

City of Santa Barbara

**LIVING WAGE ADVISORY COMMITTEE
MEETING MINUTES
for**

5:00 P.M., Monday, February 28, 2011

Room 15 – City Hall
735 Anacapa St., Santa Barbara, California

Staff to the Living Wage Advisory Committee has on February 23 caused to be posted this agenda in the Office of the City Clerk of the City of Santa Barbara.

- I. Roll Call: ✓ John Goodman ✓ Joey Corazza ✓ Allen Williams
 ✓ Richard Flacks ✓ Larry C. Lee, Chair ✓ Gabe Dominocielo
- II. Call to order: **5:05 P.M.**
- III. Public comment: **None. Four members from the public were present.**
- IV. Discussion of Robert Rules of Order: **Larry said he purchased a DVD and would loan it to anyone that was interested. Questions should be addressed to the chair to avoid side conversations and motions made to discuss or vote on actions. Everyone should have an opportunity to speak on a topic. To better manage time, time limits may be imposed.**
- V. Review and approval of January 24, 2011, meeting minutes: **Motion made by Richard and seconded by Gabe to approve the minutes as is. The vote was unanimous.**
- VI. Discussion of Living Wage fiscal year to date and FY' 10 Living Wage Results: Motion made by Joey and seconded by Richard to have a discussion. **Larry expressed concerns about on firms using the living wage requirements as an excuse to charge a premium (employees receiving less than the additional cost firms were charging to the city) and wanted to know if there was anyway to address this. Allen was surprised that more firms were not doing this since payroll taxes can add up to 25% alone and cautioned against making assumptions. The city awards contracts on a low bid basis. Adding too much of a premium could a firm uncompetitive. Staff said that some firms found the ordinance confusing and is working to simplify the certifications form with the goal of reducing uncertainty, which may lead to lower bids. Larry asked if there was a need to follow-up on and John said no.**

Larry pointed out that there was a reoccurring issue on the merits of the program with the lack of audits being at the core and asked if the City is not going to fund audits to verify compliance, should we suspend meeting until audits are funded? The consensus was no.

Richard inquired why some of the firms had no entries in the FY 2011 form. Staff stated that this is raw data and staff does not follow up on getting certification forms when the firm's hourly rates far exceed the living wage rates (i.e., charge \$75 per hour).

- VII. Discussion and review of each member's scorecard (i.e., categories, narratives, and scoring). Motion made by Allen and seconded by John to have discussion. **Allen stated that he added an eighth category to his scorecard, Return on Investment. Contractors increase their prices due to the living wage requirements with about 75% of the additional cost going to employees. Is this good or bad. The committee needs to decide on how to rate this. Other categories he suggested were Enforcement with the goal of investigating a 100% of the complaints. He suggested that each number assign a numerical score to each category and the committee's scores would be the average.**

Richard suggested that the scorecard include categories for the direct on those covered and indirect affects on non-profits, private employers, and low wage workers in general. He also suggested that we may want to look at MTD.

Joey suggested combining the demographic and hypocrisy categories from Allen's scorecard.

John suggested having municipal image as possible category instead of hypocrisy.

Gabe agreed with all of the ideas presented.

Larry had no suggestions Larry agreed to forward his scorecard notes to staff for inclusion and discussion at the next meeting.

All members were going to forward any new categories and Larry was going to forward the version that was worked on during meeting.

VIII. New Business

- a. Discussion of other committee projects: **None. Only interested in the scorecard at this time.**
- b. Discussion of the scheduled Living Wage Increase for FY '12. **Motion made by Gabe and seconded by Allen to notify Council of the mandatory 2% increase in the living wage rates. The motion passed unanimously.**

A second motion to form an opinion was made by Gabe and seconded by Allen. The second motion passed with Richard voting no.

A third motion was made by Gabe and seconded by Allen to give an opinion: "Due to the current state of the city's financial situation, the Living Wage Advisory Committee question whether or not it is appropriate for the living wage rates to increase by the mandated 2% for fiscal year 2012." The rates were flat last fiscal year because the CPI did not increase. The third motion passed with Larry and Richard voting no.

c. Discussion of Committee member Gabe Dominocielo's request to adopt the scorecard as presented at the Council meeting as the Committee's official position on the Living Wage Ordinance: **No motion to discuss**

IX. Develop Meeting Calendar: The following meeting dates: April 4, 2011; July 11, 2011; Oct. 10, 2011, and Dec. 12, 2011. All meetings are at 5 P.M. at City Hall, room 15.

X. Election of a chair to a 2 year term: Motion was made by John and seconded by Joey to have discussion. John withdrew his name from nomination. Motion made by Gabe and seconded by Allen to table until the election until the next meeting with Larry to continue to service as an interim chair. Motion was defeated by four to two with Allen and Gabe voting for the motion.

Motion made by Richard and seconded by John to elect Larry. Motion passed with 4 ayes and Allen and Gabe abstaining.

XI. Adjourn: 6:51 P.M. Next meeting is on April 4.

AMERICANS WITH DISABILITIES: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Finance Department at 564-5334. Notification of at least 48 hours prior to the meeting will enable the City to make reasonable arrangements.