



**Santa Clara Valley Water District**  
5750 Almaden Expressway  
San Jose, California 95118  
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## **LIVING WAGE POLICY**

It is the policy of the Santa Clara Valley Water District (District) that persons doing work on, for or on behalf of the District should be paid at least a living wage and reasonable time off.

### **1. Payment of Minimum Compensation to Employees.**

The following are the minimum living wages that must be paid to individuals providing services to the District under the contracts specified in Section 2(A) of this Living Wage Policy:

- i. If health insurance benefits are provided by the service provider, then a wage of no less than **\$21.73 per hour**. (*Proof of the provision of such benefits must be submitted to the District with the executed contract*)
- ii. If health insurance benefits are not provided by the service provider, then a wage of no less than **\$22.98 per hour**.

These initial rates will be reviewed each year during the month of July, to determine if any adjustment should be made based on that year's February Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-San Jose area (U.S. Department of Labor, Bureau of Labor Statistics). Notwithstanding the Consumer Price Index, the living wage must not increase by more than 4%.

### **2. Application**

#### **A. Service or Labor Contract**

The Living Wage Policy applies to awarded contracts that the District estimates the expenditure of more than \$50,000 during the term of the contract for the furnishing of the following services to the District (as opposed to the purchase of goods or other property or the leasing of property):

- i. Automotive repair and maintenance
- ii. Facility and building maintenance
- iii. Food services
- iv. Janitorial and Custodial
- v. Landscaping
- vi. Office and Clerical (copier maintenance, facsimile maintenance, courier, mailing, photographic, printing, collections)

- vii. Pest Control
- viii. Security
- ix. Maintenance of District owned equipment
- x. Any other service or labor determined by the District's Procurement Unclassified Officer to meet the intent of this Policy.

**B. Exemptions**

Notwithstanding the type of contracts specified in Section 2(A) of this Living Wage Policy, if any of the following are applicable, then the living wage requirements in this Living Wage Policy are not applicable:

- i. Contracts under which federal or state regulations preclude the applicability of the living wage requirements specified in this Living Wage Policy;
- ii. Contracts which involve programs where the District shares management authority with other jurisdictions, unless all participating agencies have a Living Wage Policy;
- iii. Contracts which are impacted by leases, bond covenants, grant restrictions, governmental regulations and the like are reviewed on a case by case basis and the Living Wage Policy included to the extent legally and contractual possible;
- iv. Contracts for professional services for specialized skills including but not limited to experts, consultants, auditors, engineers, attorneys, banking; or
- v. Contracts where imposition of the living wage requirements specified in this Living Wage Policy is found by the District's Procurement Unclassified Officer to be likely to cause a hardship to small businesses.
- vi. Contracts with non-profit organizations that provide educational and/or job-related training.

**3. Employee Retention Requirements**

**A. Application**

The Employee retention requirements under this Policy will apply to contracts subject to this Policy which are estimated to be over \$50,000 during the contract term and provides for the continuation of a service currently provided by another contractor, including the following contracts:

- i. Food Services
- ii. Janitorial and Custodial Services
- iii. Security Services
- iv. Any other service or labor determined by the District's Procurement Unclassified Officer to meet the intent of this Policy

**B. Retention Employee**

Any person employed by the predecessor contractor or any subcontractor to the predecessor contractor who:

- i. provides direct labor or service on the District contract;

- ii. is not an "exempt" employee under the Fair Labor Standards Act; and
- iii. has been employed for at least 12 months period prior to the date of the new contract by the predecessor service contractor or subcontractor.

**C. Employment**

Employment shall be offered to all qualified retention employees.

- i. The new service contractor may deem a retention employee not to be qualified only if: (a) the employee has been convicted of a crime that is related to the job or to his or her job performance; or (b) the contractor can demonstrate to the District that the employee presents a significant danger to customers, co-workers, or District staff.
- ii. The new service contractor may treat any of its current employees as retention employees for purposes of this Policy who, based on payroll records or other reliable evidence can be shown to the satisfaction of the District’s Procurement Manager: (a) to have been employed for at least the 12 month period prior to the date of the new contract by the contractor or subcontractor; and (b) would otherwise need to be terminated if not retained by the new service contractor.
- iii. Qualified employees of the predecessor contractor may not be discharged without cause during the initial 90 day period of their employment with the new service contractor.

**4. Enforcement**

The service agreement shall provide that if a violation of any provision of this Living Wage Policy occurs and is not corrected after written notice, the District may, at its option, do any or all of the following:

- i. Suspend and/or terminate the service contract for cause.
- ii. Require the employer to pay any amounts underpaid in violation of the required payments and District's administrative costs and liquidated damages.

**5. Effective Date**

Any contract for which any request for service or labor covered by this Living Wage Policy is issued on or after May 1, 2010.

**CONTACT INFORMATION**

The District’s main telephone number is 408-265-2607. Please use the extension numbers below to contact staff. The District’s Deputy Administrative Officer for Procurement maintains the Living Wage Policy and can be contacted at ext. 3021.

For Goods, Services (general), and Public Works construction (less than \$25,000)	x 2888
For Consulting Services (professional and non-professional)	x 2992
For Public Works Construction (above \$25,000)	x 3088