



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Matt Cano  
Kerrie Romanow

**SUBJECT:** SEE BELOW

**DATE:** November 13, 2018

Approved

*D. DSYL*

Date

*11/20/18*

**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) The Updated labor peace plans from Recycle Plus contractors.

b) Direct staff to negotiate the inclusion of a Modified Living Wage requirement, as approved by Council, in future residential garbage and recycling agreements for the Recycle Plus program.

## OUTCOME

Approval of the recommendation will accept staff's proposal to implement the City's Living Wage Policy (Council Policy 3-3) through a Modified Living Wage (MLW) requirement in future recycling and garbage services agreements. Staff's proposed Modified Living Wage Requirement accounts for the difficulty in implementing the City's Living Wage Policy in facilities that process commingled waste collected within and outside of San José. Approval of this recommendation will also accept new labor peace plans from all residential solid waste contractors.

## **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 currently includes:
  - Materials Recovery Facility (MRF) workers;
  - 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 contractors.

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 that all expire on June 30, 2021. A status report on negotiations with the incumbent contractors will also be presented to City Council on December 4, 2018.

Living wage requirements for Facility Workers were not included in the original Request for Proposal packages with the four providers in 2000, as Facility Workers were not subject to City’s Living Wage Policy. The residential solid waste services contracts (and associated Request for Proposals) include prevailing wage requirements for the classifications shown in Attachment A. CWS, GCS and GreenTeam operate under collective bargaining agreements with Teamsters Local 350. The wages paid under these collective bargaining agreements are higher than the prevailing wages established by the Office of Equality Assurance. GreenWaste does not operate under a collective bargaining agreement and therefore is required to pay not less than the City’s established prevailing wage rates. The Materials Recovery Facility (MRF) workers at CWS receive prevailing wage because Council directed the Office of Equality Assurance to perform a wage survey and extended prevailing wage requirements to CWS (as a subcontractor to the previous contractor, Norcal) as part of 2002 Recycle Plus agreements and prior to the procurement of current Recycle Plus contracts.

As shown in the table below, staff’s review of Facility Workers in the current Recycle Plus agreements show that the GreenWaste and GreenTeam agreements include Facility Worker classifications that currently do not have a wage requirement. Facility Worker classifications under the CWS and GCS operation currently have wage requirements either through prevailing wage or a collective bargaining agreement. See Attachment A for additional information on residential contractor key services and wage requirements.

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

## **ANALYSIS**

As part of the ongoing negotiations with existing haulers, staff recommends negotiating the implementation of MLW in any new Recycle Plus agreements as a means of complying with the City's Living Wage Policy (Council Policy 3-3).

### **Proposed Modified Living Wage**

Under Council Policy 3-3 (Living Wage Policy), contractors who are awarded certain City service and labor contracts are required to pay a minimum level of compensation and provide a minimum number of compensated days off to covered employees who work on these contracts. Determining which regional facility workers are covered under the City's Living Wage Policy has proven to be difficult because workers do not work exclusively on San José material or on one sorting line at a time. GreenWaste MRF, for example, does not have wage standards and is a regional facility that processes material from various jurisdictions, meaning the MRF operation is not dedicated exclusively to San José. Accordingly, staff developed the formula below to calculate the percentage of time at GreenWaste spent processing San José materials.



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

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

\*GreenWaste occasionally processes San José materials on Saturdays.

The MLW is 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. The proposed methodology results in a 2018-2019 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** = 2018-2019 MLW with Health Benefits

\$ 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** = 2018-2019 MLW without Health Benefits

Public Work's Office of Equality Assurance will oversee implementation and administration of the MLW. Verification of the MLW will be provided by the contractors annually through payroll reports to the Office of Equality Assurance.

The MLW would be adjusted on July 1 of each fiscal year using the then-current San José Living and Minimum Wages. If the annual adjustment results in a MLW lower than the existing MLW, the existing MLW would remain in effect. In the last ten years, San José Living Wage adjustments varied from zero to nearly a 13 percent increase and averaged five percent increase overall. The maximum annual adjustment to MLW would be limited to five percent in order to maintain compatibility with prevailing wage or collective bargaining agreement adjustments, as required in other residential agreements. MLW will not apply if workers are receiving prevailing wage or are subject to a collective bargaining agreement.

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. In the event a future facility(ies) begin processing San Jose residential material, wage and labor requirements for the facility(ies) would be reviewed and recommendations would be brought back to Council.

As part of Recycle Plus negotiations, Environmental Services Department staff and contractors will consider options to revisit this MLW methodology to ensure that the approach continues to

be the most practical way to apply the City's Living Wage Policy to future solid waste operations.

Staff from Environmental Services Department and Public Works solicited input on a regional living wage for solid waste services to the County Recycling and Waste Reduction Commission's Technical Advisory Committee. The responses from the meeting suggested that the topic should be discussed and decided at a senior staff government group such as Cities Association of Santa Clara County. The Administration will continue to encourage the expansion of living wage requirement in other jurisdictions.

#### 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 include the MLW requirement for Facility Workers in the future Recycle Plus agreements. Once MLW is implemented, all Facility Workers in applicable classifications, who are already not receiving prevailing wage or working under a collective bargaining agreement, will be compensated at minimum the San José MLW. Once the policy is implemented, Public Works' Office of Equality Assurance will work with the residential contractors to certify annually the payment of prevailing wage and MLW through a Payroll Summary Report as supporting documentation.

#### PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the December 4, 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**

The costs for implementation of MLW in future agreements (Fiscal Year 2019-2020 or later) are estimated to be approximately \$3 million annually and would likely require a ratepayer increase. 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 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 Valerie Osmond, Deputy Director, Environmental Services Department at (408) 535-8557.

**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
<b>CWS</b>	Districts A & C Single-Family: <ul style="list-style-type: none"> <li>✓ Recycling Collection &amp; Processing</li> <li>✓ Large Item Collection</li> <li>✓ Large Item Processing</li> </ul>	<ul style="list-style-type: none"> <li>✓ Recycle Driver*</li> </ul> MRF (serves San Jose exclusively) <ul style="list-style-type: none"> <li>✓ Sorter*</li> <li>✓ Floor Sorter/Raker*</li> <li>✓ Spotter*</li> <li>✓ Buy Back Operator*</li> <li>✓ Mechanic*</li> <li>✓ Equipment Operator*</li> <li>✓ Baler Operator*</li> <li>✓ Scale Operator*</li> </ul>	<ul style="list-style-type: none"> <li>✓ Customer Service Representatives*</li> <li>✓ Truck Mechanics*</li> </ul>
<b>GreenWaste</b>	Single-Family and Multi-Family Citywide: <ul style="list-style-type: none"> <li>✓ Yard Trimmings Collection &amp; Processing</li> <li>✓ Residential Street Sweeping</li> <li>✓ Garbage Processing</li> </ul>	<ul style="list-style-type: none"> <li>✓ Yard Trimming Claw Driver</li> <li>✓ Yard Trimming Collection Driver</li> <li>✓ Street Sweeper</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>MRF Workers</b> (Regional facility. Processes curbside recyclables from 39 jurisdictions, municipal solid waste from 15 jurisdictions, and yard waste from 11 jurisdictions.)</li> <li>✓ <b>Customer Service Representatives</b></li> <li>✓ <b>Truck Mechanics</b></li> </ul>
<b>GreenTeam</b>	District B Single-Family and Multi-Family Citywide: <ul style="list-style-type: none"> <li>✓ Recycling, Garbage &amp; Large Item Collection</li> <li>✓ Recycling and Large Item Processing</li> </ul>	<ul style="list-style-type: none"> <li>✓ Garbage Driver*</li> <li>✓ Recycle Driver*</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>MRF Workers</b> (Subcontracts processing to GreenWaste as of March 2014)</li> <li>✓ <b>Customer Service Representatives</b></li> <li>✓ <b>Truck Mechanics*</b></li> </ul>
<b>GCS</b>	Districts A & C Single-Family: <ul style="list-style-type: none"> <li>✓ Garbage Collection</li> </ul>	<ul style="list-style-type: none"> <li>✓ Garbage Driver*</li> </ul>	<ul style="list-style-type: none"> <li>✓ Customer Service Representatives*</li> <li>✓ Truck Mechanics*</li> </ul>

\*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	<input type="text" value="See attached"/>	<input type="text" value="See attached"/>	<input type="text" value="See attached"/>
After 5 years	<input type="text" value="See attached"/>	<input type="text" value="See attached"/>	<input type="text" value="See attached"/>
After 10 years	<input type="text" value="See attached"/>	<input type="text" value="See attached"/>	<input type="text" value="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: <input type="text" value="See attached"/>
<input type="checkbox"/> Memorial Day	<input type="checkbox"/> Thanksgiving Day	<input type="checkbox"/> Other: <input type="text"/>

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	<input type="text"/>	<input type="text"/>	<input type="text"/>
After 5 years	<input type="text"/>	<input type="text"/>	<input type="text"/>
After 10 years	<input type="text"/>	<input type="text"/>	<input type="text"/>

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: <div>PLEASE SEE ATTACHMENT</div>

<input type="checkbox"/>	Memorial Day	<input type="checkbox"/>	Thanksgiving Day	<input type="checkbox"/>	Other: <div style="border: 1px solid black; height: 20px; width: 150px;"></div>
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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):
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## 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**

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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.