



Legislation Details (With Text)

File #:	18-7651	Name:	Final Passage - Living Wage Ordinance
Type:	Ordinance	Status:	Agenda Ready
File created:	4/21/2018	In control:	City Council Special Meeting
On agenda:	5/3/2018	Final action:	
Title:	Final Passage of an Ordinance to Increase the Hourly Wage Rate for Service Contracts (Living Wage) From \$14.13 Per Hour to \$15.00 Per Hour Beginning in FY 2019. [ROLL-CALL-VOTE]		
Sponsors:	Morgan Routt		
Indexes:			
Code sections:			
Attachments:	1. 18-7651_Attachment 1_Living Wage Ordinance Cover, 2. 18-7651_Attachment 2_Living Wage Ordinance, 3. 18-7651_After Items		

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 27, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Final Passage of an Ordinance to Increase the Hourly Wage Rate for Service Contracts (Living Wage) From \$14.13 Per Hour to \$15.00 Per Hour Beginning in FY 2019. [ROLL-CALL-VOTE]

ISSUE: Passage of an ordinance to increase the hourly wage rate for service contracts (living wage) from \$14.13 per hour to \$15.00 per hour beginning in FY 2019.

RECOMMENDATION: That City Council adopt the proposed ordinance on Thursday, May 3, 2018 setting the Living Wage rate at \$15.00 per hour. The new Living Wage rate will be effective July 1, 2018.

BACKGROUND: In 2000, Council adopted a living wage policy for employees of companies awarded competitively bid service contracts performed on City property. The City's policy also applies that living wage to all City employees. Prior to FY 2010, to determine the dollar level of the living wage to be paid, a formula was established that used Bureau of Labor Statistics and Health and Human Services indices. As these indices

were recalculated annually, they impacted the City's living wage dollar levels. In 2001, the living wage was \$8.70 per hour and by FY 2009 it had increased to \$13.13 per hour. The City Council adopted Ordinance Number 5459 in FY 2017 to increase the living wage rate to \$14.13 per hour.

DISCUSSION: The FY 2019 Proposed Budget includes funding sufficient to increase the living wage for service contracts and City employees by \$0.87 per hour, increasing the City's living wage from \$14.13 to \$15.00 per hour. The proposed ordinance would repeal Ordinance Number 5459, which set the living wage at \$14.13; continue to not utilize the use of the living wage formula described in City Code Section 3-3-31.1; and increase the effective living wage to \$15.00 per hour for service contracts. This increase is proposed to increase the City's living wage level to what is now considered the national level for a living wage. The application of the living wage to City employees is not a part of the City Code amendment, but will be reflected in the FY 2019 Pay Scales included with the adopted budget.

FISCAL IMPACT: Based on the current number of contracts and City employees that would be impacted by the living wage rate, it is estimated that there will be an increase in FY 2019 City costs of approximately \$186,000 annually. The increase breaks down to \$92,721 for City employees and \$93,623 for service contracts; this funding has been included in the FY 2019 Proposed Operating Budget.

ATTACHMENTS:

Attachment 1 - Living Wage Ordinance Cover Sheet
Attachment 2 - Living Wage Ordinance

STAFF:

Laura Triggs, Deputy City Manager
Morgan Routt, Director, Office of Management and Budget
Christina Zechman-Brown, Assistant City Attorney
Michael Stewart, Deputy Director, Finance Department
Randy Burns, Purchasing Agent, Finance Department