

**MOTION:**

**SECOND:**

**RE:               RECOMMEND APPROVAL OF THE REVISED FY18 PRTC AND FIRST TRANSIT  
EMPLOYEE INCENTIVE PROGRAMS**

**ACTION:**

**WHEREAS**, the Potomac and Rappahannock Transportation Commission ("PRTC" or the "Commission") has long-standing "pay-for-performance" objectives for the PRTC organization-at-large, designed to closely resemble the "incentive" provisions in the PRTC – First Transit contract; and

**WHEREAS**, the Commission authorized the Executive Director to implement the Vision 2020: Post 100-Day Plan ("Plan") at its October 5, 2017 meeting, which included a strategy for refreshing the PRTC service brand; and

**WHEREAS**, the cost for refreshing the PRTC service brand will be covered by suspending the customer satisfaction surveys in FY18; and

**WHEREAS**, the PRTC and First Transit employee incentive programs contain provisions tied to the customer satisfaction survey; and

**WHEREAS**, the PRTC and First Transit employees would be negatively impacted if the earnings potential for the affected provisions were removed from the employee incentive programs; and

**WHEREAS**, establishing a payout based on an average of the payouts over the last three (3) years for each provision is a fair assessment of how satisfied the customers are with the service and a fair outcome for the employees; and

**WHEREAS**, the maximum potential earnings for the remaining eight (8) provisions for both incentive programs will remain unchanged; and

**WHEREAS**, the customer satisfaction surveys will resume in FY19.

**ITEM 11-C**  
**March 1, 2018**  
**PRTC Regular Meeting**  
**Res. No. 18-03-\_\_\_\_**  
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**NOW, THEREFORE, BE IT RESOLVED** that the Potomac and Rappahannock Transportation Commission does hereby approve the revised FY18 PRTC and First Transit employee incentive programs.

**Votes:**

**Ayes:**

**Abstain:**

**Nays:**

**Absent from Vote:**

**Alternate Present Not Voting:**

**Absent from Meeting:**




Potomac and Rappahannock  
Transportation Commission

14700 Potomac Mills Road  
Woodbridge, VA 22192

March 1, 2018

TO: Madam Chair Anderson and PRTC Commissioners

FROM: Robert A. Schneider, PhD   
Executive Director

RE: Recommend Approval of the Revised FY18 PRTC and First Transit Employee Incentive Programs

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Recommendation:

Recommend approval of the revised FY18 PRTC and First Transit employee incentive programs.

Background:

PRTC has long-standing “pay-for-performance” objectives for the PRTC organization-at-large. The objectives are designed to closely resemble “incentive” provisions in the PRTC – First Transit contract in recognition of the fact that some outcomes require collaboration between management and PRTC’s contractor.

At the October 5, 2017 Board meeting, the Commission adopted the Vision 2020 Plan (“Plan”), which included a strategy to refresh PRTC’s service brand. The cost associated with refreshing the brand will be covered by suspending the tri-annual customer satisfaction surveys for FY18.

Three (3) of the eleven (11) PRTC and First Transit employee incentive program provisions<sup>1</sup> are tied to the customer satisfaction surveys. Removing the provisions from the incentive programs would negatively impact PRTC and First Transit employees.

I am recommending the affected incentive provisions receive a payout that is equal to the average payout of the last three (3) years; it is a fair assessment of how satisfied the customers are with the service and a fair outcome for the employees.

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<sup>1</sup> Service quality and on-time performance for PRTC employees and service quality for First Transit employees.  
OmniRide • Metro Direct • OmniLink • Cross County Connector • OmniMatch • VRE

Madam Chair Anderson and PRTC Commissioners

March 1, 2018

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If approved, the PRTC employee incentive program would receive **\$42,010<sup>2</sup>**. The First Transit employee incentive program would receive **\$52,928** for the service quality provision. The maximum earning potential for the remaining eight (8) incentive provisions would remain unchanged. The customer satisfaction surveys will resume in FY19.

Fiscal impact:

Funds are included in the FY18 budget.

Attachment: PRTC and First Transit Employee Incentive Programs

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<sup>2</sup> \$26,645 for the service quality provision and \$15,365 for the on-time performance provision.

## ATTACHMENT

## PRTC Employee Incentive Program Provisions

Incentive Element	Measure	Amount/Range
Customer Satisfaction	Service performance measured by complaint rate.	<ul style="list-style-type: none"> <li>• <i>OmniRide</i> – Earnings between \$3,292 and \$16,455 for complaint rates ranging between 9.75 and 8.0 (or less) complaints per 10,000 passenger trips.</li> <li>• <i>OmniLink</i> – Earnings between \$3,292 and \$16,455 for complaint rates ranging between 7.0 and 5.25 (or less) complaints per 10,000 passenger trips.</li> </ul>
Service Quality*	Service quality as measured by the incidence of “excellent” responses to the “overall service quality” survey question for each service type, as an average for the satisfaction surveys conducted over the course of the fiscal year.	<ul style="list-style-type: none"> <li>• <i>OmniRide</i> – Earnings between \$3,292 and \$16,455 for between 70 and 80 percent of customers rating service “excellent”.</li> <li>• <i>OmniLink</i> – Earnings between \$3,292 and \$16,455 for between 64 and 74 percent of customers rating service “excellent”.</li> </ul>
On-Time Performance*	Service quality measured by the incidence of “excellent” responses to the “on-time performance satisfaction” survey question for each service type, as an average for the satisfaction surveys conducted over the course of the fiscal year.	<ul style="list-style-type: none"> <li>• <i>OmniRide</i> – Earnings between \$2,632 and \$13,164 for between 62 and 72 percent of customers rating service “excellent”.</li> <li>• <i>OmniLink</i> – Earnings between \$2,632 and \$13,164 for between 35 and 45 percent of customers rating service “excellent”.</li> </ul>
Average Annual Passenger Trips per Revenue Hour	Measured separately for OmniRide and OmniLink.	<ul style="list-style-type: none"> <li>• <i>OmniRide</i> – Earnings between \$2,632 and \$13,163 for between 23.25 passenger trips and 24.75 passenger trips per revenue hour.</li> <li>• <i>OmniLink</i> – Earnings between \$2,632 and \$13,163 for between 15.5 passenger trips and 16.75 passenger trips per revenue hour.</li> </ul>
Annual Gross Operating Cost per Annual Passenger Trip	Measured separately for OmniRide and OmniLink.	<ul style="list-style-type: none"> <li>• <i>OmniRide</i> – Earnings between \$2,632 and \$13,163 for an annual gross operating cost per trip ranging from \$6.80 and \$6.39.</li> <li>• <i>OmniLink</i> – Earnings between \$2,632 and \$13,163 for an annual gross operating cost per trip ranging from \$8.45 and \$8.03.</li> </ul>
Total Maximum Earning Potential		\$144,800

\* - Incentive elements affected by suspending the customer satisfaction surveys in FY18.

## Summary of Contract Operator Incentive Provisions

Incentive Element	Measure	Amount/Range	Earned by	Motivation
<b>Operator Turnover</b>	Maintaining low annual turnover rate	Earnings between \$23,725 to \$94,899 for between 10 and 15 percent annual turnover of operators who choose to leave.	Parent company	Satisfied, motivated workforce "team"
<b>Service Quality<sup>1</sup></b>	Service quality as measured by "excellent" responses to overall service quality question for each service type	<i>OmniRide</i> - Earnings between \$4,745 and \$27,284 for between 70 and 80 percent (or more) of customers rating service "excellent." <i>OmniLink</i> - Earnings between \$4,745 and \$27,284 for between 64 and 74 percent (or more) of customers rating service "excellent."	Contract employees assigned to work at PRTC	Satisfied customers
<b>Miles Between Service Interruptions (MBSI)</b>	Service dependability as measured by level of service interruptions	<i>Combined OmniRide and OmniLink</i> -Earnings between \$9,490 and \$54,567 for rates between 5,000 and 7,500 Miles (or greater) Between Service Interruptions.	Contract employees assigned to work at PRTC	Dependable service through well-maintained vehicles, adequately trained operators, smooth pullouts
<b>Complaints</b>	Service performance as measured by complaint rate	<i>OmniRide</i> - Earnings between \$4,745 and \$27,284 for complaint rates ranging between 7.75 and 6.0 (or less) complaints per 10,000 passenger trips. <i>OmniLink</i> - Earnings between \$4,745 and \$27,284 for complaint rates ranging between 5.75 and 4.0 (or less) complaints per 10,000 passenger trips.	Contract employees assigned to work at PRTC	Satisfied customers
<b>Accidents</b>	Safe vehicle operations as measured by number of preventable accidents	<i>Combined OmniRide and OmniLink</i> - Earnings between \$9,490 and \$54,567 for preventable accidents ranging between 1.9 and 1.5 (or lower) per 100,000 miles.	Contract employees assigned to work at PRTC	Safe service
<b>New Operator Training</b>	Quality service provision as measured by how well trained new operators are when introduced to revenue service	<i>Combined OmniRide and OmniLink</i> Earnings of up to \$54,567 (employees) and \$94,899 (corporate); each deduction assessed <sup>2</sup> on operators in revenue service during his/her first 30 days will result in a reduction of \$200 (employees) and \$400 (parent company)	Parent company and Contract employees assigned to work at PRTC	Operators and the customers they serve who feel comfortable with their performance from day one

<sup>1</sup> Affected incentive provision

<sup>2</sup> Excludes deductions waived for cause.

<b>Smooth Service Picks</b>	Service quality as measured by how proficient operators are when they begin a new or modified work assignment	<i>OmniRide</i> - Earnings between \$4,745 and \$27,284 (employees) and between \$11,862 and \$47,450 (parent company) for increased complaint rates following pick between 40 percent and 20 percent (or lower). <i>OmniLink</i> - Earnings between \$4,745 and \$27,284 (employees) and between \$11,862 and \$47,450 (parent company) for increased complaint rates following pick between 30 percent and 10 percent (or lower) Earnings for each pick will be based on percentage increase in complaint rates following a pick compared to average complaint rates preceding the pick. Annual earnings will be determined by averaging the average change of all picks.	Parent company and Contract employees assigned to work at PRTC	Customers whose service is impacted minimally, if at all, following a pick
<b>Improved Performance<sup>3</sup></b>	Improvement as measured by comparing the current quarter dollar value of assessed Deductions against prior quarter dollar value, reimbursing the difference if current quarter is lower than prior. AND Proactive, good-faith efforts throughout the year resulting in year-end reimbursement of up to 50% of remaining withheld Deductions based on PRTC evaluation.	Varies	Parent company	Improvement
<b>TOTAL POSSIBLE INCENTIVE PAYMENTS</b>	<b>Parent company</b>	<b>\$284,698 per year</b>	<b>Contract employees assigned to work at PRTC</b>	<b>\$327,405 per year</b>

<sup>3</sup> Except for the categories of strategic vehicles and operators, use of supervisory personnel to cover trips, and missed trip – failure to meet operator pullout which are not eligible for quarterly reimbursement.