Memorandum

DATE July 19, 2024

^{TO} Honorable Mayor and Members of the City Council

SUBJECT Living Wage Annual 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 (MIT) Living Wage Calculator, found here: <u>MIT's Living Wage Calculator</u>. For fiscal year 2025, the living wage for an individual in Dallas County is \$22.05 per hour (\$3.81 increase from the 2024 rate of \$18.24 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. With inflation and the general cost of goods and services increasing, the living wage of Dallas County continues to increase. Accordingly, solicitations for general services contracts advertised after October 1, 2024, will include the new \$22.05 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 service contracts include landscaping, janitorial, and administrative work.

All applicable contracts solicited through September 30, 2024, will continue to include the current rate of \$18.24. All applicable contracts solicited after October 1, 2024, will include the new rate of \$ 22.0.

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: <u>Home | U.S. Department of Labor (dol.gov)</u>

If you have any questions, please contact Danielle Thompson, Director of the Office of Procurement Services at <u>danielle.thompson@dallas.gov</u>.

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Service First, Now!

Jack Ireland Chief Financial Officer

c: Kimberly Bizor Tolbert, City Manager (I) Tammy Palomino, City Attorney Mark Swann, City Auditor Bilierae Johnson, City Secretary Preston Robinson, Administrative Judge Dominique Artis, Chief of Public Safety (I) Dev Rastogi, Assistant City Manager M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager Alina Ciocan, Assistant City Manager Donzell Gipson, Assistant City Manager (I) Robin Bentley, Assistant City Manager (I) Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I) Directors and Assistant Directors