



SBWMA FINAL REPORT REVIEWING THE
2018 SOUTH BAY RECYCLING
COMPENSATION APPLICATION

September 7, 2017

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SUMMARY

The 2018 Shoreway Tip Fees are the basis for setting the Shoreway Pass-Through expenses that become part of the Total Collection expense and Revenue Requirement for each Member Agency upon which it sets its solid waste rates for 2018. The compensation paid to South Bay Recycling (SBR) for operations of the Shoreway Facility are a component of the Shoreway Tip Fee. After review of SBR's Compensation Adjustment Application, the Total Compensation for SBR in 2018 is recommended to be \$18,505,703 which is \$358,984 (1.9%) higher than in 2017.

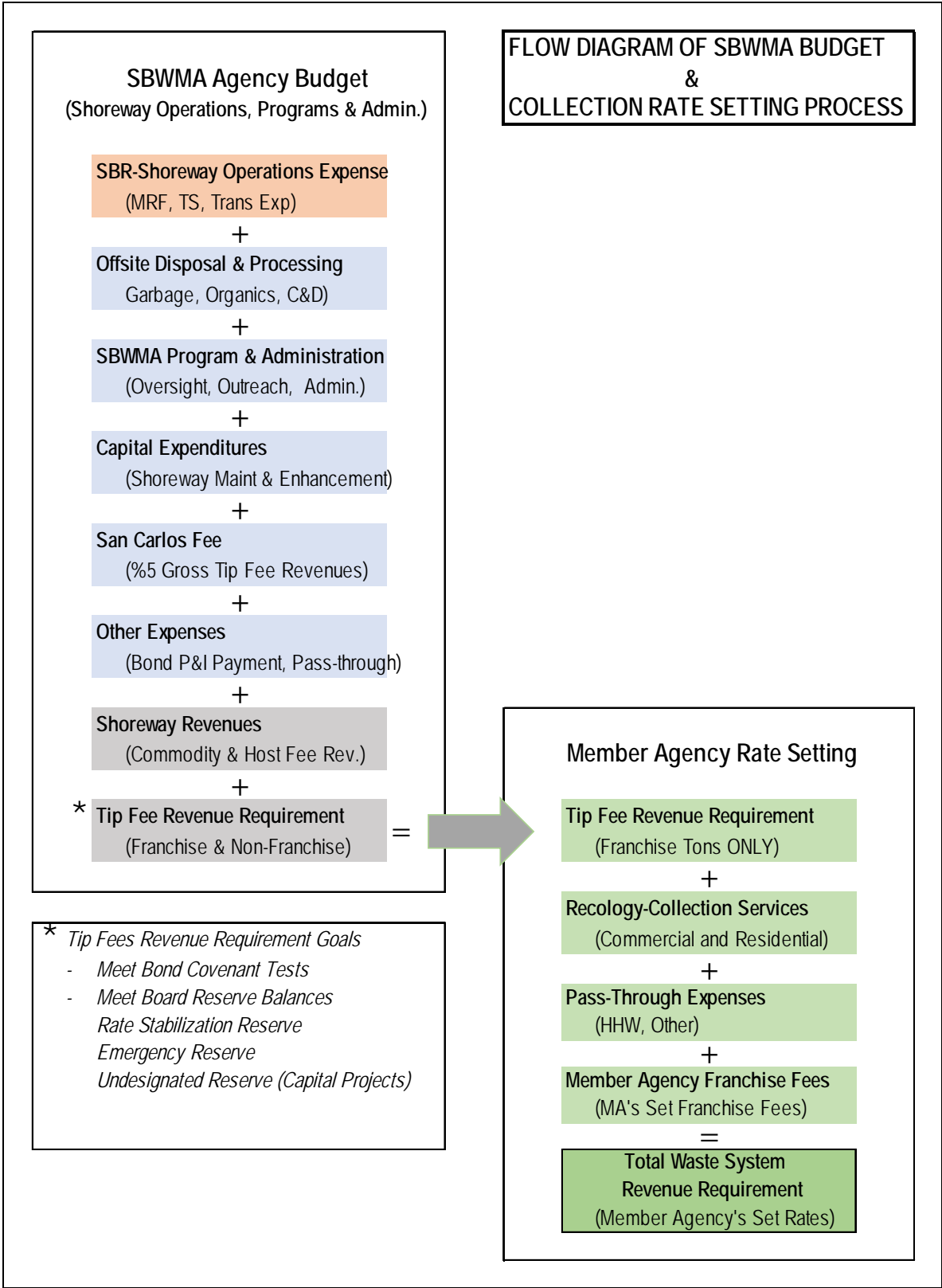
SECTION 1. OVERVIEW

A. Shoreway Operations Agreement Terms

South Bay Recycling, LLC (SBR) was selected as the facility operator on April 23, 2009, and a final Shoreway Operations Agreement ("Agreement") was approved by the Board on July 23, 2009. Article 7 and Attachments 13-A and B of the Agreement prescribe that the SBWMA is responsible for conducting the annual review and analysis of SBR's compensation application due by July 1st each year. The SBWMA is charged with performing a thorough review to ensure the application is complete and follows the prescribed compensation adjustment methodology in the Operations Agreement to arrive at the recommended 2018 fees per ton contained in this report. This rate application provides the basis for adjusting SBR's approved fees (SBR is paid monthly based on the approved fees per ton times the actual number of tons processed and transported at Shoreway).

B. Calculation of Total Collection Revenue Requirement

The approved 2018 compensation for SBR will be bundled with all other SBWMA operating budget expenses (e.g., disposal expense, franchise fees paid to the City of San Carlos, debt service, SBWMA program budget, etc.) to set the 2018 Shoreway Tip Fees. The 2018 Shoreway Tip Fees are the basis for setting the Shoreway Pass-Through expenses that become part of the Collection expense and the total Revenue Requirement for each Member Agency upon which solid waste rates for 2018 are set. (These costs are described in detail in "Other Pass-Through Costs" in the 2018 Recology Draft Rate Report and are the result of the Shoreway tipping fees charged on the solid waste and organics tons delivered to Shoreway throughout the year). The Flow Diagram of SBWMA Budget and Collection Rate Setting Process on the following page shows how the SBR-Shoreway Operations Expense (tan color) serves as the starting point for computing the Total Waste System Revenue Requirement that forms the basis for the Member Agency Rate Setting process.



C. Description of SBR Fees and Service Elements

The process for adjusting SBR's compensation are detailed in the Operations Agreement in Article 7.03 and Attachment 13-A of the Agreement,

SBR's compensation includes three core services elements that are paid on a per-ton basis:

- Transfer Station Processing
- Recyclable Materials Processing
- Transportation to Disposal and Processing Sites

The fees for the above service elements are each comprised of distinct cost components:

- A. Labor Costs
- B. Fuel and Power Costs
- C. Depreciation Cost
- D. Other Operating and Maintenance Costs

The above cost components have the following subcomponents:

- A. Labor Costs
 - Wages for CBA labor (*index*)
 - Benefits for CBA labor (*index*)
 - Workers' compensation insurance (CBA labor) (*index*)
 - Payroll taxes (CBA labor) (*non-index*)
 - Outside contracted workers from third-party sources (VRS) (*index*)
- B. Fuel and Power Costs
 - Electricity (*based on actuals/non-index*)
 - Fuel (*index*)
- C. Depreciation Cost (*no adjustment*)
- D. Other Operating and Maintenance Costs (*index*)
 - Wages and benefits for non-CBA employees
 - Wages and benefits for CBA clerical
 - Repair and maintenance expenses
 - Equipment rental expenses
 - Other vehicle-related expenses (e.g. licensing, taxes)
 - Insurance, safety and claims
 - Other general & administrative expense

D. Compensation Adjustment Process

A major goal for the Shoreway Operations Contractor selection process concluded in 2010 to make the contractor's compensation adjustment process more predictable and transparent. This cost adjustment methodology is the basis for SBR's Rate Application submittal and the SBWMA staff's subsequent review to ensure accuracy and consistency with the requirements of the Operations Agreement. The compensation adjustment process uses the approved 2017 fees paid to SBR as the basis for adjustment to the new 2018 fees. As detailed in the Agreement, the adjustment process for the 2017 Fees structure is illustrated in following chart. (Article 7.05 and Attachment 13-A of the Operations Agreement prescribes a detailed cost adjustment methodology that ties most of the cost adjustments to standard indexes (i.e., CPI).

SBWMA - CONTRACTOR COST ADJUSTMENT PROCESS		
BASE COST - 2017	ADJUSTMENT	2018 CONTRACTORS COMPENSATION
CBA: TS/MRF, Mechanics, Drivers, & Clerical (wages and benefits)	+ Index	= Base plus Adjustment
Other Cost	+ Index	= Base plus Adjustment
Power	+ Blend of actual PG&E rate & ISH Solar rate	= Base plus Adjustment
Depreciation	+ No Change	= Last Year's Depreciation
Profit	+ Based on operating ratio in Proposal	= Base plus Adjustment
Pass-Through Cost		
Interest	Interest is fixed on sliding scale based on final capital cost	Annual Interest Expense per Interest Schedule
Other	Actual cost reimbursed (i.e., Buyback payments, new regulatory fees, etc.)	Actual Cost
Total Base Compensation	+ Total of Above	= Total of Above

Commodity Revenue Sharing

A portion of SBR's compensation comes from the sale of commodities through the "Commodity Revenue Share" program where the commodity revenues from the recyclable materials processed at the Shoreway MRF are split between SBWMA and SBR: in the Commodity Revenue Share program, SBR receives a minority share of the MRF commodity revenues as an incentive to maintain high recovery and obtain the best commodity sales prices. In year 2017, the Commodity Revenue Share to SBR was 28% and while the SBWMA retained 72% of the commodity sales revenue above the Revenue Guarantee. As a result of SBR's continued good performance in maintaining low MRF residue (the MRF residue rate remained at 7%), SBR is again eligible for a 28% share of commodity sales revenue (see Article 7.07 of the Agreement - Residue-Reduction Incentive Program).

Note: the actual value of the revenue share is not shown in this report, since it is based on the actual tonnage and commodity revenue for the full-year of 2016. Hence, an estimate is used in the SBWMA Annual Budget and calendar year projections.

SECTION 2. SBR 2017 COMPENSATION APPLICATION

A. Analysis of SBR 2018 Compensation Application

SBWMA staff conducted the review of the Compensation Application submitted by SBR and worked closely with the company to ensure that questions and concerns were answered. Their application was modified as necessary to

address any changes. Staff has verified that the SBR Compensation Application is complete and meets the requirements of the Operations Agreement. As shown in **Table 1**. below, Total Compensation for SBR in 2018 is recommended to be \$18,505,703 which is \$358,984 (1.9%) higher than in 2017.

2017 Payment/Ton vs. 2018 Payment/Ton					
South Bay Recycling	2017		Adjustment	2018	
Operating Cost	Total Cost	Payment/Ton	%	Total Cost	Payment/Ton
Transfer Station	\$ 4,621,962	\$ 12.92	1.9%	\$ 4,711,763	\$ 13.17
Recyclable Materials Processing, net of Residue	\$ 6,411,997	\$ 91.41	2.9%	\$ 6,601,206	\$ 94.06
Transport (<i>cost/ton-mile</i>)	\$ 6,156,049	\$ 1.02	1.9%	\$ 6,270,908	\$ 1.04
<i>Transport (cost/ton)</i>	-	\$ 17.21	1.9%	-	\$ 17.53
Total Operating Cost	\$ 17,190,007		2.3%	\$ 17,583,876	
Contractor Pass-Through Costs					
Total Interest	\$ 131,712		-26.5%	\$ 96,827	
Construction Management	\$ -			\$ -	
Interim Operations	\$ -			\$ -	
Buyback Payments Estimate	\$ 825,000		0.0%	\$ 825,000	
Total Contractor Pass-Through Cost	\$ 956,712		-3.6%	\$ 921,827	
Total Compensation	\$ 18,146,719		1.9%	\$ 18,505,703	

Note: Buyback payments have been changed to reflect correct payment amount - 2017 total therefore will not tie to last year's Rate Report. Total Operating Cost shown in the table are estimated since costs are based on actual tons delivered to Shoreway throughout the year.

B. Description of 2018 Compensation Adjustments

Costs in the SBR Compensation Application are adjusted primarily based on changes in indexes. (The specific results of the index and non-index-based cost adjustments for 2018 are presented in **Table 2** on the following page).

Cost categories are adjusted based on the following criteria:

- *Labor Cost* (CBA for Operators, Mechanics, Drivers, and Clerical) – adjusted by CPI index (U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Service-Producing Industries (seasonally adjusted, total compensation, series # cis201s000000000i).
- *Power Cost* - adjusted based on the actual change in power rates
- *Fuel Cost* - adjusted by a fuel index. (U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index - Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels and related products and power, series# wpu057303).
- *Other Operating Costs* - various indices such as CPI (U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, U.S. city average (not seasonally adjusted, all items, base period: 1982-84=100, series# cuur0000sa).
- *Depreciation Cost* - not adjusted
- *Interest Expense* - based on fixed schedule

Labor Cost Adjustment

CBA wage and benefits are adjusted based on changes to the CPI index. The Labor Cost component represents the largest cost component in SBR's compensation.

Pass-Through Costs

Pass-through costs are not subject to profit but are reimbursed to SBR at actual cost. The pass-through costs in the Facility Operations Agreement (Article 7.09) are as follows:

- Payments to buyback customers for purchase of recyclables are a pass-through expense. (Actual buyback payments to public customers will be reimbursed monthly in arrears).
- Changes to regulatory fees qualify as pass-through costs.
- Interest expense on allowed capital (paid to SBR monthly at one-twelfth of the annual interest expense denoted in Attachment 13A, Interest Cost Form 3-M which schedules-out interest expense for the ten-year life of the contract on a sliding scale). The annual interest expense for 2018 is \$96,827, a reduction of \$34,885 (26.6%) from 2017. The reduction in interest is based on lower asset values resulting from a depreciation schedule established at the start of SBR's service contract.

Results of Cost Adjustments			
Cost Component	Adjustment	Basis	Description
Labor - (all CBAs)			
Wages	2.28%	Index	CBA wages compensation adjustment based on index change.
Benefits	2.28%	Index	CBA benefits compensation adjustment based on index change.
Worker's Comp Insurance	1.78%	Index	Workers compensation adjustment based on index change.
Payroll Tax	2.28%	Wages & tax rate change	The payroll tax rate changes with any changes in federal or state payroll tax rates.
VRS Labor non-CBA	1.78%	Index	Non-CBA (VRS) compensation adjustment based on index change.
Power	2.72%	PG&E & Solar Rates	Power is adjusted by the blend of actual PG&E electricity rates and the Solar Power rate.
Fuel	-0.3%	Index	Fuel expense is adjusted by the actual change in the fuel index.
Depreciation	0.0%	n/a	There is no adjustment to depreciation.
Other O&M	1.72%	Index	Other O&M expense includes non-CBA personnel, maintenance parts, insurance, general office expense, safety, etc. Other O&M expense is adjusted by 80% of an index.
<i>The cost components are adjusted from prior year . For all four CBA contracts and non-CBA costs, various indexes are used to adjust cost.</i>			

SECTION 3. SBR PER TON FEE ADJUSTMENTS FOR 2018

After review of the SBR Compensation Adjustment Application, staff recommends the following Fees (shown in Table 1, previous page) be paid to SBR on a per-ton basis for 2018:

- Transfer Station Processing Fee. The 2018 Transfer Station fee is \$13.17 per ton.

- MRF Processing Fee. The 2018 MRF Processing fee is \$94.06 per ton (note the Contractor pays for MRF residue transportation and disposal which is deducted from MRF Processing Fee resulting in an *Estimated Net MRF Processing Fee*).
- Transportation Fee. There are multiple transportation fees for each material type (i.e., solid waste, inerts, construction and demolition, and organics) and for each destination. The average 2018 Transportation Fee is \$1.04 per ton mile which is 1.9% increase over prior year (the transportation rate detail for each material type and destination are presented in the **Appendix A** – SBR Compensation Adjustment Application Worksheets).



Contractor Compensation Adjustment Application

Rate Year 2018

SOUTH BAY RECYCLING, LLC

September 7, 2017

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

A. Summary of Fees

	Base	Year 7		Year 8		
		2017	2018	2017	2018	% Increase
<u>Annual % Change</u>						
TS		0.66%	1.94%			
MRF		8.61%	2.95%			
Transport		-6.00%	1.87%			
<u>Cost per Ton Fees</u>						
Transfer Station	357,725	\$ 12.92	\$ 13.17			1.9%
MRF (net residue)	74,022	\$ 86.62	\$ 89.18			3.0%
Transportation (cost / ton-mile)		\$ 1.02	\$ 1.04			1.9%
Transportation (cost / ton)		\$ 17.21	\$ 17.53			1.9%
<u>Total Cost Estimate by LOB</u>						
Transfer Station		\$ 4,621,962	\$ 4,711,763			1.9%
MRF (net residue)		\$ 6,411,997	\$ 6,601,206			3.0%
Transportation		\$ 6,156,049	\$ 6,270,908			1.9%
Total Operating Cost		\$ 17,190,007	\$ 17,583,876			0.9%
<u>Pass-Through Costs</u>						
Total Interest		\$ 131,712	\$ 96,827			-26.5%
Construction Management Cost		\$ 825,000	\$ 825,000			
Buyback Payment (estimate)		\$ 825,000	\$ 825,000			
Total Pass-Through Cost		\$ 956,712	\$ 921,827			-3.6%
Total Estimated Compensation		\$ 18,146,719	\$ 18,505,703			2.0%

Detail Transportation Fees

	Base	Year 7		Year 8		
		2017	2018	2017	2018	% Increase
<u>Cost/Ton-Mile</u>						
MSW to OX Mtn.		\$ 1.213	\$ 1.236			1.9%
Inert to OX Mtn.		\$ 1.245	\$ 1.267			1.8%
C&D to Zanker Road		\$ 0.898	\$ 0.915			1.9%
Plant Materials to Newby		\$ 0.725	\$ 0.739			1.9%
Plant Materials to Grover		\$ 0.439	\$ 0.447			1.8%
Organics to Newby		\$ 0.890	\$ 0.907			1.9%
Organics to Grover		\$ 0.491	\$ 0.500			1.8%
Self-haul Biomass to Biofuel		\$ 0.587	\$ 0.598			1.8%
Plant Materials to Zanker		\$ 0.725	\$ 0.739			1.9%

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

B. Cost Detail Transfer Station and MRF

TRANSFER STATION

Base Tonnage Specified by the SBWMA

	Year 7		Year 8	
	% Adjustment	2017 Cost / Ton	% Adjustment	2018 Cost / Ton
		357,725		
Direct Labor - CBA				
Wages	1.8%	\$ 5.00	2.3%	\$ 5.12
Benefits	1.8%	\$ 2.54	1.8%	\$ 2.58
W/C	1.3%	\$ 0.68	1.8%	\$ 0.69
PR Tax	1.8%	\$ 0.44	2.3%	\$ 0.45
Total CBA Labor Cost	1.7%	\$ 8.66	2.1%	\$ 8.84
Power	5.4%	\$ 0.79	2.7%	\$ 0.81
Fuel	-38.2%	\$ 0.19	-0.3%	\$ 0.19
Depreciation	0.0%	\$ 0.29	0.0%	\$ 0.29
Other O&M	0.4%	\$ 1.76	1.4%	\$ 1.79
Clerical CBA Wages & Benefits	1.8%	\$ 0.38	2.3%	\$ 0.39
Total Operating	0.7%	\$ 12.08	1.9%	\$ 12.32
Profit	0.7%	\$ 0.84	1.9%	\$ 0.85
Profit %		6.9%		6.9%
Total Operating Cost	0.7%	\$ 12.92	1.9%	\$ 13.17

MATERIALS RECOVERY FACILITY (MRF)

Base Tonnage Specified by the SBWMA

	Year 7		Year 8	
	% Adjustment	2017 Cost / Ton	% Adjustment	2018 Cost / Ton
		74,022		
Direct Labor - CBA				
Wages	1.8%	\$ 18.82	2.3%	\$ 19.25
Benefits	1.8%	\$ 9.97	2.3%	\$ 10.20
W/C	1.3%	\$ 2.68	1.8%	\$ 2.73
PR Tax	1.8%	\$ 1.81	2.3%	\$ 1.85
Total CBA Labor Cost	1.7%	\$ 33.29	2.2%	\$ 34.04
Non-CBA Wages	36.3%	\$ 21.54	5.7%	\$ 22.77
Power	5.4%	\$ 4.63	2.7%	\$ 4.75
Fuel	-38.2%	\$ 0.42	-0.3%	\$ 0.42
Depreciation	0.0%	\$ 1.91	0.0%	\$ 1.91
Other O&M	0.4%	\$ 16.81	1.4%	\$ 17.04
Clerical CBA Wages & Benefits	1.8%	\$ 1.85	2.3%	\$ 1.89
Total Operating	8.6%	\$ 80.44	3.0%	\$ 82.82
Profit	8.6%	\$ 6.18	3.0%	\$ 6.36
Profit %		7.7%		7.7%
Total Operating Cost	8.6%	\$ 86.62	3.0%	\$ 89.18

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

C. Cost Detail - Transportation

		Year 7		Year 8	
		%	2017	%	2018
		Adjustment	Cost / Ton Mile	Adjustment	Cost / Ton Mile
Base Tonnage					
Solid Waste Transport Fee - Ox Mtn.	260,801	-0.5%	\$ 1.213	1.9%	\$ 1.236
Inert Transport Fee - Ox Mtn.	6,317	-0.7%	\$ 1.245	1.8%	\$ 1.267
C&D Transport Fee - Zanker rd.	18,918	-1.2%	\$ 0.898	1.9%	\$ 0.915
Plant Matls Trans Fee - Newby	30,747	-1.3%	\$ 0.725	1.9%	\$ 0.739
Plant Matls Trans Fee - Grover	30,747	-2.9%	\$ 0.439	1.8%	\$ 0.447
Organic Matl Trans Fee - Newby	5,098	-1.0%	\$ 0.890	1.9%	\$ 0.907
Organic Matl Trans Fee - Grover	5,098	-2.9%	\$ 0.491	1.8%	\$ 0.500
Organic Matl Trans Fee - BioFuel		-2.0%	\$ 0.587	1.8%	\$ 0.598
Plant Matls Trans Fee - Zanker		-1.3%	\$ 0.725	1.9%	\$ 0.739
Blended Total	357,725	-0.7%	\$ 1.074	1.9%	\$ 1.094
Total Operating Cost			\$ 6,156,049		\$ 6,270,908
Cost / Ton			\$ 17.21		\$ 17.53
Total Cost Increase %			-6.0%		1.9%

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

D. Compensation Adjustment - Transfer Station

	Year 7	Year 8
	2017	2018
	Cost / Ton	Cost / Ton

357,725.0

SUMMARY OF ANNUAL FEE ADJUSTMENTS

Direct Labor - CBA

Wages

Benefits

W/C

PR Tax

Total CBA Labor Cost

Labor & Benefits (CBA Expires)

Power

Fuel

Depreciation

Other O&M

Clerical CBA Wages & Benefits

Total Operating

Profit

Profit %

Total Operating Cost

% Increase

Total Cost Estimate

\$	5.00	\$	5.12	2.28%
\$	2.54	\$	2.58	1.75%
\$	0.68	\$	0.69	1.78%
\$	0.44	\$	0.45	2.28%
\$	8.66	\$	8.84	2.09%
\$	0.79	\$	0.81	2.72%
\$	0.19	\$	0.19	-0.26%
\$	0.29	\$	0.29	0.00%
\$	1.76	\$	1.79	1.37%
\$	0.38	\$	0.39	2.28%
\$	12.08	\$	12.32	1.94%
\$	0.84	\$	0.85	1.94%
	6.9%		6.9%	0.00%
\$	12.92	\$	13.17	1.94%
	0.66%		1.94%	
\$	4,621,962	\$	4,711,763	1.94%

PERCENTAGE CHANGE IN COSTS

Labor Cost Component Adjustment Factors

Wages for Direct Labor

Updated direct labor cost per ton

Adjustment Factor for Wages Direct Labor

% Increase

\$	5.00	\$	5.12
	1.018		1.023
	1.75%		2.28%

Benefits for Direct Labor

Updated annual benefit cost per ton

Adjustment Factor for Benefits

% Increase

One Time True Up (Rate Year 2015)

\$	2.54	\$	2.58
	1.018		1.018
	1.75%		1.75%

Workers Compensation Insurance for Direct Labor

Updated annual benefit cost per ton

Adjustment Factor

\$	0.68	\$	0.69
	1.013		1.018

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

D. Compensation Adjustment - Transfer Station

	Year 7	Year 8
	2017	2018
	Cost / Ton	Cost / Ton
357,725.0		
Payroll Taxes for Direct Labor		
Updated Paryoll Tax cost per Ton	\$ 0.44	\$ 0.45
Adjustment Factor for payroll taxes shall equal the change in Federal Social Security & Medicare Tax Cost	8.70%	8.70%
Adjustment Factor	7.65%	7.65%
	1.000	1.000
Fuel and Power Cost Component Adjustment Factors		
Power Adjustment		
Updated Power cost per ton	\$ 0.79	\$ 0.81
Adjustment Factor	1.054	1.027
Fuel Adjustment		
Updated Fuel cost per ton	\$ 0.19	\$ 0.19
Adjustment Factor	0.618	0.997
Depreciation		
Updated Depreciation cost per ton	\$ 0.29	\$ 0.29
Adjustment Factor (No adjustment after Year 1)	1.000	1.000
Other Operating & Maintenance		
Updated Other cost per ton	\$ 1.76	\$ 1.79
Adjustment Factor @ 80% of Index	1.004	1.014

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

E. Compensation Adjustment - Materials Recovery Facility (MRF)

	Year 7	Year 8	
	2017	2018	
	Cost / Ton	Cost / Ton	
74,022			
SUMMARY OF ANNUAL FEE ADJUSTMENTS			
Direct Labor - CBA			
Wages	\$ 18.82	\$ 19.25	2.28%
Benefits	\$ 9.97	\$ 10.20	2.28%
Workers Comp	\$ 2.68	\$ 2.73	1.78%
PR Tax	\$ 1.81	\$ 1.85	2.28%
Total CBA Labor Cost	\$ 33.29	\$ 34.04	2.24%
Third Party Wages & Benefits (VRS)	\$ 21.54	\$ 22.77	5.71%
Power	\$ 4.63	\$ 4.75	2.72%
Fuel	\$ 0.42	\$ 0.42	-0.26%
Depreciation	\$ 1.91	\$ 1.91	0.00%
Other O&M	\$ 16.81	\$ 17.04	1.37%
Clerical CBA Wages & Benefits	\$ 1.85	\$ 1.89	2.28%
Total Operating	\$ 80.44	\$ 82.82	2.95%
Profit	\$ 6.18	\$ 6.36	2.95%
Profit %	7.7%	7.7%	0.00%
Total Operating Cost Per Ton (excluding residue)	\$ 86.62	\$ 89.18	2.95%
<i>% Increase</i>	<i>8.61%</i>	<i>2.95%</i>	
Total Estimated Operator Cost (excluding residue)	\$ 6,411,997	\$ 6,601,206	2.95%
<u>MRF Residue Paid by SBR</u>			
MRF Residue Tons	6,800	6,800	
Disposal Tip Fee @ Ox Mtn.	\$ 41.02	\$ 41.84	2.00%
Disposal Fees	\$ 3.77	\$ 3.84	2.00%
Transfer & Haul	\$ 1.02	\$ 1.04	1.87%
Total MRF Residue expense	\$ 4.79	\$ 4.88	1.97%
Total Cost with MRF Residue	\$ 91.41	\$ 94.06	2.90%

PERCENTAGE CHANGE IN COSTS

Labor Cost Component Adjustment Factors

Updated annual labor for direct labor

Adjustment Factor

% Increase

\$ 18.82	\$ 19.25
1.018	1.023
1.75%	2.28%

Benefits for Direct Labor

Updated annual benefit cost per ton

Adjustment Factor

% Increase

One Time True Up (Rate Year 2015)

\$ 9.97	\$ 10.20
1.018	1.023
1.75%	2.28%

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

E. Compensation Adjustment - Materials Recovery Facility (MRF)

	Year 7	Year 8
74,022	2017 Cost / Ton	2018 Cost / Ton
Workers Compensation Insurance for Direct Labor		
Updated annual benefit Costs	\$ 2.68	\$ 2.73
Adjustment Factor	1.013	1.018
Payroll Taxes for Direct Labor		
Updated Payroll Tax cost per ton	\$ 1.81	\$ 1.85
Total Payroll Tax Rate %	9.6%	9.6%
Federal Social Security & Medicare tax rates	9.61%	9.61%
Adjustment Factor	1.000	1.000
Labor & Benefits Component Adjustment Factor - non-CBA labor (VRS)		
Updated annual costs	\$ 21.54	\$ 22.77
Adjustment	\$ 4.73	
Adjustment Factor	1.013	
Fuel and Power Cost Component Adjustment Factors		
Power Adjustment		
Updated Power cost per ton	\$ 4.63	\$ 4.75
Adjustment Factor	1.054	1.027
<i>blend of PGE rate and solar rate</i>		
Fuel Adjustment		
Updated Fuel Costs	\$ 0.42	\$ 0.42
Adjustment Factor	0.618	0.997
Depreciation		
Updated Depr cost per ton	\$ 1.91	\$ 1.91
Adjustment Factor (No adjustment after Year 1)	1.000	1.000
Other Operating & Maintenance		
Updated Other cost per ton	\$ 16.81	\$ 17.04
Adjustment Factor @ 80% of Index	1.004	1.014
<i>% Change in underlying index</i>	0.51%	1.72%
MRF Load Contamination	\$ 32.58	\$ 33.55
Plant Materials & Organics Contamination	\$ 9.12	\$ 9.39

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

F. Compensation Adjustment - Transportation

	Year 7		Year 8	
	2017		2018	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
Solid Waste Transport Fee - Ox Mtn.	-0.5%	\$ 1.21	1.87%	\$ 1.24
Inert Transport Fee - Ox Mtn.	-0.7%	\$ 1.24	1.83%	\$ 1.27
C&D Transport Fee - Zanker	-1.2%	\$ 0.90	1.88%	\$ 0.92
Plant Matls Trans Fee - Newby	-1.3%	\$ 0.73	1.85%	\$ 0.74
Plant Matls Trans Fee - Grover	-2.9%	\$ 0.44	1.79%	\$ 0.45
Organic Matl Trans Fee - Newby	-1.0%	\$ 0.89	1.90%	\$ 0.91
Organic Matl Trans Fee - Grover	-2.9%	\$ 0.49	1.79%	\$ 0.50
Biomass Trans Fee - Biofuel		\$ 0.59		\$ 0.60
Plant Matls Trans Fee - Zanker		\$ 0.73		\$ 0.74
Blended Total	-6.0%	\$ 1.02	1.87%	\$ 1.04
Total Cost Estimate		\$ 6,156,049		\$ 6,270,908
Cost / Ton		\$ 17.21		\$ 17.53
Total Cost Increase %		-6.0%		1.9%

Direct Labor Component for All Transport Fees

Wages for CBA Labor	1.0175	\$ 1,667,406	1.023	\$ 1,705,491
Benefits for CBA Labor	1.0175	\$ 711,883	1.023	\$ 728,144
WC Insurance	1.0132	\$ 178,049	1.018	\$ 181,216
Payroll Taxes	1.0000	\$ 141,067	1.000	\$ 144,289
Total Cost Estimate (SW to Ox)	1.0172	\$ 2,698,405	1.0225	\$ 2,759,140
Cost/Ton		\$ 10.35		\$ 10.58
Adjusted Labor for MSW Transport Fee (cost/ton-mile)	1.0172	\$ 0.796	1.023	\$ 0.814

Solid Waste Transport Fee (OX)

Labor component	1.0172	\$ 0.7958	1.023	\$ 0.8137
Fuel	0.6176	\$ 0.0327	0.997	\$ 0.0326
Depreciation	1.0000	\$ 0.0851	1.000	\$ 0.0851
Other O&M Component	1.0041	\$ 0.1777	1.014	\$ 0.1801
Clerical CBA wages & benefits	1.0175	\$ 0.0261	1.023	\$ 0.0267
Total Operating Cost		\$ 1.1175		\$ 1.1384
Profit per Operating Ratio		\$ 0.0959		\$ 0.0976
Total SW Transportation Fee	-0.5%	\$ 1.21336	1.9%	\$ 1.23601

Inert Transport Fee - OX Mtn.

Labor component	1.0172	\$ 0.759	1.023	\$ 0.776
Fuel	0.6176	\$ 0.036	0.997	\$ 0.036
Depreciation	1.0000	\$ 0.085	1.000	\$ 0.085
Other O&M Component	1.0041	\$ 0.223	1.014	\$ 0.226
Clerical CBA wages & benefits	1.0175	\$ 0.033	1.023	\$ 0.034
Total Operating Cost		\$ 1.136		\$ 1.157
Profit per Operating Ratio		\$ 0.108		\$ 0.110
Total Inert Transportation Fee	-0.7%	\$ 1.245	1.8%	\$ 1.267

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

F. Compensation Adjustment - Transportation

Year 7		Year 8	
2017		2018	
Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
1.0172	\$ 0.5970	1.023	\$ 0.6105
0.6176	\$ 0.0332	0.997	\$ 0.0331
1.0000	\$ 0.0530	1.000	\$ 0.0530
1.0041	\$ 0.1217	1.014	\$ 0.1234
1.0175	\$ 0.0179	1.023	\$ 0.0183
	\$ 0.8229		\$ 0.8383
	\$ 0.0755		\$ 0.0769
-1.2%	\$ 0.89832	1.9%	\$ 0.91517

C&D Transport Fee - Zanker Road

Labor component
 Fuel
 Depreciation
 Other O&M Component
 Clerical CBA wages & benefits
Total Operating Cost
 Profit per Operating Ratio
Total C&D Transportation Fee

1.0172	\$ 0.5970	1.023	\$ 0.6105
0.6176	\$ 0.0332	0.997	\$ 0.0331
1.0000	\$ 0.0530	1.000	\$ 0.0530
1.0041	\$ 0.1217	1.014	\$ 0.1234
1.0175	\$ 0.0179	1.023	\$ 0.0183
	\$ 0.8229		\$ 0.8383
	\$ 0.0755		\$ 0.0769
-1.2%	\$ 0.89832	1.9%	\$ 0.91517

Plant Materials Transport Fee - Newby Is

Labor component
 Fuel
 Depreciation
 Other O&M Component
 Clerical CBA wages & benefits
Total Operating Cost
 Profit per Operating Ratio
Total Plant Material Transportation Fee

1.0172	\$ 0.4695	1.023	\$ 0.4801
0.6176	\$ 0.0277	0.997	\$ 0.0277
1.0000	\$ 0.0442	1.000	\$ 0.0442
1.0041	\$ 0.1085	1.014	\$ 0.1100
1.0175	\$ 0.0160	1.023	\$ 0.0163
	\$ 0.6659		\$ 0.6783
	\$ 0.0595		\$ 0.0606
-1.3%	\$ 0.72540	1.9%	\$ 0.73885

Plant Materials Transport Fee - Grover

Labor component
 Fuel
 Depreciation
 Other O&M Component
 Clerical CBA wages & benefits
Total Operating Cost
 Profit per Operating Ratio
Total Plant Material Transportation Fee

1.0172	\$ 0.2788	1.023	\$ 0.2851
0.6176	\$ 0.0277	0.997	\$ 0.0276
1.0000	\$ 0.0286	1.000	\$ 0.0286
1.0041	\$ 0.0595	1.014	\$ 0.0603
1.0175	\$ 0.0088	1.023	\$ 0.0090
	\$ 0.4033		\$ 0.4106
	\$ 0.0360		\$ 0.0367
-2.9%	\$ 0.43936	1.8%	\$ 0.44722

Organic Material Transport Fee - Newby Is

Labor component
 Fuel
 Depreciation
 Other O&M Component
 Clerical CBA wages & benefits
Total Operating Cost
 Profit per Operating Ratio
Total Organic Material Transportation Fee

1.0172	\$ 0.5869	1.023	\$ 0.6001
0.6176	\$ 0.0304	0.997	\$ 0.0303
1.0000	\$ 0.0442	1.000	\$ 0.0442
1.0041	\$ 0.1175	1.014	\$ 0.1191
1.0175	\$ 0.0173	1.023	\$ 0.0177
	\$ 0.7963		\$ 0.8115
	\$ 0.0934		\$ 0.0952
-1.0%	\$ 0.88974	1.9%	\$ 0.90666

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

F. Compensation Adjustment - Transportation

	Year 7		Year 8	
	2017		2018	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
Organic Material Transport Fee - Grover				
Labor component	1.0172	\$ 0.3038	1.023	\$ 0.3107
Fuel	0.6176	\$ 0.0302	0.997	\$ 0.0301
Depreciation	1.0000	\$ 0.0313	1.000	\$ 0.0313
Other O&M Component	1.0041	\$ 0.0648	1.014	\$ 0.0657
Clerical CBA wages & benefits	1.0175	\$ 0.0096	1.023	\$ 0.0098
Total Operating Cost		\$ 0.4396		\$ 0.4475
Profit per Operating Ratio		\$ 0.0516		\$ 0.0525
Total Organic Material Transportation Fee	-2.9%	\$ 0.49116	1.8%	\$ 0.49995

Self-Haul Biomass - Biofuel				
Labor component				
Fuel				
Depreciation				
Other O&M Component				
Clerical CBA wages & benefits				
Total Operating Cost		\$ 0.525		\$ 0.535
Profit per Operating Ratio		\$ 0.062		\$ 0.063
Total Biofuel Material Transportation Fee	-2.0%	\$ 0.587	1.8%	\$ 0.598

Plant Materials Transport Fee - Zanker Road				
Labor component	1.0172	\$ 0.4695	1.023	\$ 0.4801
Fuel	0.6176	\$ 0.0277	0.997	\$ 0.0277
Depreciation	1.0000	\$ 0.0440	1.000	\$ 0.0440
Other O&M Component	1.0041	\$ 0.1085	1.014	\$ 0.1100
Clerical CBA wages & benefits	1.0175	\$ 0.0160	1.023	\$ 0.0163
Total Operating Cost		\$ 0.6657		\$ 0.6780
Profit per Operating Ratio		\$ 0.0595		\$ 0.0606
Total Plant Material Transportation Fee	-1.3%	\$ 0.72516	1.9%	\$ 0.73861

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

G. Indexes

Year 7 2017	Year 8 2018
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Workers Compensation

Use- Factor	1.013	1.018
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Direct Labor

Use- Factor	1.018	1.023
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Fuel

Use- Factor	0.618	0.997
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Other O&M

Use- Factor	1.005	1.017
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Depreciation

Use- Factor	1.000	1.000
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SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

H. Department of Labor Index Detail

Index: U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Total All workers (not seasonally adjusted, total benefits, series no. (CIU2030000000000i)).

Workers Compensation

	2015	2016	2017
Average Index	123.45	125.08	127.30
% Change	2.45%	1.32%	1.78%
Q1	124.50	126.00	128.40
Q2	124.40	126.50	
Q3	124.80	127.00	
Q4	125.10	127.30	

Index: U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Service-Producing Industries (seasonally adjusted, total compensation, series no. (cis201s0000000000i)).

Direct Labor

	2015	2016	2017
Index 1ST QTR	122.63	124.78	127.63
% Change	2.38%	1.75%	2.284%
Q1	123.80	125.90	128.80
Q2	123.70	126.60	
Q3	124.50	127.30	
Q4	125.00	127.80	

Index: U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index - Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels and related products and power, series no. (wpu057303)).

Fuel

	2015	2016	2017
Avg Index Apr	256.49	158.41	158.00
% Change	-18.5%	-38.2%	-0.26%
Jan	182.60	119.50	160.70
Feb	189.90	114.00	163.30
Mar	194.20	118.60	161.60
Apr	183.30	123.20	164.60
May	202.60	144.40	
Jun	198.70	155.40	
Jul	194.00	157.60	
Aug	189.20	149.80	
Sep	169.40	163.10	
Oct	173.50	159.70	
Nov	167.40	157.00	
Dec	130.80	158.80	

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for Rate Year 2018

H. Department of Labor Index Detail

Index: U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, U.S. city average (not seasonally adjusted, all items, base period: 1982-84=100, series no. (cuur0000sa0).

Other O&M

	2015	2016	2017
Avg Index April	236.66	237.87	241.95
% Change	1.1%	0.5%	1.72%
Jan	233.71	236.92	242.84
Feb	234.72	237.11	243.60
Mar	236.12	238.13	243.80
Apr	236.60	239.26	244.52
May	237.81	240.23	
Jun	238.64	241.02	
Jul	238.65	240.63	
Aug	238.32	240.85	
Sep	237.95	241.43	
Oct	237.84	241.73	
Nov	237.34	241.35	
Dec	236.53	241.43	

Index: U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index Industry Data for motor vehicle body manufacturing, truck, bus, car, and other vehicle bodies, for sale separately (not seasonally adjusted, base date: 8212, series no. (pcu336211336211).

Depreciation

	2015	2016	2017
Avg Index April	232.57	236.00	238.66
% Change	1.7%	1.5%	1.1%
Jan	233.20	235.70	238.90
Feb	234.30	236.50	240.50
Mar	235.40	236.70	241.20
Apr	235.30	237.10	241.00
May	235.70	237.10	
Jun	235.70	237.30	
Jul	235.80	237.70	
Aug	235.80	237.90	
Sep	235.80	237.90	
Oct	235.80	237.90	
Nov	235.90	238.20	
Dec	235.50	238.30	

SOUTH BAY RECYCLING, LLC

Compensation Adjustment Application for R

I. Electric Power and Solar Cost

PG&E

Year	Apr-16	Apr-17
Total Bill	\$ 22,056	\$ 22,602
KWH	102,600	102,600
Rate / KWH	\$ 0.215	\$ 0.220
% increase from Prior Yr.	8.34%	2.47%
Adjustment Factor	1.215	1.220

ISH (Solar)

Year	Apr-16	Apr-17
Total Bill	\$ 19,450	\$ 27,028
KWH	90,951	122,708
Rate / KWH	\$ 0.214	\$ 0.220
% increase vs. Prior Yr.	3.0%	3.0%
Adjustment Factor	1.03	1.03

Blended

Year	Apr-16	Apr-17
Total Bill	\$ 41,506	\$ 49,629
KWH	193,551	225,308
Rate / KWH	\$ 0.214	\$ 0.220
% increase vs. Prior Yr.	5.4%	2.7%
Adjustment Factor	1.054	1.027

SOUTH BAY RECYCLING, LLC
Compensation Adjustment Application for Rate Year 2018
J. Debt Service Schedule

Year one interest rate adjustment per Operations Agreement Article 8.03

Assumed interest rate per SBR 2009 proposal:

5.00%

Ten-year U.S. Treasury note interest rate in March, 2008:

3.50%

Ten-year U.S. Treasury note interest rate in effect on July 1, 2010:

3.50%

Adjustment factor:

100.00%

Fixed interest rate for entire period of Ops Agreement:

5.00%

Year	Financed Purchase - BASE 2009 COST			Adj. Factor	Adjusted for Capital indexed price change Financed Purchase - Year One to Year Ten		
	Principal Payment	Interest	Total		Depreciation	Interest	Total
Interest Rate %		5.00%				5.00%	
1	\$ 505,441.00	\$ 308,120.00	\$ 813,561.00	1.0000	\$ 505,441.00	\$ 308,120.00	\$ 813,561.00
2	\$ 531,300.00	\$ 282,260.00	\$ 813,560.00	1.0000	\$ 531,300.00	\$ 282,260.00	\$ 813,560.00
3	\$ 558,483.00	\$ 255,077.00	\$ 813,560.00	1.0000	\$ 558,483.00	\$ 255,077.00	\$ 813,560.00
4	\$ 587,055.00	\$ 226,505.00	\$ 813,560.00	1.0000	\$ 587,055.00	\$ 226,505.00	\$ 813,560.00
5	\$ 617,091.00	\$ 196,470.00	\$ 813,561.00	1.0000	\$ 617,091.00	\$ 196,470.00	\$ 813,561.00
6	\$ 648,662.00	\$ 164,898.00	\$ 813,560.00	1.0000	\$ 648,662.00	\$ 164,898.00	\$ 813,560.00
7	\$ 681,849.00	\$ 131,712.00	\$ 813,561.00	1.0000	\$ 681,849.00	\$ 131,712.00	\$ 813,561.00
8	\$ 716,734.00	\$ 96,827.00	\$ 813,561.00	1.0000	\$ 716,734.00	\$ 96,827.00	\$ 813,561.00
9	\$ 753,403.00	\$ 60,158.00	\$ 813,561.00	1.0000	\$ 753,403.00	\$ 60,158.00	\$ 813,561.00
10	\$ 791,948.00	\$ 21,612.00	\$ 813,560.00	1.0000	\$ 791,948.00	\$ 21,612.00	\$ 813,560.00
TOTAL COST	\$ 6,391,966.00	\$ 1,743,639.00	\$ 8,135,605.00		\$ 6,391,966.00	\$ 1,743,639.00	\$ 8,135,605.00

# Years	10	10
Average Interest / Year	\$174,364	\$174,364

SOUTH BAY RECYCLING, LLC
Compensation Adjustment Application for Rate Year 2018
K. CBA Wages & Benefits

BASE						Actual 2017 Rates		Actual 2018 Rates	
TRANSFER STATION									
Direct Labor	FTE	Reg Hrs	OT Hrs	Hourly Rate	Annual Cost				
Leads	1.0	2,080	390	\$33.34	\$88,851.10	\$ 43.47	\$ 115,839	\$ 44.46	\$ 118,485
Scale Operator	3.0	6,240	1,170	\$31.75	\$253,841.25	\$ 41.40	\$ 330,970	\$ 42.34	\$ 338,529
Spotter	2.0	4,160	780	\$22.10	\$117,793.00	\$ -	\$ -	\$ -	\$ -
Spotter ²	5.0	10,400	780			\$ 28.82	\$ 333,433	\$ 29.48	\$ 341,049
Sorter	9.0	18,720	3,120	\$17.10	\$400,140.00	\$ -	\$ -	\$ -	\$ -
Sorter ²	6.0	12,480	3,120			\$ 22.93	\$ 393,438	\$ 23.45	\$ 402,424
Equipment Operator-Lead	2.0	4,160	624		\$0.00	\$ 45.40	\$ 231,352	\$ 46.44	\$ 236,637
Equipment Operator ¹	5.0	10,400	1,560	\$33.16	\$422,458.40	\$ -	\$ -	\$ -	\$ -
Equipment Operator	3.0	6,240	936	\$33.16	\$253,475.04	\$ 43.23	\$ 330,476	\$ 44.22	\$ 338,025
Personal Day Adjustment							\$ 13,396		\$ 13,702
						True Up	\$ -	True Up	\$ -
						Total	\$ 1,748,904	Total	\$ 1,788,851
							\$ -		\$ -
Total	20.0	74,880	12,480		\$ 1,283,084		1.75%		2.28%

MRF									
Direct Labor	FTE	Reg Hrs	OT Hrs	Hourly Rate	Annual Cost				
Scale Operator - Lead	2	4160	0	33.34	138694.4				
Equipment Operator-Lead	2.0	4,160	0		\$0.00	\$ 43.47	\$ 180,822	\$ 44.46	\$ 184,953
Equipment Operator	7.0	14,560	1,456	\$31.75	\$531,622.00	\$ 41.40	\$ 693,152	\$ 42.34	\$ 708,985
MRF Mechanic	1.0	2,080	0	\$33.36	\$69,388.80	\$ 43.50	\$ 90,477	\$ 44.49	\$ 92,544
PM Technician	1.0	2,080	0	\$28.80	\$59,904.00	\$ 37.31	\$ 77,606	\$ 38.16	\$ 79,378
Inspector	2.0	4,160	0	\$22.10	\$91,936.00	\$ -	\$ -	\$ -	\$ -
Utility ²	1.0	2,080	0			\$ 28.82	\$ 59,943	\$ 29.48	\$ 61,312
Spotter ²	1.0	2,080	0			\$ 28.82	\$ 59,943	\$ 29.48	\$ 61,312
Buyback Attendant	2.2	4,576	1,664	\$22.20	\$156,998.40	\$ 28.95	\$ 204,707	\$ 29.61	\$ 209,383
Personal Day Adjustment							\$ 11,577		\$ 11,841
						True Up	\$ -	True Up	\$ -
						Total	\$ 1,378,228	Total	\$ 1,409,708
							\$ -		\$ -
Total	15.2	35,776	3,120		\$ 1,048,544		1.75%		2.28%

TRANSPORT									
Direct Labor		Reg Hrs	OT Hrs	Hourly Rate	Annual Cost				
Semi-Driver	20.0	41,600	6,344	\$ 34.21	1,748,678	\$ 43.23	\$ 2,209,970	\$ 44.22	\$ 2,260,449
Mechanic	1.6	3,250	-	\$ 33.36	108,407	\$ 41.89	\$ 136,135	\$ 42.85	\$ 139,244
PM Technician	-	-	-	\$ 28.80	-	\$ 36.95	\$ -	\$ 37.79	\$ -
Personal Day Adjustment							\$ 18,603		\$ 19,028
							\$ 2,364,708		\$ 2,418,721
Total		44,850	6,344		1,857,085				

BENEFITS		/ month		/ hour		/ month		/ hour	
Plant & Transportation Operations	Medical	\$1,361.00	\$7.85	\$ 2,073.04	\$ 11.96	\$ 2,120.39	\$ 12.23		
	RSP	\$268.62	\$1.55	\$ 537.92	\$ 3.10	\$ 550.21	\$ 3.17		
	IP	\$4.90	\$0.03	\$ 5.20	\$ 0.03	\$ 5.32	\$ 0.03		
	Peer-84	\$667.33	\$3.85	\$ 1,085.52	\$ 6.26	\$ 1,110.32	\$ 6.41		
Total TS & Recycling			\$ 13.28		\$ 21.36		\$ 21.84		
			\$ -		\$ -		\$ -		
					1.75%		2.28%		

One-Time True-Up

% Mix (based on hours)	Teamsters	Mechanics
TS	100.0%	0.0%
MRF	94.5%	5.5%
Transportation	91.3%	8.7%

Total Teamster	\$ 13.28	\$ 21.36	\$ 21.84
USE FOR TRANSFER STATION		1.75%	2.3%

One Time True-Up 2015

Total Teamster	\$ 13.09	\$ 21.36	\$ 21.84
USE FOR MRF		1.75%	2.3%

One Time True-Up 2015

SOUTH BAY RECYCLING, LLC
Compensation Adjustment Application for Rate Year 2018
L. Clerical CBA Wages & Benefits

BASE					Actual 2017 Rates		Actual 2018 Rates	
CLERICAL								
G&A Labor (2009)	Reg Hrs	OT Hrs	Hourly Rate	Annual Cost				
Accounting Clerk	2,080.00	390.00	\$15.00	\$39,975.00				
Admin Assistant	2,080.00	390.00	\$16.88	\$44,985.20				
Dispatcher	2,080.00	390.00	\$13.13	\$34,991.45				
	<u>6,240.00</u>	<u>1,170.00</u>						
G&A Labor (2011)								
Payroll Processor	2,080.00	125.00			\$ 33.68	\$ 76,364	\$ 34.45	\$ 78,109
A/P Coordinator	2,080.00	125.00			\$ 27.26	\$ 61,821	\$ 27.89	\$ 63,233
Admin Assistant	2,080.00	125.00			\$ 26.75	\$ 60,648	\$ 27.36	\$ 62,033
Dispatcher	2,080.00	125.00			\$ 28.05	\$ 63,607	\$ 28.69	\$ 65,060
Total Hours	8,320.00	500.00						
						\$ -		\$ -
					Total	\$ 262,441	Total	\$ 268,435
2009 Base Totals	6,240.00	1,170.00		\$119,951.65		1.8%		2.3%

2009 BASE							
Transfer	33.33%	\$ 39,984	33.33%	\$ 87,480	33.33%	\$ 89,478	
MRF	33.33%	\$ 39,984	33.33%	\$ 87,480	33.33%	\$ 89,478	
Transportation	33.33%	\$ 39,984	33.33%	\$ 87,480	33.33%	\$ 89,478	

BENEFITS		/ month	/ hour	CPI Adjust	/ hour	CPI Adjust	/ hour
Clerical Unit	Medical	\$ 1,139.00	\$ 6.57	\$ 2,022.15	\$ 11.67	\$ 2,068.34	\$ 11.93
	Peer-84	\$ -	\$ -	\$ 562.61	\$ 3.25	\$ 575.46	\$ 3.32
	RSP	\$ -	\$ -	\$ 501.58	\$ 2.89	\$ 513.04	\$ 2.96
	IP	\$ -	\$ -	\$ 5.30	\$ 0.03	\$ 5.42	\$ 0.03
				True Up	\$ -	True Up	\$ -
	Total	\$ 6.57	Total	\$ 17.84	Total	\$ 18.24	
				\$ -		\$ -	
						1.8%	
							2.3%

Total H&W, Pension / Hr	\$ 2.19	\$ 5.95	\$ 6.08
USE FOR TRANSFER STATION		1.75%	2.28%

Total H&W, Pension / Hr	\$ 2.19	\$ 5.95	\$ 6.08
USE FOR MRF		1.75%	2.28%

Total H&W, Pension / Hr	\$ 2.19	\$ 5.95	\$ 6.08
USE FOR TRANSPORTATION		1.75%	2.28%

Total Wages + Benefits for G&A Group			
Transfer Station	\$ 53,651.88	\$ 136,946.57	\$ 140,074.58
MRF	\$ 53,651.88	\$ 136,946.57	\$ 140,074.58
Transportation	\$ 53,651.88	\$ 136,946.57	\$ 140,074.58
%		1.75%	2.28%