



Legislation Text

File #: 06831, Version: 1

**Fiscal Note**

The Ordinance would apply to service providers where the distinction between those employees whose labor contributions support some facet of a City contract versus all non-City labor contributions cannot be ascertained. In its administration of the Living Wage Ordinance, the City has previously used a "proportional calculation" method, where the Living Wage rate is spread to all appropriate employees on a pro-rata basis, to determine whether a contractor is in compliance with provisions of the Living Wage Ordinance. While the great majority of service providers are able to segregate City vs. non-City work performance, the City has considered a "proportional calculation" for two types of service: uniform rental/laundry services, and, car washes.

The City's current uniform rental/laundry contractor has stipulated that virtually all of its employees earn wages that exceed the City Living Wage. Therefore, the need for a "proportional calculation" as it might apply to the City's uniform rental/laundry services is not necessary. This Ordinance amendment would prohibit the use of such a calculation for future contracts. While it is not currently anticipated that such a prohibition will result in additional City expense, future fiscal implications are unknown.

With regard to car washing services, the City currently has no agreement with any car washing service that might be construed as "contractual," under which provisions of the Living Wage might apply. The City utilizes a variety of car washing outlets, including Octopus Car Wash, Mermaid, and various PDQ and other quick washing services. Because the use of these services are somewhat "ad-hoc" and not under the auspices of a service contract, the Living Wage Ordinance is not applicable to these service providers. Therefore, this Ordinance should have no effect on the provision of or associated costs for car washing services.

**Title**

Creating Sec. 4.20(3)(d) of the Madison General Ordinances to prohibit proportional calculation of wages to employees performing both City and non-City work.

**Body**

DRAFTER'S ANALYSIS: This ordinance prohibits proportional calculation of wages to employees performing both City and non-City work.

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The Common Council of the City of Madison do hereby ordain as follows:

Subdivision (d) of Subsection (3) entitled "Living Wage Requirement" of Section 4.20 entitled "Living Wage" of the Madison General Ordinances is created to read as follows:

"(d) Each employee employed in the performance of a service contract or employed in work performed under a contract funded by City financial assistance shall receive the full living wage. If an employee is performing both City and non-City work and it is not possible to separately account for the time associated with work under the City contract, then the employee shall receive the full living wage. No proportional calculation is allowed. If no bids are received on a City service contract and staff determines that compliance with this subdivision contributed to the lack of bids, the contract may be rebid with a waiver of the no proportional calculation requirement. This subdivision shall be applicable to all service contracts which are first advertised or amended after the effective date of this subdivision (d) and to all contracts funded by City financial assistance which are executed or amended after the effective date of this subdivision (d)."