



REPORT

LEGISLATIVE REFERENCE BUREAU

WWW.MILWAUKEE.GOV/LRB

25. DPW— Administrative Services, 2014

Proposed Plan and Executive Budget Review

25. Department of Public Works - Administrative Services

I. EXECUTIVE SUMMARY.

Table 25.1. Statement of Changes in Operating Budget, 2013 to 2014.

| | |
|--------------------------|-------------|
| 2012 Actual Expenditures | \$4,353,928 |
| 2013 Adopted Budget | \$3,815,752 |
| | |
| Personnel Costs | |
| Salaries & Wages | (\$32,470) |
| Fringe Benefits | (\$37,468) |
| Total Changes | (\$69,938) |
| | |
| Operating Expenses | (\$186,976) |
| | |
| Equipment Purchases | \$0 |
| | |
| Special Funds | \$0 |
| | |
| Total Changes | (\$256,914) |
| | |
| 2014 Proposed Budget | \$3,558,838 |

1. Injuries/Claims continue to decline.

The DPW's Safety Section has continued to minimize both lost work days and workers' compensation costs through the implementation several new safety initiatives in 2013. Special guests at safety meetings, specialized training, and a new accident investigation application have all contributed to this decline.

2. RPP Targets Met.

Through the Residential Preference Program, 53.8% of total contract wages in DPW were paid to Milwaukee workers in 2012. The program is expected to reach the 50% benchmark in 2013.

3. Electronic Bidding Program. The Division's electronic bidding program is up and running. Management anticipates it will reduce lead time in preparing and awarding bids and reduce errors and redundancies.

4. Personnel Reorganization. In 2013, the Division established a Planning & Development section for greater efficiency by transferring 3 engineers in from DPW-Infrastructure Services and combining them with 3 staffers already in DPW-Admin. The consolidation eliminated the need for one manager and one of the department's 10 Payroll Assistant III positions. In 2014, the Division has reclassified one position to devote more time to media relations and communication to the public.

5. Operating Expenses down 37.5%.

Operating expenses in the 2014 Proposed Budget decrease by \$186,976 from 2013. The decrease can be mostly attributed to Water Works being billed for Diggers Hotline membership (\$100,056) and a decrease in reimbursements to other departments from 2013 (\$102,316).

6. Capital accounts overseen by DPW-Admin. moved to ITMD.

Budget authority for the Public Safety Communications and the COMON capital accounts has been moved to the Dept. of Administration's ITMD section.

II. INITIATIVES AND PROGRAMS.

1. Injuries/Claims Continue to Decline.

The DPW's Safety Section has continued to minimize both lost work days and workers' compensation costs through the implementation several new safety initiatives in 2013. One noted initiative has been the use of special guests at safety meetings (i.e., foot doctors, physical therapists, dieticians, etc.). The use of special guests has helped DPW employees avoid 3 shoulder surgeries and has helped a diabetic employee avoid a possible foot amputation through the identification and education of a poor foot condition.

The Division has also helped Water Works add specialized training to expand employee knowledge of specific work-related topics, such as liquid oxygen, ammonia, alternative entry confined space, and target saw training. Additionally, as a result of employee feedback, the Division's Safety team elected to try a different type of foot traction control device for Sanitation in 2013. The old devices received mixed results and did not stand up to the demands of the work environment.

Finally, a new accident investigation application (app) has been introduced and is scheduled for manager training. The app will help identify the root causes of work-related injuries. For those employees who do become injured, the Division will continue to expand opportunities for Transitional Duty in all areas of DPW.

2. RPP Targets Met.

The Residential Preference Program target within DPW was met in 2012 and is projected to be met in 2013. The Division is continuing to look for ways to expand the reach of this program. In 2014, management plans to increase marketing and outreach efforts to the contracting community. The Division is in the process of adding a new certifying agency in 2013 and is looking to add a second new agency in 2014. Further, a new in-house software tracking and reporting system is currently being developed and will be beta tested in 2014. Reporting and compliance are currently centralized, and will remain so in 2014.

3. Electronic Bidding Program.

In 2013, the Division implemented an electronic bid system. The Division is still running a parallel system (electronic/paper) for redundancy until a smooth transition has been made. Once established as a stand-alone system, the Division anticipates it will reduce lead time in preparing and awarding bids and reduce errors and redundancies.

4. Personnel Reorganization.

In 2013, the Division established a Planning & Development section for greater efficiency by transferring 3 engineers in from DPW-Infrastructure Services and combining them with 3 staffers already in DPW-Admin. The consolidation eliminated the need for one manager and one of the department's 10 Payroll Assistant III positions. A major function of the Planning & Development Section is routing both DPW and building permits through the appropriate offices within the Department of Public Works. Shifting this function from Infrastructure Services to the Administrative Services Division has provided a more central location for these department-wide activities. Further, combining the duties of the former Chief Planning & Development Engineer

and the current Coordination Manager has eliminated the duplication of efforts in several development projects.

The Division is also reclassifying one Permits & Communications Manager to a Marketing & Communications Officer, a position devoted specifically to media relations and communication to the public. Given the department's extensive involvement in construction and development projects, as well as daily service delivery, the Division felt an increased focus would benefit residents, business and other service recipients.

III. EXPENDITURES.

Table 25.2. Changes in Expenditure Amounts by Account.

| Expenditure Account | 2012 Actual | 2013 Adopted Budget | % Change | 2014 Proposed Budget | % Change |
|------------------------|-------------|---------------------|----------|----------------------|----------|
| Salaries and Wages | \$2,633,749 | \$2,220,795 | -15.7% | \$2,188,325 | -1.5% |
| Fringe Benefits | \$1,329,398 | \$1,065,981 | -19.8% | \$1,028,513 | -3.5% |
| Operating Expenditures | \$360,900 | \$498,976 | 38.3% | \$312,000 | -37.5% |
| Equipment Purchases | \$29,881 | \$30,000 | 0.4% | \$30,000 | 0% |
| Total Operating Budget | \$4,353,928 | \$3,815,752 | -12.4% | \$3,558,838 | -6.7% |

1. Budget Summary.

The Proposed 2014 Budget of \$3,558,838 is down \$256,914, or -6.7% from the 2013 Adopted Budget of \$3,815,752.

2. Personnel Costs.

Salary and fringe benefit costs of \$3,216,838 for 2014 are projected to be down \$69,938 (-2.1%), from 3,286,776 in the 2013 Adopted Budget. Table 25.3 shows 2014 payroll changes.

Table 25.3. Detailed listing of position and FTE changes in 2014.

| Positions | O&M FTEs | Non-O&M FTEs | Position Title | Reason |
|-----------|----------|--------------|-------------------------|---|
| 1 | 1.00 | -- | Program Assistant I | Duties transferred from DPW-Infrastructure. |
| | -0.50 | 0.50 | Accounting Assistant II | Funding change. |
| | 0.64 | -0.64 | Civil Engineer II | |
| | 0.94 | 0.59 | Various Positions | Miscellaneous adjustments. |
| 1 | 2.08 | 0.45 | Total | |

3. Operating Expenditures.

Projected overall Operating Expenditures for 2014 of \$312,000 have decreased \$186,976 (-37.5%) from 2013 expenditures of \$498,976. The decrease can be mostly attributed to Water Works being billed for Diggers Hotline services (\$100,056) and a decrease in reimbursements to other departments from 2013 (\$102,316).

4. Equipment Purchases.

Projected Equipment Purchases of \$30,000 for 2014 are identical to 2013's Adopted Budget projections. The Division anticipates purchasing 16 computers at a total cost of \$29,000. An additional \$1,000 is included for additional equipment needs as they arise, such as office furniture or printers.

5. Special Funds.

None.

IV. PERSONNEL.

Capital improvement salary deductions are tracked by payroll and applied when Administrative Services Division employees work on specific capital projects. This is accomplished by charging their time to the specific capital project code in FMIS.

Table 25.4. Changes in Full-Time Equivalent (FTE) and Authorized Positions.

| Position Category | 2012 Actual | 2013 Adopted Budget | Change | 2014 Proposed Budget | Change |
|----------------------------|-------------|---------------------|--------|----------------------|--------|
| O&M FTEs | 46.51 | 39.30 | -7.21 | 41.38 | 2.08 |
| Non-O&M FTEs | 7.38 | 4.35 | -3.03 | 4.80 | 0.45 |
| Total Authorized Positions | 58.00 | 46.00 | 12.00 | 47.00 | 1.00 |

1. Personnel Changes.

Total authorized positions for 2014 are 47, an increase of one position from 2013. The position increase is a transfer from DPW-Infrastructure Services Division. It will be used to accommodate a settlement between a recently-discharged employee and the City, in which it was agreed that the rehired employee would be under the direction of the Public Works Personnel and Compliance Manager in the Administrative Services Division.

Additionally, one Permits & Communications Manager position is proposed to be reclassified as a Marketing & Communications Officer. The position will be devoted specifically to media relations and communications to the public.

2. Vacancies

There are 2 vacant positions in the Division, both of which are expected to be filled by 2014.

Table 25.5. Vacant positions.

| Position Title | Date Vacant | Expected to Fill |
|-----------------------------|-------------|------------------|
| Administrative Assistant II | 12/21/2013 | 01/01/2014 |
| Safety Specialist-Senior | 08/17/2013 | 01/01/2014 |

V. SPECIAL PURPOSE ACCOUNTS (SPA).

None.

VI. REVENUES.

The 2014 Proposed Budget estimates that \$2,105,200 will be generated in revenues by the Division, a \$498,300 (-19.1%) decrease from the 2013 Adopted Budget estimate. This is mostly due to a decrease in charges for services for other departments. The Division provides payroll and administrative management services to the enterprise funds of Water Works, Sewer, and Parking. Additional revenue is generated through special use permits for City streets and the rental of underground conduits.

Table 25.6. Changes in Revenue by Category.

| Revenue Category | 2012 Actual | 2013 Adopted Budget | % Change | 2014 Proposed Budget | % Change |
|----------------------|-------------|---------------------|----------|----------------------|----------|
| Charges for Services | \$1,429,595 | \$1,298,000 | -9.2% | \$650,000 | -99.9% |
| Licenses and Permits | \$1,753,489 | \$1,305,500 | -25.5% | \$1,455,200 | 11.5% |
| Total | \$3,183,084 | \$2,603,500 | 0% | \$2,105,200 | -19.1% |

VII. CAPITAL PROJECTS.

The 2014 Proposed Budget includes no capital funding for DPW-Admin. The 2013 budget moved authority for Public Safety Communications from DPW Admin to ITMD. Capital account information can be found in the Department of Administration budget briefing.

1. Currently-Funded Projects.

None.

2. Unfunded Capital Requests.

None.

3. Project Updates.

The 2012 Budget funded the upgrade of the municipal phone system (\$720,000). Support for the system, which was installed in 2005, expired December 31, 2012.

The new system upgraded software and back-end hardware and included enhanced functionality such as disaster recovery and daylight savings time adjustments. Individual phones were not replaced. The upgrade did not include the Police or Fire Departments because they use a separate system. Expenditures in 2012 were \$418,150. The project is nearly complete.

4. Future Capital Requests.

None.

VIII. ISSUES TO CONSIDER.

1. IT Responsibilities.

In years past, the Division took pride in its ability to execute IT projects quickly and efficiently. Loss of dedicated IT staff has had minimal impact on daily operations and the transition to the ITMD Request for IT Services system has been smooth. ITMD now handles computer equipment ordering and installation at DPW's request, requiring managers to be more aware of IT needs.

Additionally, DPW has recently been informed that ITMD will not be managing the inspection of, permitting for, access to, or billing for access to the City's network of underground conduit. Previously, this had been performed by DPW-IT and its performance was to continue under ITMD. Responsibility for this program in 2014 will be shifting to the DPW – Infrastructure Services Division, which will see an increase of 2 additional positions for underground conduit inspection, maintenance, management and billing.

2. Overtime Efficiencies.

The overtime budget for the Division in 2012, 2013, and 2014 was \$9,211, \$21,200, and \$10,000, respectively. Overtime is largely accrued through Driver Training Instructors. These positions are filled on an auxiliary basis when driver training is needed. In the past, these positions were located in the Operations Division, but experienced high levels of overtime use, largely due to training-related work during snow operations. In 2010, these positions were transferred to the Administrative Services Division under the oversight of the Safety Section in an effort to better manage their overtime use.

3. DPW Partnerships.

The Administrative Services Division has worked to create partnerships to share costs and create efficiencies throughout the DPW. Over the past year Fleet Services has set up a truck wash-sharing system with Milwaukee County, which allows its salt trucks access to both the Tower and Central Garage truck wash facilities.

The Division has also developed a relationship with MPS to sell compressed natural gas (CNG) for its vehicles, along with other outside firms, such as Ameritech and Waste Management. Within the City, 21 compressed natural gas refuse trucks have been used to date with 20 more to be acquired by the end of 2014. Each of these trucks saves the City \$6,500 in fuel costs annually. The City has also purchased 3 CNG cars, and is about to purchase 5 CNG cargo vans.

Additionally, the DPW has several portions of streets that are plowed by adjacent municipalities and plows other municipalities' streets where doing so aids snow plow routing for both

municipalities. The County is also currently mowing the Water Works' facilities along the lakefront in conjunction with adjacent County parks. Finally, the Division is currently exploring the possibility of a shared recycling facility with Waukesha County.

4. DPW New & Ongoing Technology Overview.

The Administrative Services Division has undertaken or overseen numerous technology initiatives for increased efficiency and improved service throughout the DPW. Highlighted below are a number of programs within different divisions or departments.

Facilities: Ongoing initiatives include digital controls, occupancy sensors, solar hot water heaters, geothermal heat exchangers and solar power. These changes have reduced energy use in DPW buildings by 23% since 2005.

Fleet: The latest technological endeavor in Fleet has been to purchase 4G mobile hotspot devices for laptops units. One unit is used by the Division's driver-trainer instructors while doing field training, and the remaining two units are used at outlying garages to diagnose and repair vehicles. These hotspot devices not only eliminate the need to wire the Northwest Garage and Lincoln Garage for WiFi, but also can be used to diagnose engine malfunctions on the road, where WiFi would otherwise be useless.

In another initiative, for 2 pay periods Fleet Services has implemented a pilot project of electronic timekeeping on behalf of DPW. The information learned from this project, using various shop personnel on two shifts, will be used to refine and roll out a much larger electronic timekeeping program to several DPW sections.

Forestry: The Forestry Section currently uses tablet computers in the field to record and document its tree inventory with information about location and condition.

Infrastructure: Conversion of traffic lighting to LED lights has reduced energy use by 75% since 2005. Street light LED technology is still being tested.

Parking: License plate recognition cameras mounted on parking jeeps will increase vehicle inspection rate and accuracy, and will eliminate the need for a physical parking permit.

Sanitation: The Division has worked to develop routing software to improve the efficiency of solid waste, recycling, bulky item, and street sweeping routes and has implemented automated vehicle location software to monitor the location and movement of Sanitation vehicles as they deliver various sanitation services. The use of smart-phones to receive and respond to code violations for trash, snow removal and weeds from the field is also being implemented.

Streets: Recent street paving technology can allow the City to lay rejuvenated asphalt over a one miles stretch in as little as 3 days.

Water: Water Works currently uses Palm Pilots to record distribution activities such as hydrant flushing, and the Meter Services Section is implementing a new wireless work order system.

Prepared by: Andrew VanNatta, Legislative Fiscal Analyst—Associate
Contributor: Kathy Brengosz, Fiscal Planning Specialist
Budget Hearing Date: October 15, 2013
Last Updated: October 10, 2013