

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	July 7, 2021 – SPECIAL MEETING
Action Required:	Introduction/ First Reading of Resolution to Appropriate Funds to be used for School Bus Driver Incentive Plan
Presenter:	Chip Boyles, City Manager
Staff Contacts:	Chip Boyles, City Manager
Title:	Resolution Appropriating \$332,952 for School Bus Driver Benefits Incentive Plan

Background:

It has been highly publicized that a nationwide school bus driver shortage exists. According to a recent *School Transportation News* article, 80% of respondents surveyed said their school district or bus company is currently lacking in school bus drivers. The Charlottesville School System school bus driver needs are experiencing this same shortage. Of 30 drivers needed to properly service the school route needs, the City currently has 9 on-staff drivers. Routes may operate with as few as 14 drivers with additional shifts.

Factors contributing to driver shortages include; salary & benefits, commercial driver's license requirements and delays, background checks, and behavior and support of student riders. To address contributing factors within the City's control, staff has developed a proposal to increase benefits through financial incentives and health benefits for new and existing drivers

Discussion:

Staff recommends the approval of a \$2,400 hiring and longevity bonus eligible to new and existing bus drivers over a 9-month period. This bonus would be accompanied with the benefit of a health care premium cost equivalent to that of a 40 hour employee. Hourly pay rates would remain the same, still the highest in our immediate region.

Per City Code 2-42(b) City Council may, by unanimous consent, add the introduction and first reading of this resolution to the agenda for its July 7, 2021 special meeting. City Council cannot vote on the Resolution until a second reading is conducted.

City staff recommends a bonus program of \$2,400 for new and existing drivers to attract immediate attention of new drivers and better compensate the current nine drivers. This bonus would be accompanied with the offer of health insurance at a premium cost equivalent to that of a 40 hour employee. This change will also provide a cost savings to existing drivers. Bonuses would be paid in three phases: upon positive completion of CDL training, mid-year and end of year. (Likely

a larger payment at end of year to both help retain and to assist in summer months hiatus.)

Hourly compensation would remain the same but separate from the health care incentive and bonus incentive. In discussion with Albemarle County, their starting rate for FY22 is \$16.20 to \$18.89 compared to the City's \$16.97 to \$18.78.

The details of the proposal are as follows:

1. This proposal is a 2 year pilot program.
2. Budget will include 30 driver positions. Currently, there are 28 budgeted – this does not include the 2 Lead Driver positions and the 1 hostler position. The proposal will add two (2) - 30 hour FTEs to the Pupil Transportation budget.
3. \$2,400 Bonus will be offered. Specific payout amounts and intervals to be determined with a portion to be paid up front and a remaining balance to be paid over the entire school year.
4. Driver Healthcare Premiums will be equivalent to the 40 hour premium rates

Alignment with City Council's Vision and Strategic Plan:

Approval of this agenda item aligns with Goal 1: An Inclusive Community of Self-Sufficient Residents and Goal 5: A well-managed and Responsive Organization of the City's Strategic Plan.

Community Engagement:

As a personnel incentive program, community engagement has not occurred. The current requests are emergency in nature with no opportunity for community input beyond City Council meetings.

Budgetary Impact:

The first year of this incentive program is expected to cost \$332,952. The Charlottesville City Schools (CCS) has agreed to fund this amount for two years (FY23 and FY24) utilizing either CARES or American Rescue Plan funding as an eligible school improvement expense.

Recommendation:

Staff recommends approval and appropriation of these funds.

Alternatives:

City Council may elect not to appropriate funding for these purposes at this time or may elect another driver incentive program to attract drivers.

Attachments:

Appropriation Resolution

**RESOLUTION APPROPRIATING FUNDING FOR THE SCHOOL BUS
DRIVER INCENTIVE PROGRAM
\$332,952**

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$332,952 is hereby designated to be available for expenditure, at the discretion of the City Manager, for costs associated with an FY22 School Bus Driver Incentive Program.

Expenditures

\$332,952 Fund: 105 Cost Center:2491001000 G/L: 599999

Revenues

\$332,952 Fund: 105 Cost Center:2491001000 G/L: 498900