



**Committee:** GO  
**Committee Review:** Completed  
**Staff:** Craig Howard, Deputy Director  
**Purpose:** Final action – vote expected

AGENDA ITEM #4  
March 1, 2022  
**Action**

## SUBJECT

Supplemental Appropriation to the FY22 Operating Budget, Montgomery County Government, Department of Transportation, Transit Services, \$8,631,001 (Source of Funds: General Fund Undesignated Reserves)

## EXPECTED ATTENDEES

Berke Attila, Director, Office of Human Resources  
Jennifer Harling, Chief Labor Relations Officer  
Emil Wolanin, Deputy Director, Department of Transportation  
Corey Orlosky, Office of Management and Budget  
Gino Renne, UFCW Local 1994 MCGEO  
Ray Lee, UFCW Local 1994 MCGEO

## DESCRIPTION/ISSUE

The County Council will consider action on this supplemental appropriation. **The Government Operations and Fiscal Policy Committee (GO) recommends approval (2-0) of the supplemental appropriation as recommended by the County Executive.**

## SUMMARY OF KEY DISCUSSION POINTS

- The County Executive recommended this supplemental appropriation on November 16, 2021. Council staff asked a series of follow-up questions on December 8, 2021, and Executive Branch provided written responses on January 12, 2022. The Council introduced this appropriation on January 18, 2021.
- The proposed appropriation would fund the implementation of a new salary schedule for the Transit Bus Operator and Transit Coordination job classifications based on a Memorandum of Agreement between the Montgomery County Government (MCG) and UFCW Local 1994 MCGEO (MCGEO).
- The Executive's transmittal notes that the proposed salary schedules are intended to address deficiencies identified as part of a Market Compatibility Study comparing the current MCG salary schedules with the Washington Metro Area Transit Authority (WMATA) salary schedules for these job classifications
- The agreement between the County Executive and MCGEO would make the proposed new salary schedule retroactive to the first full pay period in FY22.
- The Office of Racial Equity and Social Justice finds that the supplemental appropriation is likely to advance racial equity and social justice in the County as it raises the wages of transit operators and coordinators who are disproportionately people of color.

- The GO Committee held a worksession on this supplemental appropriation on February 10. The Committee discussed the reason for the supplemental appropriation, the timing of the negotiations between the Executive and MCGEO, and the delay in submitting this to the Council. Executive Branch staff noted that a tentative Agreement was reached with MCGEO in June 2021 but that the details of the new salary matrix could not be finalized until November.
- The GO Committee voted 2-0 (Councilmember Katz was absent due to a conflict) to approve the supplemental as recommended by the Executive.
- The staff report for the GO Committee worksession is attached, and includes additional details and information on:
  - The Market Comparability Analysis;
  - Summary of Proposed Change to Salary Schedules;
  - Potential Impact on Recruitment and Retention;
  - Fiscal Impact; and
  - Racial Equity and Social Justice Analysis.

**This report contains:**

Staff Report for GO Committee Worksession (February 10, 2022)	1-8
County Executive Transmittal (November 16, 2021)	©1-11
Draft Supplemental Appropriation Resolution	©4-5
Follow-Up Responses from the Executive Branch (January 12, 2022)	©12-15
FY22 OPT-SLT Salary Schedule	©16
Racial Equity Impact Assessment from the Office of Racial Equity and Social Justice	©17-20
Written Public Hearing Testimony	©21-24

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**M E M O R A N D U M**

February 7, 2022

TO: Government Operations and Fiscal Policy Committee

FROM: Craig Howard, Deputy Director  
Bob Drummer, Senior Legislative Attorney

SUBJECT: Supplemental Appropriation to the FY22 Operating Budget, Montgomery County Government, Department of Transportation, Transit Services, \$8,631,001

PURPOSE: Worksession, vote expected

**Expected Attendees:**

Berke Attila, Director, Office of Human Resources  
Jennifer Harling, Chief Labor Relations Officer  
Emil Wolanin, Deputy Director, Department of Transportation  
Corey Orlosky, Office of Management and Budget

**Background**

The County Executive has recommended a supplemental appropriation for \$8,631,001 to implement a new salary matrix for Transit Bus Operator and Transit Coordinator positions (©1-11). This appropriation request stems from a Memorandum of Agreement (MOA) between the Montgomery County Government (MCG) and UFCW Local 1994 MCGEO. The MOA is based on the results of a collaborative market comparability wage analysis for the Transit Bus Operator and Transit Coordinator job classifications as agreed to in the FY21-23 Collective Bargaining Agreement (CBA). While submitted mid-year, the proposed MOA would make the new salary matrix retroactive to the first pay period in FY22.

The MOA states that: “To bring the compensation philosophy of Transit Bus Operators and Transit Coordinators to a more competitive level, the County is seeking to create a new, separate salary matrix for all employees in those job classifications. The Parties agree that this separate matrix is required to address employee morale, turnover, and retention rates, and improve performance in the job classifications.”

Typically, large-scale salary schedule changes are considered during the budget process. However, the County Code does allow for out-of-cycle amendments to collective bargaining agreements. Similar to the items submitted as part of the Executive’s recommended budget each spring, Council approval is required for any change that would require an appropriation of funds.

This memo is organized as follows:

- A. Review of Market Comparability Analysis
- B. Summary of Proposed Change to Salary Schedules
- C. Potential Impact on Recruitment and Retention
- D. Fiscal Impact
- E. Racial Equity and Social Justice Analysis
- F. Public Hearing Summary
- G. Committee Decision Points

#### **A. Market comparability analysis**

As part of the FY21-23 CBA, the County and MCGEO agreed to conduct wage comparability studies for several positions – including Transit Bus Operators and Transit Coordinators. The Executive Branch conducted the market comparability study by comparing the MCG salary schedule with the salary schedules at the Washington Metro Transit Authority (WMATA) for the same position types. The analysis was done using both the current MCG salary schedule (effective July 1, 2021) and the schedule reflecting the \$1,684 General Wage Adjustment included in the approved FY22 Operating Budget (effective June 20, 2022).

In doing this analysis, the Executive Branch and MCGEO compared minimum and maximum salaries as well as an employee’s potential cumulative earnings as they proceed through the salary schedule over a 30-year career (©10-11). The Executive’s transmittal memo notes that the analysis “uncovered a significant year by year deficiency” in the County’s salary schedule compared to WMATA. The data referenced in the memo and summarized below is based on the MCG salary schedule effective June 20, 2022. Specifically, the analysis determined that:

- The County’s minimum starting salary for bus operators is \$2,494 lower than WMATA.
- The County’s maximum salary for bus operators is \$5,964 lower than WMATA.
- Assuming similar annual progression through the salary schedule, an MCG bus operator could have cumulative earnings that are \$300,647 lower than a WMATA bus operator over a 30-year career.
- The differences in salaries are greatest in the earlier years of the assumed 30-year career. In years 4-11 of this analysis, the MCG bus operator annual salary could be between \$11,643 and \$21,753 lower than WMATA.

In response to questions from Council staff, the Executive Branch provided the following additional information related to the methodology of the market compatibility analysis (©12-15):

- The study was limited to a comparison between MCG and WMATA and did not cover the broader region. The Executive Branch stated that “MCG and WMATA represent the two most significant self-operated bus transit systems in the region” and that “comparison between the two entities is the relevant analysis in terms of compensation and job responsibilities.”

- The study determined that there was “general comparability on the benefits portion of compensation” and that focused the solution on salaries where inequity was found.
- The study did not account for COVID-19 hazard pay earned by Transit Bus Operators since it was not “an adjustment to base salary, and as such does not have a future impact on the compensation provided to transit bus operators.”

**B. Summary of Proposed Change to Salary Schedules**

Currently, Transit Bus Operator (Grade 15) and Transit Coordinator positions (Grade 17) are included as part of the Office, Professional & Technical and Service, Labor, and Trades (OPT/SLT) salary schedule (©16). The OPT/SLT salary schedule covers all employees represented by MCEGEO except for Deputy Sheriffs and Correctional Officers that have separate salary schedules.

The agreement between the Executive and MCGEO would remove these positions from the OPT/SLT salary schedule and create a separate salary matrix for both positions. The table below provides a high-level summary of how the current schedules (effective June 20, 2022) compare to what is proposed, followed by a more detailed description of the key changes.

**Comparison of Current Salary Schedules to Proposed Salary Matrix**

Salary Schedule Components	Transit Bus Operators		Transit Coordinators	
	Current (Grade 15)	Proposed	Current (Grade 17)	Proposed
<b>Salary Minimum</b>	\$44,285	\$45,000	\$48,120	\$49,000
<b>Salary Maximum (base scale)</b>	\$71,288	\$79,000	\$78,103	\$88,000
<b>Salary Maximum (with Longevity)</b>	\$75,526	N/A	\$82,757	N/A
<b>Service Increment or Step Increase*</b>	3.5%	0.0% to 7.8%	3.5%	0.0% to 13.5%
<b>Longevity Increment</b>	3.0% at 18 and 24 years	N/A	3.0% at 18 and 24 years	N/A
<b>Estimated Years to Maximum**</b>	15 (base) 24 (longevity)	24	15 (base) 24 (longevity)	24
<b>General Wage Adjustments</b>	No Change		No Change	

\*Annual service increments are subject to bargaining between the Executive and the employee unions and funding by the County Council. Historically, service increments have been 3.5% when funded.

\*\*For the current schedules, assumes a 3.5% service increment each year.

The proposed new salary matrix for Transit Bus Operators and Transit Coordinators would represent a change to the County's compensation framework. Most significantly, it would alter the structure of step increases while providing higher rates of pay increases earlier in employee's career and lower rates of pay increases later in an employee's career. As discussed more in the next section, the goal of these adjustments is to bolster long-term recruitment and retention.

**Starting salary and eligibility for earlier pay increases.** For Transit Bus Operators, the proposed starting salary would increase by 1.6%, from \$44,285 to \$45,000. Additionally, the schedule would allow for an increase of 7.8% to \$48,500 when an employee completes training and 5.2% to \$51,000 when an employee completes orientation. After that, the date an employee completes training would become their "anniversary date" for the purposes of eligibility for step increases. For comparison, data provided by the Executive Branch indicates that WMATA employees start at \$45,482 and then receive a 4.2% increase to \$47,378 after 6 months. Overall, the initial entry levels of the proposed salary schedule would be more similar to WMATA's entry levels. For Transit Coordinators, the starting salary would increase by 1.8% (from \$48,120 to \$49,000).

**Maximum salary.** The maximum salary would increase by 4.6% (from \$75,526 to \$79,000) for Transit Bus Operators and by 6.3% (from \$82,757 to \$88,000) for Transit Coordinators. For Transit Bus Operators, this would align the maximum salary closer to WMATA (\$81,490).

**Movement of employees to new matrix.** The MOA states that existing employees will be placed on the appropriate step in the new matrix corresponding to their years of experience at MCG. Since all employees would be placed on the matrix retroactive to July 4, 2022 that will become their new "anniversary date". The MOA also notes that the transition to the new matrix may require amendments to the Personnel Regulations to implement. However, Executive Branch staff indicated that no amendments to the Personnel Regulations will be needed.

**Service increments/step increases.** The structure for service increments or step increases would be a departure from the current practice that assumes a standard 3.5% service increment, plus longevity increments of 3.0% at certain years. The proposed matrix would have a variable structure where progression through each step of the salary schedule would result in pay increases ranging from 0.0% to 7.8% for Transit Bus Operators and 0.0% to 13.5% for Transit Coordinators. The Executive Branch notes that Transit Coordinators are typically former Transit Bus Operators with several years of experience. As a result, they are more likely to join the Coordinator matrix in the middle of the scale instead of starting at the beginning.

The table on the next page shows how the step increases would vary over the course of the entire matrix. Of note, the increases are highest in the first 8 steps in the matrix (mostly higher than the current 3.5% service increment), and then the increases associated with progressing from steps 9-25 would be lower than the current 3.5%. Additionally, the new salary matrix would eliminate the current longevity increments.

**Step Increases in Proposed Salary Matrix**

Step	Bus Operators		Transit Coordinators	
	Salary	% Change	Salary	% Change
0	\$45,000		\$49,000	
1	\$48,500	7.78%	\$52,000	6.12%
2	\$51,000	5.15%	\$59,000	13.46%
3	\$53,500	4.90%	\$63,000	6.78%
4	\$57,500	7.48%	\$67,500	7.14%
5	\$62,000	7.83%	\$72,000	6.67%
6	\$66,000	6.45%	\$76,000	5.56%
7	\$69,000	4.55%	\$78,500	3.29%
8	\$72,000	4.35%	\$81,000	3.18%
9	\$72,000	0.00%	\$81,000	0.00%
10	\$74,000	2.78%	\$82,000	1.23%
11	\$74,000	0.00%	\$82,000	0.00%
12	\$75,000	1.35%	\$83,500	1.83%
13	\$75,000	0.00%	\$83,500	0.00%
14	\$75,000	0.00%	\$84,500	1.20%
15	\$76,000	1.33%	\$84,500	0.00%
16	\$76,000	0.00%	\$84,500	0.00%
17	\$76,000	0.00%	\$84,500	0.00%
18	\$76,000	0.00%	\$85,000	0.59%
19	\$77,000	1.32%	\$85,000	0.00%
20	\$77,000	0.00%	\$85,000	0.00%
21	\$77,000	0.00%	\$85,000	0.00%
22	\$77,000	0.00%	\$85,500	0.59%
23	\$78,000	1.30%	\$85,500	0.00%
24	\$78,000	0.00%	\$88,000	2.92%
25	\$79,000	1.28%	\$88,000	0.00%

**C. Potential Impact on Recruitment and Retention**

The Executive’s transmittal memo indicates that the current salary schedule is negatively impacting the County’s ability to recruit and retain bus operators. Specifically, the Executive states that “MCDOT has seen an increase in turnover, with formal and informal exit surveys pointing to the salary discrepancy with WMATA as a primary reason.” Additionally, he states that: “The ability to recruit is limited due to extremely competitive conditions in the Commercial Driver’s License labor market and the well-known pay differential between Montgomery County and WMATA. Changing the salary progression of these operators will be important to realize the value of the County’s investment in recruitment and training and to increase the appeal of working for Montgomery County so that larger recruitment classes are realized, and more bus operators are available to deliver service.”

**Data on bus operator separations.** In response to questions from Council staff, the Executive Branch provided available data on bus operator separations by type over the last five fiscal years. The data show that resignations account for 62% of total bus operator separations since FY18 and are the primary reason for separations to date in FY22.

The Executive Branch also stated that of the 36 bus operators who have resigned to date in FY22, 27 (75%) have been identified as leaving to go to WMATA for salary reasons. The Executive Branch did not provide data on the number of resignations in prior fiscal years that were identified as leaving for WMATA.

**MCDOT Division of Transit Services, Bus Operator Separation by Type (FY18-FY22)**

	FY18	FY19	FY20	FY21	FY22 (to date)	Total
Deceased	0	0	1	1	0	2
Dismissal for Cause	0	1	2	5	0	8
Resignation	31	30	30	19	36	146
Retirement	6	9	10	7	4	36
Termination	12	14	10	1	5	42
<b>Total</b>	<b>49</b>	<b>54</b>	<b>53</b>	<b>33</b>	<b>45</b>	<b>234</b>

Council staff suggests that, if this new salary matrix is approved, that Council should request that Transit Services and the Office of Human Resources maintain a detailed data tracking system on hiring, separations, and timing of separations within the career ladder to help determine the long-term impact of the changes on recruitment and retention.

**Transit staffing shortages nationwide.** The Executive Branch noted that the staffing shortages being experienced by Montgomery County are also occurring elsewhere and provided links to several articles describing these issues (©13). Specifically, they note the St. Louis Metro, MBTA in Boston, SEPTA in Philadelphia, and MTA Mobility in Baltimore are facing similar operator shortages. The Executive Branch’s response indicates that St. Louis Metro has increased their compensation for operators in an effort to address this issue.

**D. Fiscal Impact**

The proposed salary schedules changes would be a permanent change to the affected employee’s base salary, and as a result would have a fiscal impact in both FY22 and in future years. The estimated fiscal impact for FY22 is \$8,631,001, which reflects implementation of the new salary schedules retroactive to the beginning of FY22. The projected cost for FY23 is approximately \$9.9 million, and the Executive has indicated that he will include these costs in his Recommended FY23 Operating Budget.

The Executive Branch provided the following response as to what accounts for the difference between the projected FY22 and FY23 costs: “The supplemental does not request the total projected FY22 cost. The supplemental requests only the projected additional amount above the



existing appropriation necessary to fully fund the terms of the agreement. Personnel costs are projected to come in under budget, largely due to increased separations resulting from issues intended to be resolved with this agreement. The projected FY23 cost would need to be funded in their entirety, as we would not project additional personnel costs savings into FY23.”

**Impact on broader fiscal picture.** On December 14, the Council received [updated information from the Fiscal Plan](#) on revenues, expenditures, reserves and other fiscal policies, and compensation sustainability. Since the Executive’s Fiscal Plan expenditure estimates included all supplementals that had been transmitted to the Council prior to December 14, the FY22 data from that update included both the \$8.6 million in FY22 and \$9.9 million in FY23 and beyond from this proposed agreement. However, Council staff notes that the December fiscal update did not account for all of the COVID-related expenditures from the Omicron surge. The impact of these unplanned expenditures on the overall fiscal picture will not be fully known until OMB completes the 2<sup>nd</sup> Quarterly Analysis.

**Compensation sustainability.** Council staff notes that if approved this agreement will reduce the availability of funds for other compensation and benefit adjustments in FY23. The December fiscal update estimated tax supported revenue growth of 2.5% in FY23, and the Council’s formally adopted compensation sustainability policy indicates annual total compensation costs should be similar to the annual growth rate of tax supported revenues. In December, Council staff noted that a similar 2.5% growth rate in total County Government tax supported wage and benefit costs for FY23 would equate to approximately \$26.9 million.

## **E. Racial Equity and Social Justice Analysis**

The Office of Racial Equity and Social Justice (ORESJ) conducted a racial equity impact assessment of this supplemental appropriation request (attached at ©17-20). The ORESJ analysis finds that the supplemental appropriatn “is likely to advance racial equity and social justice in the County as it raises the wages of transit operators and coordinators who are disproportionately people of color. Raising the wages of these positions contribute to reductions in racial and ethnic disparities in median household income and housing cost burden.”

As part of conducting this analysis, ORESJ found that while Black residents make up about 20% of the County’s population, 72% of the County’s Transit Bus Operators and 76% of the Transit Coordinators are Black. Comparatively, White residents make up 43% of the County’s population but 4% of Transit Bus Operators and 6% of Transit Coordinators.

## **F. Public Hearing Summary**

The Council held a public hearing on this supplemental appropriation request on February 1, 2022, and four speakers testified. Three of the speakers (Clint Sobratti, an MCC Transit Coordinator; Gino Renne, President of UFCW Local 1994 MCGEO; and Jane Lyons, Coalition for Smarter Growth) testified in support of the supplemental appropriation. The fourth speaker, Jerry Gerson from the Seven Locks Civic Association testified in support of allowing MCPS school bus operators to serve as Ride-On transit operators when they are not working for MCPS. Written testimony received from the speakers as well as one other individual are attached at ©21-24.

## G. Committee Decision Points

The Committee has the following options related to the supplemental appropriation:

- **Recommend approval of the FY22 supplemental appropriation for \$8,631,001 as recommended by the County Executive.** This would implement the salary schedules retroactive to July per the MOA.
- **Recommend rejection of the FY22 supplemental appropriation of \$8,631,001.** The MOA indicates that if the Council does not approve the supplemental the Executive will include funding for the salary matrix in the FY23 Recommended Budget. The schedule would then be reviewed by the Council in conjunction with all the other compensation and benefit changes recommended by the Executive in FY23. Alternatively, it is possible that the Executive and MCGEO would seek to re-enter negotiations under Code Section 33-108(j).
- **Recommend approval of the FY22 supplemental appropriation, but for a lower amount to reflect a different starting date for the new salary matrix.** For example, approving funding for the new salary matrix retroactive to January instead of July would reduce the FY22 cost to approximately \$4.3 million. The projected costs for FY23 and beyond would not change. If the Council chose to take this action, the County Executive and MCGEO would have the option to amend the MOA in conformance with the different start date or could re-enter negotiations over this issue.




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
*County Executive*

**MEMORANDUM**

November 16, 2021

TO: Tom Hucker, President  
County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #22-26 to the FY22 Operating Budget  
Montgomery County Government  
Department of Transportation, Transit Services, \$8,631,001

I am recommending a supplemental appropriation to the FY22 Operating Budget of the Department of Transportation (MCDOT) in the total amount of \$8,631,001 to address a market comparability wage adjustment for the Transit Bus Operator and Transit Coordinator job classifications.

This increase is needed to resolve market comparability deficiencies in the identified job classifications for at least a decade. According to the years of service, the funding will support personnel costs associated with placing every existing position in these classifications on a new step schedule. This reflects my commitment to keep Montgomery County as the employer of choice for the best and the brightest and provide fair and just compensation to those employees. This issue has evaded resolution for too long, but the County and the Union collaboratively investigated the issue. The findings have grounded my recommendation.

We conducted the Market Compatibility study for Transit Bus Operators and Transit Coordinators as it was included in the collective bargaining agreement reached to these employees with MCGEO in February 2020. In addition, the agreement also called for Market Compatibility studies for Nurse and Police Crime Lab classifications. The Nurse study found our wage rates comparable to the regional market, while the Crime Lab study is still underway.

The County and the MCGEO uncovered a significant year by year deficiency in the MCG salary schedule compared to the Washington Metro Area Transit Authority (WMATA). I have attached an analysis comparing this progression, demonstrating the deficiency to be approximately \$3,000 at entry level, nearly \$22,000 after 6 years, and nearly \$6,000 at maximum. Over a 30-year career, these deficiencies will add up to approximately \$300,000 less earned by MCG transit bus operators than their WMATA counterparts.

In addition, MCDOT has seen an increase in turnover, with formal and informal exit surveys pointing to the salary discrepancy with WMATA as a primary reason. MCDOT estimates that normal turnover within these job classes amounts to approximately six drivers leaving the County every month. In the past few months, MCDOT has been averaging nine driver departures each month. These increased departures have had an impact on service as well, with missed trips increasing from 80 per week in July to 190 per week in October.

Under typical conditions, 72 new hires are needed annually to maintain an adequate workforce under normal attrition. With a higher attrition rate, 108 new hires are needed (an increase of 36 new hires) further straining existing recruitment efforts. Montgomery County is actively recruiting and training new bus operators, graduating approximately six new operators per month. However, this is significantly less than needed to sustain the workforce and less than one-third of the typical capacity of the training program.

The ability to recruit is limited due to extremely competitive conditions in the Commercial Driver's License labor market and the well-known pay differential between Montgomery County and WMATA. Changing the salary progression of these operators will be important to realize the value of the County's investment in recruitment and training and to increase the appeal of working for Montgomery County so that larger recruitment classes are realized, and more bus operators are available to deliver service. Increasing recruitment and training is essential for meeting the County's plan to restore pre-pandemic service levels.

The adjustment I am recommending is the creation of a new step schedule for Transit Bus Operators and Transit Coordinators, which will provide pay levels that are more externally competitive, enhance MCDOT's image of being an employer of choice, and help attract and retain top-quality candidates and performers the residents of Montgomery County expect.

I recommend that the County Council approve this supplemental appropriation in the amount of \$8,631,001 and specify the source of funds as General Fund Undesignated Reserves. While this supplemental will reduce reserves, it is consistent with the fund balance policy for tax supported reserves. This adjustment will be considered ongoing and will reset the base personnel costs for transit bus operators. The ongoing costs will be included in my FY23 Recommend Budget and are estimated at this time to be approximately \$9.9 million. This estimate assumes the impact of the conversion to the new scale as well as the expected natural step progression of operators in FY23. While it is anticipated that there will be the potential for reduced costs associated with overtime, training, and other transit-related expenses, these estimates are not expected to be realized in FY22 and will be considered for FY23 and beyond. Since the Department of Finance is finalizing the year-end closeout, the balance of the Transit Fund is not known with enough certainty to recommend it as the source of funds for this recommendation at this time.

I appreciate your prompt consideration of this action.

ME:cbo

Enclosure: Supplemental Appropriation #22-26

Transit Bus Operators and Transit Coordinators Market Comparability Wage Adjustment  
Memorandum of Agreement

Comparative analysis wage schedules WMATA vs MCG year-by-year

Supplemental Appropriation #22-26

November 16, 2021

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Cc: Richard S. Madaleno, Chief Administrative Officer, Office of the County Executive  
Jennifer R. Bryant, Director, Office of Management and Budget  
Marc P. Hansen, County Attorney, Office of the County Attorney  
Jennifer Harling, Chief Labor Relations Officer, Office of Labor Relations  
Gino Renne, President, United Food and Commercial Workers, Local 1994, MCGEO  
Tiffany Ward, Director, Office of Racial Equity and Social Justice

Resolution No: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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By: Council President at the Request of the County Executive

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SUBJECT: Supplemental Appropriation #22-26 to the FY22 Operating Budget  
Montgomery County Government  
Department of Transportation, Transit Services, \$8,631,001

**Background**

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY22 Operating Budget appropriation increases:

	<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
Department of Transportation	\$8,631,001	\$0	\$8,631,001	General Fund Undesignated Reserves

3. This increase is needed to resolve longstanding market comparability deficiencies in the Transit Bus Operator and Transit Coordinator job classifications in the Department of Transportation, Transit Services.
4. The County Executive recommends a supplemental appropriation to the FY22 Operating Budget in the amount of \$8,631,001 for market comparability wage adjustments and specifies that the source of funds will be General Fund Undesignated Reserves.
5. Notice of public hearing was given, and a public hearing was held.

**Action**

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY22 Operating Budget of the Department of Transportation is approved as follows:

	<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
Department of Transportation	\$8,631,001	\$0	\$8,631,001	General Fund Undesignated Reserves

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council

**MEMORANDUM OF AGREEMENT  
BETWEEN  
MONTGOMERY COUNTY GOVERNMENT  
AND THE  
UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1994, MUNICIPAL  
AND COUNTY GOVERNMENT EMPLOYEES ORGANIZATION**

This Memorandum of Agreement (MOA) between the Montgomery County Government (hereinafter, the "County") and UFCW Local 1994 MCGEO (hereinafter "MCGEO") hereby memorializes the agreements between the parties, arising out of a collaborative review of market comparability wage analysis for the Transit Bus Operators and Transit Coordinators job classifications as agreed to in the original FY21-23 CBA.

To bring the compensation philosophy of Transit Bus Operators and Transit Coordinators to a more competitive level, the County is seeking to create a new, separate salary matrix for all employees in those job classifications. The Parties agree that this separate matrix is required to address employee morale, turnover, and retention rates, and improve performance in the job classifications.

The Parties hereby agree to the following:

1. The existing minimum and maximum of the salary schedule compares reasonably with that of the closest comparables, but further analysis in the year-by-year progression through the salary schedules highlights a significant deficiency in the MCG schedule.
2. The County will create a separate salary matrix for the Transit Bus Operators and Transit Coordinators job classifications to allow for more year-by-year comparability with closest comparables in accordance with the values indicated in Appendix A.
3. Employees will be placed on the appropriate step of the corresponding salary matrix based on years of experience at MCG.
4. The County will honor prior (non-MCG) public sector transit operator experience at a maximum of one additional step.
5. New employees will enter the matrix at step 0. Upon completion of the trainee program, employees will enter orientation at step 1. Upon completion of orientation, employees will be placed at step 2. One year after completion of trainee program, employees will be placed at either step 3 or step 4 (depending upon eligible prior experience).
6. The County will seek a supplemental appropriation from the County Council to ensure full funding, as a result of the significant cost of placement onto the salary matrix.
7. The supplemental appropriation will assume retroactive application of the placement onto the new salary matrix as of July 4, 2021, the first full pay period of FY22. Any retroactive payments to employees will be considered regular earnings for income, withholding, retirement, and employment tax purposes.
8. Placement onto the salary matrix, and progression through the matrix, will replace the existing Service Increment award. Existing employees will be placed on the salary matrix as of July 4, 2021, and that will become the new anniversary date for those employees. After July 4, 2021, new employees will have their anniversary date determined by the date of completion of the trainee program (date of movement to step 1).
9. The County will execute the transition to the new salary matrix upon approval of the supplemental appropriation, and that this transition may take as many as 2-3 months to create,



test, and finalize. This transition will include submission to County Council of any amendments to the Personnel Regulations that may be necessary to accommodate and implement the new salary matrix.

10. In the event the County Council denies the supplemental appropriation request, the County Executive will include funding for the implementation of the salary matrix in the FY23 Recommended Budget, and the parties may continue to explore other opportunities to resolve the identified deficiency for these job classifications.
11. This MOA will run concurrent with the CBA and the parties agree to modify existing provisions of the CBA to reflect the terms of this agreement during the next term bargaining.

**IN WITNESS WHEREOF**, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives as of the dates indicated below.

**For the Employer**

**For the Union**



Richard Madaleno  
Chief Administrative Officer

11/12/21  
Date



Gino Renne  
President, MCGEO

11/12/21

Date

Approved for form and legality by:



Edward E. Haentling, Jr.  
Associate County Attorney

November 12, 2021

Date

**APPENDIX A**

**DRAFT Matrix for Transit Bus Operators**

<u>Existing (Approx)</u>		<u>Proposed</u>	
Years		Step	Notes
Entry	\$42,601	0	\$45,000 Entry
After 1 year	\$44,092	1	\$48,500 Completed Training
		2	\$51,000 Completed Orientation
2	\$45,635	3	\$53,500 1 year after Step 1
3	\$47,232	4	\$57,500
4	\$48,886	5	\$62,000
5	\$50,597	6	\$66,000
6	\$52,368	7	\$69,000
7	\$54,200	8	\$72,000
8	\$56,097	9	\$72,000
9	\$58,061	10	\$74,000
10	\$60,093	11	\$74,000
11	\$62,196	12	\$75,000
12	\$64,373	13	\$75,000
13	\$66,626	14	\$75,000
14	\$68,958	15	\$76,000
15	\$69,604	16	\$76,000
16	\$69,604	17	\$76,000
17	\$69,604	18	\$76,000
18	\$71,692	19	\$77,000
19	\$71,692	20	\$77,000
20	\$71,692	21	\$77,000
21	\$71,692	22	\$77,000
22	\$71,692	23	\$78,000
23	\$71,692	24	\$78,000
24	\$73,842	25	\$79,000
25	\$73,842		

\*Proposed Step 2 represents completion of Orientation, which occurs between years of service

### DRAFT Matrix for Transit Coordinators

	<u>Existing (Approx)</u>		<u>Proposed</u>
Years		Step	
Entry	\$46,436	0	\$49,000
After 1 year	\$48,061	1	\$52,000
2	\$49,743	2	\$59,000
3	\$51,484	3	\$63,000
4	\$53,286	4	\$67,500
5	\$55,151	5	\$72,000
6	\$57,082	6	\$76,000
7	\$59,080	7	\$78,500
8	\$61,423	8	\$81,000
9	\$63,573	9	\$81,000
10	\$65,798	10	\$82,000
11	\$68,101	11	\$82,000
12	\$70,484	12	\$83,500
13	\$72,951	13	\$83,500
14	\$75,504	14	\$84,500
15	\$76,419	15	\$84,500
16	\$76,419	16	\$84,500
17	\$76,419	17	\$84,500
18	\$78,712	18	\$85,000
19	\$78,712	19	\$85,000
20	\$78,712	20	\$85,000
21	\$78,712	21	\$85,000
22	\$78,712	22	\$85,500
23	\$78,712	23	\$85,500
24	\$81,073	24	\$88,000
25	\$81,073	25	\$88,000

## FY22 Bus Operator Market Analysis - July 1, 2021

Year	WMATA Bus Operator Pay				Montgomery County Bus Operator			Difference Ride-On vs. WMATA		
	Hourly Rate	Annual	Cumulative		Hourly Rate	Annual	Cumulative	Salary	Percent	Cumulative
1st 6 Months	\$21.8668	\$22,741	\$22,741	1	\$20.4813	\$21,301	\$21,301	\$1,441	-6.3%	\$1,441
2nd 6 Months	\$23.6891	\$24,637	\$47,378		\$20.4813	\$21,301	\$42,601	\$3,336	-13.5%	\$4,777
Year 1	\$25.5113	\$53,063	\$100,442	2	\$21.1981	\$44,092	\$86,693	\$8,971	-16.9%	\$13,749
Year 2	\$27.3335	\$56,854	\$157,295	3	\$21.9400	\$45,635	\$132,328	\$11,218	-19.7%	\$24,967
Year 3	\$29.1558	\$60,644	\$217,939	4	\$22.7079	\$47,232	\$179,561	\$13,411	-22.1%	\$38,379
Year 4	\$30.9780	\$64,434	\$282,374	5	\$23.5027	\$48,886	\$228,446	\$15,549	-24.1%	\$53,927
Year 5	\$32.8002	\$68,224	\$350,598	6	\$24.3253	\$50,597	\$279,043	\$17,628	-25.8%	\$71,555
Year 6	\$36.4447	\$75,805	\$426,403	7	\$25.1767	\$52,368	\$331,411	\$23,437	-30.9%	\$94,992
Year 7	\$36.4447	\$75,805	\$502,208	8	\$26.0579	\$54,200	\$385,611	\$21,605	-28.5%	\$116,597
Year 8	\$36.6269	\$76,184	\$578,392	9	\$26.9699	\$56,097	\$441,708	\$20,087	-26.4%	\$136,684
Year 9	\$36.8091	\$76,563	\$654,955	10	\$27.9138	\$58,061	\$499,769	\$18,502	-24.2%	\$155,186
Year 10	\$36.9914	\$76,942	\$731,897	11	\$28.8908	\$60,093	\$559,862	\$16,849	-21.9%	\$172,035
Year 11	\$37.1736	\$77,321	\$809,218	12	\$29.9020	\$62,196	\$622,058	\$15,125	-19.6%	\$187,160
Year 12	\$37.3558	\$77,700	\$886,918	13	\$30.9486	\$64,373	\$686,431	\$13,327	-17.2%	\$200,487
Year 13	\$37.5380	\$78,079	\$964,997	14	\$32.0318	\$66,626	\$753,057	\$11,453	-14.7%	\$211,940
Year 14	\$37.7203	\$78,458	\$1,043,455	15	\$33.1529	\$68,958	\$822,015	\$9,500	-12.1%	\$221,440
Year 15	\$37.9025	\$78,837	\$1,122,293	16	\$33.4635	\$69,604	\$891,619	\$9,233	-11.7%	\$230,673
Year 16	\$38.0847	\$79,216	\$1,201,509	17	\$33.4635	\$69,604	\$961,223	\$9,612	-12.1%	\$240,286
Year 17	\$38.2669	\$79,595	\$1,281,104	18	\$33.4635	\$69,604	\$1,030,827	\$9,991	-12.6%	\$250,277
Year 18	\$38.4492	\$79,974	\$1,361,078	19	\$34.4673	\$71,692	\$1,102,519	\$8,282	-10.4%	\$258,559
Year 19	\$38.6314	\$80,353	\$1,441,432	20	\$34.4673	\$71,692	\$1,174,211	\$8,661	-10.8%	\$267,220
Year 20	\$38.8136	\$80,732	\$1,522,164	21	\$34.4673	\$71,692	\$1,245,903	\$9,040	-11.2%	\$276,261
Year 21	\$38.9958	\$81,111	\$1,603,275	22	\$34.4673	\$71,692	\$1,317,595	\$9,419	-11.6%	\$285,680
Year 22	\$39.1781	\$81,490	\$1,684,766	23	\$34.4673	\$71,692	\$1,389,287	\$9,798	-12.0%	\$295,478
Year 23	\$39.1781	\$81,490	\$1,766,256	24	\$34.4673	\$71,692	\$1,460,979	\$9,798	-12.0%	\$305,277
Year 24	\$39.1781	\$81,490	\$1,847,746	25	\$35.5010	\$73,842	\$1,534,821	\$7,648	-9.4%	\$312,925
Year 25	\$39.1781	\$81,490	\$1,929,237	26	\$35.5010	\$73,842	\$1,608,663	\$7,648	-9.4%	\$320,573
Year 26	\$39.1781	\$81,490	\$2,010,727	27	\$35.5010	\$73,842	\$1,682,505	\$7,648	-9.4%	\$328,222
Year 27	\$39.1781	\$81,490	\$2,092,217	28	\$35.5010	\$73,842	\$1,756,347	\$7,648	-9.4%	\$335,870
Year 28	\$39.1781	\$81,490	\$2,173,708	29	\$35.5010	\$73,842	\$1,830,189	\$7,648	-9.4%	\$343,518
Year 29	\$39.1781	\$81,490	\$2,255,198	30	\$35.5010	\$73,842	\$1,904,031	\$7,648	-9.4%	\$351,167

\*See Salary Scale in the AGREEMENT between WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY and LOCAL UNION 689 of the AMALGAMATED TRANSIT UNION AFL-CIO Effective July 1, 2021

\*\* See the OPT/SLT FY 2022 Pay Scales - Min/Max is established; year by year progression is ESTIMATED

## FY22 Bus Operator Market Analysis - June 20, 2022

Year	WMATA Bus Operator Pay				Montgomery County Bus Operator			Difference Ride-On vs. WMATA		
	Hourly Rate	Annual	Cumulative		Hourly Rate	Annual	Cumulative	Salary	Percent	Cumulative
1st 6 Months	\$21.8668	\$22,741	\$22,741	1	\$21.2909	\$22,143	\$22,143	\$599	-2.6%	\$599
2nd 6 Months	\$23.6891	\$24,637	\$47,378		\$21.2909	\$22,143	\$44,285	\$2,494	-10.1%	\$3,093
Year 1	\$25.5113	\$53,063	\$100,442	2	\$22.0077	\$45,776	\$90,061	\$7,287	-13.7%	\$10,381
Year 2	\$27.3335	\$56,854	\$157,295	3	\$22.7496	\$47,319	\$137,380	\$9,534	-16.8%	\$19,915
Year 3	\$29.1558	\$60,644	\$217,939	4	\$23.5175	\$48,916	\$186,297	\$11,727	-19.3%	\$31,643
Year 4	\$30.9780	\$64,434	\$282,374	5	\$24.3123	\$50,570	\$236,866	\$13,865	-21.5%	\$45,507
Year 5	\$32.8002	\$68,224	\$350,598	6	\$25.1349	\$52,281	\$289,147	\$15,944	-23.4%	\$61,451
Year 6	\$36.4447	\$75,805	\$426,403	7	\$25.9863	\$54,052	\$343,199	\$21,753	-28.7%	\$83,204
Year 7	\$36.4447	\$75,805	\$502,208	8	\$26.8675	\$55,884	\$399,083	\$19,921	-26.3%	\$103,125
Year 8	\$36.6269	\$76,184	\$578,392	9	\$27.7795	\$57,781	\$456,864	\$18,403	-24.2%	\$121,528
Year 9	\$36.8091	\$76,563	\$654,955	10	\$28.7235	\$59,745	\$516,609	\$16,818	-22.0%	\$138,346
Year 10	\$36.9914	\$76,942	\$731,897	11	\$29.7004	\$61,777	\$578,386	\$15,165	-19.7%	\$153,511
Year 11	\$37.1736	\$77,321	\$809,218	12	\$30.7116	\$63,880	\$642,266	\$13,441	-17.4%	\$166,952
Year 12	\$37.3558	\$77,700	\$886,918	13	\$31.7582	\$66,057	\$708,323	\$11,643	-15.0%	\$178,595
Year 13	\$37.5380	\$78,079	\$964,997	14	\$32.8414	\$68,310	\$776,633	\$9,769	-12.5%	\$188,364
Year 14	\$37.7203	\$78,458	\$1,043,455	15	\$33.9625	\$70,642	\$847,275	\$7,816	-10.0%	\$196,180
Year 15	\$37.9025	\$78,837	\$1,122,293	16	\$34.2731	\$71,288	\$918,563	\$7,549	-9.6%	\$203,729
Year 16	\$38.0847	\$79,216	\$1,201,509	17	\$34.2731	\$71,288	\$989,851	\$7,928	-10.0%	\$211,658
Year 17	\$38.2669	\$79,595	\$1,281,104	18	\$34.2731	\$71,288	\$1,061,139	\$8,307	-10.4%	\$219,965
Year 18	\$38.4492	\$79,974	\$1,361,078	19	\$35.2769	\$73,376	\$1,134,515	\$6,598	-8.3%	\$226,563
Year 19	\$38.6314	\$80,353	\$1,441,432	20	\$35.2769	\$73,376	\$1,207,891	\$6,977	-8.7%	\$233,540
Year 20	\$38.8136	\$80,732	\$1,522,164	21	\$35.2769	\$73,376	\$1,281,267	\$7,356	-9.1%	\$240,897
Year 21	\$38.9958	\$81,111	\$1,603,275	22	\$35.2769	\$73,376	\$1,354,643	\$7,735	-9.5%	\$248,632
Year 22	\$39.1781	\$81,490	\$1,684,766	23	\$35.2769	\$73,376	\$1,428,019	\$8,114	-10.0%	\$256,746
Year 23	\$39.1781	\$81,490	\$1,766,256	24	\$35.2769	\$73,376	\$1,501,395	\$8,114	-10.0%	\$264,861
Year 24	\$39.1781	\$81,490	\$1,847,746	25	\$36.3106	\$75,526	\$1,576,921	\$5,964	-7.3%	\$270,825
Year 25	\$39.1781	\$81,490	\$1,929,237	26	\$36.3106	\$75,526	\$1,652,447	\$5,964	-7.3%	\$276,789
Year 26	\$39.1781	\$81,490	\$2,010,727	27	\$36.3106	\$75,526	\$1,727,973	\$5,964	-7.3%	\$282,754
Year 27	\$39.1781	\$81,490	\$2,092,217	28	\$36.3106	\$75,526	\$1,803,499	\$5,964	-7.3%	\$288,718
Year 28	\$39.1781	\$81,490	\$2,173,708	29	\$36.3106	\$75,526	\$1,879,025	\$5,964	-7.3%	\$294,682
Year 29	\$39.1781	\$81,490	\$2,255,198	30	\$36.3106	\$75,526	\$1,954,551	\$5,964	-7.3%	\$300,647

\*See Salary Scale in the AGREEMENT between WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY and LOCAL UNION 689 of the AMALGAMATED TRANSIT UNION AFL-CIO Effective July 1, 2021

\*\* See the OPT/SLT FY 2022 Pay Scales - Min/Max is established; year by year progression is ESTIMATED

## Questions/Info requests for Proposed Bus Operator Salary Schedule Change

**1. Please provide the complete market compatibility studies done for Transit Bus Operators and Transit Coordinators, and for Nurses.**

The Comparative Analysis of Wage Schedules for WMATA vs MCG was included with the supplemental appropriation request. The analysis as presented demonstrates the rate of pay for bus operators at each organization. Employees begin within each organization at a comparable level – only \$600 separates them. However, that difference is nearly \$10,000 in year 2, and nearly \$22,000 in year 6. This clearly demonstrated that the scale as a whole was not the problem – it was the rate of advancement through the scale that was identified as the inequity. Put in other terms, after 6 years of employment, WMATA bus operators are expected to earn approximately \$80,000 more throughout their career than our bus operators. Even after removing taxes from that, employees are left with enough to use as a down payment on a home.

The supplemental appropriation is not requesting any funding for nurses. Efforts are ongoing between the Executive Branch and MCGEO to discuss recruitment and retention of those positions, and analysis beyond a market comparability study is required.

**2. Does the market compatibility study cover the entire region, or is it limited to a comparison with WMATA?**

The analysis was limited to comparison with WMATA, as MCG and WMATA represent the two most significant self-operated bus transit systems in the region. Comparison between these two entities is the relevant analysis in terms of compensation and job responsibilities.

**3. Did the market compatibility study look at total compensation (salary plus benefits), or was it limited to base salary only?**

The study, as well as previous studies performed in the context of collective bargaining, determined that there was general comparability on the benefits portion of compensation, and the resolution was focused solely on where there was a demonstrative inequity that could be addressed by the parties – the salaries. It should be noted that WMATA does still have a defined benefit retirement plan, whereas MCG bus operators can participate in either the GRIP or RSP retirement plans.

**4. Did the compensation comparison take into account the COVID-19 hazard pay earned by Transit Bus Operators?**

No. The COVID-19 hazard pay was not an adjustment to base salary, and as such does not have a future impact on the compensation provided to transit bus operators, nor did it have an impact on the decade prior to COVID where the salary inequity has been present. Furthermore, the impacts from COVID on service were widespread, and the COVID-19 hazard pay was a direct response to those impacts.

**5. The transmittal memo notes that formal and informal exit surveys point to the salary discrepancy with WMATA as a primary reason for turnover. Please provide data on:**

- a. **The total number of separations by separation reason for Transit Bus Operator and Transit Coordinator positions each year over the last 5 fiscal years, including FY22 to date data (or calendar years, if that is the way the data is collected since that is how it is reported in the [PMR](#)).**

**MCDOT Division of Transit Services  
Operator Separation by Type FY18-FY22**

	FY18	FY19	FY20	FY21	FY22	Total
<b>Deceased</b>	0	0	1	1	0	2
<b>Dismissal for Cause</b>	0	1	2	5	0	8
<b>Resignation</b>	31	30	30	19	36	146
<b>Retirement</b>	6	9	10	7	4	36
<b>Termination</b>	12	14	10	1	5	42
<b>Grand Total</b>	<b>49</b>	<b>54</b>	<b>53</b>	<b>33</b>	<b>45</b>	<b>234</b>

- b. **The specific number of employees who have identified salary discrepancy with WMATA in formal and informal exit surveys.**

Of the 36 Operators that separated to date in FY22, 27 have been identified as leaving to go to WMATA for salary reasons.

**6. Are other transit departments or agencies experiencing increased turnover in similar job classes?**

Yes, other transit departments or agencies experiencing increased turnover in similar job classes as evidenced by heightened attrition rates. St Louis Metro, a system very comparable to ours, has had to reduce service by about 10 to 12 percent to cope with an attrition rate that has grown three-fold, reducing the frequency of some routes and eliminating a few express options outright. In response, they have increased their compensation for operators in an effort to address this situation. MBTA in Boston is short 300 of its 1,800 Bus Operators needed to make pre-covid levels of service and its hiring efforts are hampered by the competitive marketplace for CDL holders due in part to the rise in delivery services such as Amazon and FedEx. SEPTA in the Philadelphia area and MTA Mobility in Baltimore are also facing Operator shortages hamstringing their ability to bring service back to pre-covid levels.

<https://www.washingtonpost.com/business/2021/12/28/worker-shortages-public-transportation/>

<https://www.bistatedev.org/2021/09/02/2000-signing-bonuses-offered-for-metro-transit-operator-mechanic-and-electrician-positions/>

<https://www.inquirer.com/transportation/transit-septa-bus-driver-shortage-service-delays-20210918.html>

<https://www.boston.com/news/local-news/2021/12/07/mbta-bus-service-cuts-worker-shortage/>

<https://www.baltimoresun.com/coronavirus/bs-md-mta-mobility-woes-20210903-raeukbd4yndqnglpaohgipwpyi-story.html>

**7. Has the County ever created an entirely new salary schedule mid-year that resulted in increased salaries for all the employees?**

The County Code provides for out-of-cycle amendments to the collective bargaining agreement. While previous new salary schedules (the OPT/SLT schedules, and the Deputy Sheriffs and Uniformed Correctional Officers salary schedules, for example) came into effect at the beginning of a fiscal year, it is because those resulted from full term bargaining. The groundwork for this change was laid out in the FY2021-2023 agreement between the parties, and funding required to implement the agreement reached out-of-cycle requires Council approval.

**8. What is the rationale for applying this change retroactively to July 1, 2021?**

The FY2021-2023 CBA with MCGEO included a provision indicating this market comparability study would be concluded by June 30, 2021. The combination of the onset of the COVID-19 pandemic and Council's rejection of all the financial agreements adjusted the priorities of the parties. The parties reached tentative agreement on the solution on June 28, 2021. While the final scope of the agreement and its implementation took several months to finalize, the effective date of July 1, 2021 reflects the agreement between the parties. Additionally, both the County Executive and MCGEO have joint interest in addressing this identified salary inequity as soon as possible.

**9. Do WMATA transit operators get step increase or service increments each year?**

The agreement reached replaces the current "service increment" concept with a step increase within the schedule. Progression through the schedule would occur in the same way as before, but the values of that progression would be determined by the value of the steps on the new schedule.

**10. Why were draft changes to the Personnel Regulations needed to implement the proposed salary matrix not included in the transmittal?**

No changes are needed to the Personnel Regulations to implement the agreed upon salary schedules for these job classes. Per, 33-11(b)(1)(A), "salary schedules for employees represented by certified employee organizations" are already provided for in the regulations. Thus, while Council must approve such amendments to the salary plan per 33-11(b)(3), the salary schedule being submitted is included in "salary schedules for employees represented by certified employee organizations,".

**11. Would transit bus operators and coordinators still be eligible for General Wage Adjustments?**

Yes, the new salary schedule would be subject to adjustment by any approved GWA. It should be noted that any future GWA could be negotiated to be the same as the GWA bargained for other MCGEO employees, or it could be a GWA negotiated to apply specifically to this schedule.

**12. What accounts for the difference in the projected FY22 cost (\$8.6 million) and the projected FY23 cost (\$9.9 million)?**

The supplemental does not request the total projected FY22 cost. The supplemental requests only the projected additional amount above the existing appropriation necessary to fully fund the terms of the agreement. Personnel costs are projected to come in under budget, largely due to increased separations resulting from issues intended to be resolved with this agreement. The projected FY23 cost would need to be funded in their entirety, as we would not project additional personnel cost savings into FY23.



**13. Why not include this in the negotiations over wages in the revised Agreement that will be sent to the Council on April 1, 2022?**

The Code provides for out-of-cycle amendments to the collective bargaining agreement. That, combined with the magnitude of the inequity identified in the analysis, led the parties to agree that waiting until the next fiscal year was not the appropriate course of action.

**14. Where does this new salary scale fit in the current salary schedules for represented employees? Why wasn't an existing salary schedule used?**

No existing salary schedule was used because of the extreme nature of the inequity with WMATA. Existing MCG salary schedules consist of a range, with a minimum and a maximum. The current range minimum and maximum were close to comparable with WMATA, but the WMATA schedule consists of steps; the value of the progression through that range was not comparable to the steps. No existing MCG salary schedule would resolve the inequity without swinging the pendulum to the other end and creating an inequity in favor of MCG. Additionally, if the rate of progression, or values of the range for the grades of the transit bus operators and coordinators were changed, the result would impact all County employees in those schedules. The option of a new salary schedule allows the comparable minimum and maximum level to remain while addressing the progression values through the schedule, and limiting the effect to the affected job classifications.

**15. Was a classification study performed to ensure that this new salary schedule is consistent with the job duties in relation to other County positions? If so, please send us a copy.**

No. The study was not addressing the classification or job duties of the Transit Bus Operators and Transit Bus Coordinators. No classification inequity was discussed, it was purely a factor of compensation inequity with similarly situated employees in a highly comparable agency.

**MONTGOMERY COUNTY GOVERNMENT  
OFFICE, PROFESSIONAL & TECHNICAL AND SERVICE, LABOR, AND  
FISCAL YEAR 2022  
EFFECTIVE JULY 1, 2021**

GRADE	MINIMUM	MIDPOINT	MAXIMUM	18 YEAR LONGEVITY (3%)	24 YEAR LONGEVITY (3%)
5	\$32,488	\$38,446	\$44,404	\$45,736	\$47,108
6	\$32,488	\$39,371	\$46,255	\$47,642	\$49,071
7	\$32,488	\$40,360	\$48,232	\$49,678	\$51,169
8	\$32,488	\$41,457	\$50,426	\$51,940	\$53,497
9	\$33,488	\$43,111	\$52,734	\$54,316	\$55,946
10	\$34,831	\$45,027	\$55,223	\$56,880	\$58,586
11	\$36,240	\$47,031	\$57,822	\$59,555	\$61,342
12	\$37,707	\$49,131	\$60,555	\$62,371	\$64,242
13	\$39,261	\$51,343	\$63,425	\$65,328	\$67,287
14	\$40,893	\$53,670	\$66,446	\$68,439	\$70,492
15	\$42,601	\$56,102	\$69,604	\$71,692	\$73,842
16	\$44,421	\$58,676	\$72,930	\$75,118	\$77,371
17	\$46,436	\$61,428	\$76,419	\$78,712	\$81,073
18	\$48,566	\$64,326	\$80,086	\$82,488	\$84,963
19	\$50,855	\$67,393	\$83,931	\$86,449	\$89,042
20	\$53,246	\$70,607	\$87,969	\$90,608	\$93,326
21	\$55,771	\$73,991	\$92,211	\$94,977	\$97,826
22	\$58,409	\$77,537	\$96,665	\$99,564	\$102,551
23	\$61,189	\$81,270	\$101,350	\$104,391	\$107,523
24	\$64,102	\$85,176	\$106,250	\$109,438	\$112,721
25	\$67,156	\$89,282	\$111,407	\$114,750	\$118,192
26	\$70,377	\$93,601	\$116,825	\$120,330	\$123,940
27	\$73,726	\$98,120	\$122,514	\$126,189	\$129,975
28	\$77,035	\$102,759	\$128,483	\$132,338	\$136,308

**MONTGOMERY COUNTY GOVERNMENT  
OFFICE, PROFESSIONAL & TECHNICAL AND SERVICE, LABOR, AND  
FISCAL YEAR 2022  
EFFECTIVE JUNE 19, 2022  
GWA: \$1,684 INCREASE**

GRADE	MINIMUM	MIDPOINT	MAXIMUM	18 YEAR LONGEVITY (3%)	24 YEAR LONGEVITY (3%)
5	\$34,172	\$40,130	\$46,088	\$47,420	\$48,792
6	\$34,172	\$41,055	\$47,939	\$49,326	\$50,755
7	\$34,172	\$42,044	\$49,916	\$51,362	\$52,853
8	\$34,172	\$43,141	\$52,110	\$53,624	\$55,181
9	\$35,172	\$44,795	\$54,418	\$56,000	\$57,630
10	\$36,515	\$46,711	\$56,907	\$58,564	\$60,270
11	\$37,924	\$48,715	\$59,506	\$61,239	\$63,026
12	\$39,391	\$50,815	\$62,239	\$64,055	\$65,926
13	\$40,945	\$53,027	\$65,109	\$67,012	\$68,971
14	\$42,577	\$55,354	\$68,130	\$70,123	\$72,176
15	\$44,285	\$57,786	\$71,288	\$73,376	\$75,526
16	\$46,105	\$60,360	\$74,614	\$76,802	\$79,055
17	\$48,120	\$63,112	\$78,103	\$80,396	\$82,757
18	\$50,250	\$66,010	\$81,770	\$84,172	\$86,647
19	\$52,539	\$69,077	\$85,615	\$88,133	\$90,726
20	\$54,930	\$72,291	\$89,653	\$92,292	\$95,010
21	\$57,455	\$75,675	\$93,895	\$96,661	\$99,510
22	\$60,093	\$79,221	\$98,349	\$101,248	\$104,235
23	\$62,873	\$82,954	\$103,034	\$106,075	\$109,207
24	\$65,786	\$86,860	\$107,934	\$111,122	\$114,405
25	\$68,840	\$90,966	\$113,091	\$116,434	\$119,876
26	\$72,061	\$95,285	\$118,509	\$122,014	\$125,624
27	\$75,410	\$99,804	\$124,198	\$127,873	\$131,659
28	\$78,719	\$104,443	\$130,167	\$134,022	\$137,992



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
County Executive

Tiffany Ward, Director  
Office of Racial Equity and Social Justice

**MEMORANDUM**

November 23, 2021

To: Jennifer Bryant, Director  
Office of Racial Equity and Social Justice

From: Tiffany Ward, Director  
Office of Racial Equity and Social Justice

A handwritten signature in cursive script that reads "Tiffany Ward".

Re: Supplemental Appropriation: REIA #22-26 Transit Service Bus Operators

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #22-26 is likely to advance racial equity and social justice in County, as it raises the wages of transit operators and coordinators who are disproportionately people of color. Raising the wages of these positions contributes to reductions in racial and ethnic disparities in median household income and housing cost burden.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #22-26 is to make a market comparability wage adjustment for the Transit Bus Operator and Transit Coordinator job classifications in Montgomery County. Adjusting wages so that they are more closely aligned with those of Washington Metro Area Transit Authority (WMATA), will result in an additional \$3,000 at entry level and an additional \$300,000 over a 30-year career for employees in these job classifications.

To understand the extent to which wage adjustments will advance racial equity, it is important to consider the demographic characteristics of the people who fill these positions compared to the workforce or County overall, as well as the larger context of how wage adjustments will affect those navigating structural inequities in the economy.

In the US, historical and current practices of occupational segregation<sup>1</sup> shape labor market opportunities and outcomes by race, ethnicity, and gender. Together with racial

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<sup>1</sup> <https://equitablegrowth.org/factsheet-u-s-occupational-segregation-by-race-ethnicity-and-gender/>

inequities in access to housing, lending, and education, occupational segregation helps explain why people of color are overrepresented in low-wage frontline jobs and continue to face constant barriers to advancement<sup>2</sup>. Overtime, these inequities have created broad wage inequality by race, ethnicity, and gender, contributing to disparities in income and wealth—a critical driver of housing cost burden.

The TransitCenter conducted an analysis using American Community Survey data, which revealed degrees of occupational segregation (at the time of the pandemic) between frontline and non-frontline workers in the US transit workforce. For the analysis, bus operators, cleaners, mechanics, and those who could not work from home were considered frontline workers, while managers, service planners, and others who could work from home were considered non-frontline workers. The analysis showed that Black and Hispanic workers make up larger shares of frontline positions (and smaller shares of non-frontline positions) than their representation in the transit workforce overall.

Race/ethnicity	Entire transit workforce		Frontline workers		Non-frontline workers	
	Number	Percentage	Number	Percentage	Number	Percentage
Asian	25,315	3.5%	15,600	2.9%	9,715	5.1%
Black	186,803	25.7%	148,396	27.6%	38,407	20.2%
Hispanic/Latino	95,686	13.2%	75,545	14.1%	20,141	10.6%
White	401,833	55.2%	284,264	52.9%	117,569	61.7%

**Source:** Table reproduced from data analyzed by TransitCenter. Available here:

<https://transitcenter.org/protecting-transit-workers-racial-justice/>

This disproportionality extends to socioeconomic characteristics, where 4.9% of the transit workforce lives below the federal poverty line, compared to 5.4% of frontline workers and 3.5% in non-frontline occupations. Disparities also affect the highest levels of leadership in transit agencies, women make up 39% of the transit workforce but only 3% of system CEOs and there are only two non-white CEOs across the 15 largest US agencies<sup>3</sup>.

Available local data indicate a similar disproportionality in the County's transit workforce. ORESJ has calculated the following racial and ethnic breakdown of transit operators and coordinators. Since we do not know the racial and ethnic makeup of the transit services division overall, we cannot determine whether the below makeup is comparable to other job classifications in the agency. Instead, we've used County

<sup>2</sup> <https://www.policylink.org/sites/default/files/Advancing%20Frontline%20Employees%20of%20Color.pdf>

<sup>3</sup> <https://transitcenter.org/wp-content/uploads/2019/07/HR.pdf>

demographics to determine whether the representation of people of color in transit operator and transit coordinator job classifications is proportional to their representation in the County overall.

Race/ethnicity	Transit Bus Operator		Transit Coordinator		County population %
American Indian/Alaska Native	<5*	<0%	0	0%	.7%
Asian	21	3%	<5*	6%	15.6%
Black	495	72%	25	76%	20.1%
Hispanic/Latino	82	12%	<5*	6%	20.1%
Native Hawaiian/Pacific Islander	<5*	<0%	0	0%	.1%
White (alone, not Hispanic or Latino)	25	4%	<5*	6%	42.9%
Two or more races	12	2%	0	0%	3.5%
No response	47	7%	<5	6%	0
Total	687		35		

\*To maintain data privacy, these responses were suppressed. For the calculation purposes, the value of 2 was given to each instance where data suppression occurred. These estimates do not affect the overwhelming evidence that transit operators and transit coordinators who are Black make up larger shares of these job classifications than the overall percentage of Black residents in the County.

**Source:** Workforce statistics come from Personnel Management Regulation (PMR) Assignments Oracle Dashboard. County population data is from the American Community Survey, 2019 estimates. Available here: <https://www.census.gov/quickfacts/fact/table/montgomerycountymaryland/RHI225219#RHI225219>

What is evident from this data is that Black residents make up about 20% of the County population but more than 70% of transit operators and coordinators. Conversely, White residents make up 42.9% of the county population, but less than 10% of transit operators and coordinators. More research would need to be done to determine the exact cause of this disproportionality but the above-described racial disparities and inequities in education and employment likely play a role. Based on this data, wage increases for transit operator and transit coordinator positions are more likely to benefit workers of color, particularly given that more than 70% of employees in both categories are Black. Wage adjustments are therefore likely to contribute to reductions in median household income gaps and disparities in the percent of residents with gross rents more than 30% of household income in the County. See data below:

Median Household Income by Race and Ethnicity, 2017

Race/ethnicity	Montgomery County, MD
Asian	\$109,147
Black	\$72,587
Hispanic/Latino	\$71,847
White	\$119,426
Other	\$75,723

**Source:** Montgomery County, Maryland Office of Legislative Oversight Montgomery County Racial Equity Profile. Available here:

<https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/RevisedOLO2019-7.pdf>

Gross Rent more than 30 Percent of Household Income in Last 12 Months, 2017

Race/ethnicity	Montgomery County, MD
Asian	42.7%
Black	54.5%
Hispanic/Latino	62.6%
White	44.7%
Other	71.6%

**Source:** Montgomery County, Maryland Office of Legislative Oversight Montgomery County Racial Equity Profile. Available here:

<https://www.montgomerycountymd.gov/OLO/Resources/Files/2019%20Reports/RevisedOLO2019-7.pdf>

cc: Christopher Conklin, Director, Department of Transportation  
Ken Hartman, Director, Strategic Partnerships, Office of the County Executive

## Testimony of Clint Sobratti On Supplemental Appropriation to the FY22 Operating Budget, Montgomery County Government, Department of Transportation, Transit Services

Tuesday, February 1, 2022

I'm Clint Sobratti. I'm was a bus operator and now I am a transit coordinator with RideOn.

I am here today to urge you to pass the County Executive's supplemental appropriation for the Montgomery County Department of Transportation to increase salaries for me and my fellow RideOn employees.

The great resignation has hit everywhere – people are realizing that they don't want to go day in and day out to a job where they aren't happy and feel valued. If there are better jobs to be had elsewhere, they know, thanks to the pandemic and the robust labor market, that they can leave.

That's happening in Montgomery County at RideOn. We're down at least 100 employees. We're seeing cuts in service just when we were nearing pre-pandemic needs for service.

I like my job and I love Montgomery County. I have been with the County for 11 years at RideOn. What we're seeing right now is a crisis – bus operators and others at RideOn have watched the salaries and benefits improve at the neighboring Washington Metro Area Transit Authority while we've watched our salaries and benefits stagnate. Morale is awful.

A market compatibility study shows that RideOn bus operators earn a first-year salary of \$45,776 compared to \$53,063 for WMATA bus operators. Additionally, RideOn bus operators can't reach their peak pay until 24 years into their careers. By then, their salary is nearly \$7,000 less than their counterparts at WMATA.

Bus operators and transit coordinators never stopped working when the pandemic hit. We are one of the few departments in Montgomery County that has stayed operational and continues to stay operational throughout this crisis.

Over the past two years, we've shuttled our friends, neighbors, and others in the community to and from work, or wherever they wanted or needed to go, every day, day and night. We open and close this county. We're on call every day.

Bus Rapid Transit and other initiatives to improve the use of mass transit in this county are great goals – ones I support fully – but we cannot accomplish these goals without quality drivers and the human infrastructure needed to operate the system. If WMATA is offering the better pay and benefits, we will keep seeing employees leave. We need better salaries to increase recruitment and retain our employees. I urge you to pass this special appropriation. Thank you.

January 31, 2022

Montgomery County Council  
Council Office Building  
100 Maryland Ave.  
Rockville, MD 20850

**Supplemental Appropriation to the FY22 Operating Budget, Montgomery County Government,  
Department of Transportation, Transit Services, \$8,631,001 (Support)**

**Testimony for February 1, 2022**

**Jane Lyons, Maryland Advocacy Manager**

Thank you and good afternoon, Council President Alborno and Councilmembers. My name is Jane Lyons and I am speaking on behalf of the Coalition for Smarter Growth, the leading organization in the D.C. region advocating for walkable, inclusive, transit-oriented communities. I am here today in support of the supplemental budget appropriation to make Ride On bus operator salaries competitive with Metrobus.

Even before the omicron wave, Ride On was facing a bus operator shortage due to a variety of reasons. One of the best ways to address this challenge is to make the bus operator salary schedules competitive with our regional counterparts. Right now, our understanding is that Ride On loses good bus operators to Metrobus due to RideOn's lower salary schedule. Montgomery County needs to adapt to evolving market conditions to help attract and retain the employees who keep the county moving and connected.

The transit system would be nothing without the people behind the scenes and out on the frontlines doing the hard work. We need to value and invest in our critical human infrastructure at least as much as we do our physical infrastructure.

This morning, you issued a proclamation recognizing Transit Equity Day and the importance of a transit system that prioritizes equity. As the Office Racial Equity and Social Justice points out, improving the salary schedule would advance racial equity and social justice because transit operators and coordinators are disproportionately people of color. Moreover, it provides critical access to jobs and opportunity for riders who are overwhelmingly lower income and people of color.

Thank you for your consideration.





## Testimony of Gino Renne On Supplemental Appropriation to the FY22 Operating Budget, Montgomery County Government, Department of Transportation, Transit Services

Tuesday, February 1, 2022

On behalf of the 700 members working at Ride-On and represented by UFCW Local 1994, I urge you to pass the County Executive's special appropriation for the transit system.

Montgomery County's Ride-On bus service is short over 100 drivers right now largely due to the salary inequity between Ride-On service and bus service operated by the Washington Metro Area Transit Authority (WMATA). This disparity is causing Ride-On employees to leave the county for the higher wages offered by WMATA. In fact, 75% of our drivers, who left over the last three (3) years have all gone to WMATA.

Our Ride-On members have always relied on Montgomery County to provide competitive wages and the promise of a dignified retirement, but they can't rely on that anymore. The County has disrupted their sense of employment stability by repeatedly not fully funding collectively bargained wage increases and benefit enhancements.

This special appropriation will go a long way to reestablishing Montgomery County as an employer of choice for transit professionals. Employees would feel valued and respected. Morale will improve. Fewer drivers and other employees would leave service and recruitment would improve.

Public transit can be a great equalizer – we need more people to use mass transit if we want to mitigate the problems of traffic congestion and climate change. The first step to achieving these goals is to stabilize the Ride-On workforce. To do so we need the County Council to fund this special appropriation.

Thank you.

# # #

*Local 1994 represents 8,000 public employees in Montgomery County and beyond. From its inception, UFCW Local 1994 MCGEO has fought to protect workers' rights, negotiate fair wages and protect safety and security of workers.*

**To:** Montgomery County Council

**Subject:** Supplemental Appropriation to the FY22 Operating Budget, MCDOT Transit Services, \$8,631,001

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**Date:** February 1, 2022

Dear Councilmembers:

This supplemental appropriation will dramatically increase MCDOT bus drivers' salaries. Only the Council, not MCDOT, can decide to increase bus drivers' salaries.

Salaries are a main issue confronting a workforce with an already difficult job, further complicated by the pandemic. Many essential service workers depend on transit to get to their jobs, including those in Equity Focus Areas. Parents experience canceled school bus routes due to lack of MCPS drivers. We need our bus operators.

Across the country, more than 20 million people quit their jobs in the second half of 2021. Some are calling it the "great resignation." We need to do better to retain our workers, who are leaving for a variety of reasons:

- exhaustion from working extra-long shifts to cover for absentee colleagues,
- fear of exposure to COVID,
- lack of childcare options, or
- simply opting for early retirement.

A market compatibility study comparing County bus driver salaries with WMATA salaries showed:

- it takes MCDOT operators 24 years to reach a peak salary of approximately \$75,000
- WMATA operators reach that same salary in 6 years (or 1/4<sup>th</sup> the time!!) and go on to earn even more during their careers.

MCDOT owns and operates nearly 400 buses. MCDOT promotes from within, cultivating professionals who know their jobs and who are role models for new employees. Let's say -- Looking for a meaningful career in public service? Consider being a bus operator. MCDOT will pay for your Commercial Driver's License training!

Let's pass this supplemental appropriation to reward our current workers, plus bring on board new bus drivers!

Sincerely,  
Tina Slater