CITY OF STANWOOD
FINANCE COMMITTEE
AGENDA STAFF REPORT

ITEM NUMBER: 2

DATE: March 26, 2015

SUBJECT: Hiring assistant public works director/engineer

CONTACT PERSON: Kevin Hushagen

ATTACHMENTS: A –Proposed payroll survey and comparison to budgeted public works supervisor

ISSUE

The issue in front of the finance committee is to decide if a recommendation to the Council should be made to hire an assistant public works director/City engineer with an increased salary range as opposed to the budgeted public works supervisor.

RECOMMENDATION

The committee should evaluate the proposal and if in agreement recommend to the entire Council to fill the position,

SUMMARY STATEMENT

The need to hire a supervisor in the public works department has been identified and budgeted. This position was considered a supervisor and a comparable salary range was established. As staff started the task of filling this position, discussions identified the need to hire an employee with an engineering degree.

In the past 2 years the City has paid in excess of $1,778,000 to outside firms to meet the needs of both engineering and project management/inspection. While it is not assumed the use of outside firms will be completely eliminated, the new hire will be able to lessen this cost. It is assumed the new position will eliminate all or the majority of the $162,464 the City paid for project management/inspection during the last 2 years.

FINANCIAL IMPACT

The supervisor position was budgeted in the 2015-15 budget with a salary of $6,589/month. With this position having not been filled for the first quarter of the year, the budget has seen a savings of $19,767. It is assumed this position will take upwards of another 2 months to fill, so the savings will increase. This savings will more than

offset the costs associated with hiring this position at the mid-level range. (See table below).

Proposed City Engineer/Assistant Public Works Director

Table 1 – City Engineer/Assistant PW Director Comparables

Comparable City	2014 High/Flat Salary Per AWC	CPI-W Rate June 13 - June 14	2015 High/Flat Salary As Adjusted
Duvall	$ 9,354	1.8%	9,522
Gig Harbor	$ 8,847	1.8%	9,006
Normandy Park	$ 6,453	1.8%	6,569
Cities 7,500 to 14,999 Average	$ 8,207	1.8%	8,355
Cities 2,500 to 7,499 Average	$ 7,642	1.8%	7,780
Average (excl Stanwood)	$ 8,101	1.8%	$ 8,246

Table 3 – Proposed 2015 Salary Scale

	Step 1	Step 2	Step 3	Step 4	Step 5
City Engineer/Asst PW Director	$ 7,326	$ 7,546	$ 7,773	$ 8,006	$ 8,246

Comparison of Proposal vs. 2015 Budget for Utilities Supervisor

Department	Fund	Percent	City Engineer Asst PW Dir	Utility Supervisor	Difference
Building & Grounds	001	10%	$ 9,328	$ 7,908	$ 1,420
Parks	001	15%	$ 13,991	$ 11,862	$ 2,129
Street	101	15%	$ 13,991	$ 11,862	$ 2,129
Sewer	401	20%	$ 18,655	$ 15,816	$ 2,839
Drainage	410	15%	$ 13,991	$ 11,862	$ 2,129
Water	421	25%	$ 23,319	$ 19,769	$ 3,550
Total		100%	$ 93,276	$ 79,079	$ 14,197
Times Payroll/Benefits Factor					1.20
Additional Budget					$ 17,036

Assumptions

- Assumed City Engineer hired at mid-range of $93,276 per year ($7,773 X 12)
- Utility Supervisor amounts are per actual 2015 adopted budget
- Payroll/Benefits Factor includes marginal cost of Social Security, Pension and Unemployment, which taken together, adds about 20% to the cost of payroll.