



CITY OF MELROSE

DEPARTMENT OF PUBLIC WORKS

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

James Troup

Assistant Director – Administration & Finance

City Yard, 72 Tremont Street

Melrose, Massachusetts 02176

Telephone – (781) 665-0142

E-mail: jtroup@cityofmelrose.org

To: Melrose City Council
From: James Troup, DPW Deputy Director of Administration and Finance
CC: Elena Proakis Ellis, DPW Director
RE: FY25 Budget Financial Submittal

Thank you for your consideration of the Department of Public Works FY25 Operating Budget request. Please accept the information below as further clarification and for more information to accompany our requests.

Noteworthy Changes: The budget submitted for your review considers contractual salary increases for MACE and LIUNA Employees, two Facilities positions that were shifted from a decrease in contracted cleaning line items in ordinary expenses plus an additional decrease in Custodian Overtime. Requests to satisfy contractual obligations and increased utility costs represent the only increases over FY24. With the implementation of a new trash and recycling program as a result of new Hauling and Disposal Contracts, a new Solid Waste Enterprise Fund has been created.

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. In FY25, we have more information on the impact of a new Electric Supply Contract. Individual Electric Utility line items have each been projected at a 20% increase. In an effort to increase services while decreasing costs, we have shifted monies from ordinary expenses associated with contracted custodial cleaning services (decreased scope of work), to Salaries and Wages. Two additional custodians will support the Middle School and provide necessary flexibility within the Facilities Division to keep up with demands to maintain all City assets. 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 FY25 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 FY25. It should be noted that our 5-year average spent on Snow and Ice operations is \$826,909, which includes the past two mild winters.
- FY24 will be the final year of the current Solid Waste and Recycling Contract with Republic. Casella Waste Systems will be providing automated curbside collection of solid waste and recycling while Waste Management will be providing disposal services from the City's transfer station. Through a competitive process, the new contract represents a significant increase and reflects the actual cost of this vital service. The FY25 Budget will see the creation of a new Solid Waste Enterprise Fund.

Anticipated Changes: At the present time, the Department of Public Works anticipates three items that will directly affect our services and expenses. First, we are aware of increases associated with hired services including catch basin cleaning, street sweeping and drain maintenance. Although not funded, we also anticipate the need to maintain the City's electric vehicle charging infrastructure. We will closely track those costs to present the impacts to our Operating Budget. *S e c o n d*, at the City Council's suggestion, an annual appropriation for trees. Although not approved for FY25 as part of the Operating Budget, this will be submitted for consideration for supplemental funding. Last, over the past few months, the DPW has explored opportunities to save monies via a lease program for the fleet. This approach will continue to be researched as we work with the Administration to identify cost savings measures without impacting services. We have carefully and conservatively projected our needs and our costs and have submitted them for your approval.

Staffing Changes:

- **New Hires in FY24:** Kevin Naughton (Parks and Forestry Division Foreman), Michael Kuleszka (Fleet Foreman), Isaiah Holmes (Sanitation Laborer), Richard Gillis (Municipal Custodian).

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