

City of Santa Barbara

LIVING WAGE ADVISORY COMMITTEE MEETING MINUTES

August 27, 2008 at 5:00 pm
Room 15, City Hall

- I. Committee members Hillary Blackerby, Larry C. Lee, Richard Flacks, and Allen Williams were present.
- II. Call to order: 5:06
- III. Public Comments: None
- IV. Review and Approval June 11, 2008 Meeting Minutes, Vote taken, Motion carried to approve minutes as is.
- V. Discussion of Living Wage PSA Options – Christopher Bell, City TV Production Specialist, proposed that a clip would be produced and that the committee members would have an opportunity to view it and make recommendations. Staff was directed to review the possibility of making a radio PSA also. It was also proposed that the city put a ‘hot link’ on City web page to direct viewers and listeners to living wage information. **Action:** The Committee asked is the mayor would be able to do the voiceover. Staff to advise at the next meeting.
- VI. Update on Compliance Audits – Bob Peirson was not able to attend. Staff gave information to the committee members that the audits had not been completed. Committee expressed frustration with the pace; everything is taking too long and that there has been very little progress since living wage inception and that the audits were taking too long. It was noted that Council wanted the living wage program to be in effect for at least two years before reporting back on its effectiveness. It was suggested that: 1) the staff separate the audit of payrolls from the creation of an audit procedure to expedite the process; and 2) the City Council needs to direct the City to set the living wage as a higher priority. The Committee felt that the audits were essential to include in their Council report. **Action:** Staff was directed to relay concerns and to provide a firm date by which the audits would be completed by the next meeting.
- VII. Discussion on the insurance requirements to qualify for the lower wage rate. It was proposed that Council revisit the ordinance and direct committee to come up with a way to encourage health insurance. After further discussion, it was proposed that committee come up with a number that would encourage insurance coverage and include this in the committee’s recommendation to Council. There was discussion on the goal of the Living Wage Ordinance. Was the goal to increase health insurance coverage or higher wages? If the goal was to increase health coverage, the program was unsuccessful based on the survey results. It was agreed that the recommendation would be that the cost to qualify for tier one discounted wage would be \$400.00 and the cost for tier two would be \$800.00. **Action:** Can the City extend its insurance coverage to living wage contractors?

VIII. Discussion of Suggested Changes to the Living Wage Program

The committee proposed that the City extend the Living Wages to City Hourly employees and Temps and stop the hypocrisy or to eliminate the program. The committee did not support eliminating the program.

Action: 1) Staff was directed to provide reports of the number of people and job classifications that are being paid less than living wage by the next meeting. **2)** What is the target date to provide recommendations to Council? **3)** When can a draft or framework of the recommendations be send to the committee to flesh-out?

IX. Cost of Living Wage Program

- a. Cost of Services: It is difficult to quantify the cost impact. You need bidders to provide two costs: one with and one without living wage. This makes responding to the invitations to bid more complicated and time consuming. Survey results showed a mixed result. Also, there are many elements that interact to affect costs: fuel, materials, travel, etc. Although cost may increase from one year to the next, it cannot be totally contributed to living wages.
- b. Cost of Administering: This is easier to track. But, the insurance requirements makes administration more difficult since contractors must have insurance equivalent to the City's to qualify for the lower rates.

X. Adjournment: 7:00

Next meeting is scheduled for October 15, 2008 at 5 P.M.