



December 2, 2015

Eric Mirzaian
9505 W. Jefferson Blvd.
Culver City, CA 90232

Dear Eric;

Haynes and Culver City have been long standing partners and we truly appreciate Culver City and the great employees and community. We know minimum wage increases in 2014 and January 2016 has created a challenge to the business model. Our team has looked extensively into the account and implemented productivity improvements to minimize the increase impact and maintain the quality that you and your team expect. We believe we have an appropriate proposal based on the productivity improvements as well as mandated wage increases. See table below:

The First column is the 2012 rate and current up through October 2015.

The Second column is the 1.1% CPI increase the contract we discussed in our meeting on 9/10/15. We have applied this increase as discussed then for the billings October – December 2015.

We have also broken out the increase in 2 phases. Phase one is the third column and reflects an increase of 4% to get Culver City through to their fiscal year ending. This will assist to offset the January minimum wage increase. Haynes will shoulder the other 7%.

Phase two is the fourth column and puts us into the new Fiscal year and is a 3.5% increase. The 2016 proposed increase is 7.5% and still below the 22% increase Haynes has endured from minimum wage increases the past 18 months.

JOB	2012 Monthly Rate	Oct.- Dec.'15	Jan-Jun'16 Proposal	July'16 -Sept'17
City Hall	\$ 9,019.62	\$ 9,118.84	\$ 9,483.59	\$ 9,815.51
Public Works	\$ 2,746.88	\$ 2,777.10	\$ 2,888.18	\$ 2,989.27
Vet Memorial Bldg	\$ 5,632.10	\$ 5,694.05	\$ 5,921.82	\$ 6,129.08
Senior Center	\$ 6,864.20	\$ 6,939.71	\$ 7,217.29	\$ 7,469.90
Transportation	\$ 4,630.06	\$ 4,680.99	\$ 4,868.23	\$ 5,038.62
Pool Bldg	\$ 2,655.26	\$ 2,684.47	\$ 2,791.85	\$ 2,889.56
Parks and Recreation	\$ 9,493.15	\$ 9,597.57	\$ 9,981.48	\$ 10,330.83
Parking Structure	\$ 2,516.43	\$ 2,544.11	\$ 2,645.88	\$ 2,738.48
Transfer Station 2014	\$ 3,867.62	\$ 3,910.16	\$ 4,066.57	\$ 4,208.90
Police Station 2014	\$ 2,119.31	\$ 2,142.62	\$ 2,228.33	\$ 2,306.32
Monthly totals	\$ 49,544.63	\$ 50,089.62	\$ 52,093.21	\$ 53,916.47

The event staff will be billed \$17.60 after October 1, 2015 and will remain at that level through 2016.

Haynes is proud to be part of the Culver City culture and community. We feel this proposal is fair and reflects our desire to remain part of Culver City many years into the future.

Sincerely,

Steve Putnam

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