



ARR Recruitment and Retention Proposal

City Council approved Resolution No. 20201001-061, directing the City Manager to review current compensation and training practices and explore opportunities to improve ARR operator retention, compensation, and satisfaction. Commercial drivers are in high demand and many industries are suffering as a result, especially solid waste. Cities such as Dallas have had to delay solid waste collection services due to driver shortages. Austin Resource Recovery is submitting this proposal to avoid the enactment of similar service cutbacks. Austin Resource Recovery is proposing the following plans to address CDL Driver employee shortages:

- For newly hired employees in CDL positions, incentives include:
 - To attract talent and work within our current pay zones, ARR will begin hiring new Driver Track Employees as per the following hourly rates:
 - New Hire Temp: \$17
 - CDL Bump: \$18 (3 months)
 - Trainee: \$19 (9 months)
 - Operator: \$20 (1 year 3 months)
 - Operator Senior \$21.42 (2 years 3 months)
 - ARR is recommending a retention incentive to retain newly hired full-time operations and difficult-to-fill positions. The retention incentive looks to target difficult to fill and difficult to retain roles. The retention incentive will roll out over the course of two years as per the following:
 - Payout Schedule for **\$3,000** Retention Incentive (New Operations Employees and Difficult to Fill Positions):
 - \$500 to be paid within the first 90 days (3 mon)
 - \$500 to be paid within 180 days (6 mon)
 - \$1000 to be paid during Calendar Year 2022 PP26(after one year of continued employment)
 - \$1000 to be paid during Calendar Year 2023 PP 26 (after two years of continued employment)

- For current employees incentives include
 - For purposes of equity, ARR is proposing the following pay increase for current employees in the following positions who make below the proposed hourly rates:
 - Trainee \$19 (this will impact 22 employees who would get an average \$0.62/hr increase)
 - Operator \$20 (this will impact 27 employees would get an average of \$0.51/hr increase)
 - Senior Operator \$21 (this will impact 6 employees would get an average of \$0.37/hr increase)
 - For purposes of equity, ARR is recommending a retention incentive to address retention concerns for current full-time employee operation positions (from the ARR Associate through the Assistant Division Manager positions):
 - \$500 to be paid after Calendar Year 21 PP26 (to encourage retention in the FY22 New Year)
 - \$500 to be paid 180 days after the above payout (to encourage retention over summer Calendar Year 22)
 - \$1000 to be paid at Calendar Year 2022 PP26 or after one year of continued employment
 - \$1000 to be paid at Calendar Year 2023 PP26 or after two years of continued employment
- For all employees excluding management, executives, and human resources staff:
 - ARR would reward current employees with their choice of \$300 or 12-hours of ADL for referring a new hire who successfully completes 3 months of employment with ARR. This would apply to positions identified by the Director and HR as difficult-to-recruit, such as the Operator job series.
- Costs associated with incentives:
 - Salary adjustments will cost approximately \$78,000 for the first year for existing employees. This amount will vary for new employees dependent on the number hired
 - Retention Incentive will cost approximately \$321,000 per year (321 operations positions)
 - Referral Incentive will vary based on election of pay versus ADL as well as the number of referrals