



Memorandum

TO: Transportation & Environment
 Committee

FROM: William F. Sherry, A.A.E.,
 Director of Aviation
 Katy Allen, Director of
 Public Works

**SUBJECT: RESPONSES TO CITY
 COUNCIL QUESTIONS**

DATE: 10-02-08

Approved  Date 10/6/08

SUPPLEMENTAL

At the September 9, 2008 Council meeting, several Councilmembers asked for additional living wage information. Following are the questions and staff responses.

1. What is the cost per airline subcontractor to bring workers pay to the City's living wage rate?

Airline Subcontractor	# of Workers Earning Below Living Wage	Cost
Aviation Safeguards	77	\$1,000,000
ATS	50	\$472,000
G2	53	\$512,000
Menzies	160	\$847,000
Quantem	4	\$2,000
Klean Way	12	\$144,000
OneSource	8	\$48,000
LSG Skychefs	19	\$74,000
JettPro	0	-
Atlantic SJ	0	-
TransPacific	0	-
TOTAL	383	\$3,099,000

2. Given San Jose's living wage rate is the highest of the Bay Area airports, what is the cost difference between SJC, OAK and SFO?

The chart below summarizes the implementation cost of each airport's current living wage rate if applied in San Jose.

Airport	Living Wage Rate	# of Workers	Cost
SJC	\$12.83 w/health	383	\$3,099,000
	\$14.08 w/out health		
OAK	\$10.39 w/health	383	\$1,334,000
	\$11.95 w/out health		
SFO	\$11.03	383	\$1,222,500

3. Does the City currently contract with any of the airline subcontractors?

Yes, the City contracts with Aviation Safeguards to provide terminal support services at SJC. The Council awarded the contract on April 18, 2006 (Item 2.7). It is a one-year agreement with two one-year options. Aviation Safeguards is in its final option year. The City contract requires living wage and Aviation Safeguards is in compliance.

4. How many OEA employees monitor living wage contracts?

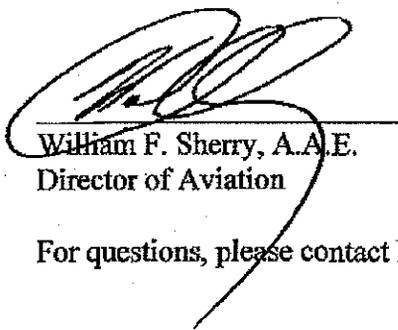
Two (2) Contract Compliance Specialists monitor and enforce service and maintenance contracts. In FY 2007-2008, 307 service and maintenance contracts totaling \$28 million were awarded with prevailing/living wage provisions.

Six (6) Contract Compliance Specialists monitor and enforce construction contracts. Last fiscal year, 76 construction contracts totaling \$222 million were awarded with prevailing wage provisions.

In FY 2007-2008, 93 wage violations were identified by OEA staff. \$351k in restitution was collected and dispersed to 439 affected workers. \$330k in liquidated damages was assessed to 48 contractors.

5. What other airports have living wage ordinances and what are the wage rates?

Airport staff is currently gathering this information. It will be provided at a later time.


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Director of Aviation


Katy Allen
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For questions, please contact Nina Grayson, Office of Equality Assurance, at 408-535-8455.

