift in favor of hiring entities, especially municipalities. We have been fortunate to identify several candidates to fill vacancies but continue to struggle to find experienced candidates with specialized work sets. We are working toward upgrading our technology with our time clock system and with an asset management program. The goals of these programs are to improve efficiencies in the administration of the DPW, a more comprehensive preventive maintenance and work order system, and a stronger base to develop our Capital Improvement Program as it relates to our City’s assets. Full implementation of these projects is expected early in FY24.

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:

- The Administration and Engineering Division, Highway Division, Parks and Forestry Division, Automotive Division, and Cemetery Division have all been submitted in line with the Mayor's and CFO's directive to level fund ordinary expenses that are not subject to a contractual obligation.
- The Department of Public Works faces the biggest challenges dealing with rising costs and increased demand to maintain our Schools and Municipal Buildings. The ages of critical building components have either neared or have exceeded the end of useful life. This has also increased the scope and costs of contractual service agreements. We have conservatively projected an increase of approximately \$25,000 to fully fund these contractual obligations. The Department must continue to advocate for at least two additional positions in the Facilities Division (custodial or laborer). Although they are not included in the FY24 budget submittal, we will continue to work with the City Auditor to identify possible funding strategies in the future.
- Snow Operations has been level funded at \$725,000 for FY24. It should be noted that our 5-year average spent on Snow and Ice operations is \$953,230.
- FY24 will be the final year of the current Solid Waste and Recycling Contract with JRM/Republic. The City has already begun to entertain vendors for a new contract starting in FY25. Preliminary indications are that significant changes and cost increases are on the horizon. Every effort will be made to communicate these changes to ensure a smooth transition. For FY24, the City will be realizing a contractual increase in the cost of recycling processing. This increase has affected the Recycling line item in the Operating Budget.

Anticipated Changes: At the present time, the Department of Public Works anticipates two items that will directly affect our services and expenses. First, we are aware of increases in the energy supply contracts. We have already negotiated half of our supply and are monitoring the market for a strategic point to secure the other half. The DPW and CFO are currently determining the overall impact on the budget and strategies to deal with this. We also requested, at the City Council's suggestion, an annual appropriation for trees. Although not approved for FY24 as part of the Operating Budget, this will be submitted for consideration for supplemental funding. We have carefully and conservatively projected our needs and our costs and have submitted them for your approval.

Staffing Changes:

- **New Hires in FY23:** Cameron Marks (Facilities Tradesman), Paul Federico (Mechanic/Welder), Joseph Federico (Junior Mechanic), Tyrell Liles (Cemetery Laborer), Nicholas Koytikh (Parks and Forestry Laborer), Eric Pimentel (Parks and Forestry Laborer), Adam Kleis (Cemetery Laborer)
- **Retirements in FY23:** **The Department of Public Works thanks the following for their service.** Dennis Cashman (14 years), Alejandro Guerra (23 years), and Paul Gould (38 years)
- We would also like to acknowledge and thank the late Peter Salayko for his many years of dedicated service to the DPW and to the City of Melrose as a whole.

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