



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Bill Fosbre, City Attorney *Bill Fosbre*  
**COPY:** Government Performance and Finance Committee; Andy Cherullo, Director of Finance and Committee Executive Liaison  
**PRESENTER:** Debra E. Casparian, Deputy City Attorney, City Attorney's Office  
**SUBJECT:** Requiring Livable Wages in City Service Contracts  
**DATE:** August 7, 2018

**PRESENTATION TYPE:**

Informational Briefing

**SUMMARY:**

The City Attorney's Office was asked whether the City could require contractors who perform services for the City to pay their employees "livable wages." The City Attorney's Office will explain the law, and what other jurisdictions are doing in this regard.

**BACKGROUND:**

The City enters into contracts for a variety of goods and services. The kinds of goods the City purchases may include office supplies, computer equipment, or trucks for the City's fleet services. The kinds of services the City may contract for range from case management for those experiencing homelessness and overnight shelter services to public work construction, information technology services, and architectural and engineering services.

Those working in public works projects are already entitled to be paid the state's "prevailing wage," which varies depending on one's trade. Other than the state and local minimum wage requirements, there are no requirements for higher wages for employees in non-public work projects.

**ISSUE:**

Can the City require contractors who perform services for the City to pay their employees "livable wages?"

**ALTERNATIVES:**

This is an information briefing only. There are no alternatives presented.

**FISCAL IMPACT:**

This is an information briefing only. There is no fiscal impact.

**RECOMMENDATION:**

This is an information briefing only. There is no recommendation.