

EXHIBIT C
Living Wage Ordinance

ORDINANCE NO: 5257

AN ORDINANCE TO AMEND CHAPTER 2, ARTICLE XI, CODE OF ORDINANCES, CITY OF MEMPHIS, SO AS TO ADD AN ANNUAL ADJUSTMENT TO THE LIVING WAGE

WHEREAS, the Memphis City Council along with the Administration recognizes that the living wage should be adjusted annually in accordance with the Poverty Level Index.

NOW, THEREFORE,

SECTION 1. BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, That Chapter 2, Article XI, Code of Ordinances, City of Memphis be amended as follows:

Sec. 2-416. Annual adjustment of living wage.

- (a) The living wage rate shall be modified July 1, 2008 to incorporate the update, if any, made to the federal poverty level income for a household size of four (4) by the Secretary of the Department of Health and Human Services.
- (b) The living wage rate for employees of service contractors shall be modified in accordance with the date the RFP is issued, and such RFP will contain the actual rate (in dollars per hour, with and without benefits) which applies for that RFP.
- (c) In the case of contract renewals, the living wage rate applicable as of the date of the renewal shall be the effective living wage rate.
- (d) The Director of the Division of Finance shall report to the Memphis City Council no later than the first meeting in April 2009 the impact, if any, to the City's FY 2009 O&M budget.

SECTION 2. BE IT FURTHER ORDAINED, That the provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases or parts are held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

SECTION 3. BE IT FURTHER ORDAINED, That this Ordinance shall take effect from and after the date it shall have been passed by the council, signed by the chairman of the council, certified and delivered to the office of the mayor in writing by the comptroller and become effective as otherwise provided by law.

BILL MORRISON

JANIS FULLILOVE
MYRON LOWERY
Council Members

SCOTT MCCORMICK
Chairman of the Council

Attest:

Patrice Thomas, Comptroller.

THE FOREGOING ORDINANCE
5257 PASSED

1st Reading 3-18-08
2nd Reading 4-1-08
3rd Reading 4-15-08

Approved *Scott M. C. K.*
Chairman of Council

Date Signed: 05-06-2008

Approved: *[Signature]*
Mayor, City of Memphis

Date Signed: 5/14/08

I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.

Valerie C. Snipes
Comptroller

AN ORDINANCE TO AMEND CHAPTER 2, CODE OF ORDINANCES, CITY OF MEMPHIS, SO AS TO ESTABLISH A LIVING WAGE

WHEREAS, under the leadership of Councilman Joe Brown the Living Wage issue was introduced to the Memphis City Council and as it is important to the health and welfare of all residents of the City of Memphis that working people are paid a wage that enables them to lift their families out of poverty; and

WHEREAS, the City awards taxpayer-funded contracts to businesses to provide services to the public and to City government; and

WHEREAS, the purpose of this ordinance is to ensure that businesses receiving service contracts from the City pay a living wage.

NOW, THEREFORE,

SECTION 1. BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, That Chapter 2, Code of Ordinances, City of Memphis, be amended so as to create the following:

**Chapter 2
Administration**

Art. XI Living Wage

2-407 — 2-425

ARTICLE XI – Living Wage

Section 2-407. Definitions:

For purposes of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section:

City - means the City of Memphis, including those city departments which exercise independent control over their expenditure of funds.

Contractor - means any person that enters into a service contract with the city.

Employee - means any person who is employed full-time, part-time or on a temporary basis as a service employee of a contractor or subcontractor on a city service contract.

Employer - means any person, company or corporation that employs two or more employees at any one time within a calendar year and who is a contractor or subcontractor provided, however, that corporations organized under Section 501 (C)(3) of the Internal Revenue Code of 1954, 226 U.S.C. 501 (C)(3) shall be exempted as to all employees other than child care workers.

Person - means any individual, business entity, corporation, partnership or joint venture.

Service Contract - means a contract awarded to a contractor by the city primarily for the furnishing of services to or for the city (as opposed to the purchase of goods or other property or the leasing of property). Service contract includes subcontracts but does not include any contract, whether or not a subcontract, which: (1) involves only the purchase of goods; (2) involves services provided by student interns; (3) is a contract in existence prior to the effective date of this article; or (4) is a contract with a school district, municipality or other unit of government.

Subcontractor – means any person not an employee that enters into a contract (and that employs employees for such purpose) with a contractor to assist the contractor in performing service contracts.

Section 2-408. Payment of minimum compensation to employees.

All employees employed and work performed as part of a service contract with the city shall receive an hourly wage no less than that set under the authority of this article. The minimum hourly wage shall be as defined by the University of Memphis Fogleman College of Business for the Memphis area, which today is at least \$10 per hour with health benefits for employees and their dependents or \$12 per hour without health benefits.

Section 2-409. Monitoring and Enforcement.

a. The comptroller shall monitor compliance with this law and may contract with non-governmental agencies to investigate possible violations.

b. The Mayor or his or her designee may promulgate rules to implement the provisions of this law and may delegate such authority to the comptroller.

c. The comptroller shall submit an annual report to the Mayor and the City Council summarizing and assessing the implementation of and compliance with this new law during the preceding year.

Section 2-410. Required records – payroll reports.

(a) Contractor to submit.

The service contractor shall submit 2 complete copies of the payroll reports and the payrolls of each subcontractor, consecutively numbered, not later than 14 days from the end of their respective payroll periods, 1 copy to be sent to the contracting agency, the other to the Comptroller where the same will be available for public inspection during regular business hours.

(b) Contents.

The payrolls shall contain:

- (1) the name of the prime service contractor and any subcontractor, if any;
- (2) a designation of the project and location;
- (3) the name, Social Security Number, and occupation of each employee;
- (4) the classification in accordance with the classification fixed in the contract;
- (5) the number of hours worked daily by the service worker at straight time and overtime and the hourly wage rate for each;
- (6) the gross wages paid to the service worker per pay period; and
- (7) such other data as may be required by the Comptroller from time to time.