



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano
Kerrie Romanow

SUBJECT: SEE BELOW

DATE: May 14, 2018

Approved

Date

5/25/18

SUBJECT: ACTIONS RELATED TO IMPLEMENTING LIVING WAGE REQUIREMENTS FOR RECYCLE PLUS RESIDENTIAL GARBAGE AND RECYCLING CONTRACTS

RECOMMENDATION

- a) Accept the staff report on:
 - 1. The proposed methodology to implement a Modified Living Wage for Recycle Plus Customer Service Representatives, Mechanics, and Materials Recovery Facility workers ("Facility Workers"), and
 - 2. Updated labor peace plans from the Recycle Plus contractors.
- b) Adopt a resolution authorizing the City Manager to negotiate and execute contract amendments with GreenTeam of San Jose and GreenWaste Recovery Inc. to implement a Modified Living Wage Requirement for Recycle Plus Facility Workers effective September 1, 2018.
- c) Direct staff to include a Living Wage requirement for the Recycle Plus program in future residential garbage and recycling agreements.

OUTCOME

Approval of the recommendation will accept staff's proposal for a Modified Living Wage (MLW) requirement, specific only to Recycle Plus residential garbage and recycling agreements, so as to implement the City's Living Wage Policy (Council Policy 3-3) in San José facilities that process waste collected both within and outside of San José, and will also accept new labor peace plans from all residential solid waste contractors.

Approval of this recommendation will also authorize the City Manager's Office to negotiate and execute contract amendments with GreenTeam of San Jose (GreenTeam) and GreenWaste

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Recovery Inc. (GreenWaste) to incorporate a MLW requirement effective September 1, 2018. In FY 2018-2019, the approximate \$2.4 million in costs associated with MLW will be offset by the Rate Stabilization Reserve in the Integrated Waste Management Fund (Fund 423). The ongoing costs for implementation of MLW are approximately \$3 million annually.

Finally, approval of this recommendation will direct staff to include a full living wage requirement across all future Recycle Plus agreements.

BACKGROUND

At the December 19, 2017 City Council meeting, (Item 7.1 “Wage Standards for Residential Garbage & Recycling Contracts”) staff was directed to return to Council with:

- A methodology to calculate an MLW for Recycle Plus “Facility Workers,” which includes:
 - Materials Recovery Facility (MRF) workers at the GreenWaste MRF;
 - Customer Service Representatives (CSRs) under all four Recycle Plus contractors; and,
 - Mechanics under all four Recycle Plus contractors;
- An update on the cost implications of implementing the MLW; and,
- Updated labor peace plans from existing haulers.

The Environmental Services Department (ESD) provides recycling and garbage services to more than 320,000 residential households from both single-family and multi-family dwellings through four service providers: GreenTeam, GreenWaste, Garden City Sanitation (GCS), and California Waste Solutions (CWS). All four providers were obtained through competitive processes (GreenTeam and GreenWaste in 2000, GCS and CWS in 2006). In 2010, the agreements were renegotiated and replaced with new contracts, made coterminous to all expire in 2021. A status report on negotiations to continue services with the incumbent contractors will also be presented to City Council on June 5, 2018.

The Council request to include a living wage requirement in the Recycle Plus agreements was brought forward in 2017. As shown in the table below, staff’s review of Facility Workers in the current Recycle Plus agreements show amendments are necessary with the GreenWaste and GreenTeam agreements as their agreements include Facility Worker classifications that currently do not have a wage requirement. It is not necessary to amend the contracts with CWS or GCS to implement a Living Wage requirement since all Facility Worker classifications under their operation currently have wage requirements either through prevailing wage or a collective bargaining agreement. See Attachment A for more information on residential contractor key services and wage requirements.

Contractor	Facility Worker Classifications
CWS	<p>No Amendment Needed For Modified Living Wage</p> <ul style="list-style-type: none"> • MRF Workers – prevailing wage requirement in Agreement • Customer Service Representatives - represented by collective bargaining agreement • Mechanics - represented by a collective bargaining agreement
GreenWaste	<p>Amendment Needed</p> <ul style="list-style-type: none"> • MRF Workers – <u>No Wage Requirement</u> for work performed on San José materials • Customer Service Representatives – <u>No Wage Requirement</u> • Mechanics – <u>No Wage Requirement</u>
GreenTeam	<p>Amendment Needed</p> <ul style="list-style-type: none"> • MRF Workers – Subcontracts processing to GreenWaste effective March 2014 • Customer Service Representatives – <u>No Wage Requirement</u> • Mechanics - represented by a collective bargaining agreement
GCS	<p>No Amendment Needed For Modified Living Wage</p> <ul style="list-style-type: none"> • MRF Workers – Not Applicable, No MRF Operation • Customer Service Representatives - represented by collective bargaining agreement • Mechanics - represented by a collective bargaining agreement

ANALYSIS

Staff recommends amending the GreenTeam and GreenWaste agreements, as these agreements include work by employees (or subcontracted employees, in the case of GreenTeam) that are not currently subject to a wage standard in the agreement and are not represented. As mentioned previously, GreenTeam subcontracts single-family and multi-family recyclables processing to GreenWaste. In addition, the CSRs at GreenTeam do not currently have a wage requirement, so it is recommended that the GreenTeam agreement be amended to require MLW for the CSRs. Amending the GreenTeam and GreenWaste agreements will ensure that classifications performing San José work under these agreements will receive at least the MLW. Staff also recommends that future Recycle Plus agreements include the wage standards in compliance with the Council Policy 3-3 (Living Wage Policy).

Proposed Modified Living Wage

The GreenWaste MRF is a regional facility that processes material from various jurisdictions; the MRF operation is not dedicated exclusively to San José. Determining what workers are covered under the City’s Living Wage Policy has proven to be too difficult because Greenwaste’s workers do not work exclusively on San José material or on one line at a time. Accordingly, working with GreenWaste, staff developed the formula below to calculate the percentage of time at GreenWaste spent processing San José materials.

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Percentage of Time Spent on San José Materials at GreenWaste Facility:

$$45.71\% = \frac{424,268 \text{ San José Tons Processed at GreenWaste}}{5.1 \text{ Operating Days per Week} * x 52 \text{ Weeks per Year} x 3,500 \text{ Permitted Tons Per Day}}$$

*GreenWaste occasionally processes San José materials on Saturdays.

The MLW is then calculated by applying the San José Living Wage to the estimated percentage of San José time and applying San José Minimum Wage to the estimated percentage of non-San José time as a default since the agreements do not have wage requirements for these classifications. The proposed methodology results in a MLW of \$17.26 with health benefits and \$17.83 without health benefits for Facility Workers (MRF workers, CSRs, and Mechanics).

\$ 9.93 = 45.71% of San José Living Wage with health benefits (\$21.73, 7/1/18 – 6/30/19)

\$ 7.33 = 54.29% of San José Minimum Wage (\$13.50, through 12/31/18)

\$17.26 = MLW with Health Benefits, effective July 1, 2018

\$ 10.50 = 45.71% of San José Living Wage without health benefits (\$22.98, 7/1/18 – 6/30/19)

\$ 7.33 = 54.29% of San José Minimum Wage (\$13.50, through 12/31/18)

\$ 17.83 = MLW without Health Benefits, effective July 1, 2018

The MLW would be adjusted on July 1 of each year using the then-current San José Living and Minimum Wages. The percentage of San José time (45.71%) would remain fixed unless there is any change in GreenWaste's permitted capacity and/or any increase or decrease in San José material processed at GreenWaste greater than or equal to 20 percent.

Resubmission of Labor Peace Plans

CWS, GCS, GreenTeam and GreenWaste have resubmitted labor peace plans (Attachment B) that demonstrate a good work environment and prevent disruption in services due to disputes with its employees.

EVALUATION AND FOLLOW-UP

With Council authorization, staff will work with the City Manager's Office and the City Attorney's Office to negotiate and execute the attached amendments to the GreenTeam and GreenWaste agreements to implement the MLW for Facility Workers effective September 1, 2018. Facility Workers in applicable classifications working on the GreenTeam or GreenWaste San José Recycle Plus agreements would be compensated at minimum the San José MLW. Public Works' Office of Equality Assurance will work with GreenTeam and GreenWaste annually to certify the payment of prevailing wage and MLW through a Payroll Summary Report as supporting documentation. Additionally, future Recycle Plus agreements will include the wage standards in compliance with the Council Policy 3-3 (Living Wage Policy).

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POLICY ALTERNATIVES

Alternative: Do not implement modified living wage in the current GreenTeam and GreenWaste agreements; include living wage standards in future Recycle Plus agreements. CWS, GCS, GreenTeam, and GreenWaste Drivers and CWS MRF workers would continue to be subject to prevailing wage requirements through the term of the current agreements expiring in June 2021.

Pros: Avoided use of \$2.4 million in rate stabilization funds from Fund 423 in 2018-2019 and no ratepayer impact through remaining contract term, June 2021.

Cons: Facility Workers would not be required to receive a City-specified modified living wage. However, they would be required to receive the City's minimum wage.

Reason for not recommending: Defers implementation of a modified living wage requirement for Facility Workers until July 2021 or later.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 5, 2018, City Council Meeting.

COORDINATION

This memorandum has been coordinated with the City Manager's Budget Office and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

There is no commission recommendation/input associated with this action.

COST SUMMARY/IMPLICATIONS

There would be no cost impact to GreenTeam because their CSRs are already paid above the MLW. The associated cost increase from September 2018 through June 2019 would be passed onto ratepayers through increases in GreenWaste single-family and multi-family processing rates, resulting in a cost of \$1.6 million for Single-Family Dwellings (SFD) and \$800,000 for Multi-Family Dwellings (MFD). The Rate Stabilization Reserve within the Integrated Waste Management Fund is sufficient to fund these costs in the implementation year due to both prior and current year savings. The ongoing costs for implementation of MLW are approximately \$3 million annually and would likely require a ratepayer increase in 2019-2020. On April 21, 2017, Proposition 218 notices were mailed to all property owners that are subject to Recycle Plus rates. The notice specified maximum five percent annual rate increases for 2017-2018, 2018-2019, and

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2019-2020. Should necessary rate increases in 2019-2020 exceed the previously noted amount of five percent, then an additional rate notice under Proposition 218 will be required to be distributed in spring 2019.

CEQA

Not a Project, File PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/
MATT CANO
Director of Public Works

/s/
KERRIE ROMANOW
Director of Environmental Services

For questions, please contact Christopher Hickey, Division Manager, Public Works Department at (408) 535-8455 and/or Shikha Gupta, Interim Deputy Director, Environmental Services Department at (408) 975-2520.

Attachments:

- A. Residential Contractors Key Services and Wage Requirements
- B. Recycle Plus Contractor Labor Peace Plans

Attachment A

Residential Contractors Key Services and Wage Requirements

Contractor	Key Services	Classifications Subject to Prevailing Wage	Classifications <u>Not</u> Subject to City Wage Standard
CWS	Districts A & C Single-Family: ✓ Recycling Collection & Processing ✓ Large Item Collection ✓ Large Item Processing MRF serves San Jose exclusively.	✓ Recycle Driver* MRF: ✓ Sorter* ✓ Floor Sorter/Raker* ✓ Spotter* ✓ Buy Back Operator* ✓ Mechanic* ✓ Equipment Operator* ✓ Baler Operator* ✓ Scale Operator*	✓ Customer Service Representatives* ✓ Truck Mechanics*
GreenWaste	Single-Family and Multi-Family Citywide: ✓ Yard Trimmings Collection & Processing ✓ Residential Street Sweeping ✓ Garbage Processing Regional MRF processes curbside recyclables from 39 jurisdictions, municipal solid waste from 15 jurisdictions, and yard waste from 11 jurisdictions.	✓ Yard Trimming Claw Driver ✓ Yard Trimming Collection Driver ✓ Street Sweeper	✓ Customer Service Representatives ✓ Truck Mechanics MRF: ✓ Sorter ✓ Floor Sorter/Raker ✓ Spotter ✓ Buy Back Operator ✓ Mechanic ✓ Equipment Operator ✓ Baler Operator ✓ Scale Operator
GreenTeam	District B Single-Family and Multi-Family Citywide: ✓ Recycling, Garbage & Large Item Collection ✓ Recycling and Large Item Processing No MRF - Subcontracts processing to GreenWaste effective March 2014.	✓ Garbage Driver* ✓ Recycle Driver*	✓ Customer Service Representatives ✓ Truck Mechanics*
GCS	Districts A & C Single-Family: ✓ Garbage Collection No MRF	✓ Garbage Driver*	✓ Customer Service Representatives* ✓ Truck Mechanics*

*Indicates classification is represented by a collective bargaining agreement.

ATTACHMENT B

RECYCLE PLUS CONTRACTOR LABOR PEACE PLANS

California Waste Solutions Labor Peace Plan

SECTION I: CONTRACTOR INFORMATION

Contractor Name: California Waste Solutions Inc.

Date: April 3, 2018

Address: 1120 Berryessa Rd, San Jose, CA 95133

Phone: 408.213.7800

Prepared by: Grace Carrera

Title: Director of Human Resources

SECTION II: EMPLOYEE HEALTH BENEFITS

1. Does your company provide a health insurance plan or program for employees?

NO, we do not provide a health insurance plan or program for employees.

YES, we do provide a health insurance plan or program for employees.

If the answer is no, does your company provide benefits in lieu of a health insurance plan? (Be specific. Describe on a separate sheet and attach.)

2. If the answer to Question 1 above is yes, please provide the following information:

2a. Please list the health insurance plan(s) or program(s) offered to your employees (use additional sheets if necessary)

Teamsters Benefit Trust

2b. What is the contribution by the employee per pay period to this plan?

\$0 for single coverage, no dependents

\$0 for family coverage, with dependents

Pay period is (check one): Weekly Bi-weekly Semi-monthly Monthly

2c. What is the contribution by the company, per employee, per pay period, to this plan?

\$ See attached for single coverage, no dependents

\$ See attached for family coverage, with dependents

2d. How long must the employee be employed by your company before they are eligible for health insurance coverage?

An employee needs to have 80 hours for prior month to qualify for current month benefit
 Days Month Year

2e. What job classifications of your employees are covered by the insurance program outlined above? (Use additional sheets if necessary.)

MATERIAL RECOVERY FACILITY (MRF): Sorter, Equipment Operator, Scale Operator, Maintenance, Mechanic. COLLECTION FACILITY: Customer Service, Driver, Mechanic

2f. Does your health insurance coverage pertain to part-time and full-time employees?

Yes No

If no, please explain. **Click or tap here to enter text.**

SECTION III: EMPLOYEE BASIC BENEFITS

1. Indicate the basic benefits your workers receive.

Years of Service	# of Vacation Days	# of Sick Days	# of Personal Days
After 1 year	See attached	See attached	See attached
After 5 years	See attached	See attached	See attached
After 10 years	See attached	See attached	See attached

Other: (Explain.)

Click or tap here to enter text.

2. Indicate the paid holidays your workers receive by placing check mark to the left of each.

<input type="checkbox"/>	New Year's Day	<input type="checkbox"/>	Independence Day	<input type="checkbox"/>	Christmas
<input type="checkbox"/>	Martin Luther King Jr. Day	<input type="checkbox"/>	Labor Day	<input type="checkbox"/>	Floating Holiday
<input type="checkbox"/>	Washington's Birthday	<input type="checkbox"/>	Veterans' Day	<input type="checkbox"/>	Other: See attached
<input type="checkbox"/>	Memorial Day	<input type="checkbox"/>	Thanksgiving Day	<input type="checkbox"/>	Other:

3. Do you allow for unpaid leave? Yes, please explain policy. No

Per CBA's, they have personal leave absence clause, personal unpaid days off. Also FMLA, State Disability, Paid Family Leave.

SECTION IV: EMPLOYEE COMPLAINT PROCEDURE

1. Does your company have an employee complaint resolution procedure?

YES (Attach a copy of our company's employee complaint resolution procedure).

NO, our company does not have an employee complaint resolution procedure.

SECTION V: COMPLIANCE WITH STATE AND FEDERAL WORKPLACE STANDARDS

Have any of the following State or Federal Regulatory agencies obtained final orders or final judgments finding a violation by your company of State or Federal law relating to the treatment of your employees? If your answer is yes to any of the questions below, please provide the date of entry of the final judgment or order, the agency which obtained the order, and a brief description of the nature of the violation on a separate sheet of paper.

1. California Department of Fair Employment and Housing Department (DFEH).

NO, our company has not had any final judgment or administrative order.

YES, our company has had final judgment(s) or administrative order(s).

2. California Department of Industrial Relations (Cal OSHA).

NO, our company has not had any final judgment(s) or administrative order(s)

YES, our company has had final judgment(s) or administrative order(s).

3. California Department of Industrial Relations (Minimum Wage, hours or working conditions) Labor Board

NO, our company has not had any final judgment(s) or administrative order(s).

YES, our company has had final judgment(s) or administrative order(s).

SECTION VI: LABOR PEACE ASSURANCE

The City of San José has determined that labor peace is essential to the proprietary interests of the City to ensure that contractors conducting business on City property are good employers, provide a good work environment without encroaching on the contractor's ability to conduct business and comply with federal, state and City employment policies.

Contractors are free to submit any plan or program that demonstrates a good work environment and prevents disruption in services due to disputes with its employees. The following examples are provided solely for purpose of example. They are not intended to limit a contractor in any way from submitting any plan or program that assures labor peace.

1. Any existing or proposed plans, benefits or programs undertaken by the employer to attract and retain qualified employees and assist in providing uninterrupted service through the employer's workplace condition and practices (Example: Company's Employee Handbook);
2. A written dispute resolution policy or procedure (Example: Company's Employee Handbook);
3. A written grievance policy or procedure (Example: Company's Employee Handbook);
4. The formation of a joint labor-management committee – A committee comprised of employees from both labor and management to discuss issues of mutual concern;
5. A collective bargaining agreement between a firm and a recognized union;
6. Labor neutrality provision – A labor neutrality provision means the employer will accept a union's campaign to convince the employer's employees about the merits of unionization and also refrain from offering arguments against unionization;
7. "Card Check" provision – A "card check" provision means the employer would agree to allow representatives from a labor union to come on company property during work hours for the purpose of organizing its workforce and collecting union authorization cards. The employer pledges to recognize the union if a certain number of signed union authorization cards are collected. This type of provision is typically coupled with a Labor Neutrality provision;
8. Any other information, plan or program regarding how the contractor will protect against disruptions in service due to disputes with its employees during the Term and any Option period of the Agreement.

Contractors are required to respond in the space provided below and attach any documents to show how it will prevent labor disputes or unrest from occurring during the term of the City Agreement.

Contractor provides the following Labor Peace Assurance(s):

1. Currently have Collective Bargaining Agreements with Teamsters Local 350 for Clerical, Drivers/Mechanics, Material Recovery Facility (MRF)/Mechanics.
2. Alternative Dispute Resolution – Employee Handbook Policy

Garden City Sanitation Labor Peace Plan

SECTION I: CONTRACTOR INFORMATION

Contractor Name: Garden City Sanitation, Inc.

Date: April 3 2018

Address: 1080 Walsh Avenue Santa Clara, CA 95050

Phone: 408 988 4500

Prepared by: Kent Kenney

Title: Chief Financial Officer

SECTION II: EMPLOYEE HEALTH BENEFITS

1. Does your company provide a health insurance plan or program for employees?

NO, we do not provide a health insurance plan or program for employees.

YES, we do provide a health insurance plan or program for employees.

If the answer is no, does your company provide benefits in lieu of a health insurance plan? (Be specific. Describe on a separate sheet and attach.)

2. If the answer to Question 1 above is yes, please provide the following information:

2a. Please list the health insurance plan(s) or program(s) offered to your employees (use additional sheets if necessary)

Blue Shield, Kaiser

2b. What is the contribution by the employee per pay period to this plan?

\$0 for single coverage, no dependents

\$0 for family coverage, with dependents

Pay period is (check one): Weekly Bi-weekly Semi-monthly Monthly

2c. What is the contribution by the company, per employee, per pay period, to this plan?

\$N/A Employer cover 100% for single coverage, no dependents

\$N/A Employer Covers 100% for family coverage, with dependents

2d. How long must the employee be employed by your company before they are eligible for health insurance coverage?

Click or tap here to enter text. Days Month Year

2e. What job classifications of your employees are covered by the insurance program outlined above? (Use additional sheets if necessary.)

All fulltime employees

2f. Does your health insurance coverage pertain to part-time and full-time employees?

Yes No

If no, please explain. Full time employees currently no part time employees

SECTION III: EMPLOYEE BASIC BENEFITS

1. Indicate the basic benefits your workers receive.

Years of Service	# of Vacation Days	# of Sick Days	# of Personal Days
After 1 year	5	12	6
After 5 years	15	12	6
After 10 years	20	12	6

Other: (Explain.)

Click or tap here to enter text.

2. Indicate the paid holidays your workers receive by placing check mark to the left of each.

<input checked="" type="checkbox"/>	New Year's Day	<input checked="" type="checkbox"/>	Independence Day	<input checked="" type="checkbox"/>	Christmas
<input checked="" type="checkbox"/>	Martin Luther King Jr. Day	<input checked="" type="checkbox"/>	Labor Day	<input type="checkbox"/>	Floating Holiday
<input checked="" type="checkbox"/>	Washington's Birthday	<input checked="" type="checkbox"/>	Veterans' Day	<input type="checkbox"/>	Other: anniversary day
<input checked="" type="checkbox"/>	Memorial Day	<input checked="" type="checkbox"/>	Thanksgiving Day	<input type="checkbox"/>	Other: birthday

3. Do you allow for unpaid leave? Yes, please explain policy. No

Click or tap here to enter text.

SECTION IV: EMPLOYEE COMPLAINT PROCEDURE

1. Does your company have an employee complaint resolution procedure?

YES (Attach a copy of our company's employee complaint resolution procedure).

NO, our company does not have an employee complaint resolution procedure.

SECTION V: COMPLIANCE WITH STATE AND FEDERAL WORKPLACE STANDARDS

Have any of the following State or Federal Regulatory agencies obtained final orders or final judgments finding a violation by your company of State or Federal law relating to the treatment of your employees? If your answer is yes to any of the questions below, please provide the date of entry of the final judgment or order, the agency which obtained the order, and a brief description of the nature of the violation on a separate sheet of paper.

1. California Department of Fair Employment and Housing Department (DFEH).

NO, our company has not had any final judgment or administrative order.

YES, our company has had final judgment(s) or administrative order(s).

2. California Department of Industrial Relations (Cal OSHA).

NO, our company has not had any final judgment(s) or administrative order(s).

YES, our company has had final judgment(s) or administrative order(s).

3. California Department of Industrial Relations (Minimum Wage, hours or working conditions) Labor Board

NO, our company has not had any final judgment(s) or administrative order(s).

YES, our company has had final judgment(s) or administrative order(s).

SECTION VI: LABOR PEACE ASSURANCE

The City of San José has determined that labor peace is essential to the proprietary interests of the City to ensure that contractors conducting business on City property are good employers, provide a good

work environment without encroaching on the contractor's ability to conduct business and comply with federal, state and City employment policies.

Contractors are free to submit any plan or program that demonstrates a good work environment and prevents disruption in services due to disputes with its employees. The following examples are provided solely for purpose of example. They are not intended to limit a contractor in any way from submitting any plan or program that assures labor peace.

1. Any existing or proposed plans, benefits or programs undertaken by the employer to attract and retain qualified employees and assist in providing uninterrupted service through the employer's workplace condition and practices (Example: Company's Employee Handbook);
2. A written dispute resolution policy or procedure (Example: Company's Employee Handbook);
3. A written grievance policy or procedure (Example: Company's Employee Handbook);
4. The formation of a joint labor-management committee – A committee comprised of employees from both labor and management to discuss issues of mutual concern;
5. A collective bargaining agreement between a firm and a recognized union;
6. Labor neutrality provision – A labor neutrality provision means the employer will accept a union's campaign to convince the employer's employees about the merits of unionization and also refrain from offering arguments against unionization;
7. "Card Check" provision – A "card check" provision means the employer would agree to allow representatives from a labor union to come on company property during work hours for the purpose of organizing its workforce and collecting union authorization cards. The employer pledges to recognize the union if a certain number of signed union authorization cards are collected. This type of provision is typically coupled with a Labor Neutrality provision;
8. Any other information, plan or program regarding how the contractor will protect against disruptions in service due to disputes with its employees during the Term and any Option period of the Agreement.

Contractors are required to respond in the space provided below and attach any documents to show how it will prevent labor disputes or unrest from occurring during the term of the City Agreement.

Contractor provides the following Labor Peace Assurance(s):

A collective bargaining agreement between Local 350. Please see Exhibit 7 of the current franchise agreement between GCS and the city of San Jose

GreenTeam Labor Peace Plan

SECTION I: CONTRACTOR INFORMATION

Contractor Name: GreenTeam of San Jose

Date: 03/29/2018

Address: 1333 Oakland Road, San Jose, CA 95112

Phone: 408/283-8500

Prepared by: Weslie McConkey

Title: Project Manager

SECTION II: EMPLOYEE HEALTH BENEFITS

1. Does your company provide a health insurance plan or program for employees?

NO, we do not provide a health insurance plan or program for employees.

YES, we do provide a health insurance plan or program for employees.

If the answer is no, does your company provide benefits in lieu of a health insurance plan? (Be specific. Describe on a separate sheet and attach.)

2. If the answer to Question 1 above is yes, please provide the following information:

2a. Please list the health insurance plan(s) or program(s) offered to your employees (use additional sheets if necessary)

Please see Attachment A, 2017-2018 Benefits Guide Final for GreenTeam's non-union employees. GreenTeam's Teamsters 350 Union employees have health benefits from Teamsters Benefit Trust.

2b. What is the contribution by the employee per pay period to this plan?

\$Please see Attachment B, Employee - Company Contributions for details. for single coverage, no dependents

\$Please see Attachment B, Employee - Company Contributions for details. for family coverage, with dependents

Pay period is (check one): Weekly Bi-weekly Semi-monthly Monthly

2c. What is the contribution by the company, per employee, per pay period, to this plan?

\$Please see Attachment B, Employee - Company Contributions for details. for single coverage, no dependents

\$Please see Attachment B, Employee - Company Contributions for details. for family coverage, with dependents

2d. How long must the employee be employed by your company before they are eligible for health insurance coverage?

60 days for Non-Union Employees, 120 days for Union Employees. Days Month
 Year

2e. What job classifications of your employees are covered by the insurance program outlined above? (Use additional sheets if necessary.)

All Non-Union employees are offered the Waste Connections Health Benefits Plan, all Union employees are offered the Teamsters Benefit Trust Plan.

2f. Does your health insurance coverage pertain to part-time and full-time employees?

Yes No

If no, please explain. Health Insurance coverage is offered to active full-time employees scheduled to work at least 30 hours per week.

SECTION III: EMPLOYEE BASIC BENEFITS

1. Indicate the basic benefits your workers receive.

Years of Service	# of Vacation Days	# of Sick Days	# of Personal Days
After 1 year			
After 5 years			
After 10 years			

Other: (Explain.)

Please see Attachment C, GreenTeam SECTION III: EMPLOYEE BASIC BENEFITS

2. Indicate the paid holidays your workers receive by placing check mark to the left of each.

<input type="checkbox"/>	New Year's Day	<input type="checkbox"/>	Independence Day	<input type="checkbox"/>	Christmas
<input type="checkbox"/>	Martin Luther King Jr. Day	<input type="checkbox"/>	Labor Day	<input type="checkbox"/>	Floating Holiday
<input type="checkbox"/>	Washington's Birthday	<input type="checkbox"/>	Veterans' Day	<input type="checkbox"/>	Other: PLEASE SEE ATTACHMENT

<input type="checkbox"/>	Memorial Day	<input type="checkbox"/>	Thanksgiving Day	<input type="checkbox"/>	Other: _____
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3. Do you allow for unpaid leave? Yes, please explain policy. No

Yes, we allow unpaid leave as required by Federal and California Law and other discretionary allowances ie., extended bereavement, etc...

SECTION IV: EMPLOYEE COMPLAINT PROCEDURE

1. Does your company have an employee complaint resolution procedure?

YES (Attach a copy of our company's employee complaint resolution procedure).

NO, our company does not have an employee complaint resolution procedure.

SECTION V: COMPLIANCE WITH STATE AND FEDERAL WORKPLACE STANDARDS

Have any of the following State or Federal Regulatory agencies obtained final orders or final judgments finding a violation by your company of State or Federal law relating to the treatment of your employees? If your answer is yes to any of the questions below, please provide the date of entry of the final judgment or order, the agency which obtained the order, and a brief description of the nature of the violation on a separate sheet of paper.

1. California Department of Fair Employment and Housing Department (DFEH).

NO, our company has not had any final judgment or administrative order.

YES, our company has had final judgment(s) or administrative order(s).

2. California Department of Industrial Relations (Cal OSHA).

NO, our company has not had any final judgment(s) or administrative order(s)

YES, our company has had final judgment(s) or administrative order(s).

3. California Department of Industrial Relations (Minimum Wage, hours or working conditions) Labor Board

NO, our company has not had any final judgment(s) or administrative order(s).

YES, our company has had final judgment(s) or administrative order(s).

SECTION VI: LABOR PEACE ASSURANCE

The City of San José has determined that labor peace is essential to the proprietary interests of the City to ensure that contractors conducting business on City property are good employers, provide a good work environment without encroaching on the contractor's ability to conduct business and comply with federal, state and City employment policies.

Contractors are free to submit any plan or program that demonstrates a good work environment and prevents disruption in services due to disputes with its employees. The following examples are provided solely for purpose of example. They are not intended to limit a contractor in any way from submitting any plan or program that assures labor peace.

1. Any existing or proposed plans, benefits or programs undertaken by the employer to attract and retain qualified employees and assist in providing uninterrupted service through the employer's workplace condition and practices (Example: Company's Employee Handbook);
2. A written dispute resolution policy or procedure (Example: Company's Employee Handbook);
3. A written grievance policy or procedure (Example: Company's Employee Handbook);
4. The formation of a joint labor-management committee – A committee comprised of employees from both labor and management to discuss issues of mutual concern;
5. A collective bargaining agreement between a firm and a recognized union;
6. Labor neutrality provision – A labor neutrality provision means the employer will accept a union's campaign to convince the employer's employees about the merits of unionization and also refrain from offering arguments against unionization;
7. "Card Check" provision – A "card check" provision means the employer would agree to allow representatives from a labor union to come on company property during work hours for the purpose of organizing its workforce and collecting union authorization cards. The employer pledges to recognize the union if a certain number of signed union authorization cards are collected. This type of provision is typically coupled with a Labor Neutrality provision;
8. Any other information, plan or program regarding how the contractor will protect against disruptions in service due to disputes with its employees during the Term and any Option period of the Agreement.

Contractors are required to respond in the space provided below and attach any documents to show how it will prevent labor disputes or unrest from occurring during the term of the City Agreement.

Contractor provides the following Labor Peace Assurance(s):

EXHIBIT 19

EMPLOYEE AND LABOR RELATIONS PLAN

I. **Employer History**

Since CONTRACTOR's inception, employee and labor relations have been a critical component of CONTRACTOR's success. CONTRACTOR's drivers and mechanics are members of Teamsters Local 350 (collectively, the "Union Employees").

II. **Working Conditions Commitments**

CONTRACTOR prides itself on maintaining a commitment to its employees and assuring safe working conditions. Employees are directly involved in the development and review of new operational procedures and the review of current practices. Employees are involved in the selection of new equipment and pilot service projects.

III. **Labor Peace Commitment**

Management personnel meet with union representatives and officials to ensure that communications remain open. To the extent CONTRACTOR's service rates as set forth in Sections 20.5.1, 20.5.2, 20.5.3, and 20.5.4 are adjusted pursuant to the provisions of Sections 20.4 and 20.5 (the "RRI Adjustments"), CONTRACTOR agrees that in labor agreements which succeed the current 2017-2021 labor agreement, the CONTRACTOR will adjust the annual contract combined economics (e.g., benefits, wages, vacations, holidays, bonuses, etc.) taking into consideration criteria such as RRI, cost of living and company related factors.

IV. **Protection from Labor Discord**

CONTRACTOR's commitment to the above concepts has ensured no strikes have occurred since the beginning of CONTRACTOR's service to San Jose. Although CONTRACTOR has never experienced a strike in San Jose, CONTRACTOR has demonstrated its ability to work through labor discord through other service providers. CONTRACTOR also has developed a strike contingency plan that it can implement if necessary. In the event of a strike or other labor discord, CONTRACTOR shall implement its strike contingency plan to avoid material disruptions in service pursuant to Article 11. The strike contingency plan shall prioritize the collection of Garbage before Recyclable Material. At the City's discretion, the collection of Garbage from MFD Service Units and City Facility Service Units may occur before SFD Service Units. CITY reserves the right to request additional service to MFD Service Units and City Facility Service Units during the labor action if such service is necessary to maintain public health and safety. The postponement of the collection of Recyclable Material shall be permissible, in the interests of public health and safety.

Additionally, Please see Attachment E, CBA July 1, 2017 – June 30, 2021.

GreenWaste Recovery Labor Peace Plan

SECTION I: CONTRACTOR INFORMATION

Contractor Name: GreenWaste Recovery, Inc.

Date: 03/27/2018

Address: 1500 Berger Dr San Jose, CA 95112

Phone: (408) 938-4926

Prepared by: Yazmin Perez

Title: HR Specialist

SECTION II: EMPLOYEE HEALTH BENEFITS

1. Does your company provide a health insurance plan or program for employees?

NO, we do not provide a health insurance plan or program for employees.

YES, we do provide a health insurance plan or program for employees.

If the answer is no, does your company provide benefits in lieu of a health insurance plan? (Be specific. Describe on a separate sheet and attach.)

2. If the answer to Question 1 above is yes, please provide the following information:

2a. Please list the health insurance plan(s) or program(s) offered to your employees (use additional sheets if necessary)

United Health Care
Cigna (effective 4/1/18)

2b. What is the contribution by the employee per pay period to this plan?

\$0 for single coverage, no dependents
\$\$575.24 EPO Narrow / \$660.01 EPO Full for family coverage, with dependents

Pay period is (check one): Weekly Bi-weekly Semi-monthly Monthly

2c. What is the contribution by the company, per employee, per pay period, to this plan?

\$660.00 for single coverage, no dependents
\$660.00 for family coverage, with dependents

2d. How long must the employee be employed by your company before they are eligible for health insurance coverage?

60 Days Month Year

2e. What job classifications of your employees are covered by the insurance program outlined above? (Use additional sheets if necessary.)

MRF Sorters

2f. Does your health insurance coverage pertain to part-time and full-time employees?

Yes No

If no, please explain. [Click or tap here to enter text.](#)

SECTION III: EMPLOYEE BASIC BENEFITS

1. Indicate the basic benefits your workers receive.

Years of Service	# of Vacation Days	# of Sick Days	# of Personal Days
After 1 year	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="5"/>
After 5 years	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="15"/>
After 10 years	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="25"/>

Other: (Explain.)

[Click or tap here to enter text.](#)

2. Indicate the paid holidays your workers receive by placing check mark to the left of each.

<input checked="" type="checkbox"/>	New Year's Day	<input type="checkbox"/>	Independence Day	<input checked="" type="checkbox"/>	Christmas
<input type="checkbox"/>	Martin Luther King Jr. Day	<input type="checkbox"/>	Labor Day	<input type="checkbox"/>	Floating Holiday
<input type="checkbox"/>	Washington's Birthday	<input type="checkbox"/>	Veterans' Day	<input type="checkbox"/>	Other: <input type="text"/>
<input type="checkbox"/>	Memorial Day	<input checked="" type="checkbox"/>	Thanksgiving Day	<input type="checkbox"/>	Other: <input type="text"/>

3. Do you allow for unpaid leave? Yes, please explain policy. No

Dependent on reason for leave and workload of department

SECTION IV: EMPLOYEE COMPLAINT PROCEDURE

1. Does your company have an employee complaint resolution procedure?

YES (Attach a copy of our company's employee complaint resolution procedure).

NO, our company does not have an employee complaint resolution procedure.

SECTION V: COMPLIANCE WITH STATE AND FEDERAL WORKPLACE STANDARDS

Have any of the following State or Federal Regulatory agencies obtained final orders or final judgments finding a violation by your company of State or Federal law relating to the treatment of your employees? If your answer is yes to any of the questions below, please provide the date of entry of the final judgment or order, the agency which obtained the order, and a brief description of the nature of the violation on a separate sheet of paper.

1. California Department of Fair Employment and Housing Department (DFEH).

NO, our company has not had any final judgment or administrative order.

YES, our company has had final judgment(s) or administrative order(s).

2. California Department of Industrial Relations (Cal OSHA).

NO, our company has not had any final judgment(s) or administrative order(s)

YES, our company has had final judgment(s) or administrative order(s).

3. California Department of Industrial Relations (Minimum Wage, hours or working conditions) Labor Board

NO, our company has not had any final judgment(s) or administrative order(s).

YES, our company has had final judgment(s) or administrative order(s).

SECTION VI: LABOR PEACE ASSURANCE

The City of San José has determined that labor peace is essential to the proprietary interests of the City to ensure that contractors conducting business on City property are good employers, provide a good work environment without encroaching on the contractor's ability to conduct business and comply with federal, state and City employment policies.

Contractors are free to submit any plan or program that demonstrates a good work environment and prevents disruption in services due to disputes with its employees. The following examples are provided solely for purpose of example. They are not intended to limit a contractor in any way from submitting any plan or program that assures labor peace.

1. Any existing or proposed plans, benefits or programs undertaken by the employer to attract and retain qualified employees and assist in providing uninterrupted service through the employer's workplace condition and practices (Example: Company's Employee Handbook);
2. A written dispute resolution policy or procedure (Example: Company's Employee Handbook);
3. A written grievance policy or procedure (Example: Company's Employee Handbook);
4. The formation of a joint labor-management committee – A committee comprised of employees from both labor and management to discuss issues of mutual concern;
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6. Labor neutrality provision – A labor neutrality provision means the employer will accept a union's campaign to convince the employer's employees about the merits of unionization and also refrain from offering arguments against unionization;
7. "Card Check" provision – A "card check" provision means the employer would agree to allow representatives from a labor union to come on company property during work hours for the purpose of organizing its workforce and collecting union authorization cards. The employer pledges to recognize the union if a certain number of signed union authorization cards are collected. This type of provision is typically coupled with a Labor Neutrality provision;
8. Any other information, plan or program regarding how the contractor will protect against disruptions in service due to disputes with its employees during the Term and any Option period of the Agreement.

Contractors are required to respond in the space provided below and attach any documents to show how it will prevent labor disputes or unrest from occurring during the term of the City Agreement.

Contractor provides the following Labor Peace Assurance(s):

EMPLOYEE AND LABOR RELATIONS PLAN

GreenWaste Recovery, Inc. (GreenWaste) has been in business since 1991 and currently has over 500 employees performing various jobs in its Solid Waste collection and recycling operations. Its main facility is located at 625 Charles Street in San Jose and has satellite facilities in Watsonville and Marina, California. GreenWaste has always had great relationships with its employees. In its history, GreenWaste has never had a work stoppage or missed any of its collection or processing requirements due to a labor unrest. It is GreenWaste's commitment to its employees to provide satisfactory working conditions with pay and benefits commensurate with the work performed.

GreenWaste has always subscribed to labor peace and will continue to do so for this contract. GreenWaste will also abide by all laws relating to labor issues including fair labor negotiations.

GreenWaste has never had "labor discord" in its operations and doesn't anticipate any in the future; however, there is no way to guarantee there will never be any. GreenWaste has always provided many benefits and programs outside its employment contract with its employees to maintain a competent and contented work force.

However, should there be a "labor discord" that GreenWaste is unable to dispel, it guarantees to perform and fulfill all the requirements of this contract.