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1149 S. BROADWAY, SUITE 300  
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<http://bca.lacity.org>

June 5, 2018

To: ALL CITY CONTRACTORS SUBJECT TO THE LIVING WAGE ORDINANCE

**2018 LIVING WAGE ORDINANCE WAGE RATE**

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In accordance with Section 10.37.2(a) of the Los Angeles Administrative Code, the Bureau of Contract Administration hereby issues this notice. Section 10.37.2 (a) of the Living Wage Ordinance provides that the wage rates paid to employees working on contracts subject to the Ordinance shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS). The LACERS Board has approved a 2.8% adjustment for Fiscal Year 2018-2019.

Based on the LACERS adjustment, **the living wage rates, effective July 1, 2018, will increase by \$0.32 per hour for a new living wage rate of \$11.80 per hour with health benefits of at least \$1.25 per hour, or \$13.05 per hour without health benefits.** For "Airport Employees," an amendment to the Living Wage Ordinance effective March 20, 2018, requires **the living wage and health benefits hourly rates, effective July 1, 2018, to increase to \$13.75 per hour and at least \$5.24 per hour, respectively, or \$18.99 per hour without health benefits.** These increases are applicable to service contractors, lessees, licensees, City financial assistance recipients, and their subcontractors that are subject to the Living Wage Ordinance. Additionally, subject contractors, lessees, licensees and City financial assistance recipients are required to notify their subcontractors, if any, of the wage rate adjustments, and to ensure that the increases are provided to their affected employees beginning July 1, 2018.

Contractors that have been exempt from the provisions of the Living Wage Ordinance must provide notice of the living wage adjustment to their subcontractors, to ensure their compliance with the Living Wage Ordinance. Contractors with a collective bargaining supersession waiver or any other exemption from the LWO must still ensure compliance with the City Minimum Wage Ordinance.

**Please note, as of July 1, 2018, the City Minimum Wage for Employers with 26 or more Employees increases to \$13.25 per hour for qualified Employees in the City of Los Angeles. The City Minimum Wage for Employers with 25 or less Employees increases to \$12.00 per hour for qualified Employees in the City of Los Angeles. Employers will need to ensure compliance with all requirements of the City's Los Angeles Municipal Code 187 and 188, as applicable. For more information about the minimum wage laws, visit [wagesla.lacity.org](http://wagesla.lacity.org).**



The 8½” x 11” “Notice to Employees” (English & Spanish) must be provided to all affected employees. It is suggested that a copy be distributed with their paychecks. Also, the aforementioned notices and the “Living Wage Ordinance Notice to Employees” poster are available on the BCA website ([bca.lacity.org](http://bca.lacity.org)) by clicking on the “Living Wage Rates and Posters” link on the home page. Please print and display in a conspicuous location accessible to all affected employees.

Please be advised that Los Angeles Administrative Code Section 10.37.6(c) states in part:

Compliance with this article shall be required in all City contracts to which it applies. Contracts shall provide that violation of this article shall constitute a material breach thereof and entitle the Awarding Authority to terminate the contract and otherwise pursue legal remedies that may be available.

If you have any questions regarding the Living Wage Ordinance, you may contact the Office of Contract Compliance at (213) 847-2625.

Sincerely,



HANNAH CHOI, Assistant Director  
Bureau of Contract Administration

