



REPORT

LEGISLATIVE REFERENCE BUREAU

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20. DPW— Forestry, 2014

Proposed Plan and Executive Budget Review

20. Department of Public Works—Forestry

I. EXECUTIVE SUMMARY.

Table 20.1. Statement of Changes in Operating Budget, 2013 to 2014.

2012 Actual Expense	\$12,227,460
2013 Adopted Budget	\$11,771,222
Personnel Costs	
Salaries & Wages	\$235,388
Fringe Benefits	\$43,987
Total Changes	\$279,375
Operating Expenses	(\$54,929)
Equipment Purchases	\$0
Special Funds	\$1,137,000
Total Changes	\$1,361,446
2014 Proposed Budget	\$13,132,668

1. Strong Neighborhood Investment Plan.

As part of the Mayor's Strong Neighborhood Investment Plan, \$1,222,000 is included in the 2014 Forestry Section's In Rem Property Management Special Fund for snow removal, debris removal, and mowing at City-owned in-rem properties with homes or improved properties on the land.

2. Stump removal backlog. The 2014 Proposed Budget includes approximately \$830,000 in operating funding for the removal of approximately 2,000 stumps. DPW projects a backlog of 1,788 stumps at the end of 2013, and given the anticipated level of funding, DPW projects the backlog of stumps will increase to over 4,000 by the end of 2015.

3. 6-year tree pruning cycle challenged.

In recent years, the Forestry Section has not been able to maintain a 6-year pruning cycle and indicates that the funding provided in the Proposed 2014 Budget will not be adequate to maintain a 6-year pruning cycle in 2014. The City's pruning cycle is now approximately at 7 years.

4. Installment payments to be established for tree removal.

In March 2013, the Common Council passed an ordinance that provides property owners who are charged for the ordered removal of hazardous trees from private property by City contractors with the option of paying for the trees' removal over the 6 subsequent property tax bills, similar to the payment option provided for special assessments. The 2014 Proposed Budget provides \$75,000 in capital funding to provide expenditure authority for this program.

5. \$1 million provided for Emerald Ash Borer Readiness and Response.

The 2014 Proposed Budget provides \$952,000 in capital funding for the Emerald Ash Borer Readiness and Response program, the same amount as in 2013. Since 2009, \$4.4 million has been allocated to inoculate 27,000 ash trees against the emerald ash borer. One half of the City's ash trees, 8" or larger, will be inoculated each year as the City transitions to more resistant species.

6. \$1.5 million provided for Tree Planting and Production.

The 2014 Proposed Budget provides \$1,483,000 in capital funding for the Tree Planting and Production program. This program funds the production and replacement of trees removed in street construction projects, replacement of dead or diseased trees, and the planting of new trees on boulevards.

II. INITIATIVES AND PROGRAMS.

1. Strong Neighborhood Investment Plan.

As part of the Mayor's Strong Neighborhood Investment Plan, \$1,222,000 is included in the 2014 Forestry Section's *In Rem* Property Management Special Fund for snow removal, debris removal and mowing at City owned in-rem properties with homes or improved properties on the land. In addition, \$63,000 is included in the Proposed Budget for the addition of two Urban Forestry Technicians (1.5 FTEs) to provide property management related to taking over these *in-rem* properties.

The Forestry Section estimates it will be responsible for maintaining over 2,700 of these properties by the end of 2014. Table 20.2 shows the planned expenditures of the 2014 In-house Demolition Program Special Fund.

Table 20.2. *In Rem* Property Management Special Fund.

Expenditures	Amount
Vehicle Rentals	\$14,000
Debris Removal	\$124,680
Mowing	\$790,472
Snow Removal	\$292,848
Total	\$1,222,000

2. Tree Pruning.

The City maintains a street inventory of 193,000 trees of which approximately 32,000 are ash trees. The Forestry Section loses approximately 2% (3,500 trees) of the tree population annually to mortality and disease, and also plants a similar number of trees annually. The total number of trees in the City's inventory remains fairly constant from year to year.

In recent years, the Forestry Section has not been able to maintain a 6-year pruning cycle and indicates that the funding provided in the Proposed 2014 Budget will not be adequate to maintain a 6-year pruning cycle in 2014. A 6-year pruning cycle requires the pruning of approximately 32,000 trees annually at full staffing.

To date in 2013, DPW has pruned 13,333 of the 31,985 scheduled to be pruned in 2013, with an additional 4,982 carried over from the 2012 pruning schedule also pruned in 2013. DPW is projected to prune 27,500 of the 32,000 street trees scheduled to be pruned in 2013 with a carryover of 4,500. At current staffing levels, DPW indicates the City's pruning cycle is approximately 7 years.

3. Stump Removal.

The 2014 Proposed Budget includes approximately \$1.1 million in operating funding for the removal of approximately 2,000 stumps. No capital funding is provided in the 2014 Proposed Budget for stump removal. The 2013 Budget included \$400,000 in capital funding for stump removal.

DPW projects a backlog of 1,788 stumps at the end of 2013 and given the anticipated level of funding of DPW projects, the backlog of stumps will increase to over 4,000 by the end of 2015. Table 20.3 provides the DPW's projected stump removals for 2013 through 2015.

Table 20.3. Stump Removal Projection 2013-15.

Category	2013	2014	2015
Stumps Carried Over from previous year	2,124	1,788	2,718
New stumps generated	3,300	3,300	3,300
Projected in-house stumps removed	2,000	2,000	2,000
Contract Stumps Removed	1,636	370	0
Projected year end stump backlog	1,788	2,718	4,018

4. Installment Payments for Tree Removal

On March 21, 2013, the Common Council adopted an ordinance (Common Council File Number 120636) to provide property owners who are charged for the ordered removal of hazardous trees from their properties by City contractors with the option of paying for the trees' removal over the 6 subsequent property tax bills, similar to the option provided for the payment of special assessments.

Previously, the charges for the ordered removal of hazardous trees from private property by City contractors were placed on the tax roll as special charges and payment was due in full in the year property taxes are due. The 2014 Proposed Budget provides \$75,000 in capital funding to provide expenditure authority for this program.

III. EXPENDITURES.

Table 20.4. Changes in Expenditure Amounts by Account.

Expenditure Account	2012 Actual	2013 Adopted Budget	% Chng.	2014 Proposed Budget	% Chng.
Salaries and Wages	\$7,067,087	6,664,522	-6%	\$6,899,910	4%
Fringe Benefits	\$3,661,448	3,198,971	-13%	\$3,242,958	1%
Operating Expenditures	\$751,938	\$893,229	21%	\$838,300	-6%
Equipment Purchases	\$87,998	\$214,500	144%	\$214,500	0%
Special Funds	\$658,991	\$800,000	21%	\$1,937,000	214%
Total Operating Budget	\$12,227,462	\$11,771,222	-4%	\$13,132,668	12%

1. Budget Summary.

The total 2014 Proposed Budget is \$13,132,669, an increase of \$1,361,446 (12%) from the 2013 Adopted Budget amount of \$11,771,222.

2. Personnel Costs.

Personnel costs in the 2014 Proposed Budget are \$10,142,868, an increase of \$279,375 (3%) from the 2013 Proposed Budget. Salaries and wages increase \$235,388 (4%). Fringe benefits increase \$43,987 (1%).

3. Operating Expenditures.

Operating Expenditures in the 2014 Proposed Budget are \$838,300, a decrease of \$54,929 from the 2013 Adopted Budget amount of \$893,229. The changes can be primarily attributed to decreases in the Other Operating Supplies (-\$9,675), Construction Supplies (-\$9,000) and Property Services (-\$30,000).

4. Replacement Equipment Purchases.

Replacement Equipment purchases in the 2014 Proposed Budget are \$214,500, the same amount as provided in the 2013 Budget. The Replacement Equipment Purchases for 2014 are provided in Table 20.5.

Table 20.5. Major Equipment Purchases, 2014.

Account	2013		2014		Pct. Change in Amount
	Amount	Units	Amount	Units	
Trailers, Work	\$25,500	3	\$25,500	3	0%
Computer Work Stations	\$22,000	16	\$22,000	16	0%
Multi-Purpose Turf Maintenance Equipment	\$105,000	3	\$105,000	3	0%
Skid Loader with attachments	\$45,000	1	\$45,000	1	0%
Articulated tree loader attachment	\$17,000	1	\$17,000	1	0%

5. Special Funds

Table 20.6. Change in Special Funds.

Fund	2012 Actual	2013 Adopted Budget	% Chg.	2014 Proposed Budget	% Chg.
Vacant Lot Maintenance	\$658,991	\$800,000	21%	\$715,000	-12%
In Rem Property Management	\$0	\$0	0%	\$1,222,000	100%

The 2014 Forestry Proposed Budget includes funding for 2 Special Funds:

Vacant Lot Maintenance Special Fund. The 2014 Proposed Budget provides \$715,000 in funding for the Vacant Lot Maintenance fund. The Vacant Lot Maintenance fund is used for the maintenance of City-owned lots, primarily for mowing and snow removal. The 2014 proposed funding is reduced by \$85,000 from the 2013 funding to reflect end-of-year surpluses (-\$140,000) and the impact (\$55,000) of the adoption of the ordinance that reduced the requirement to mow grass and tall weeds from 9 inches to 7 inches. DPW anticipates the additional \$55,000 added for the additional mowings will be offset by the revenue from charges imposed on properties not in compliance with the new ordinance.

In Rem Property Management Special Fund. As part of the Mayor's Strong Neighborhood Investment Plan the 2014 Proposed Budget provides \$1,222,000 for the In Rem Property Management Special Fund. See page 2 for additional information.

IV. PERSONNEL.

Table 20.7. Changes in Full-Time Equivalent (FTE) and Authorized Positions.

Position Category	2012 Actual	2013 Adopted Budget	Change	2014 Proposed Budget	Change
O&M FTEs	155.14	139.55	-15.59	145.93	6.38
Non-O&M FTEs	21.59	30.95	9.36	26.07	-4.88
Total Authorized Positions	239	240	0	242	2.0

1. Personnel Changes.

The total number of authorized positions in the department under the 2014 Proposed Budget is 242, an increase of 2 from the 240 positions authorized in the 2013 Adopted Budget.

- Two (1.5 FTEs) Urban Forestry Technicians are added in the 2014 Forestry Proposed Budget as part of Mayor's Strong Neighborhood Investment Plan to provide property management related to taking over the *in rem* homes.

2. Vacancies.

Currently the Forestry Section has 7 vacant positions which are shown in Table 20.8.

Table 20.8. Forestry Vacant Positions.

Number	Title of Position	Date Vacant	Estimated Fill Date
1	Nursery Specialist	10/18/13	Pending F&P Approval
2	Urban Forestry Technician	8/31/13, 12/20/13	11/10/13, 2/14
4	Urban Forestry Specialist	Various dates in 2013	2014 (Winter)

V. SPECIAL PURPOSE ACCOUNTS (SPA).

None

VI. REVENUES.

The 2014 Proposed Budget estimates that \$130,000 will be generated in revenues in 2014, the same as 2013. Revenues are generated through the sale of plant materials from the nursery, charges for removal and replacement of damaged and hazardous trees, and administrative fees for encroachments.

Table 20.9. Changes in Revenue by Category.

Revenue Account	2012 Actual	2013 Adopted Budget	% Change	2014 Proposed Budget	% Change
Charges for Services	\$124,827	\$130,000	4%	\$130,000	0%

VII. CAPITAL PROJECTS.

The 2014 Proposed Budget includes \$3,010,000 in funding for 4 capital projects, a decrease of \$362,000 (10.7%) from the 2013 Budget. Most of the decrease is related to the Stumping program which did not receive funding in the 2014 Proposed Budget. Capital projects for 2014 are summarized in Table 20.10 and the discussion that follows.

Table 20.10. Capital Program Summary, 2014.

Program	2014 Proposed Budget	2013 Actual Budget	Increase (decrease)	% Chng.	6-year Request
Tree Planting and Production	\$1,483,000	\$1,520,000	(\$37,000)	-2.4%	\$10,787,000
Concealed Irrigation & General Landscaping	\$500,000	\$500,000	\$0	0.0%	\$3,000,000
Emerald Ash Borer Readiness & Response	\$952,000	\$952,000	\$0	0.0%	\$5,712,000
Hazardous Tree Removal	\$75,000	\$0	\$75,000		None
Total	\$3,010,000	\$3,372,000	(\$362,000)	-10.7%	\$19,499,000

One of the key issues facing the City with respect to its urban forest is the discovery of emerald ash borer in the Milwaukee. The presence of the emerald ash borer has been confirmed in Milwaukee and will require the City to implement strategies for managing and maintaining its tree canopy. If left unmanaged, the emerald ash borer will likely kill thousands of trees each year.

The management strategy will have implications for Forestry's operations; impacting tree removal, stumping, tree planting and production, and the management of hazardous trees on private property. Management strategies include the preventative treatment of individual trees, removal of only infested trees, pre-emptive removal of all ash trees and selective removal. An approach that combines preventative treatment with the strategic removal of ash trees could allow for an orderly, fiscally-sustainable transition to more resistant tree species.

Forestry has developed and implemented a proactive treatment strategy which is discussed further in the Emerald Ash Borer Readiness and Response section. The 2014 Proposed Budget creates a new capital program called Hazardous Tree Elimination Program. The program is funded with \$75,000 in cash.

Tree Planting and Production, \$1,483,000.

This program is funded by the Storm Water Management fee. This program funds the production and replacement of trees removed in street construction projects, replacement of dead or diseased trees, and the planting of new trees on boulevards.

DPW requested funding for 4,211 trees. No funding was requested for the trees needed to complete the Sustainable Boulevard project, which was substantially completed in 2010. The 2014 Proposed Budget provides \$1,483,000 for this program, a decrease of \$37,000 (2.4%) from the 2013 Budget.

Table 20.11. Tree Planting Request Summary.

Request Year	2014	2013	2012	2011
Year Trees Removed	2012	2011	2010	2009
Dead or Diseased	3,934	3,108	3,845	3,244
Related to Paving	277	506	417	211
New Trees, Sustainable Boulevard Plan		--	700*	2,450
Total Requested Trees	4,211	3,704	4,962	5,905

*Not funded in the 2012 Budget.

Concealed Irrigation and General Landscaping, \$500,000.

This program is not funded by the Storm Water Management Fee. This program replaces infrastructure related to irrigation and landscaped boulevard medians in conjunction with the City's paving program. The program does not directly correlate to increases in state/federal-aided paving because not all arterials have boulevards.

This program was funded as requested. Proposed funding in 2014 will allow for the replacement of approximately 100 taps, including 30 taps along 2 boulevard segments scheduled for repaving and 70 taps at various locations city-wide based on age and condition.

Tree mortality has generally remained between 1.5% and 2.0 % since the City instituted a bed-only irrigation policy nearly a decade ago.

Emerald Ash Borer (EAB) Readiness and Response, \$952,000.

This program is funded by the Storm Water Management Fee. This program was funded as requested and at the same level as the 2013 Budget.

There are approximately 570,000 ash trees within the City limits. Approximately 32,500 are street trees in the public right of way. Since 2009, \$4.4 million has been allocated to inoculate 27,000 ash trees against the emerald ash borer. One half of the City's ash trees, 8" or larger, will be inoculated each year as the City transitions to more disease resistant species.

Emerald Ash Borer continues to spread in Southeast Wisconsin. Its presence has been confirmed in Milwaukee County. An active infestation on private property within the City limits was confirmed by the Wisconsin Department of Agriculture, Trade and Consumer Protection in July 2012. Seventeen infested trees were identified on private property.

EAB is currently active in 2 areas of the City; in the vicinity of 80th and Mill Road, and 84th and Adler. No EAB activity has been detected in treated ash street trees. Nine small-diameter, untreated, street trees have been confirmed with EAB and removed. A total of 646 ash street trees were removed in the last 2 years, 366 in 2012 and 280 so far in 2013.

Forestry has surveyed private trees in the vicinity of known EAB infestations and has notified property owners of trees confirmed or symptomatic for EAB. Approximately 30 property owners have been served notice of dead or hazardous tree conditions and ordered to remove the trees. An ordinance change in 2013 allows hazardous tree removal charges to be considered a special assessment. This gives property owners the option of paying the bill in full or spreading any unpaid balance across 6 subsequent property tax bills. Property owners for whom the unexpected removal of ash trees is a financial hardship will benefit from this provision. The 2014 Proposed Budget provides funding in the Hazardous Tree Removal account to fund the ordinance change.

Forestry has performed extensive outreach, attempting to notify property owners with ash trees and providing educational materials regarding treatment and removal options. Infested trees quickly lose structural integrity and pose a significant risk of personal injury or property damage, necessitating prompt removal.

Hazardous Tree Removal, \$75,000.

The 2014 Proposed Budget creates the Hazardous Tree Removal capital account. The account is funded with \$75,000 in cash. This account provides a funding source for the 2013 ordinance change which allows property owners to spread the cost of removing hazardous trees over 6 property tax bills. The ordinance was generally modeled after paving and sidewalk assessments. However in the case of hazardous tree removals, the property owner must decide before the work is done if he or she will defer payment. If payment deferral is selected, there is no penalty for early repayment.

2. Unfunded Capital Requests.

None

3. Project Updates.

Stump Removal.

DPW began 2013 with a backlog of approximately 1,800 stumps. Historically, the backlog averages around 400 stumps. The Forestry Section cited reductions in Urban Forestry FTE's and funding for seasonal employees, vacancies held open in 2010 and 2011, and participation in snow and ice control operations as contributing factors to the stump backlog. The 2013 Budget provided \$400,000 in capital funding for contracted stump removal.

Last year's funding did not remove as many stumps as were anticipated because bid prices were higher. The department attributes that to larger stump sizes than on previous contracts, and contractor pricing more accurately reflecting their cost to provide stump removal services. The 2013 year end stump backlog is expected to be 1,788, nearly 560 stumps larger than what was projected at the end of 2012

Because new trees are generally planted in the same locations where the trees were removed the year before, stump removal is a necessary part of site preparation. If the stumps are not removed in a timely manner, tree replacement will be delayed. The demands for stumping operation are expected to increase in the near future because of the emerald ash borer infestation. The 3-year average for tree removal is 4,029 trees, an increase of approximately 250 from the previous 3-year average.

The operational budget provides for stump removal in various accounts (personnel, equipment, fuel, etc.); it is not a separate line item in the O&M budget. Approximately \$830,000 was expended from the operational budget in 2012 for stumping-related activities. The department anticipates having a similar amount available for 2014.

Sustainable Boulevard Program.

The Sustainable Boulevard Program was a 3-phase project approved by the Common Council in 2007. The plan included automated irrigation systems at signature bed locations and a simplified boulevard design that positions high-profile flower beds on landmark and gateway segments. These beds are connected by segments containing turf, shade and ornamental trees.

The final construction of some beds has been delayed due to paving projects such as W. Capitol Drive west of 76th St. The program has no remaining carryover borrowing authority. No funding has been requested or provided since 2010 for this program. The remaining beds will be constructed with O&M funds or funds from the Concealed Irrigation/General Landscaping capital account. The 700 boulevard trees from the original plan that were going to be planted over time have been eliminated. The department considers the tree-planting portion of the plan to be complete.

This project has allowed the Forestry Section to reduce its annual budget for seasonal staffing and reduce the number of Seasonal Urban Forestry Laborers hired by 20. In 2013, all seasonal labor was eliminated. The beds are maintained by Urban Forestry Specialists.

4. Future Capital Requests.

There are no out-year capital requests except those relating to currently-funded programs.

VIII. ISSUES TO CONSIDER.

1. The stumping backlog continues to grow. The department anticipates having \$1.1 million in O&M funding available in 2014 for stumping-related activities. However, there is no capital funding to supplement the operational funds as there was in 2013. If the stump backlog becomes too large, it will delay planting operations.

2. EAB will continue to be a challenge for the foreseeable future. DPW believes that the City's inoculation program is suppressing the rate of EAB population growth in the City. However, it is too early to tell if the program will provide long term protection for the City's ash trees. Any management strategy will have significant implications for Forestry's operations.

Aggressive removals will have massive upfront costs, present severe operational challenges, and will likely have little public support. Passive management strategies have very little upfront cost, but may expose the City to significant costs and public safety risks in the near future and would have catastrophic effects on the tree canopy. A moderate management strategy would balance the costs of implementation, the likelihood of uncontrolled infestation, property owner expectations and neighborhood aesthetics.

3. The increasing number of City-owned properties Forestry Section is responsible to maintain (mowing, snow and debris removal) may impact the funding available in future years for traditional Forestry services such as stump removal and boulevard maintenance.

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