

Assigned to Councilor Baldacci



CITY OF BANGOR

(TITLE.) Ordinance, Adding Chapter 179, Minimum Wage, to the Code of the City of Bangor

WHEREAS, the minimum wage for state or federal has not been increased since 2009; and

WHEREAS, the current minimum wage in Maine is \$7.50 per hour; and

WHEREAS, the minimum wage in Maine in 1966 was \$1.25 per hour and adjusted for inflation over nearly 5 decades, that same wage would equal \$9.15 per hour - \$1.65 more than it is currently, and

WHEREAS, a report last year by the Maine Women's Policy Center found that 85% of Maine's workers who would be impacted by raising the minimum wage are over 20 years of age; and

WHEREAS, according to a report by the Maine Center for Economic Policy, 23% of workers in the Second District – or 60,000 people and for the whole state that number is over 100,000 Maine people would benefit from a raise in the minimum wage to \$10.10 per hour as proposed by President Obama; and

WHEREAS, 62% of Maine women who would benefit from an increase in the minimum wage have no partner supplementing their income; and

WHEREAS, Bangor is home to 6% of Maine's state wide workforce or about 35,000 workers and extrapolating from the state wide analysis at least several thousand workers in Bangor would benefit from an increase in the minimum wage; and

WHEREAS, the City of Bangor has the authority to exercise power and perform functions in order to protect the health, safety, and general welfare of its citizens ; and

WHEREAS, establishment of a minimum wage within the City of Bangor will promote the health, safety and welfare of the citizens of the City of Bangor.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BANGOR THAT,

The Code of the City of Bangor be amended as following:

Chapter 179 Minimum Wage

179 - 1 Purpose

The purpose of the within ordinance is to establish of a minimum wage within the City of Bangor to promote the health, safety and welfare of the citizens of the City of Bangor.

179 - 2 Definitions

Unless the context otherwise indicates, the following words shall have the following meanings.

a) City: City of Bangor

b) City Limits: the physical boundaries of the City

c) Employer: Any individual, group of individuals, partnership, association, corporation, business trust, or any other entity or group of persons or entities who employs or exercises control over the wages, hours or working conditions of more than four Employees; "Employer" shall include but not be limited to the City of Bangor.

d) Employee: Any person 18 years of age or older who performs work for an Employer for monetary compensation within the municipal limits of the City. Employee shall include persons who perform work for an employer on a full-time, part-time, seasonal or temporary basis. "Employee" shall not include any person who is excluded from the definition of Employee under 26 M.R.S. §663 of Chapter 7, Employment Practices and working for an Employer for academic credit from an accredited school, college or university for the purpose of this ordinance. Tipped Employees are not included in this definition of Employee.

e) Minimum wage: The minimum hourly rate of monetary compensation that an Employer may legally pay and Employee who work within the City.

f) Tip: A sum presented by a customer as a gift or gratuity in recognition of some service performed by the Employee.

g) Tipped Employee: Any Employee 18 years of age or older engaged in an occupation in which he or she customarily and regularly receives tips from customers.

179 - 3 Minimum Wage.

(a) Minimum wage payment required: Except as provided herein, Employers shall pay all Employees no less than the minimum wage for each hour worked within the City Limits.

(b) Minimum wage rate.

(i) On January 1, 2016, the minimum wage for all Employees shall be established as \$8.25 per hour;

(ii) On January 1, 2017, the regular minimum wage for all Employees shall be raised to \$9.00 per hour;

- (iii) On January 1, 2018, the regular minimum wage for all Employees, shall be raised to \$9.75 per hour;
- (iv) Effective January 1, 2019, and every first day of each January thereafter, the minimum wage for all Employees, shall increase at the percentage set by the Consumer Price Index for All Urban Consumers (CPI-U) of the previous most up-to-date twelve (12) months as reported by the Bureau of Labor Statistics. The sum of the most recent twelve months for which there is a calculated CPI-U reported by the Bureau of Labor Statistics will be the rate by which to define the increase in the minimum wage

179 - 4 Notice, Posting and Records.

- (a) Notice to Employees. Every employer shall post in a conspicuous place at any workplace or job site where any Employee works, a notice to be provided by the City informing Employees of the City's current minimum wage rates, as well as a copy of this ordinance.

179 5 Enforcement.

- (a) Any Employee receiving less than the minimum wage he or she is required to receive under this ordinance may file a written complaint with the city Manager's office.
- (b) The City Manager or his or her designee may take appropriate steps to enforce this chapter; and may investigate and issue a response to the complaint within fifteen (15) work day following the receipt of a complaint. The City Manager's or his or her designee's response to the complaint shall be final.
- (c) If the City Manager finds that a violation of this chapter has occurred, he or she may order any appropriate relief including, but not limited to, the payment of any back wages withheld and/or the payment of \$100.00 as a penalty for each day that a violation of this chapter has occurred. A violation of this Ordinance may also be considered a civil violation subject to the general penalty provisions of Bangor's city code.
- (d) In the alternative, any Employee may bring an action in a Court of competent jurisdiction against the Employer for any and all violations of this chapter, including, but not limited to, wages and expenses owed under this chapter.

179 - 6 Relationship To Other Requirements.

This ordinance provides for payment of minimum wage rates within the City and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement or policy that provides for payment of higher wages and/or benefits. Nothing contained in this ordinance prohibits an employer from paying more than the minimum wage rates established herein.

179 7 Severability Clause.

JULY 13, 2015

If any section, paragraph, sentence, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court, such decision shall not affect the validity of the remaining provisions of this ordinance.

Additions underlined.

IN CITY COUNCIL
JULY 13, 2015

FIRST READING

Francis Q. Rodwin
CITY CLERK

IN CITY COUNCIL
JULY 27, 2015

MOTION MADE AND SECONDED TO REFER TO THE BUSINESS AND ECONOMIC
DEVELOPMENT COMMITTEE MEETING OF AUGUST 18, 2015 AND TO MOVE BACK
TO THE CITY COUNCIL MEETING OF NOVEMBER 23, 2015
MOTION DOUBTED
VOICE: 6-3
COUNCILORS VOTING YES: BALDACCI, BLANCHETTE, FAIRCLOTH, GRAHAM,
SPRAGUE, DURGIN
COUNCILORS VOTING NO: CIVIELLO, NEALLEY, PLOURDE
MOTION PASSED

Francis Q. Rodwin
CITY CLERK

COUNCIL ACTION

Item No.

Date:

Item/Subject: **Ordinance**, Adding Chapter 179, Minimum Wage, to the Code of the City of Bangor

Responsible Department: Legal

Commentary:

The minimum wage set by the state or federal government has not been increased since 2009. The minimum wage in Maine is \$7.50 per hour. Though public sentiment has indicated support for an increase in the minimum wage the federal and state governments have not acted. There is a citizen's initiative currently underway which will likely provide a state-wide ballot measure to increase the state-wide minimum wage. The proposed citizen's initiative provides for a greater minimum wage for Maine's lowest income earners, increasing to \$9.00 per hour in January 2017 up to \$12.00 per hour in 2020, followed by an annual CPI adjustment.

This Ordinance, if approved, will establish a local minimum wage consistent with the proposal contained in the citizen's initiative, including the January 2017 effective date.

Department Head

Manager's Comments:

City Manager

Associated Information:

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

Passage
 First Reading
 Referral

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CITY OF BANGOR

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WHEREAS, the minimum wage in Maine in 1966 was \$1.25 per hour and adjusted for inflation over nearly 5 decades, that same wage would equal \$9.15 per hour - \$1.65 more than it is currently, and

WHEREAS, a report last year by the Maine Women's Policy Center found that 85% of Maine's workers who would be impacted by raising the minimum wage are over 20 years of age; and

WHEREAS, according to a report by the Maine Center for Economic Policy, 23% of workers in the Second District – or 60,000 people and for the whole state that number is over 100,000 Maine people would benefit from a raise in the minimum wage to \$10.10 per hour as proposed by President Obama; and

WHEREAS, 62% of Maine women who would benefit from an increase in the minimum wage have no partner supplementing their income; and

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e) Minimum wage: The minimum hourly rate of monetary compensation that an Employer may legally pay and Employee who work within the City.

f) Service Employee: "Service Employee" means any employee engaged in an occupation in which the employee customarily and regularly receives more than 30 a month in tips.

g) Tip: A sum presented by a customer as a gift or gratuity in recognition of some service performed by the Employee.

h) Tipped Employee: Any Service Employee engaged in an occupation in which he or she customarily and regularly receives tips from customers.

179 - 3 Minimum Wage.

(a) Minimum wage payment required: Except as provided herein, Employers shall pay all Employees no less than the minimum wage for each hour worked within the City Limits.

(b) Minimum wage rate. The minimum hourly wage is \$7.50 per hour. Starting January 1, 2017, the minimum hourly wage is \$9.00 per hour; starting January 1, 2018, the minimum hourly wage is \$10.00 per hour; starting January 1, 2019, the minimum hourly wage is \$11.00 per hour and starting January 1, 2020, the minimum hourly wage is \$12.00 per hour. On January 1, 2021 and each January 1st thereafter, the minimum hourly wage then in effect must be increased by the increase, if any, in the cost of living. The increase in the cost of living must be measured by the percentage increase, if any, as of August of the previous year over the level as of August of the year preceding that year in the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W, for the Northeast Region, or its successor index, as published by the United States Department of Labor, Bureau of Labor Statistics or its successor agency, with the amount

of the minimum wage increase rounded to the nearest multiple of 5¢. If the highest federal minimum wage is increased in excess of the minimum wage in effect under this section, the minimum wage under this section is increased to the same amount, effective on the same date as the increase in the federal minimum wage, and must be increased in accordance with this section thereafter.

- (c) Tipped Employees: As provided in 26 M.R.S.A. §664(2), an employer may consider tips as part of the wages of a tipped employee towards satisfaction of the minimum wage requirement of this ordinance. The calculation shall be pursuant to state law, 26 M.R.S.A. §664(2), as the same may be amended from time to time.

179 - 4 Notice, Posting and Records.

- (a) Notice to Employees. Every employer shall post in a conspicuous place at any workplace or job site where any Employee works, a notice to be provided by the City informing Employees of the City's current minimum wage rates, as well as a copy of this ordinance.

179 - 5 Enforcement.

- (a) Any Employee receiving less than the minimum wage he or she is required to receive under this ordinance may file a written complaint with the City Manager's office.
- (b) The City Manager or his or her designee may take appropriate steps to enforce this chapter; and may investigate and issue a response to the complaint within fifteen (15) work day following the receipt of a complaint. The City Manager's or is or her designee's response to the complaint shall be final.
- (c) If the City Manager finds that a violation of this chapter has occurred, he or she may order any appropriate relief including, but not limited to, the payment of any back wages withheld and/or the payment of \$100.00 as a penalty for each day that a violation of this chapter has occurred. A violation of this Ordinance may also be considered a civil violation subject to the general penalty provisions of Bangor's city code.
- (d) In addition, any Employee may bring an action in a Court of competent jurisdiction against the Employer for any and all violations of this chapter, including, but not limited to, wages and expenses owed under this chapter.

179 - 6 Relationship To Other Requirements.

This ordinance provides for payment of minimum wage rates within the City and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement or policy that provides for payment of higher wages and/or benefits. Nothing contained in this ordinance prohibits an employer from paying more than the minimum wage rates established herein.

179 - 7 Severability Clause.

If any section, paragraph, sentence, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court, such decision shall not affect the validity of the remaining provisions of this ordinance.

Additions underlined.

To: Chair and Members of the Bangor City Council
Cc: City Manager, Finance Director
From: Bob Farrar, Assistant City Manager / Human Resources Director
Subject: Requested Background Information – Impact of Proposed Minimum Wage at \$9.00/hour
Date: November 25, 2015

PROPOSED MINIMUM WAGE ORDINANCE

GENERAL INFORMATION and PROJECTED COST ESTIMATES

FOR THE CITY OF BANGOR

1. The City has no wage scales for full-time positions that begin at the current State established minimum wage of \$7.50 per hour. The lowest entry level hourly rate for any of the city's full time wage scales is \$10.66 / hour.
2. The City has 35 Part-Time, Seasonal, On-Call and Temporary (PST) employee classifications and associated wage scales. (See attached wage scales). Most of the wage scales are comprised of either 5 or 7 steps, a few have just one step. Departments / Divisions with these scales and a starting pay rate less than \$9.00 per hour include Parks and Recreation, Elections, and Public Works (All of these PST wage scales and positions are non-union)
3. Seven of these PST scales have an entry level pay step at \$7.50 / hour. All of these positions are in the Parks and Recreation Department, including Bangor Municipal Golf Course. Positions on these seven wage scales include: Lifeguard, Day-Camp / Playground Supervisor, Activities Assistant, Park Maintenance Worker, Golf Course Maintenance Worker, Sawyer Arena / Mansfield Stadium Maintenance Worker, and Mansfield Complex Concession Worker.
4. On an annual basis, approximately 8-12 PST employees are hired with an entry level step of \$7.50 / hour, all at the Parks and Recreation Department. Given the number of PST scales beginning at \$7.50 /hour and positions involved, the number of employees starting at \$7.50 / hour is lower than might be predicted due to the fact that (1) in order to fill positions some new hires start at a rate higher than minimum wage (typically \$7.75 to \$8.25); and (2) returning employees have an opportunity to advance on the wage scale for their position, which would be above the minimum wage.
5. On an annual basis, the City (predominantly Parks and Recreation) hires approximately 6-10 PST employees under the age of 18. All other employees, both fulltime and PST, are normally 18 years of age or older.

6. If the minimum wage were to increase to \$9.00 per hour on July 1, 2016 there would be a total of 18 PST wage scales with a current entry step ranging from \$7.50 to \$8.75 / hour. (7 scales start at \$7.50 / hour, 11 scales start between \$7.75 and \$8.75 / hour). Under the proposal to increase minimum wage to \$9.00, the entry level step on those 18 wage scales would need to be increased to a starting pay rate of \$9.00, an increase of between 25 cents / hour to \$1.50/ hour for the employees on those various steps.
7. The number of PST employees impacted by a move from any pay rate below \$9.00 / hour to \$9.00 / hour is estimated to be in the range of 170-190. These include Parks, Recreation and Golf Course employees, Election Ballot and Ward Clerks, and Public Works Cemetery and Highway laborers. This is an estimate only based upon this past year's staffing data, and is directly impacted by employees who may be returning for the new year beginning July 1.
8. If the minimum wage was to increase to \$9.00 on July 1, 2016, the total estimated annual cost impact (including required fringe benefit costs such as Social Security, Medicare, Workers' Compensation Insurance, and Unemployment Insurance) for affected employees for FY 17 is projected to be in the range of \$68,100 to \$77,350, (midpoint +/- \$73,000) as detailed below:

Parks and Recreation:	\$44,500 - \$49,500
Golf Course:	\$14,250- \$16,750
Elections:	\$4,100 – \$4,700
Public Works:	\$2,000 --\$2,400
School Department:	\$3,250--\$4,000

Again, this range is variable depending upon future hiring rates of pay and the retention of employees for next year, two facts that are unknown at the present.

9. A final consideration and potential additional cost factor involves wage scale compression, or internal pay equity. For example, let's consider an employee who has worked for the city for three years, has progressed one pay step each year and is now at step three on his / her assigned wage scale making \$9.00 / hour. If the new minimum wage is established at \$9.00 / hour, that employee would not receive an increase. But a new employee just hired with no city experience / seniority would be paid the same amount as the employee who had served the city for three years. Unless all the wage scales were adjusted from \$9.00 upward or existing employees given some other wage adjustment, this would create equity/ fairness issues (wage compression) with existing employees. No cost estimate has been determined to address this issue.

CITY OF BANGOR
 PUBLIC WORKS - SEASONAL
 CITY HALL - TEMPORARY
 ELECTION WORKERS
 WASTEWATER INTERN

PUBLIC WORKS

Based on minimum wage or Request from PB Direct A B C

Cemetery Worker, Highway Laborer 8.25

On-Call Snowplow Operator 8.25

CITY HALL

Based on minimum wage and availability

Video Production Assistant 9.00 ***** 9.50 ***** 10.00 *****

ELECTION WORKERS

Based on City ordinance 14-5

Ballot Clerk 8.00

Ward Clerk 8.50

Warden Clerk 9.00

Election Work - Special 9.00

MISCELLANEOUS PART TIME, SEASONAL, ELECTION RATES

Election Workers

MIS	Public Works	Video Asst	WW Intern	Ballot Clerk	Ward Clerk	Warden	Special Work
	PWS	CHV	WWI	ELB	ELC	ELW	ELS
1	8.25	9.00	10.00	8.00	8.50	9.00	9.00
2		9.50					
3		10.00					

**PART-TIME SEASONAL - TEMPORARY - ON CALL
NON-UNION WAGE SCALES**

FY16

- 1** PART-TIME RAMP I & II
- 2** PART-TIME PARKING CONTROL AIDE
- 3** PART-TIME CUSTOMER SERVICE REP/SWITCHBOARD-RECEPTIONIST
- 4** PART-TIME AIRLINE AIR REP
- 5** PART-TIME PASSENGER SERVICE REP
- 6** PART-TIME MAINTENANCE WORKER
- 7** PASSENGER SERV LEAD AGENT - PRIVATE CHARTER - GROUND SECURITY
- 8** AIRLINE AIR SPECIALIST
- 9** AIRLINE AIR LEAD

APT

STEP	A1	A2	A3	A4	A5	A6	A7	A8	A9
1	10.64	10.64	10.44	10.44	10.44	10.64	13.39	13.69	14.69
2	11.18	11.18	10.95	10.95	10.95	11.18	13.90	14.20	15.20
3	11.72	11.72	11.50	11.50	11.50	11.72	14.45	14.75	15.75
4	12.02	12.02	11.77	11.77	11.77	12.02	14.72	15.02	16.02
5	12.32	12.32	12.07	12.07	12.07	12.32	15.02	15.32	16.32
6	12.63	12.63	12.38	12.38	12.38	12.63	15.33	15.63	16.63
7	12.93	12.93	12.70	12.70	12.70	12.93	15.65	15.95	16.95
7	PASSENGER SERVICE LEAD AGENT=PASSENGER SERVICE RATE + 2.95								
7	PRIVATE CHARTER REP=PASSENGER SERVICE RATE + 2.95								
7	GROUND SECURITY COORDINATOR=AIRLINE AIR REP + 2.95								
8	AIRLINE AIR SPECIALIST=PASSENGER SERVICE RATE + 3.25								
9	AIRLINE AIR LEAD=PASSENGER SERVICE RATE+4.25								

Playgrounds, Pools and other Programs

Position Title	A	B	C	D	E
Aquatics/Pool Supervisor	9.50	9.75	10.00	10.25	10.50
Aquatics/Pool Assistant Supervisor	8.50	8.75	9.00	9.25	9.50
Lifeguards	7.50	7.75	8.00	8.25	8.50
Day Camp/After School Director**	9.50	9.75	10.00	10.25	10.50
Adult Softball Director***	9.50	9.75	10.00	10.25	10.50
Day Camp Supervisor	8.50	8.75	9.00	9.25	9.50
Day Camp / Playground Counselors	7.50	7.75	8.00	8.25	8.50
Asst Rec. Programmer	12.00	12.75	13.50	14.25	15.00
Activities Assistant	7.50	7.75	8.00	8.25	8.50

Park Maintenance

Position Title	A	B	C	D	E
Equipment Operator	8.00	8.25	8.50	8.75	9.00
Park Maintenance Worker	7.50	7.75	8.00	8.25	8.50

Golf Course

Position Title	A	B	C	D	E
Assistant Golf Pro	9.50	9.75	10.00	10.25	10.50
Equipment Operator	8.00	8.25	8.50	8.75	9.00
Maintenance Worker	7.50	7.75	8.00	8.25	8.50
Pro Shop Attendant*	8.00	8.25	8.50	8.75	9.00

Sawyer Ice Hockey Arena & Mansfield Complex

Position Title	A	B	C	D	E
Equipment Operator	8.00	8.25	8.50	8.75	9.00
Shift Leader	8.00	8.25	8.50	8.75	9.00
Maintenance Worker / Attendant	7.50	7.75	8.00	8.25	8.50
Mansfield Concessions	7.50	7.75	8.00	8.25	8.50