

**EXECUTIVE SUMMARY**  
**2010 PROPOSED BUDGET - DPW – OPERATIONS DIVISION**

**DPW-BUILDINGS & FLEET SERVICES:**  
**Administration Section**  
**Fleet Services Section**  
**Fleet Operations & Dispatch Section**

1. The Facilities Development and Management Section is to be transferred to DPW-Infrastructure Services in the 2010 Proposed Budget. (page 1)
2. Highlights and issues of the 2010 Proposed Budget relating to DPW-Operations, Buildings and Fleet Services, Administration, Fleet Services and Fleet Operations/Dispatch Sections. (pages 1 to 2)
3. Within the Fleet Services Section one Network Analyst Associate position will be transferred to DPW-Administration. The remaining 6 positions proposed for elimination in 2010 are: one Equipment Acquisition & Disposal Coordinator position, one Auto Maintenance Mechanic position, 3 Garage Attendant positions, and one Equipment Parts Assistant position. (pages 2 to 3)
4. Within Fleet Operations/Dispatch 17 positions are proposed for elimination. Two positions of Driver Training Instructor are to be transferred to DPW-Administration. The remaining 15 positions proposed for elimination are 2 Tractor, Bulldozer, Endloader or Grad Operator positions, one Tractor Operator (Under 40HP) position and 12 Operation Driver/Worker positions. (page 5)
5. The 2010 Proposed Budget provides \$397,000 for Fleet Services non-capital equipment purchases. Forty-eight pieces of replacement equipment are proposed for purchase in 2010. (page 4)
6. The 2010 Proposed Budget contains one capital project, the Major Capital Equipment program, totaling \$5,500,000 for DPW-Buildings and Fleet Services. (page 6)
7. The 2010 Proposed Budget continues the 2-Way Radio Replacement ongoing capital improvement project for DPW-Buildings and Fleet Services. Although no capital funds were appropriated for this project in the 2010 Proposed Budget, carryover funds will be utilized for this project in 2010. (page 7)
8. DPW-Operations, Buildings and Fleet Services revenues are projected to be \$3,750,000, a decrease of -3.96% over the revenues projected in the 2009 Budget. (page 7)

**SUMMARY**  
**2010 PROPOSED BUDGET – DPW - OPERATIONS DIVISION**

**DPW-BUILDINGS & FLEET SERVICES:**  
Administration Section  
Fleet Services Section  
Fleet Operations & Dispatch Section

**By the Legislative Reference Bureau – Research & Analysis Section**

Section	2008 Actual	2009 Budget	% Change	2010 Proposed	% Change
Administration	\$681,115	\$676,070	-0.74%	\$668,686	-1.09%
Fleet Services	\$12,363,449	\$11,011,522	-10.92%	\$10,469,669	4.92%
Operations/Dispatch	\$19,825,553	\$15,205,390	-23.30%	\$12,253,185	-19.41%
<b>TOTAL</b>	<b>\$32,870,117</b>	<b>\$26,862,982</b>	<b>-18.18%</b>	<b>\$23,391,540</b>	<b>-13.01%</b>
Capital*	\$4,004,825	\$6,302,000	57.36%	\$5,500,000	-12.72%
POSITIONS**	825	817	-8	674	-143
*Reflects capital funding for projects appropriate to DPW-Operations, Fleet Services.					
**2010 Proposed Budget positions reflects the transfer of Facilities Development & Management Section to Infrastructure Services.					

**2010 BUDGET HIGHLIGHTS AND ISSUES**

The Facilities Development and Management Section, currently part of Operations Buildings and Fleet Services, is to be transferred to DPW-Infrastructure Services in the 2010 Proposed Budget. The Facilities Development and Management Section provides building services, such as overseeing construction and maintenance at city facilities, excluding the Port of Milwaukee and the Milwaukee Public Library. This section oversees 160 of the city’s 220 buildings. Facilities management responsibilities include operating the around the clock Information Center in City Hall, as well as providing physical security and access at the City Hall Complex and other key facilities. The Department of Public Works feels that combining Facilities within Infrastructure Services will create a unified construction trades section within the department. By having various construction trades groups within Infrastructure the department feels that it will be better able to react to emergency maintenance and/or capital construction needs.

The 2010 Proposed Budget includes 674 authorized positions for the following 3 sections of DPW-Operations, Buildings & Fleet Services: Administration, Fleet Services and Fleet Operations /Dispatch Sections. This is a proposed reduction of 24 positions from the 2009 for these 3 sections, 119 authorized positions will be transferred to Infrastructure Services by transferring the Facilities Development and Management Section.

Authorized positions in the Administration Section remain the same for 2010. Although a Program Assistant II (445) position will be reclassified to a Program Assistant I (460) position. Within the Fleet Services Section one Network Analyst Associate (SR 598) position will be transferred to DPW-Administrative Services. The remaining 6 positions proposed for elimination in 2010 are: one Equipment Acquisition & Disposal Coordinator (SG 8) position, one Auto Maintenance Mechanic (SR 260) position, 3 Garage Attendant (SR 260) positions, and one Equipment Parts Assistant (SR 345) position. Within Fleet Operations/Dispatch 17 positions are proposed for elimination. Two positions of Driver Training Instructor (SR 270), are to be

transferred to DPW-Administrative services. The remaining 15 positions proposed for elimination are 2 Tractor, Bulldozer, Endloader or Grad Operator (SR 960) positions, 1 Tractor Operator (Under 40HP) (SR 956) position and 12 Operation Driver/Worker (SR 750) positions. These position reductions will result in a decrease of available Operator Driver Workers, increase time to complete maintenance, as the fleet ages more maintenance will be needed, and may decrease equipment availability.

The 2010 Proposed Budget provides \$397,000 for Fleet Services equipment purchases, a decrease of -39.20% from the 2009 Budget. (If a piece of replacement equipment is less than \$50,000, it is budgeted in the operating expenses for the Fleet Service Section.) Forty-eight pieces of replacement equipment are proposed for purchase in 2010.

The 2010 Proposed Budget contains one capital project, the Major Capital Equipment program totaling \$5,500,000 for DPW-Buildings and Fleet Services. Forty-one pieces of equipment are proposed for purchase in 2010. This program is specified for equipment that exceeds \$50,000 and has a life expectancy of at least 10 years.

**DPW OPERATIONS DIVISION – ADMINISTRATION SECTION**

<b>Expense Category</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>Change</b>	<b>2010 Proposed</b>	<b>Change</b>
Personnel Costs	\$647,890	\$611,720	-5.58%	\$604,686	-1.14%
Operating Expend.	\$33,225	\$64,350	+93.67%	\$64,000	-0.54%
Equipment Purchases	\$0	\$0	0%	\$0	0%
Special Funds	\$0	\$0	0%	\$0	0%
<b>TOTAL</b>	<b>\$681,115</b>	<b>\$676,070</b>	<b>-0.74%</b>	<b>\$668,686</b>	<b>-1.09%</b>
Positions	7	7	0	7	0

**Personnel**

The 2010 Proposed Budget provides \$604,686 for personnel costs of the Administration Section, a decrease of \$7,034 (-1.14%) from the 2009 Budget. This total includes \$9,000 for Overtime. Although the number of positions in this section remains the same, a Program Assistant II (445) position will be reclassified to a Program Assistant I (460) position for 2010.

**Operating Budget**

The 2010 Proposed Budget provides \$64,000 for Operating Expenditures, a decrease of \$350 (-0.54%) from the 2009 Budget.

**Equipment Purchases**

No equipment purchases are planned for the Administration Section in the 2010 Proposed Budget.

## DPW – FLEET SERVICES SECTION

Expense Category	2008 Actual	2009 Budget	Change	2010 Proposed	Change
Personnel Costs	\$7,576,482	\$6,688,072	-11.72%	\$6,051,810	-9.51%
Operating Expend.	\$4,486,326	\$3,670,450	-18.18%	\$4,020,859	9.54%
Equipment Purchases	\$300,637	\$653,000	117.20%	\$397,000	-39.20%
Special Funds	\$0	\$0	0%	\$0	0%
<b>TOTAL</b>	<b>\$12,363,449</b>	<b>\$11,011,522</b>	<b>-10.92%</b>	<b>\$10,469,669</b>	<b>4.92%</b>
Positions	140 (includes 24 auxiliary positions)	139 (includes 24 auxiliary positions)	-1	132 (includes 24 auxiliary positions)	-7

### Personnel

The 2010 Proposed Budget provides \$6,051,810 for Fleet Services Section personnel costs, a decrease of \$636,262 (-9.51%) from the 2009 Budget. This total includes \$242,500 in Overtime. One Network Analyst Associate (SR 598) position will be transferred to DPW-Administrative Services. The remaining 6 positions proposed for elimination in 2010 are: one Equipment Acquisition & Disposal Coordinator (SG 8) position, one Auto Maintenance Mechanic (SR 260) position, 3 Garage Attendant (SR 260) positions, and one Equipment Parts Assistant (SR 345) position.

Of these 6 positions 4 are filled, 2 are vacant. The Equipment Acquisition & Disposal Coordinator (SG 8) and Auto Maintenance Mechanic (SR 260) positions are vacant. Both are being eliminated to meet funding constraints. The duties and responsibilities of the Equipment Acquisition & Disposal Coordinator position have been dispersed to other personnel within the division. The Auto Maintenance Mechanic position is currently vacant due to a retirement. This reduction is expected to result in extra work for the remaining Auto Maintenance Mechanics.

The Fleet Services Section currently has one Auto Maintenance Mechanic and 6 Vehicle Service Technician vacancies. The Section has been challenged to meet its availability goals due to these vacancies. As the fleet age increases, the Section anticipates more maintenance and repairs needed for these older pieces of equipment, and therefore increased challenges to meet its customer's requirements for available equipment to deliver vital City services.

The 3 Garage Attendant (SR 260) positions are currently filled. Transfer opportunities to comparable positions within the city will be afforded to the affected employees in consideration of the "no layoff" contract agreement with AFSCME DC 48. The Equipment Parts Assistant (SR 345) position is currently filled. Transfer opportunities to a comparable position within the city will be afforded to the affected employee in consideration of the "no layoff" contract agreement with AFSCME DC 48. These positions are being eliminated to meet funding constraints.

### Operating Budget

The 2010 Proposed Budget provides \$4,020,859 for Fleet Services operating expenditures, an increase of \$350,409 (9.54%) from the 2009 Budget. Increases can be attributed to Tools & Machinery Parts, Energy, Information Technology Services and Vehicle Repair Services.

Tools & Machinery Parts proposed allocation increase reflects anticipated increases in the price of parts. The increase in Energy is to cover the higher cost of oil and other lubricants. The

increase allocation proposed for Information Technology Services reflects software support and maintenance fees. Fleet Services has several programs that require an annual renewal fee, including Asset Works (fleet maintenance program), Mitchell On-Demand (repair database), and Oracle database, along with a number of parts and repair-related items that require annual expenditures. The Vehicle Repair Services allocation increase assumes the same level of vehicle repair services as budgeted in 2009.

**Equipment Purchases**

The 2010 Proposed Budget provides \$397,000 for Fleet Services equipment purchases, a decrease of \$256,000 (-39.20%) from the 2009 Budget. If a piece of replacement equipment is less than \$50,000, it is budgeted in the operating expenses for the Fleet Service Section. Equipment purchases over \$50,000, with a life expectancy of at least 10 years, are budgeted under capital expenditures.

The current average age of budgeted equipment is 10.7 years. Optimal average age is 5 years. Currently, there are 50+ pickup trucks in the fleet that are between 17-23 years old. The estimated average age of major O&M equipment based on the 2010 Proposed Budget funding level is 11.3 years. Older vehicles require more maintenance and repairs, and experience downtime which affects the delivery of City services.

2010 Proposed Replacement Equipment purchases include:

2	Cars, Compact	\$28,000
1	Compactor, Vibratory	\$2,000
1	Roller, Vibratory	\$16,000
1	Endloader, Skid Steer w/Trailer	\$29,000
3	Pickup Truck, 4400 lb. 4x2	\$60,000
1	Pickup Truck, 8600 lb. 4x2	\$25,000
2	Pickup Truck, 9200 lb. w/Plow	\$80,000
1	Truck, Platform, 1100 lb.	\$29,000
2	Truck, Van, Cargo, 5600 lb.	\$48,000
2	Truck, Van, Cargo, 9500 lb.	\$54,000
30	Computer Hardware	\$15,000
1	Engine Diagnostic Analyzer	\$6,000
1	Scanner	\$5,000

Fleet Services Section has no intent to keep vehicles and equipment that have been replaced. As new equipment is placed in service, used equipment is retired from service and sold as surplus. This equipment is sold at about 15 various sales each year, including auctions and on-line bids. As of August, 2009, 65 pieces of new equipment have been received, while 97 pieces have been sold, for a net decrease of 32 pieces. Additionally, 12 pieces of equipment were sold at auction in September. At this point in 2009, the City has received \$74,219.61 for surplus equipment sold. Occasionally surplus equipment may be held and used longer. An example of this would be keeping a replaced truck during colder months for use during snow and ice operations, since more frequent breakdowns occur during severe weather. In addition, warmer months have proven to be the most favorable time to sell used equipment. Fleet Services Section continues to monitor use of equipment, identifying potential fleet reductions, and selling off surplus units as soon as practical.

## DPW – FLEET OPERATIONS/DISPATCH SECTION

Expense Category	2008 Actual	2009 Budget	Change	2010 Proposed	Change
Personnel Costs	\$10,875,261	\$8,613,528	-20.79%	\$7,003,326	-18.69%
Operating Expend.	\$8,947,105	\$6,591,862	-26.32%	\$5,249,859	-20.35%
Equipment Purchases	\$3,187	\$0	-100%	\$0	0%
Special Funds	\$0	\$0	0%	\$0	0%
<b>TOTAL</b>	<b>\$19,825,553</b>	<b>\$15,205,390</b>	<b>-23.30%</b>	<b>\$12,253,185</b>	<b>-19.41%</b>
Positions	554 (includes 441 auxiliary positions)	552 (includes 441 auxiliary positions)	-2	535 (includes 441 auxiliary positions)	-17

### Personnel

The 2010 Proposed Budget provides \$7,003,326 for Fleet Operations/Dispatch personnel costs, a decrease of \$1,610,202 (-18.69%) from the 2009 Budget. This total includes \$757,285 in Overtime. Seventeen positions are proposed for elimination of those positions 2 Driver Training Instructor (SR 270) positions are to be transferred to DPW-Administration. The remaining 15 positions proposed for elimination are 2 Tractor, Bulldozer, Endloader or Grad Operator (SR 960) positions, 1 Tractor Operator (Under 40HP) (SR 956) position and 12 Operation Driver/Worker (SR 750) positions.

The following is a response given by Buildings and Fleet to a question asked by the Legislative Reference Bureau in relation to the 2010 Proposed Budget:

**Q:** For the following position changes in the 2010 Proposed Budget, please identify the titles, the rationale for positions being eliminated or created, and the expected benefits. Please indicate if these positions are vacant or filled. Explain if the affected personnel have “bumping” rights and or will they result in lay-offs:

Tractor, Bulldozer, Endloader or Grad Operator (SR 960) (-2)  
 Tractor Operator (Under 40HP) (SR 956) (-1)  
 Operation Driver/Worker (SR 750) (-12)

**A:** Certain operator and driver positions are being reduced to meet budget allocations. Daily job assignments will be made based on priorities, union affiliation, and training. If necessary, transfer opportunities to a comparable position within the city will be afforded to the affected employees in consideration of the “no layoff” contract agreement with AFSCME DC 48.

### Operating Budget

The 2010 Proposed Budget provides \$5,249,859 for Operations/Dispatch operating expenditures, a decrease of \$1,342,003 (-20.35%) from the 2009 Budget. The decrease can be attributed to the decline in energy costs. The Energy line item is for motor vehicle fuels, and reflects a significant drop in prices from an all-time high in 2008. The per-gallon cost for motor fuel is extremely volatile and difficult to predict with any accuracy. While current prices are about 45% lower than the overall highest cost in 2008, continuation of today’s low prices cannot be guaranteed.

Within the operating budget of the Operations/Dispatch Section the Vehicle Rental line seeks \$930,000, an increase of \$280,000. This vehicle rental increase is a result of the age and condition of the fleet vehicles and the continuing needs of City departments for special projects and snow and ice control operations. The amount budgeted reflects the anticipated rental costs for 2010.

**Equipment Purchases**

No equipment purchases are planned for Operations/Dispatch Section in the 2010 Proposed Budget.

**CAPITAL IMPROVEMENT PROJECTS**

The 2010 Proposed Budget contains one capital project totaling \$5,500,000 for DPW-Buildings and Fleet Services.

Major Capital Equipment - \$5,500,000 - The 2010 Proposed Budget includes \$5,500,000 in capital funding for the Major Capital Equipment program; \$5,940,000 was allocated in the 2009 Budget. This program is specified for equipment that exceeds \$50,000 and has a life expectancy of at least 10 years. The program focuses on equipment replacement including garbage and recycling collection, snow and ice control and pick-up and dump trucks for use as pool equipment. Major capital equipment planned for purchase in 2010 includes:

1	Sweeper	\$155,000
4	Tractor Light, Multi-Purpose	\$320,000
1	Truck, Aerial, 50 Ft. Utility Body	\$145,000
1	Truck, Aerial, 50 Ft., Chip Box	\$149,000
1	Truck, Dump, 2 Yard w/Compressor	\$88,000
5	Truck, Dump, 5 Yard w/Underbody Plow	\$700,000
2	Truck, Dump, 5 Yard, Crew Cab	\$170,000
1	Truck, Log Loader	\$140,000
5	Truck, Packer, 25 Yard Rearload	\$1,108,000
6	Truck, Packer, 25 Yard Recycle	\$1,560,000
10	Truck, Pickup, Utility	\$540,000
3	Truck, Platform/Compressor	\$210,000
1	Truck, Vac-All	\$215,000
	<b>TOTAL</b>	<b>\$5,500,000</b>

It should be noted that the average age of equipment comprising the city fleet is 9.5 years. The optimal maximum average age of municipal fleet equipment is 6 years. The estimated average age of capital equipment based on the 2010 Proposed Budget funding level is 10.1 years. Each piece of equipment to be replaced is currently 11 to 22 years old. In light of budget considerations and adjustments over the past 5 years, which, in some cases have extended the replacement cycle of some city equipment, the average age of some particular fleet pieces has increased slightly.

## ONGOING CAPITAL IMPROVEMENT PROJECTS

The 2010 Proposed Budget contains one ongoing capital improvement project for DPW-Buildings and Fleet Services. Although no capital funds were appropriated for this project in the 2010 Proposed Budget, carryover funds will be utilized for this project in 2010.

2-Way Radio Replacement - The 2010 Proposed Budget includes \$760,000 in carryover capital funding for the 2-Way Radio Replacement program; \$362,000 of capital funding was utilized in 2009. This program provides funding to design a 2-way radio communication system to utilize the Milwaukee Police Department's new digital radio infrastructure and to systematically replace obsolete radio equipment. The system, when fully implemented, will improve dispatch of all vehicles, help optimize ice and snow operations while providing the capability to connect city and surrounding agencies to respond to major emergencies.

The Buildings and Fleet Section is working with the Police Department's Communication Section to replace all existing 2-way radios. The existing radio technology has become obsolete and many radios have a very short useful life remaining. The new installations are scheduled to begin in mid-October 2009.

Along with the radio replacement, the department remains interested in utilizing GPS capabilities of the new radios to install an Automatic Vehicle Location (AVL) system. Budgets for 2009 and 2010 include funding for the development and implementation of AVL software system to increase response efficiency, and assist the department in optimizing operations and managing field operations.

## DIVISION REVENUES

	2008 Actual	2009 Budget	Change	2010 Proposed	Change
Charges for Services	\$5,644,834	\$3,905,000	-30.82%	\$3,750,000	-3.96%

Revenue is generated from Buildings and Fleet Services and billing reimbursable services. The revenue projections for 2010 are based upon historical experience and include reimbursements from other departments for various repairs, fuel, equipment utilization, rental space and services to the Water Department.

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