

# **LETTER OF UNDERSTANDING**

## **MASTER AGREEMENT**

**By and Between**

**RABANCO LTD.**

**And**

**GENERAL TEAMSTERS LOCAL UNION NO. 174**

**Affiliated With The  
International Brotherhood of Teamsters**

This **Letter of Understanding to the** Master Agreement by and between Rabanco Ltd. d/b/a Allied Waste Services of Bellevue, Allied Waste Services of Seattle, Allied Waste Services of Kent and Kent-Meridian Disposal Company d/b/a Kent-Meridian Disposal (hereinafter collectively referred to as the "Employer") and General Teamsters Local Union No. 174, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (hereinafter "the Union"), shall apply to the employees who worked for each of the aforementioned companies in classifications covered by this Agreement as separate bargaining units and become effective commencing April 1, 2010 and shall continue in force and effect through March 31, 2014 **and shall be extended and continue in full force and effect through March 31, 2016 with the modifications included in this Letter of Understanding**, and also thereafter, on a year to year basis, by automatic renewal. Provided, however, for the purpose of negotiating alterations in wages and other terms and conditions of employment, either party may open this Agreement or any contract effectuated through automatic renewal by giving written "Notice of Opening" not later than sixty (60) days nor more than ninety (90) days prior to the expiration date. "Notice of Opening" is nowise intended as "Notice of Termination".

If this Master Agreement is "opened" for alterations of wages or other terms and conditions as provided for above, and no renewal Agreement is reached, then this Agreement shall remain in full force and effect, subject to termination by either party at any time upon written ten (10) days' notice to the other party.

## ARTICLE 10 - SCALE OF WAGES

### 10.01 Classifications and Rates of Pay.

Driver: Current	4/1/13	<u>4/1/14</u>	<u>4/1/15</u>
\$28.14	\$28.44	<u>\$29.09</u>	<u>\$30.09</u>
	(0.30)	<u>(0.65)</u>	<u>(\$1.00)</u>

## ARTICLE 12 - HEALTH AND WELFARE, DENTAL AND VISION BENEFITS

12.01 All employees who have completed five hundred twenty (520) compensable hours of employment and who were compensated for eighty (80) hours in the previous month, shall be eligible to have contributions made on their behalf. For eligible employees, the Employer shall pay into the Washington Teamsters Welfare Trust the following:

12.01.1 **HEALTH AND WELFARE** – Effective April 1, 2010, the Employer agrees to pay \$1108.95 per month for the below listed plans:

- Teamster-Medical Plan “A”
- Teamster-Dental Plan “A”
- Teamster-Vision EXT Plan
- Teamster-Short Term Disability
- Teamster-Nine Month Waiver of Premiums
- Teamster-Life Insurance

12.01.2 The Employer agrees to pay the following additional amounts for the above listed plans, and also agrees to maintain the total cost of the RWT Plus Plan in Section 12.01.4 below:

Effective January 1, 2011, the Employer agrees to pay an additional \$133.07 per month for the above listed plans.

Effective January 1, 2012, the Employer agrees to pay an additional \$136.62 per month for the above listed plans.

Effective January 1, 2013, the Employer agrees to pay an additional \$151.65 per month for the above listed plans.

Effective January 1, 2014, the Employer agrees to pay an additional \$168.33 per month for the above listed plans.

**Effective January 1, 2015, the Employer agrees to pay an additional \$168.33 per month for the above listed plans.**

**Effective January 1, 2016, the Employer agrees to pay an additional \$168.33 per month for the above listed plans.**

**12.01.3** Any unused portions of the above listed negotiated caps shall be diverted to pension, to be used as outlined in Section 13.06 below or health & welfare in the following manner: Effective January 1, 2011, leftover monies if any, shall be rolled over and added to the amounts listed in January 1, 2012 and shall be available for any increases in health & welfare and pension as outlined in Section 13.0605 below.

Effective January 1, 2012, any leftover monies shall be rolled over and added to the amounts listed in January 1, 2013 and shall be available for any increases in health & welfare and pension as outlined in Section 13.0605 below.

Effective January 1, 2013, any leftover monies shall be rolled over and added to the amounts listed in January 1, 2014 and shall be available for any increases in health & welfare and pension as outlined in Section 13.0605 below.

**Effective January 1, 2014, any leftover monies shall be rolled over and added to the amounts listed in January 1, 2015 and shall be available for any increases in health & welfare and pension as outlined in Section 13.05 below.**

**Effective January 1, 2015, any leftover monies shall be rolled over and added to the amounts listed in January 1, 2016 and shall be available for any increases in health & welfare and pension as outlined in Section 13.05 below.**

Unused amounts, if any, at the end of the contract term shall be rolled into and become part of any successor Agreement.

**12.01.4** Employees will pay a total of \$30.00 per month in a lump sum pre-tax payroll deduction for this Health and Welfare Package for the entire term of this Agreement regardless of the increase in the Employer's contribution in succeeding years, unless the Employer's contribution in a particular year is insufficient to cover increases required by the Trust, in which case the employees will pay the difference in a lump sum pre-tax deduction.

**12.01.4** RETIREE'S HEALTH AND WELFARE – Effective April 1, 2010, the Employer agrees to pay \$84.85 per month to the Teamsters RWT Plus.

Effective January 1, 2011, the Employer agrees to pay \$94.85 per month.

Effective January 1, 2012, the Employer agrees to pay any increase in cost to maintain the RWT plus Plan for the duration of this Agreement.

(NOTE: The five hundred twenty (520) compensable hour waiting period referenced in Section 12.01 above, shall not apply to this benefit.)

12.02 Payments required under any of the foregoing provisions shall be made on or before the tenth (10th) day of the month. Upon Union request, copies of all transmittals pertaining to benefits under this Section shall be posted.

12.03 Should contribution rates charged to the Employer at any time exceed the above amounts, the Employer will pay same and withhold said excess as a lump sum pre-tax deduction from the employee's paycheck.

12.03.1 The Employer agrees to pay any amounts listed in 12.01.4 above to maintain the benefits for the duration of this Agreement. These amounts shall be in addition to and separate from the amounts listed in 12.01.2.

12.04 If the Employer is delinquent in payments, the Employer shall be notified by the Union and shall have fifteen (15) days to pay the amount due. Continued delinquency shall cause the Employer to be liable for the payment of any claims incurred by employees or dependents during such delinquency.

12.05 The Trust Agreement shall be known as Supplement "A" and, by this reference, same is incorporated herein and deemed a part hereof as though fully set forth.

12.06 During the term of this Agreement, if health and welfare benefits provided herein are subject to mandatory modification by the Washington Health Service Act of 1993, or other state or federal regulation, the parties shall enter into negotiations regarding such required modifications.

### **ARTICLE 13 -- PENSION**

13.01 Effective April 1, 2006, the Employer shall pay five dollars and thirteen cents (\$5.13), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid, not to exceed forty (40) hours per week.

13.01.01 Effective January 1, 2010, the Employer shall pay six dollars and seventy-six cents (\$6.76), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid, not to exceed forty (40) hours per week.

13.01.02 Effective April 1, 2010, the Employer shall pay six dollars and seventy-cents (\$6.76), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.03 Effective April 1, 2011, the Employer shall pay a total of six dollars and seventy-six cents (\$6.76), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.05 Effective April 1, 2012, the Employer shall pay a total of seven dollars and eleven cents (\$7.11), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.06 Effective April 1, 2013, the Employer shall pay a total of seven dollars and fifty-one cents (\$7.51), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.07 Effective April 1, 2014, the Employer shall pay a total of seven dollars and seventy-one cents (\$7.71), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.08 Effective April 1, 2015, the Employer shall pay a total of seven dollars and eighty-one cents (\$7.81), including PEER/80 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

For probationary employees hired on or after April 1, 2000, the Employer will pay an hourly contribution rate of ten cents (\$.10), including one cent (\$.01) for PEER/80 during the probationary period, but in no case for a period longer than the first ninety (90) calendar days from commencing work in the bargaining unit. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Section for other bargaining unit employees.

13.02 PEER/80. The contributions required to provide the PEER/80 will not be taken into consideration for benefit accrual purposes under the Plan. The additional, contribution for PEER/80 must at all times be sixteen and one-half percent (16.5%) of the basic contribution and cannot be decreased or discontinued at any time.

13.03 The total amount due each month shall be remitted in a lump sum not later than ten (10) days after the last business day of the month.

13.04 The Employer agrees to abide by the rules established by the Trustees of said Trust Fund to facilitate determination of hours, orderly collection, and accurate reporting. Upon Union request, a copy of pension transmittals shall be posted.

13.05 In the event that additional Pension Protection Act (PPA) payments or contributions of any kind to the Pension Fund are required by law or are mandated by the Trustees, the Employer will comply with any and all legal obligations to commence making such additional contributions or payments. If an additional PPA payment is required and is greater than the negotiated pension increase for that year, the pension contribution rate will not be increased in that year. If an additional PPA payment is required but is less than the negotiated pension increase for that year, then the pension contribution shall be increased by the difference between the negotiated rate and the additional required payment. Under no circumstance shall there be a reduction in the hourly pension contribution rate.

#### ARTICLE 26 - ECONOMIC PARITY


~~26.01 During the term of this Agreement, should any other sanitation company obtain more favorable economic terms and conditions in a contract with Local Union No. 174, the Employer may serve upon the Union thirty (30) days' notice of implementation of the more favorable economic terms and conditions. During the thirty (30) day period, the Employer shall grant the Union ample opportunity to negotiate over the proposed implementation and its effects.~~

~~26.02 If after thirty (30) days the Employer, in fact, implements any or all of the economic terms and conditions which comprise the subject of the notice, the Union may challenge the appropriateness of the Employer's actions through the Settlement of Disputes Article or may take lawful economic action including a strike, notwithstanding the no strike provisions of this Agreement.~~

By:   
MIKE HUOYCKE, Vice President

Dated: 12/14/12

FOR LOCAL 174:  
GENERAL TEAMSTERS LOCAL 174  
Affiliated with the international  
Brotherhood of Teamsters

By:   
RICK HICKS, Secretary-Treasurer

Dated: 12/4/12

# **MEMORANDUM OF UNDERSTANDING**

To the

## **LETTER OF UNDERSTANDING**

To the

## **MASTER AGREEMENT**

By and Between

**RABANCO LTD. D/B/A  
Rabanco Recycling Co**

And

**GENERAL TEAMSTERS LOCAL UNION NO. 174**

**Affiliated With The  
International Brotherhood of Teamsters**

This Memorandum of Understanding to the Letter of Understanding to the Master Agreement ("the Master") by and between **Rabanco Ltd. d/b/a Allied Waste Services of Bellevue, Allied Waste Services of Seattle, Allied Waste Services of Kent and Kent-Meridian Disposal Company d/b/a Kent-Meridian Disposal** (hereinafter collectively referred to as the "Employer") and **General Teamsters Local Union No. 174, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America** (hereinafter "the Union "), shall apply to the employees who work for **Rabanco Ltd. d/b/a Rabanco Recycling Co.** in classifications covered by this Agreement and become effective commencing upon ratification and shall continue in force and effect through March 31, 2016 with modifications to the following Articles included in this Memorandum of Understanding, and also thereafter, on a year to year basis, by automatic renewal. Provided, however, for the purpose of negotiating alterations in wages and other terms and conditions of employment, either party may open this Agreement or any contract effectuated through automatic renewal by giving written "Notice of Opening" not later than sixty (60) days nor more than ninety (90) days prior to the expiration date. "Notice of Opening" is nowise intended as "Notice of Termination".

If this Master Agreement is "opened" for alterations of wages or other terms and conditions as provided for above, and no renewal Agreement is reached, then this Agreement shall remain in full force and effect, subject to termination by either party at any time upon written ten (10) days' notice to the other party.

## ARTICLE 10 - SCALE OF WAGES

### 10.01 Classifications and Rates of Pay.

Transfer Driver: Current	<u>5/1/12</u>	<u>4/1/13</u>	<u>4/1/14</u>	<u>4/1/15</u>
\$23.25	<u>\$23.50</u>	<u>\$24.00</u>	<u>\$24.75</u>	<u>\$25.75</u>
	<u>(\$0.25)</u>	<u>(\$0.50)</u>	<u>(\$0.75)</u>	<u>(\$1.00)</u>

## ARTICLE 13 - PENSION

13.01.05 Effective May 1, 2012, the Employer shall pay a total of four dollars and fifty seven cents (\$4.57), including PEER/84 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.06 Effective April 1, 2013, the Employer shall pay a total of five dollars and seven cents (\$5.07), including PEER/84 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.07 Effective April 1, 2014, the Employer shall pay a total of five dollars and fifty seven cents (\$5.57), including PEER/84 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

13.01.08 Effective April 1, 2015, the Employer shall pay a total of six dollars and seven cents (\$6.07), including PEER/84 per hour into the Western Conference of Teamsters Pension Trust Fund for each member of the bargaining unit and those probationary employees who have been continuously employed for more than ninety (90) calendar days for each hour for which compensation is paid not to exceed the first two thousand and eighty (2080) hours per calendar year.

For probationary employees hired on or after April 1, 2000, the Employer will pay an hourly contribution rate of ten cents (\$.10), including one cent (\$.01) for PEER/84 during the probationary period, but in no case for a period longer than the first ninety (90) calendar days from commencing work in the bargaining unit. If and when this period is completed, the full standard contribution rate shall apply. Contributions shall be calculated on the same basis as described in this Section for other bargaining unit employees.



13.02 PEER/84. The contributions required to provide the PEER/84 will not be taken into consideration for benefit accrual purposes under the Plan. The additional, contribution for PEER/84 must at all times be six and one-half percent (6.5%) of the basic contribution and cannot be decreased or discontinued at any time.

13.03 The total amount due each month shall be remitted in a lump sum not later than ten (10) days after the last business day of the month.

13.04 The Employer agrees to abide by the rules established by the Trustees of said Trust Fund to facilitate determination of hours, orderly collection, and accurate reporting. Upon Union request, a copy of pension transmittals shall be posted.

13.05 In the event that additional Pension Protection Act (PPA) payments or contributions of any kind to the Pension Fund are required by law or are mandated by the Trustees, the Employer will comply with any and all legal obligations to commence making such additional contributions or payments. If an additional PPA payment is required and is greater than the negotiated pension increase for that year, the pension contribution rate will not be increased in that year. If an additional PPA payment is required but is less than the negotiated pension increase for that year, then the pension contribution shall be increased by the difference between the negotiated rate and the additional required payment. Under no circumstance shall there be a reduction in the hourly pension contribution rate.

13.06 The Employer agrees to bring the employees covered by this Memorandum of Understanding up to the same hourly Pension rate as received by the sanitation employees covered by the Master by the end of the Agreement to be negotiated to succeed the Master, which expires on March 31, 2016.

24.10 Transfer Drivers shall maintain a separate seniority list and have seniority among themselves. The Employer shall offer overtime assignments for Saturdays, Sundays and Holidays from the seniority list in seniority order. If any work remains unfilled, it shall be assigned by inverse seniority order from the seniority list.

By:   
MIKE HUYCKE, Vice President

Dated: 12/14/12

FOR LOCAL 174:  
GENERAL TEAMSTERS LOCAL 174  
Affiliated with the international  
Brotherhood of Teamsters

By:   
RICK HICKS, Secretary-Treasurer

Dated: 12/4/12

