



MICHAEL BEATON
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County of Santa Cruz

GENERAL SERVICES DEPARTMENT

701 OCEAN STREET, SUITE 330, SANTA CRUZ, CA 95060-4073
(831) 454-2210 FAX: (831) 454-2710 TDD: 711

SUBJECT: Santa Cruz County Living Wage Ordinance for County Fiscal Year July 1, 2022 – June 30, 2023

The County of Santa Cruz is currently certifying all Living Wage applicable vendors for the 2022/2023 fiscal year commencing July 1, 2022. You will find enclosed all the appropriate information you will need to understand the Living Wage Ordinance and how your company must participate. All covered vendors, providing \$15,000 dollars or more of service to the County, must complete a current Living Wage Compliance statement and return to me to keep on file in the General Services Department. For your convenience, a brief summary of this ordinance is attached. For complete information on this ordinance, visit the county Web site at <http://www.co.santa-cruz.ca.us/Departments/GeneralServices/Purchasing/CurrentLivingWageOrdinance.aspx>

On June 7, 2022, the Board of Supervisors approved an increase in the Living Wage rates from \$18.10 per hour to **\$19.01** per hour, and from \$19.74 per hour to **\$20.73** per hour without benefits. Please complete the enclosed Compliance Statement and return to me **within 5 business days** of this request. This will ensure prompt payment of any current outstanding invoices.

You may scan/email your completed form to GSDSupportingDocs@santacruzcounty.us.

There are three notices enclosed that must be posted in view of all your employees; one notice in English and one in Spanish explain the employees' Living Wage rights and the other explains the Complaint Process. Please make sure these postings occur to ensure compliance.

Thank you for your prompt attention to these matters. If you have any questions, please contact our office at 831-454-2210.

Sincerely,

Shauna M. Soldate
Senior Buyer
County of Santa Cruz
Enclosure: Santa Cruz County Living Wage Packet

Santa Cruz County Living Wage Packet

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FORM.**

Return Completed Living Wage Compliance Statement via Email at:

GSDSupportingDocs@santacruzcounty.us

OR

Mail to:

County of Santa Cruz,
General Services Department
701 Ocean Street, Room 330
Santa Cruz, CA 95060

LIVING WAGE ORDINANCE - SUMMARY OF PROVISIONS

Requirement:

Effective July 1, 2022, private sector employers who contract or subcontract with the County to provide specified services for greater than \$15,000 cumulatively in one fiscal year must pay their employees working on a County contract a living wage of \$19.01/hr if they provide benefits, or \$20.73/hr if they do not provide benefits.

Living Wage:

\$19.01/hr with benefits; \$20.73/hr without benefits.

Benefits:

Include all of the following: 12 days compensated sick and vacation leave (combined) annually for full-time employees, prorated for part-time; payment of at least \$1.72/hr toward health insurance for the employee.

Covered contracts:

- Automotive repair and maintenance
- Equipment maintenance services
- Facility and building maintenance
- Furniture moving and installation/maintenance services
- Janitorial and custodial services
- Landscape maintenance services
- Laundry services
- Office and clerical services
- Pest control services
- Recreation services
- Security services
- Transportation and shuttle services
- Towing services
- Tree trimming and removal

Non-covered contracts:

- Commodities, goods and supplies
- Public works (construction projects)
- Public projects subject to prevailing wage requirements
- Professional services - including but not limited to architects, engineers, landscape architects, land surveyors, construction managers, scientists, physicians, attorneys, financial advisors, consultants
- Leases

Covered contractors:

Private sector employers with 6 or more employees who enter into an agreement or agreements with the County for the any of the services listed under “covered contracts” above with the **cumulative** amount in one fiscal year greater than \$15,000.

Covered employee:

Any employee of a covered contractor or subcontractor who is assigned to work on a Santa Cruz County contract; can be full-time, part-time, temporary, or seasonal.

Non-Covered Employees:

- Designated trainees in a bona fide time limited training program which enables the employee to move into a permanent position
- Positions that require student status as a condition of employment
- Volunteers
- Recipients of income support such as SSI who waive in writing their entitlement to a living wage
- Workers in licensed, sheltered workshops or supported employment
- Recipients of public funds in work experience, on the job training, summer employment of wage-based community service position as defined by the HRA or HSA Administrator
- Employees represented by a bargaining unit of labor union and for whom a collective bargaining agreement is in effect
- Employees 17 years old or younger

Exemptions:

- Contractors with 5 or fewer employees
- Board of Supervisors may grant an exemption based on economic hardship, or that the exemption is in the best interests of the County due to unusual circumstances such as declared natural disaster or sole source contract. Requires written statement from the employer supporting the request and describing alternative solutions pursued.

Contract language:

The following language is required in services contracts, RFP's and bid documents:

"This contract is subject to the provisions of Santa Cruz County Code Chapter 2.122, requiring payment of a living wage to covered employees. Noncompliance during the term of the contract will be considered a material breach and may result in termination of the contract or pursuit of other legal or administrative remedies."

Certification:

Contractor is required to certify that it is in compliance with the ordinance prior to commencement or execution of the contract.

Employee Notification:

Contractors are required to notify covered employees of the provisions of the living wage ordinance, must post the ordinance and Complaint Procedure in the workplace, and provide this information to the employee upon request.

Non-Covered (Answer to question 2a in the Living Wage Compliance Statement is Yes and Union/bargaining unit noted) or Exempt employees (Answer to question 1 in the Living Wage Compliance Statement is five or less employees total in the company) do not need to be notified of the provisions of the living wage ordinance, nor does the employer need to post the ordinance and Compliant Procedure in the workplace.

Monitoring:

- Same as prevailing wage requirements.
- CAO is Compliance Officer.
- Contractors/subs can't retaliate if employees make a complaint.
- Complaint process:
 - Complainant notifies Compliance Officer (CO).
 - CO has 3 business days to contact complainant to get more info.
 - CO forwards info to contracting department for investigation.

- Department has 30 days from date CO gets complaint to do investigation and make findings.
- Department notifies CO of findings.
- CO has 7 days to notify complainant of findings.

Third Tier Review:

- As part of contractor certification of compliance prior to contract commencement, vendor must include statement of any findings of violations within the past 5 years and how violations were addressed with the National Labor Relations Board, OSHA, California Labor Commission, EEO Commission and/or Dept. of Fair Employment and Housing.
- Board of Supervisors can decide to use this info as a basis of approving or not approving a contract for services.
- County is authorized to access and review the employer's records regarding turnover, wages paid, benefits, grievances, and references from entities engaged in prior contracts with the employer.

Employee Retention:

If a contract for covered services in excess of \$50,000 is terminated prior to its expiration, any new contract with a subsequent contractor for the same services must include this term:

“Contractor shall make best efforts to offer employment to qualified employees of the prior contractor for the performance of this contract. Such efforts shall not be required in regard to employees who are (1) exempt under the Fair Labors Standards Act, (2) family members of the prior contractor, (3) employed by the prior contractor for less than six months, or (4) convicted of a job-related or workplace crime. Upon request by the County, the Contractor shall demonstrate to the County that good faith efforts have been made to comply with this provision.”



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COUNTY OF SANTA CRUZ LIVING WAGE COMPLIANCE REQUIREMENTS

Contracts for certain services are subject to the County of Santa Cruz Living Wage Ordinance, which was adopted by the Board of Supervisors on December 11, 2001 and went into effect on January 11, 2002.

For covered contracts, the minimum compensation to be paid covered employees as of July 1, 2022 shall be:

- \$19.01/hr minimum, if benefits are provided.
- \$20.73/hr minimum, if benefits are not provided.

Benefits are defined as:

- Compensated sick leave/vacation leave - At least 12 days (combined) annually for full-time employees and prorated for employees working less than full-time.
- Health insurance benefits – The payment of at least \$1.72/hr by the employer toward the payment of a health insurance policy for the employee.

Contractors and subcontractors for covered services must notify employees of the requirement for a living wage, the current minimum living wage rates, the minimum vacation and sick leave that must be provided and the minimum amount paid toward health insurance to qualify for the lower minimum living wage. Contractors and subcontractors must post a copy of the Living Wage Ordinance and Complaint Procedure in the workplace, and provide this information to employees upon request.

The attached Compliance Statement must be completed and returned with your quotation/proposal. If the Compliance Statement is not received, your quotation/proposal shall be deemed non-responsive and you will not be able to contract with the County for services at this time. Additionally, the County may request any or all weekly certified payrolls and other records associated with the term of this contract. Any such request will be made in writing and will provide 10 days for response.

Questions regarding Living Wage requirements may be directed to:

Purchasing Division
County of Santa Cruz General Services Department
701 Ocean Street, Room 330
Santa Cruz, CA 95060
(831) 454-2210
GSDSupportingDocs@santacruzcounty.us



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COUNTY OF SANTA CRUZ LIVING WAGE COMPLAINT PROCEDURE

Role of Complaint Process and Compliance Officer:

To establish a process for complainants to ensure whether contractors are in violation of a County contract.

Complaint Process:

1. Complainant notifies the Compliance Officer to register complaint.

Compliance Officer
County Administrative Office
Room 520
701 Ocean Street
Santa Cruz, CA 95060
831-454-2100
FAX: 831-454-3420

2. Within three business days, Compliance Officer contacts complainant for further information.
3. Compliance Officer forwards information to contracting department for follow up investigation and findings to determine whether the contractor is in violation of the ordinance.
4. Contracting department completes investigation and makes findings within 30 days following receipt of complaint by the Compliance Officer.
5. Immediately following the conclusion of the investigation, contracting department notifies Compliance Officer of the investigative findings.
6. Within 7 days, the Compliance Officer notifies complainant of findings.

COUNTY OF SANTA CRUZ



LIVING WAGE ORDINANCE EMPLOYEE NOTIFICATION

Employees working for this firm are subject to the County of Santa Cruz Living Wage Ordinance that was implemented on January 11, 2002. The Ordinance requires that all company employees who either work or live within Santa Cruz County and hired by contractors or subcontractors to work on county contracts are to be paid a living wage when the total value of the company's service contracts with the County exceeds \$15,000 in a fiscal year.

The minimum compensation to employees shall be:

1. If benefits are provided, a wage of not less than \$19.01 per hour, effective July 1, 2022.
2. If benefits are not provided, a wage of not less than \$20.73 per hour, effective July 1, 2022.

Benefits are defined as follows:

1. A combined twelve days compensated sick and vacation leave annually for full time employees, and pro-rated leave for employees working less than full time.
2. Payment of at least \$1.72 per hour toward health insurance for the employee.

Please direct questions regarding this ordinance to the County of Santa Cruz, Purchasing Division (831) 454-2210, 701 Ocean Street, Room 330, Santa Cruz, CA 95060.

The Purchasing Division of General Services monitors Living Wage Ordinance compliance. Complaints concerning contractors' compliance should be made to the Compliance Officer.

EL CONDADO DE SANTA CRUZ



AVISO PARA LOS EMPLEADOS ORDENANZA COSTO DE VIDA (LIVING WAGE ORDINANCE)

Los empleados que trabajan para esta empresa están sujetos a la Ordenanza de Sueldo Digno (Living Wage Ordinance), la cual fue implementada el 11 de Enero del 2002. La Ordenanza requiere que todos los empleados de una empresa que trabajan o vivir dentro del Condado de Santa Cruz y contratado por contratistas o subcontratistas para trabajar de Contratos del Condado, deben de ganar un “Costo de Vida” cuando el valor total de los servicios de la empresa los contratos con el Condado excede \$15,000 en un año fiscal.

La compensación mínima por hora para los empleados debe de ser:

1. Si se proveen beneficios médicos, un sueldo de \$19.01/hora, efectivo el primero de Julio, 2022.
2. Si no se proveen beneficios médicos, un sueldo de \$20.73/hora, efectivo el primero de Julio, 2022.

Beneficios se definen como sigue:

1. Una combinación de doce días pagados por año por vacaciones o enfermedad para los empleados que trabajan tiempo completo, y una combinación de tiempo proporcionado para los empleados que trabajan menos de tiempo completo.
2. Un pago mínimo de \$1.72 por hora, para los beneficios médicos para el/la empleado/a.

Si usted tiene preguntas sobre esta ordenanza, por favor, llame el División de Purchasing de la Departamento de Servicios General (831) 454-2210, 701 Ocean Street, Room 330, Santa Cruz, CA 95060.

La Oficina de Administración del Condado (County Administrative Office) controla la conformidad de la Ordenanza de Sueldos Dignos. Quejas sobre la falta de conformidad de la empresa deben de ser dirigidas al Compliance Officer.

**COUNTY OF SANTA CRUZ
LIVING WAGE COMPLIANCE STATEMENT – FISCAL YEAR 2022-2023**

Only qualified employees covered under the Living Wage Ordinance 2.122 are allowed to work for County contracts and purchase orders. Vendors must familiarize themselves with this ordinance as located at <http://www.co.santa-cruz.ca.us> Business/vendor registration/Living Wage. Vendors must certify their intent to comply each year and return this completed form to: County of Santa Cruz: General Services Department, 701 Ocean St. Santa Cruz, CA 95060 or by email at GSDSupportingDocs@santacruzcounty.us.

Company Name: _____

Address: _____
Street City State Zip

Proposed Service: _____

1. Number of employees: _____ **Note: If five or less, skip questions 2-9, sign below and return.**

2. Of these employees, are they covered by a collective bargaining agreement? Yes: _____ No: _____

2a. If yes, please indicate the name(s) of the union and/or bargaining unit and then sign and return:

2.b If no, are your covered employees receiving a pay rate that meets or exceeds the County of Santa Cruz Living Wage requirements (\$19.61/hr with benefits or \$20.73/hr without benefits)?

Yes: _____ No: _____

3. Are medical benefits provided to your covered employees who are assigned to any County contract?

Yes: _____ No: _____

If yes, enter the name and address of the program, plan or fund below.

4. Are your covered full-time employees receiving a minimum of twelve days compensated leave annually (sick and vacation leave combined)? Yes: _____ No: _____

4a. If No, does covered employee pay meet or exceed \$20.73/hr? Yes: _____ No: _____

5. Will any subcontractors perform work on this contract? Yes: _____ No: _____

If yes, please complete and submit a copy of this form for each subcontractor working on County contract.

6. Within the last five years, have you had any violations with the National Labor Relations Board, Occupational Safety and Health Agency, California Labor Commission, Equal Employment Opportunity Commission, and/or the Department of Fair Employment and Housing?

Yes: _____ No: _____

6a. If yes, attach a statement describing the findings of violations and how they were addressed.

You may be required to provide information regarding employee turnover, wages paid, benefits and employee grievances or complaints.

6b. If this ever applies, will you provide this information within 10 days of request? Yes: _____ No: _____

7. For each County contract, you may be required to provide certified payroll records after the contract is completed to include the following information for each employee assigned to the work: employee name, contact phone number, job classification, hire date, employer benefit contribution, and hourly wage.

Do you agree to provide this information within 10 days of request? Yes: _____ No: _____

I certify, under penalty of perjury, that the above information is true and correct.

Name (please print) Title Phone Number Fax Number

Signature Date

Email address