

Service Group 2

Best and Final Offer Terms – REVISION #3

Alternative Contract Terms	Accept	Initial
<u>Service Standards</u>		
1. Cart replacement of up to 10% per year for 10 years.	YES ☐ NO ☐	_____
2. In year one of contract, 20% of carts shall be replaced with new. Following years of contract cart replacement shall be as needed, up to 3% replacement annually.	YES ☐ NO ☐	_____
3. Use of existing trucks as spares in the fleet.	YES ☐ NO ☐	_____
4. Lower pricing with a Call Center out of county and higher pricing with a Call Center in county.	YES ☐ NO ☐	_____
<u>Charges and Rates</u>		
1. Changes to Refuse Rate Index a. The annual RRI ceiling will be 6% and anything less than 8% will carry forward to next year, except in the final year when the RRI ceiling will be 8% b. Floor will be -5% b.c. <u>From July 1, 2016 onward, annual adjustment to the Franchise fee will be by Consumer Price Index – All Urban Consumers, Series ID 1367 cuura422sa0, Not Seasonally adjusted, San Francisco-Oakland-San Jose, CA.</u> c.d. <u>Franchise fee and gGovernment fFees will each be a separate cost category (i.e., not included in the All Other cost category), included in the RRI weighted average, and not subject to any cap or carry-forward.</u> d.e. <u>The Bureau of Labor Statistics Index Series ID: ceu6056210008 – Service Producing Industries used to calculate changes in the RRI Labor Category will be replaced with the actual changes in the Labor and Health and Welfare Benefits of a specific employee category in each of the Collective Bargaining Agreements utilized to provide services under the MM&O Contract.</u> e.f. <u>Any rate increase in Local 70 Labor Cost Category that is greater than what would be allowed under current Local 70 CBA will be included equally over three years. Differential increase will be exempt from annual cap and carry-forward.</u>	YES ☐ NO ☐	_____
2. Per-unit per month payment instead of per-ton payment.	YES ☐ NO ☐	_____

Service Group 2
Best and Final Offer Terms – REVISION #3

<u>Other</u> 1. \$1 million incentive payment to City for a 20-year contract. 2. \$1.5 million incentive payment to city for a 30 year contract.	YES ☐ NO ☐ YES ☐ NO ☐	 _____ _____
--	--	--