

Memorandum



CITY OF DALLAS

DATE June 16, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Living Wage Update**

The City of Dallas implemented a living wage policy for general service contracts on November 10, 2015, by Resolution No. 15-2141. The policy requires an annual adjustment according to the Massachusetts Institute of Technology's (MIT) Living Wage Calculator, found here: [Living Wage Calculator - Living Wage Calculation for Dallas County, Texas \(mit.edu\)](https://livingwage.mit.edu). For fiscal year 2024, the living wage for an individual in Dallas County is \$18.24 per hour (\$0.42 increase from the 2023 rate of \$17.82 per hour).

The Office of Procurement Services adjusts the living wage for its general service contracts each year on October 1, to align with the City's fiscal year. Accordingly, solicitations for general service contracts advertised after October 1, 2023, will include the \$18.24 per hour living wage requirement. Contractors may opt to pay a rate higher than the living wage or to increase the rate over the term of the contract, however, they must provide wages at or above the living wage rate in place at the time of the solicitation for the term of the contract. Examples of general services include landscaping, janitorial, and administrative work.

All applicable contracts solicited through September 30, 2023, will continue to include the current rate of \$17.82. All applicable contracts solicited after October 1, 2023, will include the new rate of \$18.24.

Construction contracts will adhere to the greater of the MIT living wage or the Davis-Bacon prevailing wages, which includes 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).

As part of the FY 2023-24 budget development process, we are reviewing the MIT living wage and will recommend adjustments to City employee wage rates to account for this change.

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Thank you for your support of the City's contract workers. If you have any questions, please contact me or Danielle Thompson, Director of the Office of Procurement Services.



Jack Ireland
Chief Financial Officer

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors