Memorandum



DATE July 22, 2022

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. For 2022, the living wage for an individual in Dallas County is \$17.82 per hour. This is a \$2.61 increase from the 2021 rate of \$15.21 per hour.

The Office of Procurement Services adjusts the living wage for its new 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, 2022 will include the \$17.82 per hour living wage, which will be applied for the term of the contract. All general services contracts awarded prior to October 1, 2022 will continue to include the living wage rate that was in effect at the time of award. 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 <u>Department of Labor website</u>.

As part of the FY 2022-23 budget development process, we are reviewing the MIT Living Wage and will recommend adjustments to employee wage rates to account for this change. We will include these recommendations in the City Manager's proposed budget that will be briefed on August 9, 2022.

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

Mack Ireland

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Chief Financial Officer

T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

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