

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 4/9/2025

Staff Report No. 25-254

TO: AC Transit Board of Directors
FROM: Kathleen Kelly, Interim General Manager/Chief Executive Officer
SUBJECT: Operator Hiring and Retention Strategies and Long-Term Leave Analysis

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☒

RECOMMENDED ACTION(S):

Consider receiving a briefing on the status of the Human Resources Department's efforts to address hiring, retention and long-term leave challenges that are currently impacting Bus Operator availability, including trends and strategies for improving operator availability. [Requested by Directors Walsh and McCalley - 9/25/24 & 12/11/24]

Staff Contact:
James Arcellana, Interim Executive Director of Human Resources

STRATEGIC IMPORTANCE:

Goal - High-Performing Workforce
Initiative - Employee Recruitment, Training and Retention

Staff's activities directly support service continuity and workforce optimization by improving hiring and retention efforts and minimizing disruptions through the curtailment of extended leaves.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with receipt of this report.

BACKGROUND/RATIONALE:

In May of 2024, staff provided a report on hiring and retention strategies in response to the request of the Board. In September of 2024, the Board requested an update on this report. In December of 2024, the Board requested a separate report analyzing long-term leave usage within the District and in particular, as it relates to the number of operators out on long-term leave.

This report covers those topics in context of addressing bus operator availability, including some successes in recent hiring and retention. It also addresses the impact that long-term leaves have on bus operator availability, and highlights progress in developing a pilot Modified Duty program.

Status of Hiring and Retention Efforts

The chart below provides a high-level look at the Bus Operator hiring trends for AC Transit for the past three years:



The District has shown growth in its hiring of operators every year from 2022 to present. Through the first two months of 2025, bus operator hires are on pace to maintain the progress we've seen since 2022. February of 2025 represented the largest number of hires in a single month over the four-year period and the District is on pace to exceed previous year's hiring numbers.

The increase in hires can likely be attributed to a few different strategies.

Incentives

The District began offering hiring and referral incentives for bus operators in 2022:

- \$500 upon graduation from NBO training
- \$500 upon completing 3 months of driving after graduation from NBO training
- \$1000 upon completing 12 months of employment from the date of hire

A 2024 survey of bus operators at AC Transit showed that 26% of respondents cited the hiring incentive as a factor in their decision to apply for employment at AC Transit.

High Volume Talent Acquisition Team

Within the Talent Acquisition work group, a sub work group, the High Volume Talent Acquisition Team was created. This group is tasked with developing strategies to improve the hiring of positions which the District hires in large numbers, specifically bus operators and mechanics.

But hiring is just the beginning; the District needs to ensure it can retain good operators for the long haul. The first step in this process can be found in New Bus Operator (NBO) training, where the District has seen a large number of hires fail to make it through training and into service.

To improve NBO graduation rates, the orientation period for operators was revamped in the middle of 2023. The length of the program was expanded from a single day to a full week and the curriculum expanded to include topics aimed at better preparing hires for the rigors and strict nature of the training program. Rather than being solely aimed at onboarding, the orientation now seeks to get hires accustomed to the expectations awaiting them with regards to everything from timeliness and dress code to subject matter terminology and

testing requirements.

As the chart below shows, the efforts to improve orientation resulted in the highest NBO graduation rate over a four-year period the year after the new orientation was implemented.

NEW BUS OPERATOR GRADUATION RATES [JAN 2022 - FEB 2025]

	Total Pass	Total Fail	Avg. Class Size	Avg. Pass	Avg. Pass %
Null			19		
2021	60	24	9	7	72%
2022	127	47	15	11	72%
2023	145	67	19	13	69%
2024	156	59	22	16	73%
2025	34	6	20	17	85%

However, despite increases in hiring and improved NBO graduation rates, operator availability remains a concern. Two reasons have been identified for the continued lack of bus operator availability. First, efforts to promote internally resulted in a number of operators transitioning into other positions, particularly in 2024 when 28 Operators were promoted.

Second, the number of operators currently out on long term leave has also negatively impacted operator availability. Long term leave is discussed further below.

Next Steps for Hiring and Retention Efforts

There remain opportunities to improve retention rates. In particular, the District should identify ways to reduce the number of employees who voluntarily leave AC Transit. Over 37% of Operator separations between 2021 and present involve voluntary separations from the District. There is no information on why these individuals left as the District does not currently conduct exit interviews. The Human Resources department is in the process of creating an exit interview process that will not only enable the District to better identify the reasons for employees choosing to leave but also identify strategies to improve retention.

Separations during the training and probationary periods also present an opportunity to improve retention. Though it is a comparably smaller percentage of separations when compared to voluntary separations, more than 11% of Operator separations since 2021 were due to employees who failed to meet performance standards of the District during the probationary or training period. Continuing to improve the orientation process for new bus operators may result in fewer separations. The District will continuously review its NBO orientation to make changes aimed ensuring new hires are put in the best position to succeed.

Status of Long-Term Leaves

Long-term Leave of Absence (LTL) Defined:

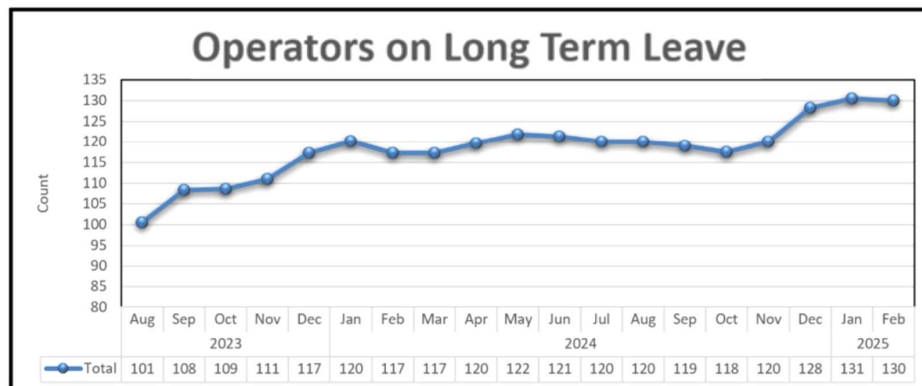
Long-Term Leave (LTL) is defined as a continuous leave of absence over 180 days. Employees on LTL remain in their budgeted headcount position while they are on a leave, with the exception of bus operators. Once a bus operator's leave transitions to LTL, the operator is moved out of their budgeted position and placed into a holding position. *This transfer results in a bus operator position vacancy, as the employee is removed from a*

budgeted position.

Next Steps for Long Term Leave

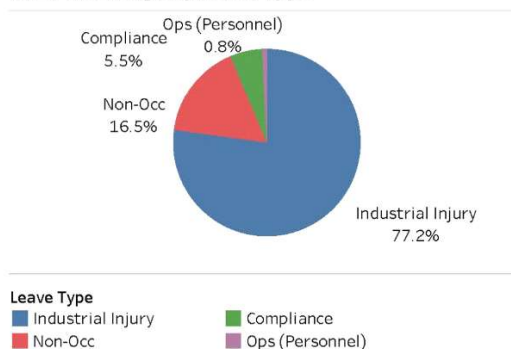
Long Term Leave Trends

Internal data shows increase in long-term leaves from August 2023 to February 2025. As seen in the following chart, there has been a 28.7% increase in long-term absences among Operators. The increase has been consistent over this period, indicating an ongoing trend rather than a temporary fluctuation.



Overall the increase in LTL has been driven by a 27% rise in long-term absence due to Industrial Injuries. When comparing leaves across all categories, as seen in the following chart, 77.2% of long-term leaves among Operators are due to Industrial Injuries.

LTL Percentage by Leave Type



Mitigation Efforts

Although we are in the preliminary stages of data gathering and analysis, we have identified strategies that will aid in the reduction of prolonged employee absences.

Modified duty expansion

Modified duty is a temporary work assignment that can be given to an employee who is recovering from an injury, enabling them to work within their current restrictions. A robust modified work program can help lower Workers' compensation cost, while promoting employee engagement and faster recovery. The District's

Modified Duty program remains a work in progress. The General Counsel's Office, Human Resources Department and Operations Department are working together on ensuring that the program meets its full potential. These departments have begun a process for identifying and collecting modified duty assignments and have developed around 50 potential modified duty assignments.

Operations and Workers' Compensation staff have launched a pilot program at Division 4, Division 6, and the Training and Education Center. Eligible employees will receive modified duty assignments from the assigned Superintendent or Manager based on work restrictions. Tasks may include driving short "Tripper" routes, assisting at layover locations, or supporting maintenance and other qualifying roles per Administrative Regulation No. 212A. The goal is to use insights from the pilot to create a Standard Operating Procedure for expanding the program.

Workers' Compensation Investigations

Investigations can play a significant role in the reduction of long-term leaves by ensuring validity of claims, along with early intervention, through enhanced case management. Early and continued intervention is key in the management of claims that may prevent fraudulent claims and enable a successful employee return to work.

Negotiations

Staff will propose changes to specific provisions in union contracts to balance employee recovery and minimization of disruption to operations due to long-term absences.

Other

We are in the early stages of data gathering and strategy development. As metrics evolve, emerging trends will guide future opportunities. For instance, specific injury data can identify trends in Industrial Injuries that can then be utilized by the Safety Department to address workplace issues that lead to claims.

ADVANTAGES/DISADVANTAGES:

Staff found no advantages or disadvantages to receiving this report.

ALTERNATIVES ANALYSIS:

Staff found no practical alternative as this is an informational report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 24-334

ATTACHMENTS:

1. Presentation

Prepared by:

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In Collaboration with:

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Approved/Reviewed by:

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