# Supplemental Material

## **City of Sacramento**

Law & Legislation

## **Agenda Packet**

Submitted:

February 1, 2010

### For the Meeting of: February 2, 2010

Additional Material

X Revised Material

TITLE: ORDINANCE AMENDMENT: LIVING WAGE AND PREVAILING WAGE

REQUESTING THAT PRIOR ATTACHMENTS BE REPLACED IN THEIR ENTIRETY WITH NEW ATTACHMENTS

**Contact Information**: Reina J. Schwartz, Director of General Services, 808-7195; Christopher Stewart, Procurement Services Manager, 808-6202

Please include this supplemental material in your agenda packet. This material will also be published to the City's Internet. For additional information, contact the City Clerk Department at Historic City Hall, 915 I Street, First Floor, Sacramento, CA 95814-2604, (916) 808-7200.

#### Attachment 1

#### ORDINANCE NO.

Adopted by the Sacramento City Council

#### **Date Adopted**

AN ORDINANCE AMENDING SECTION 3.58.030 OF THE SACRAMENTO CITY CODE RELATING TO THE PAYMENT OF A LIVING WAGE; REPEALING SECTION 3.56.070 OF THE SACRAMENTO CITY CODE RELATING TO THE PAYMENT OF PREVAILING WAGES AND ADDING SECTION 3.56.070 TO THE SACRAMENTO CITY CODE RELATING TO THE EMPLOYMENT TRANSITION PERIOD FOR DISPLACED JANITORS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

#### SECTION 1.

Section 3.58.030 of the Sacramento City Code is amended to read as follows:

3.58.030 Living wage and health benefits.

- A. Except as provided in subsection B of this section, a covered employer must pay its covered employees no less than the following rates for all hours worked for the city or while performing under a city contract:
- 1. If health benefits are provided to covered employees and the covered employer's contribution for the benefits is at least one dollar and fifty cents for each hour the covered employee is entitled by this chapter to a living wage, then the rates are as follows:
- a. During 2007, the greater of ten dollars (\$10.00) an hour or nine dollars adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1, 2004, through December 31, 2006.
- b. For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1st through December 31st of the immediately preceding year.
- 2. If health benefits are not provided to covered employees or if health benefits are provided but the covered employer's contribution for the benefits is less than one dollar and fifty cents for each hour a covered employee is entitled by this chapter to a living wage, then the rates are as follows:

- a. During 2007, the greater of eleven dollars and fifty cents (\$11.50) an hour or ten dollars and fifty cents (\$10.50) adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/ San Jose area (1982—1984=100) from January 1, 2004, through December 31, 2006.
- b. For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1st through December 31st of the immediately preceding year.
- 3. In January February of each year, the city manager shall determine the appropriate rate as practicable. Each city department that has city contracts shall give written notice of the rate so determined to the covered employers.
- B. Notwithstanding subsection A of this section, the city council may waive, modify or alter the requirements of this chapter when amending a contract that has a remaining term of ten (10) years or more. (Ord. 2007-087 § 1: Ord. 2003-082 (part))

#### SECTION 2.

Section 3.56.070 of the Sacramento City Code is repealed.

#### 3.56.070 Prevailing wages for certain services.

A. Every contract for laundry service, janitorial service, or window washing
service to be performed at the expense of the city, whether such work be done directly
under contract award, or by or under subcontract, or by any other arrangement
whatsoever, must provide in addition to other provisions required by law, that any
person performing labor in the state in the execution of such contract, subcontract, or
any other arrangement shall be paid not less than the general prevailing rate of wages
in private employment for similar work in the county.

- B. The general prevailing rate of wages required in contracts hereunder shall be as established by the city manager upon a reasonable survey of business establishments performing laundry service, janitorial service or window washing services of the type used by the city not less than one hundred twenty (120) days in advance of the award of any contract for such services. Such prevailing wage rates shall be included in the specification setting forth the terms of performance of any such contract.
- C. The specifications for any such contract and the contract itself shall contain a clause which provides that such contract may be terminated where any contractor or subcontractor has paid any laborer or workman on such contract less than the prevailing rate of wages. The contract further shall contain a liquidated damages clause whereby any contractor or subcontractor who pays any laborer or workman on such contract at less than the prevailing rate of wages shall become jointly and

severally liable to the city in the amount of ten dollars (\$10.00) per day for each laborer or workman so paid.
D. Any contractor or subcontractor willfully violating the terms or provisions of any contract or subcontract relating to the payment of prevailing wages shall be deemed not to be a responsible bidder upon all future contracts for laundry service, janitorial service or window washing service.
— E. As used herein, laundry service means the continuous provision of laundered work uniforms for various city employees under contract awarded pursuant to this chapter. (Prior code § 57.01.107)
SECTION 3
Section 3.56.070 is added to read as follows:
3.56.070 Transition employment period for displaced janitors
The 60 day transition employment period set forth in section Labor Code section 1061 is extended to 90 days.
Adopted by the City of Sacramento City Council onby the following vote:
Ayes:
Noes:
Abstain:
Absent:
MAYOR Attest:
City Clerk
Passed for Publication: Published: Effective:

#### **Attachment 2**

#### ORDINANCE NO.

Adopted by the Sacramento City Council

#### Date Adopted

AN ORDINANCE AMENDING SECTION 3.58.030 OF THE SACRAMENTO CITY CODE RELATING TO THE PAYMENT OF A LIVING WAGE; REPEALING SECTION 3.56.070 OF THE SACRAMENTO CITY CODE RELATING TO THE PAYMENT OF PREVAILING WAGES AND ADDING SECTION 3.56.070 TO THE SACRAMENTO CITY CODE RELATING TO THE EMPLOYMENT TRANSITION PERIOD FOR DISPLACED JANITORS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

#### SECTION 1.

Section 3.58.030 of the Sacramento City Code is amended to read as follows:

#### 3.58.030 Living wage and health benefits.

- A. Except as provided in subsection B of this section, a covered employer must pay its covered employees no less than the following rates for all hours worked for the city or while performing under a city contract:
- 1. If health benefits are provided to covered employees and the covered employer's contribution for the benefits is at least one dollar and fifty cents for each hour the covered employee is entitled by this chapter to a living wage, then the rates are as follows:
- a. During 2007, the greater of ten dollars (\$10.00) an hour or nine dollars adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1, 2004, through December 31, 2006.
- b. For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1st through December 31st of the immediately preceding year.
- 2. If health benefits are not provided to covered employees or if health benefits are provided but the covered employer's contribution for the benefits is less than one dollar and fifty cents for each hour a covered employee is entitled by this chapter to a living wage, then the rates are as follows:

- a. During 2007, the greater of eleven dollars and fifty cents (\$11.50) an hour or ten dollars and fifty cents (\$10.50) adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/ San Jose area (1982—1984=100) from January 1, 2004, through December 31, 2006.
- b. For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for all Urban Consumers, San Francisco/Oakland/San Jose area (1982—1984=100) from January 1st through December 31st of the immediately preceding year.
- 3. In February of each year, the city manager shall determine the appropriate rate as practicable. Each city department that has city contracts shall give written notice of the rate so determined to the covered employers.
- B. Notwithstanding subsection A of this section, the city council may waive, modify or alter the requirements of this chapter when amending a contract that has a remaining term of ten (10) years or more. (Ord. 2007-087 § 1: Ord. 2003-082 (part))

#### **SECTION 2**

Section 3.56.070 of the Sacramento City Code is repealed.

#### SECTION 3

Section 3.56.070 is added to read as follows:

3.56.070 Transition Employment Period for Displaced Janitors

The 60 day transition employment period set forth in section Labor Code section 1061 is extended to 90 days.

Adopted by the City of Sacramento City	Council on	_by the following vote:
Ayes:		
Noes:		·
Abstain:		
Absent:		
	MAYOR	
Attest:		

City	/ Cl	lerk
$\sim$ $10^{\circ}$	_	-

Passed for Publication:

Published:

Effective: