

To: Mayor and Ames City Council Members

From: Sheri Kyras, Transit Director

Date: February 1, 2018

Subject: Increase in CyRide's Initial Part-Time Driver's Wage (Employees Working More Than 20 Hours)

The wages and benefits for CyRide drivers are governed by a collective bargaining agreement with the International Union of Operating Engineers (IUOE). The current agreement was bargained in 2015/16, and it is in effect until June 30, 2019. Drivers are paid according to steps that increase in pay as length of service increases. According to the agreement, the entry wage for part time drivers working more than 20 hours per week is currently \$14.84 per hour. This wage is scheduled to go up 3% to \$15.29 per hour on July 1, 2018.

In recent months, CyRide has experienced a severe driver shortage. In response to this, and an analysis of comparable transportation wage rates in the Ames area, on January 17, 2018, CyRide's Transit Board of Trustees approved a recommendation to increase this initial part-time driver's wage effective July 1, 2018. **Instead of increasing to \$15.29 per hour, this wage would increase to \$15.60 per hour (an additional 2% increase).** No other steps within this employee classification or other wages would be changed from the rates agreed to with IUOE when the contract was originally bargained in 2015/16.

CyRide began its fall 2017 semester with 139 drivers, compared to an adequate staffing level of 160-165 drivers. Additionally, in examining other transportation providers in the Ames area, CyRide's initial part-time driver's wage rate is currently at the lower end of the transportation industry's wage scale. While the driver shortage situation is slowly improving, a wage increase will allow this position—which is the wage rate that all drivers must begin working at—to be viewed as competitive with similar transportation positions in the region.

IUOE has agreed to the proposed increase. Therefore, if approved by the City Council, a Memorandum of Understanding (MOU) to the existing City of Ames-IUOE contract will be signed by both parties documenting this change. The existing contract/MOU will expire on June 30, 2019. The wage rate beyond that date for this group of drivers will be determined through the next collective bargaining process.