

Alameda County Industries Materials Recovery Facility




Option #1: Indexed Increase (2.8%)

Option #2: ACI's Application (10.58%)

Option #3: Negotiated Compromise (7.7%)



Allocation of Sorters' Incremental Labor Costs



San Leandro - 7,285 tons, \$578,962

Alameda – 31.1%, 10,683 tons, \$849,012

Livermore - 16,359 tons, \$1,300,102



Table 1

Sorters' Hourly Rate and Benefits

	Staffing Agency	Current	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020
Hourly Rate	\$9.00	\$14.57	\$15.68	\$16.86	\$18.12	\$19.48	\$20.94
Benefits, Taxes, Insurance	-	\$3.26	\$9.92	\$11.02	\$12.59	\$14.09	\$15.78
Burdened Rate	\$13.91	\$17.83	\$25.60	\$27.88	\$30.71	\$33.57	\$36.72



Alameda's Share of Incremental Wage Increase

Total ACI Cost for 2 Shifts (Option #3)	\$4,792,581
Avoided Staffing Agency Costs	-\$2,064,505
Total Incremental Labor Costs	<u>\$2,728,076 A</u>

Alameda's Allocation of Incremental Labor Costs by Tons Processed	31.1%	\$849,012 A X 31.1% = B
Revenue at Current Rates		\$17,320,214 C
Labor Cost Adjustment	4.90%	B/C = % rate increase
Indexed Adjustment	2.80%	
Option #3 Negotiated Adjustment	<u>7.70%</u>	



Option #3: Negotiated Compromise



- Deferred wage rate increases;
- Delay employer contributions to 401K plan until year three



- Forgo 10% profit on incremental wage increase,
- Provide Multifamily Annual Bulky Pickup Pilot Program in summer 2015



- Forgo 10% City Franchise Fee on incremental wage increase



Table 2: Monthly Single Family Rates

Cart Size (Count)	Existing Rate	Option 1 Index 2.80% increase	\$ change from existing	Option 2 ACI App. 10.58% increase	\$ change from existing	Option 3 Negotiated 7.70% increase	\$ change from existing
20 gal (5,794)	\$28.46	\$29.26	\$0.80	\$31.47	\$3.01	\$30.65	\$2.19
32 gal (8,600)	\$35.92	\$36.93	\$1.01	\$39.72	\$3.80	\$38.68	\$2.76
64 gal (713)	\$59.02	\$60.67	\$1.65	\$65.27	\$6.25	\$63.56	\$4.54
96 gal (39)	\$82.42	\$84.73	\$2.31	\$91.14	\$8.72	\$88.77	\$6.35

**Annual \$\$
impact \$26.28**

**Annual \$\$
impact \$33.12**



Table 3 Projected Future Rate Impacts for Negotiated Wages

Approx. monthly dollar impact (32-gallon)	2016/2017	2017/2018	2018/2019	2019/2020
Option 1 (2.80%) Indexed Increase	\$0.00	\$0.00	\$0.00	\$0.00
Option 2 (10.58%) ACI's Application	\$0.13	\$0.11	\$0.17	\$0.15
Option 3 (7.70%) Negotiated	\$0.27	\$0.30	\$0.39	\$0.32

Annual \$\$ impact \$3.24



Questions and Answers



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