FIRST TO ZERO

When safe behavior becomes instinctive, quality of life improves, working conditions are more favorable, and collisions and injuries are reduced. As part of our extreme focus on safety in the workplace, we have initiated a **First to Zero goal**, which means we will strive to **achieve zero collisions and zero lost-time injuries**.

As we strive to reach First to Zero, we will build on the accomplishments we have already achieved. Our key safety actions for the current year include:

- Expanding the usage of Smith System driver safety training
- Implementing campaigns designed to prevent passenger injuries related to slips, trips, and falls
- Championing the National Safety Council's campaigns around teen driving, distracted driving, and safe communities
- Implementing actions to prevent injury when handling passengers, wheel chairs, baggage and freight
- Provide training on dispute resolution to preventing assaults by difficult passengers

SAFETY INCENTIVES

Our World Class Safety program encourages all First Transit employees to replace risky behaviors and thought processes that jeopardize safety in the workplace. Our MATBUS team places a strong emphasis on the safety of our operations, and the quality service delivered to our passengers. We believe the best way to reinforce quality operations is through safety incentives, reward programs, and service bonuses. Through these programs, we are striving to build a cultural identity that is focused on:

- **Rewarding improvements in both individual and team performance**
  - Driver Pin, Patch and Certificate – A special recognition is given to our Drivers
- **Encouraging group safety awareness activities**
  - Group activities – Focus on Safety – earn individual and location awards for safety improvement
- **Recognizing and rewarding personal safety longevity**
  - Driver Trainer Patch and Certificate – A special recognition is given to our Driver Trainers

The elements of this program include:

- **An incident rate reduction goal –** "Destination Zero Rate" – a quarterly location or team performance target-based program to encourage incident reduction
- **A national contest –** designed to motivate region management and staff to drive safety performance and awareness activities through "pep rallies" and safety tours
- **Individual motivators –** individual achievement awards– to help affect individual safety improvement through the use of personal recognition awards
- **A safety leadership group –** the "Safety Solution Team" (SST) – location teammates dedicated to making safety foremost by identifying and resolving safety issues
- **A communication tool –** "Safety Stop" newsletter – a peer-to-peer safety communication offering ideas on what works, safety happening, and safety pep rallies

Driver of the Month Program

Each month, our Fargo/Moorhead management team randomly selects a "Driver of the Month" from a pool of eligible drivers. The "Driver of the Month" receives a certificate of appreciation for their exemplary work and an additional gift. The recognized driver is named at the monthly safety meeting and is given the first parking spot just outside the driver entrance on the first of the following month.

Drivers have the opportunity to become "Driver of the Month" based on the following criteria:

- The driver has no substantiated complaints for the previous month
- The driver has no scored DriveCam events and has demonstrated safe driving habits
- The driver has attended the previous three monthly safety meetings, or the driver had scheduled a makeup session with the Safety Manager prior to being notified of the mandatory makeup session
- The driver has no preventable collisions or incidents
- The driver has not called in sick or missed any work other than previously scheduled paid time off
- The driver has not been named "Driver of the Month" in the previous 12-month period

First Transit Fargo-Moorhead provides every hourly employee the opportunity to achieve monthly financial bonuses for exemplary safety performance and excellent customer service! While providing the right wage compensation package to our drivers greatly enhances our employee retention efforts, it is also very important to reward those who are the safest and who provide the very best customer service. These incentives also boost employee retention.

Our proposal below briefly outlines some changes to each program we believe will create a renewed focus by drivers as they strive to achieve each bonus.

Monthly Safe Driving Bonus

An employee who can operate a fixed route coach or paratransit bus without an accident should be rewarded! The monthly payout to each employee who achieves this goal is $50.00 for full time employees and $25.00 for part time employees. Employees who receive this bonus for the entire quarter (3 months) will be given an additional bonus of $100.00 for full time employees and $50.00 for part time employees. Part-Time employees must work at least 40 hours per month in order to receive this bonus. In order to qualify each month, our employees must meet the following criteria:

- The employee must fully complete a pre/post trip inspection each day they work
- The employee must have no preventable collisions or passenger injuries
- The employee has no safety incidents resulting in any personal/passenger injury, damage, or other safety related issues
- The employee must have no traffic violations in company or personal vehicles
- An employee who has achieved their Safety Bonus for the entire calendar year will be rewarded. An additional bonus of $400.00 for full time or $200.00 for part time employees who have achieved all safety bonuses throughout the year will be given in December.
- The potential Safety Bonus earnings for this program are $1,400 annually.

First Transit proposes that the Fargo/Moorhead continue to provide this important employee incentive as a cost pass-through for the monthly and annual safety bonuses to encourage these employees to continually keep safety as a top priority.

DriveCam Clips

First Transit also uses DriveCam as a tool for recognizing and reinforcing safe behavior. Safe driving behavior is highlighted in our monthly safety meetings, as well as emphasizing all performance improvements. Operators who have not triggered DriveCam events are recognized monthly, quarterly, and annually. Additionally, operators receive annual safety awards and pins for safe driving behavior. These operators are recognized during the monthly safety meetings.

Incentive Service Bonus

The heart of our success depends on providing the very best customer service, This Incentive Service Bonus program will reward our MATBUS employees that provide excellent customer service, have perfect attendance, and do their very best! Employees have the opportunity to earn an additional $1,000.00 per year! This bonus will be paid out at $50.00 per month for full time employees who achieve the requirements listed below. Any full time employee who has achieved this bonus for three (3) consecutive months will be given an additional $100.00 at the end of the quarter. The cost of this incentive program is included in our pricing. Our employees earn this incentive based on the following criteria:

- No verifiable passenger complaints or incidents
- Have a perfect attendance record! Zero attendance points for current month (Late, absent, etc.)
- Be in a clean uniform at all times (shirt, trousers, tie, plain black shoes, and watch!)
- Completing and turning in all paperwork with no missing information; including: Manifests, DVIR for Pre and Post trip inspections, Payroll exception forms
- No ADA Violations (i.e. P.A. Announcements, lowering ramp/kneeler)
- Attendance at all monthly safety meetings
- Having no other discipline incidents / actions

Hiring Retention Bonus

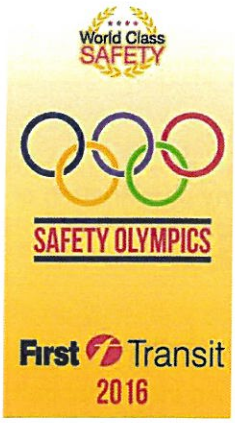
To further incentivize new employees to remain with our company and reduce new employee turnover, we will institute an operator retention bonus at this project. This simple and straight forward incentive will reward an employee with $300 at their 90 day anniversary, and an additional $500 when they reach six months of employment. Fully understanding the intense competition we face with retaining employees, we believe this incentive has the potential to reduce turnover and will certainly pay for itself with its success in quality operations for MATBUS and MAT Paratransit.

Focus on Safety 2016

The Focus on Safety program addresses the root causes of accidents and injuries. To do that, we focus on improving the knowledge, foresight, awareness, judgment, and skills of our employees. Part of that process is involving all employees, from drivers to managers, in the program.

First Transit FOCUS ON SAFETY

This year's Focus on Safety incentive is an Olympic-themed program that supports the ideals of World Class Safety. It urges all team members to compare themselves to Olympic Athletes. What does it take to win the gold medal? How about hours of training? Dedication? Determination? Perseverance? Focus? The same holds true for a First Transit Safety Olympian!



At the start of the program all employees will receive a World Class Safety Olympic (WCSO) Booklet. This booklet contains valuable information about the WCSO program and incentive earning opportunities. The year is divided into four periods, each with its own topic, calendar and a place to affix Olympic rings earned. Participants earn Olympic rings by performing the following:

- **In Service Meeting Participation –** Attend the monthly in service training session to earn one Green WCS Olympic Ring
- **Injury Prevention Contacts –** Submit two Injury Prevention Contacts in the Near Miss or Hazard category to earn one Blue WCS Olympic Ring
- **No Injuries –** Have no preventable injuries to earn one Yellow WCS Olympic Ring
- **No Collisions –** Have no preventable collisions or passenger injuries and earn one Red WCS Olympic Ring
- **Attendance –** Have no unexcused absences or suspensions to earn one Purple WCS Olympic Ring

Employees can earn up to five (5) WCS Olympic Rings per period for a total of 15 per quarter to earn lapel pin 'medals.'

- 15 Olympic Rings = Gold Medal
- 14 Olympic Rings = Silver Medal
- 13 Olympic Rings = Bronze Medal

An employee who earns a medal in three Events (Quarters) will earn a WCS Lapel Medallion and be entered into the Olympic Medalist Sweepstakes!

- Three Gold Medals = Gold Medallion entry in levels A, B, C
- Three Sliver (any mix w/o bronze) = Silver Medallion entry in levels B, C
- Three Bronze (any mix w/bronze) = Bronze Medallion entry in level C

Tryout Medals Earned	WCS Lapel Medallion Earned	Olympic Sweepstakes Level	Awards per Level	Entered Into Levels
Three Gold	Gold	"A"	60	A & B & C
Any combination of three Gold and Silver	Silver	"B"	225	B & C
Any combination of three Pins	Bronze	"C"	450	C
~ An individual can win only one Sweepstakes Award				

Awards will include prize options such as:

Level A - Gold	Level B - Silver	Level C - Bronze
IPad Air 2	Bose Headphones	FitBit
Hero 4 Action Camera	Microsoft Band Smartwatch	Cabela's Rod and Reel Spinning Combo (Fishing Pole)
Sonos Wireless Speakers	Pebble-Steel Smartwatch	PowerTen Travel Charger
	Soundlink Mini Bluetooth Speaker	Cutter and Buck Pacific Fremont Backpack

Location general managers are also competing for awards for their locations, by size and scope of their service to promote safe operations. Awards for locations will include items such as new break room refrigerators, flat screen TVs, or a grill for employee cookouts.

2.7 On-Time Performance and Road Supervision

Describe the proposed method of ensuring on-time performance. Indicate road supervision activities in terms of daily coverage and specific tasks to be undertaken. Provide checklists as applicable. Attach and label "2.7-Ontime Performance and Road Supervision."

Our Operations Management Plan starts with diligent oversight of the project by our management staff, led by our on-site General Manager, Matthew Peterson. For operations management, Matthew closely monitors service and route supervision, including daily performance and quality of service, with additional oversight of dispatch provided by Operations Supervisor, Andrew Almer. This encompasses observation and analysis of operations data and frequent key performance reports, which affect either our service efficiency or the public's