

Memorandum



CITY OF DALLAS

DATE May 26, 2026

Honorable Members of the City Council Finance Committee: Chad West (Chair),
TO Kathy Stewart (Vice Chair), Zarin Gracey, Maxie Johnson, Jesse Moreno,
Jaime Resendez, Gay Donnell Willis

SUBJECT **May 27, 2026, City Council Agenda Item #26-1709A – Temporary Sanitation Field Labor**

The purpose of this memorandum is to provide follow-up information regarding the proposed service price agreement for Temporary Sanitation Field Labor in support of the Department of Sanitation Services. This memorandum responds to questions raised during the Finance Committee meeting on April 21, 2026 regarding the new pending contract, the City's living wage requirement, and the relationship between temporary labor wages and comparable City employee wages.

Background

Sanitation relies on temporary field labor as a core operational resource to sustain daily refuse and recycling collection on routes that require manual collection. These workers are primarily assigned to rear-load collection trucks, which are used predominantly in alley-based service areas and other constrained locations where automated collection is not feasible. Temporary labor is also used to support operations at the McCommas Bluff Landfill and the City's transfer stations.

Sanitation requires approximately 240 temporary laborers per day to support these operations. Given the physically demanding nature of the work and associated turnover, maintaining a steady workforce requires continuous, high-volume recruitment and rapid onboarding. The temporary staffing model allows the contractor to recruit, screen, hire, onboard, and maintain the necessary daily staffing level.

Agreement

The new pending agreement is a three-year service price agreement to be awarded to the recommended vendor, A & Associates, Inc., in the estimated amount of \$66,324,838, representing the total potential value over the three-year term. It will replace the current contract, which expires in August 2026. Services will be funded through the Sanitation Services enterprise fund operating budget and are subject to annual appropriations.

Follow-Up Information

During the April Finance Committee meeting, City Councilmembers requested additional information comparing the current and proposed contract wages, and how the proposed temporary labor wage compares to the starting pay for City employees who drive rear-load collection trucks staffed with temporary helpers.

The current temporary labor contract was executed in August 2021 and reflects the living wage requirement in effect at that time. The recent procurement was initiated in FY 2024-25 and is subject to the living wage requirement in effect during that fiscal year.

Item	Current Contract	New Pending Contract	Percent Increase
Applicable living wage	\$15.23/hour	\$22.05/hour	45%
Overall contract regular hourly cost	\$20.31/hour	\$29.63/hour	46%

Temporary Labor and City Employee Pay Comparison

The new temporary labor wage of \$22.05 per hour is close to the current established hiring rate for Sanitation truck drivers, which is \$22.99 per hour. This means the temporary laborers working on the back of rear-load collection trucks would be paid within \$0.94 per hour of the City employees responsible for driving and operating those trucks.

This comparison is important because the driver position carries additional responsibility, including operation of heavy equipment, route completion, safety, vehicle operation, and supervision of work activity around the truck. While the figures do not represent a full total compensation comparison, the hourly wage relationship creates a compression issue that Sanitation will need to consider as part of its broader workforce and budget planning. In addition, any adjustment to Sanitation truck driver pay could have broader classification and compensation implications for comparable truck driver positions in other City departments.

Position	Worker Hourly Wage
Contract Temporary Labor (<i>New Pending Contract</i>)	\$22.05
Sanitation Truck Driver (<i>Established Hiring Rate – 71 employees</i>)	\$22.99
Sanitation Truck Driver (<i>Average – 231 employees</i>)	\$23.84

Specific Cost Impact of Temporary Labor

Because Sanitation is funded through an enterprise fund, temporary labor costs are recovered through Sanitation fees. The specific impact of temporary labor is being evaluated as part of the FY 2026-27 rate recommendation. That analysis will also be considered in relation to the pending proposal to establish a tiered rate structure based on point of service, recognizing that alley service and curbside service have different cost profiles.

Cost Item	Amount
Approximate annual spend under current contract	\$12.5 million
Estimated annual spend under proposed contract	\$18.8 million
Estimated monthly impact per residential customer from temporary labor change only (<i>*based on current uniform rate</i>)	+\$1.59/month

Summary

The new pending temporary labor agreement is necessary to maintain daily manual collection operations, particularly on alley-based refuse and recycling routes where automated collection is not feasible. The higher contract amount is driven primarily by the increase in the applicable living wage requirement, from \$15.23 per hour under the current contract to \$22.05 per hour under the new pending agreement.

This wage level is close to the current starting pay for Sanitation truck drivers, who begin at \$22.99 per hour. Because temporary laborers often work on the back of rear-load trucks operated by City employees, the narrow difference between these hourly rates creates a pay compression consideration that Sanitation will continue to evaluate.

Sanitation is analyzing the specific cost impact of the temporary labor agreement as part of the FY 2026-27 rate development process. This analysis includes how temporary labor costs relate to the pending tiered-rate proposal for alley and curbside service, without presenting the overall sanitation rate recommendation in this memo.

If you have any questions or would like additional information, please feel free to contact me at alina.ciocan@dallas.gov or the Director of Sanitation, Clifton Gillespie, at clifton.gillespie@dallas.gov.

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Bertram Vandenberg, City Attorney (I)
Mamatha Sparks, City Auditor (I)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General (I)
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