

Memorandum



CITY OF DALLAS

DATE July 23, 2021

TO Honorable Mayor and Members of the City Council

SUBJECT **Living Wage Update**

The City of Dallas implemented a living wage policy for general services contracts on November 10, 2015 by Resolution No. 15-2141. The policy requires an annual adjustment according to the Massachusetts Institute of Technology's Living Wage Calculator, found here: <https://livingwage.mit.edu/counties/48113>. For 2021, the living wage for an individual in Dallas County is \$15.21 per hour (an increase from the 2020 rate of \$12.38 per hour).

The Office of Procurement Services adjusts the living wage for its general services contracts each year on October 1, to align with the City's fiscal year. Accordingly, solicitations for general services contracts advertised after October 1, 2021 will include the \$15.21 per hour living wage, and that wage will apply for the term of the contract. Examples of general services include landscaping, janitorial, and administrative work.

Construction contracts will adhere to the greater of the MIT Living wage or the Davis-Bacon prevailing wages, which include fringe benefits. Effective October 1, 2021, per Resolution 21-903, the City's prevailing wages for public building construction and highway/ heavy construction is the greater of the City's living wage and the Davis-Bacon rates. Current Davis-Bacon rates can be found on the Department of Labor website here: [Davis-Bacon and Related Acts | U.S. Department of Labor \(dol.gov\)](https://www.dol.gov/eis/whats-new/davis-bacon-and-related-acts).

An update on the minimum wage for City employees will be provided as part of the City Manager's proposed budget for FY 2021-2022 and planned budget for FY 2022-23.

Thank you for your support of workers. If you have any questions, please contact me.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

May 26, 2021

WHEREAS, for public works projects, Chapter 2258 of the Texas Government Code requires the City to determine the general prevailing wage rates by either (1) conducting its own survey of the wages received by classes of workers employed on similar projects; or (2) using the prevailing wage rates as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a et seq.), and its subsequent amendments (“Davis-Bacon Wage Rates”); and

WHEREAS, by Resolution No. 12-2098, passed on August 22, 2012, the City Council adopted the Davis-Bacon Wage Rates for public building construction contracts as the minimum acceptable wages; and

WHEREAS, by Resolution No. 12-2099, passed on August 22, 2012, the City Council adopted the Davis-Bacon Wage Rates for highway/ heavy construction contracts as the minimum acceptable wages; and

WHEREAS, it is in the best interests of the City to adopt current Davis-Bacon Wage Rates on public works contracts.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Council hereby determines and adopts the Davis-Bacon Wage Rates, as published online by the U.S. Department of Labor, as the minimum acceptable rates of per diem wages for public works contracts, including public building construction and highway/heavy construction contracts.

SECTION 2. That the City Manager shall review the Davis-Bacon Wage Rates annually and update, without further Council action, the City’s prevailing wage for public works contracts to reflect the latest Davis-Bacon Wage Rates.

SECTION 3. That the City Manager shall create procedures to incorporate this policy into its public works procurements, consistent with all laws, effective for all procurements advertised on or after October 1, 2021.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.