

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July, 7, 2021
Action Required:	Introduction /First Reading of Resolution to Appropriate Funds to be used for Transit Driver Incentive Plan
Presenter:	Chip Boyles, City Manager
Staff Contacts:	Chip Boyles, City Manager
Title:	Resolution Appropriating \$499,632 for Transit Driver Benefits Incentive Plan

Background and Discussion:

As School Bus Driver shortages have plagued the City of Charlottesville, this region and the nation, commercial drivers are in high demand for freight trucks, delivery trucks, ride-hails and especially public transit. The City of Charlottesville is proposing to entice new drivers into the industry and to retain the existing drivers through a benefits incentive program of a \$2,400 incentive pay and improved health insurance premiums. To provide an incentive plan to one set of drivers over another could shift the shortage from transit to school bus or vice versa.

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.

The details of the proposal are as follows:

1. This proposal is a 2 year pilot program.
2. Budget will include 91 driver positions.
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 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 limited opportunity for community input beyond City Council meetings.

There will be a public hearing conducted at the July 19, 2021 City council meeting.

Budgetary Impact:

The first year of this incentive program is expected to cost \$499,632. Charlottesville Area Transit will fund this amount for two years (FY23 and FY24) utilizing their direct CARES or American Rescue Plan funding as an eligible public transit improvement expense.

Recommendation:

Staff recommends approval of the Resolution and appropriation of funds.

Alternatives:

City Council may elect not to appropriate funding for these purposes at this time or may elect to fund an alternate incentive dollar amount.

Attachments:

Resolution for the Appropriation of funds.

**RESOLUTION APPROPRIATING FUNDING FOR THE TRANSIT BUS
DRIVER INCENTIVE PROGRAM \$499,632**

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$499,632 is hereby designated to be available for expenditure, at the discretion of the City Manager, for costs associated with an FY22 Transit Bus Driver Incentive Program.

Expenditures \$499,632 Fund: XXX Cost Center:XXXXXX G/L: XXXX

Revenues \$499,632 Fund: XXX Cost Center:XXXXXXXXXX G/L: XXXX