File No. 120437 Committee Item No. 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee **Date** May 23 and 24, 2012

Board of Supervisors Meeting **Date** _____

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OTHER (Use back side if additional space is needed)

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Completed by: Victor Young **Date** May 18, 2012
Completed by: Victor Young **Date** _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

[Proposition J Contract/Certification of Specified Contracted-Out Services Previously Approved for Enterprise Departments]

Resolution concurring with the Controller's certification that services previously approved can be performed by private contractor for a lower cost than similar work performed by City and County employees for the following services for FY2012-2013 and FY2013-2014: employee and public parking management, information booth, security, and shuttle bus services (Airport); paratransit, security, parking citation and collection, meter collection and coin counting, towing, and transit shelter maintenance services (Municipal Transportation Agency); janitorial and security services (Port); security services (Public Utilities Commission).

WHEREAS, The Electorate of the City and County of San Francisco passed Proposition J in November 1976, allowing City and County Departments to contract with private companies for specific services which can be performed for a lower cost than similar work by City and County employees (Charter Section 10.104.15); and

WHEREAS, The services listed below have been previously approved outside contracts; and

WHEREAS, The Controller has determined that a Purchaser's award of a contract for the services listed below to a private contractor will achieve substantial cost savings for the City; and

WHEREAS, The City and County of San Francisco must reconcile a projected $170 million budget deficit for FY2012-2013 and a projected $312 million budget deficit for FY2013-14 with a Charter obligation to enact a balanced budget each fiscal year; and

WHEREAS, The Mayor has determined that the state of the City's budget for FY2012-2013 and FY2013-2014 as indicated herein has created an emergency situation justifying a

Purchaser's award of a contract for employee and public parking management, information booth, security, and shuttle bus services (Airport); paratransit, security, parking citation and collection, meter collection and coin counting, towing, and transit shelter maintenance services (Municipal Transportation Agency); janitorial and security services (Port); and security services (Public Utilities Commission) to a private contractor; and

WHEREAS, The Controller's certification, which confirms that said services can be performed at lower costs to the City and County by private contractor than by employees of the City and County, is on file with the Clerk of the Board of Supervisors in File No. 120437, which is hereby declared to be part of this resolution as if set forth fully herein; now, therefore be it;

RESOLVED, That the Board of Supervisors hereby concurs with the Controller's certification and approves the Proposition J Resolution concerning the Purchaser's award of a contract to a private contractor for the services listed below for the period of July 1, 2012 through June 30, 2013.

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Airport (AIR)				
Employee and Public Parking Management Services	$23,965,831	$18,528,553	$5,437,278	232.1
General Security Services	$995,615	$916,518	$79,097	13.0
Information Booth Services	$3,006,821	$1,733,169	$1,273,652	26.8
Shuttle Bus Services	$14,021,263	$9,277,393	$4,743,871	101.0
Municipal Transportation Agency (MTA)				

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Comprehensive Facility Security Services	$7,619,478	$6,707,895	$911,583	98.4
Meter Coin Counting and Collection Services	$4,710,864	$3,074,502	$1,636,362	50.0
Paratransit Services	$46,420,648	$20,037,975	$26,382,674	439.0
Parking Citation and Collection System	$11,833,985	$7,038,180	$4,795,805	58.0
Towing Contract Services	$18,060,738	$10,443,055	$7,617,683	125.0
Transit Shelter Maintenance Services	$423,163	$356,116	$67,047	3.0
Port (PRT)				
Janitorial Services	$488,207	$392,224	$95,983	6.0
Security Services	$1,264,294	$665,237	$599,057	14.0
Public Utilities Commission (PUC)				
Wastewater Facility Security Services	$590,390	$291,895	$298,495	5.4

FURTHER RESOLVED, That the Board of Supervisors hereby concurs with the Mayor's determination that the state of the City's budget for FY2013-14 as indicated herein has created an emergency situation and concurs with the Controller's certification and

approves the Proposition J Resolution concerning the Purchaser's award of a contract to a private contractor for the services listed below for the period of July 1, 2013 through June 30, 2014.

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Airport (AIR)				
Employee and Public Parking Management Services	$24,337,173	$19,085,553	$5,251,620	232.1
General Security Services	$1,008,731	$917,063	$91,668	13.0
Information Booth Services	$3,050,395	$1,750,847	$1,299,549	26.8
Shuttle Bus Services	$14,410,030	$9,448,966	$4,961,064	101.0
Municipal Transportation Agency (MTA)				
Comprehensive Facility Security Services	$7,841,807	$6,449,244	$1,392,563	98.4
Meter Coin Counting and Collection Services	$4,884,141	$3,074,735	$1,809,406	50.0
Paratransit Services	$47,666,825	$20,801,777	$26,865,048	439.0
Parking Citation and Collection System	$11,936,590	$7,039,631	$4,896,959	58.0
~~Towing Contract Services~~	~~$18,596,443~~	~~$10,543,042~~	~~$8,053,401~~	~~125.0~~
Transit Shelter Maintenance Services	$433,188	$356,757	$76,431	3.0

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Port (PRT)				
Janitorial Services	$506,456	$404,043	$102,413	6.0
Security Services	$1,303,815	$693,743	$610,072	14.0
Public Utilities Commission (PUC)				
Wastewater Facility Security Services	$612,252	$301,799	$310,452	5.4

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY -1 PM 2:32

April 30, 2012

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Public and Employee Parking – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for airport public and employee parking have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
AIRPORT - PARKING MANAGEMENT, BUSINESS & FINANCE
PARKING OPERATIONS
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
General Manager	0932	1.0	4,075	5,200	105,950	135,200
Asst General Manager	0923	2.0	3,520	4,492	183,040	233,584
Head Accountant	1657	1.0	3,369	4,094	87,594	106,444
Sr. Management Assistant	1844	2.0	2,589	3,147	134,628	163,644
Management Assistant	1842	2.0	2,258	2,745	117,416	142,740
Sr. Payroll & Personnel Clerk	1222	1.0	2,130	2,589	55,380	67,314
Clerk	1404	1.0	1,520	1,844	39,520	47,944
Sr. Clerk	1406	9.4	1,577	1,914	384,701	466,911
Principal Clerk	1408	1.0	2,079	2,527	54,054	65,702
Cashier II	4321	2.0	1,690	2,053	87,880	106,756
Sr. Accountant	1652	1.0	2,407	2,926	62,582	76,076
Collection Supervisor	4366	1.0	2,264	2,752	58,864	71,552
Investigator	4334	2.0	2,527	3,072	131,404	159,744
Customer Service Agent Supervisor	1326	20.0	2,342	2,847	1,217,840	1,480,440
Cashier III	4322	64.4	1,895	2,303	3,172,988	3,856,143
Electronic Maintenance Technician	7318	1.0	3,199	3,888	83,174	101,088
Stationary Engineer	7334	2.0	2,893	2,893	150,436	150,436
Chief Stationary Engr	7205	1.0	3,671	3,671	95,446	95,446
Institutional Police Lieutenant	8209	1.0	2,756	4,678	71,656	121,628
Institutional Police Sergeant	8205	4.0	2,499	4,081	259,896	424,424
Bldg & Grounds Patrol Officer	8207	66.2	1,769	2,151	3,044,803	3,702,301
Custodial Supervisor I	2718	1.0	1,923	2,337	49,998	60,762
Custodial Assistant Supervisor	2716	3.1	1,744	2,120	141,813	172,388
Custodian	2708	42.0	1,588	1,927	1,734,096	2,104,284
Holiday Pay					365,702	447,815
Night / Shift Differential					326,220	399,467
Total Salary Costs		232.1			12,217,081	14,960,233
FRINGE BENEFITS		66778.68				
Variable Fringes (3)					3,115,622	3,814,318
Fixed Fringes (4)					2,943,626	2,943,626
Total Fringe Benefits					6,059,247	6,757,944
ADDITIONAL CITY COSTS (if applicable)						
Operating Costs					2,252,580	2,247,654
Total Capital & Operating					2,252,580	2,247,654
ESTIMATED TOTAL CITY COST					20,528,909	23,965,831
LESS: ESTIMATED TOTAL CONTRACT COST					(18,415,616)	(18,528,553)
ESTIMATED SAVINGS					$ 2,113,292	$ 5,437,278
% of Savings to City Cost					10%	23%

Comments/Assumptions:
1. This service has always been contract out since start of garage operations.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Operating costs includes operating expenses & credit card processing fees.

PROP J SUBMISSION COVER SHEET
AIRPORT - PARKING MANAGEMENT, BUSINESS & FINANCE
PARKING OPERATIONS
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
AL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
General Manager	0932	1.0	4,075	5,200	106,358	135,720
Asst General Manager	0923	2.0	3,520	4,492	183,744	234,482
Head Accountant	1657	1.0	3,369	4,094	87,931	106,853
Sr. Management Assistant	1844	2.0	2,589	3,147	135,146	164,273
Management Assistant	1842	2.0	2,258	2,745	117,868	143,289
Sr. Payroll & Personnel Clerk	1222	1.0	2,130	2,589	55,593	67,573
Clerk	1404	1.0	1,520	1,844	39,672	48,128
Sr. Clerk	1406	9.4	1,577	1,914	386,181	468,707
Principal Clerk	1408	1.0	2,079	2,527	54,262	65,955
Cashier II	4321	2.0	1,690	2,053	88,218	107,167
Sr. Accountant	1652	1.0	2,407	2,926	62,823	76,369
Collection Supervisor	4366	1.0	2,264	2,752	59,090	71,827
Investigator	4334	2.0	2,527	3,072	131,909	160,358
Customer Service Agent Supervisor	1326	20.0	2,342	2,847	1,222,524	1,486,134
Cashier III	4322	64.4	1,895	2,303	3,185,192	3,870,975
Electronic Maintenance Technician	7318	1.0	3,199	3,888	83,494	101,477
Stationary Engineer	7334	2.0	2,893	2,893	151,015	151,015
Chief Stationary Engr	7205	1.0	3,671	3,671	95,813	95,813
Institutional Police Lieutenant	8209	1.0	2,756	4,678	71,932	122,096
Institutional Police Sergeant	8205	4.0	2,499	4,081	260,896	426,056
Bldg & Grounds Patrol Officer	8207	66.2	1,769	2,151	3,056,514	3,716,541
Custodial Supervisor I	2718	1.0	1,923	2,337	50,190	60,996
todial Assistant Supervisor	2716	3.1	1,744	2,120	142,359	173,051
stodian	2708	42.0	1,588	1,927	1,740,766	2,112,377
Holiday Pay					365,702	447,815
Night / Shift Differential					327,474	401,003
Total Salary Costs		232.1			12,262,663	15,016,050
FRINGE BENEFITS						
Variable Fringes (3)					3,169,998	3,884,673
Fixed Fringes (4)					3,121,367	3,121,367
Total Fringe Benefits					6,291,364	7,006,040
ADDITIONAL CITY COSTS (if applicable)						
Operating Costs					2,320,157	2,315,084
Total Capital & Operating					2,320,157	2,315,084
ESTIMATED TOTAL CITY COST					20,874,185	24,337,173
LESS: ESTIMATED TOTAL CONTRACT COST					(18,969,096)	(19,085,553)
ESTIMATED SAVINGS					$ 1,905,089	$ 5,251,620
% of Savings to City Cost					9%	22%

Comments/Assumptions:

1. This service has always been contract out since start of garage operations.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
   Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
   Operating costs includes operating expenses & credit card processing fees.

Prop J. Supplemental Report

Department: Airport Commission
Contract Services: Airport Public and Employee Parking
Contract Period: July 1, 2012 to June 30, 2017

1. The department's basis for proposing the Prop J certification?

   It is more cost effective to contract out for the professional services associated with managing and operating the Airport's public and employee parking facilities than it is to staff them with civil service positions.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

   City employees have never provided this type of service. Professional services to operate and manage the Airport's public and employee parking facilities have always been contracted to a third party.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

   Contract provides monthly, as well as rolling annual statistical reports, on revenues and expenses by location and by category. Additionally, revenues and expenses are itemized by function and are submitted twice per month with supporting documentation. Volume related reports are provided to the Airport on a monthly basis to determine future pricing strategies and facility utilization schemes. Airport staff reconciles reports submitted by contractor with online access to parking systems. Staff works with vendor to establish goals and conduct inspections to ensure compliance with contractual obligations.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

   Contractor has labor agreements with 3 unions: SEIU Local 1877 for janitorial employees; IUOE Local 39 for maintenance employees (stationary engineers); Teamsters Local 665 for security guards and all parking employees (cashiers, supervisors, LPI clerks and office administrative staff). Copies of contracts are on file with the Airport.

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

   The contract with New South Parking – California, includes provisions for compliance with Chapter 12 P (MCO), Chapter 12Q (HCAO), and Chapter 12 B.1 (b) of the Administrative Code (EBO). Contractor must be certified compliant and maintain compliance with these provisions as stipulated in the Agreement for Professional Services.

6. The department's plan for City employees displaced by the contract?

   N/A

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees: (Added by Ord. 105-04, File No. 040594, App. 6/10/2004).

   The parking facilities at the Airport are operated 24 hours per day, seven days per week. The Prop J analysis concludes this contract will save the City money for managing and operating parking facilities versus using City employees. Pay scales for civil service positions would have to be reduced accordingly to achieve cost savings to the City. To accommodate current civil service wages, staffing levels would have to be reduced to meet the proposed budget, resulting in an unacceptable decrease in customer service to the public. The unions that represent the contractor's current employees would also take issue with the change to civil service as they would lose their employee base to a different union. Current services levels provided by contractor meet the Airport's high expectations, which in turn keep customers returning to the Airport for their parking needs. Public parking revenues currently exceed $80M per year, and with parking being an Airport concession, qualifies for participation in the Annual Service Payment made to the City.

Department Representative:	Kevin Van Hoy, Parking Manager Business & Finance Division
Telephone Number:	(650) 821-4051

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY -1 PM 2:32

April 30, 2012

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Information Booth Program – FY 2012-13 and 2013-14

The cost information and supplemental data provided by your office on the proposed contract for the airport information booth program have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
SAN FRANCISCO INTERNATIONAL AIRPORT - OPERATIONS
INFORMATION BOOTH CONTRACT
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	Equivalent	Bi-Weekly Rate		Low	High
Senior Operations Manager	9143	1.0	4,551	5,532	118,326	143,832
Accountant	1650	1.0	2,172	2,640	56,472	68,640
Airport Operations Coordinator (3)	0923	1.0	3,520	4,492	91,520	116,792
Sr. Management Assistant	1844	2.0	2,589	3,147	134,628	163,644
Management Assistant	1842	3.0	2,258	2,745	176,124	214,110
Passenger Service Specialist	9135	11.0	2,110	2,564	603,460	733,304
Transit Information Clerk	9122	6.5	2,033	2,472	343,577	417,768
Account Clerk	1630	1.3	1,630	1,980	52,975	64,350
Bilingual Pay (3)					0	0
Holiday Pay (If Applicable)					50,042	61,001
Premium Pay (If Applicable)					46,056	56,141
Total Salary Costs		26.8			1,673,180	2,039,582
FRINGE BENEFITS						
Variable Fringes (3)					425,723	518,923
Fixed Fringes (4)					362,957	362,957
Total Fringe Benefits					788,680	881,880
Estimated Capital & Operating Costs (5)						
Flight Information Services					40,000	40,000
Communications					4,000	4,000
Office/booth supplies - (DBE)					10,000	10,000
Uniforms					2,500	2,500
ADM Uniforms					2,000	2,000
Printing					3,000	3,000
OAG Subscription					1,103	1,103
POS System maintenance support					1,000	1,000
POS Webportal Maintenance					3,360	3,360
Technical support					3,000	3,000
Subway Gift Cards for ADM's					1,000	1,000
Monthly payment to Traveler's Aid					600	600
Dry Cleaning - (DBE)					1,296	1,296
Employee Commute Survey					-	-
Training Support - (DBE)					2,500	2,500
Fringe Reimbursement for 2012					5,000	5,000
Contingency for supplies and services as needed					5,000	5,000
Total Capital & Operating					85,359	85,359
ESTIMATED TOTAL CITY COST					2,547,219	3,006,821
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(1,730,511)	(1,733,169)
ESTIMATED SAVINGS					$816,708	$1,273,652
% of Savings to City Cost					32%	42%

Comments/Assumptions:

1. This service has been contracted out since 2003.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6 The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.

PROP J SUBMISSION COVER SHEET
SAN FRANCISCO INTERNATIONAL AIRPORT - OPERATIONS
INFORMATION BOOTH CONTRACT
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	Equivalent	Bi-Weekly Rate		Low	High
Senior Operations Manager	9143	1.0	4,551	5,532	118,781	144,385
Accountant	1650	1.0	2,172	2,640	56,689	68,904
Airport Operations Coordinator (3)	0923	1.0	3,520	4,492	91,872	117,241
Sr. Management Assistant	1844	2.0	2,589	3,147	135,146	164,273
Management Assistant	1842	3.0	2,258	2,745	176,801	214,934
Passenger Service Specialist	9135	11.0	2,110	2,564	605,781	736,124
Transit Information Clerk	9122	6.5	2,033	2,472	344,898	419,375
Account Clerk	1630	1.3	1,630	1,980	53,179	64,598
Bilingual Pay (3)					0	0
Holiday Pay (If Applicable)					50,042	61,001
Premium Pay (If Applicable)					46,227	56,351
Total Salary Costs		26.8			1,679,417	2,047,185
FRINGE BENEFITS						
Variable Fringes (3)					437,686	533,684
Fixed Fringes (4)					384,167	384,167
Total Fringe Benefits					821,853	917,851
Estimated Capital & Operating Costs (5)						
Flight Information Services					$40,000	$40,000
Communications					$4,000	$4,000
Office/booth supplies - (DBE)					$10,000	$10,000
Uniforms					$2,500	$2,500
Uniforms					$2,000	$2,000
Printing					$3,000	$3,000
OAG Subscription					$1,103	$1,103
POS System maintenance support					$1,000	$1,000
POS Webportal Maintenance					$3,360	$3,360
Technical support					$3,000	$3,000
Subway Gift Cards for ADM's					$1,000	$1,000
Monthly payment to Traveler's Aid					$600	$600
Dry Cleaning - (DBE)					$1,296	$1,296
Employee Commute Survey					$0	$0
Training Support - (DBE)					$2,500	$2,500
Fringe Reimbursement for 2012					$5,000	$5,000
Contingency for supplies and services as needed					$5,000	$5,000
Total Capital & Operating					85,359	85,359
ESTIMATED TOTAL CITY COST					2,586,629	3,050,395
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(1,748,189)	(1,750,847)
ESTIMATED SAVINGS					$ 838,440	$ 1,299,549
% of Savings to City Cost					32%	43%

Comments/Assumptions:

1. This service has been contracted out since 2003.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
   Estimated City capital and operating costs are included in the estimated total contract cost.
5. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.

SAN FRANCISCO ADMINISTRATIVE CODE SECTION 2.15. SUPPLEMENTAL REPORT

Department:	**Airport Commission**
Contract Services:	**Airport Information Booth Program**
Contract Period:	**July 1, 2012 to June 30, 2014**

1. **The department's basis for proposing the Prop J certification?**
   The Airport's Information Booth Contract has been contracted out since the program's inception in 1990. An RFP resulted in awarding a new contract to Polaris Research and Development, Inc. in 2011. The Office of the Controller has annually concluded that the information booth services can be performed at a lower cost by the Contractor than if the work was performed by City employees.

2. **The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.**
   Since its inception in 1990, the management and operation of the Information Booth Program has been contracted out.

3. **The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.**
   Pursuant to the contract, the Contractor staffs the information booths specific hours every day and provides other services as requested by the Airport Director. The Contractor maintains records required by the City to support invoices submitted for reimbursement. Records detailing the number of passengers that have been assisted, the numbers and types of questions answered, and transit tickets (including BART voucher program) sold at the information booths, as well as other logs are maintained and are submitted on a monthly basis or as requested by the Director.

4. **The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.**
   See attached Prop J that details the proposed FY 12-13 wages and benefits for the Information Booth Program staff and management.

5. **The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance [MCO]), Chapter 12Q (the Health Care Accountability Ordinance [HCAO]); and Section 12B.1(b) (the Equal Benefits Ordinance [EBO]);**
   The Information Booth Program as a federal contract includes the MCO, and HCAO provisions and the Contractor continues to comply. Each year, before renewing the contract, the Airport reviews the salary rates to ensure that MCO requirements are met. The Airport ensures that the contract is adequately funded to allow the Contractor to continue to provide the Information Booth Program employees with health benefits per Section 12Q.3 of the HCAO. The Contractor also adheres to the City's non-discrimination ordinance contained in Chapters 12B of the City's Administrative Code. Additional oversight of Contractor compliance with these sections of the City's Administrative Code is provided by Local 3 that represents the majority of the Information Booth Program staff members.

6. **The department's plan for City employees displaced by the contract?**
   N/A (See Question # 1 above.)

7. **A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004).**

Currently, the Airport contracts out the management, staffing, and operation of its Information Booth Program. Each of the six information booths will be staffed an average of 13 hours every day (including holidays.) The booth hours vary by location, but all the booths are open in the evenings and many until 11:45 p.m. The staff is bilingual. Based upon annual cost estimates as provided to the Controller's Office, Contractor wage and benefit costs for staffing, managing and operating the Information Booth Program average between 30% and 40% less than for similar City classifications. Some of the comparative City job classifications are not used at the Airport, but instead are positions specific to MUNI, so new job classifications would have to be created at the Airport to have City employees take over operating the Information Booth Program. There would likely be issues with Local 3 should these Airport jobs go to City workers and different union locals. Currently, comparative City job classifications are with Local 21, Local 1021, Local 200, and MEA. To keep current information booth staffing schedules, many of the City positions created would have to have an alternative work schedule (i.e. 10 hours per day, four days per week), or additional personnel would be needed, adding to the costs of providing the services. Once funds were made available and the necessary positions created at the Airport, then the City employees that are hired would have to be thoroughly trained on the Airport's facilities and services, as well as those in San Francisco and the Bay Area.

Department Representative:	Jeff Littlefield, Deputy Airport Director- Operations and Security
Telephone Number:	(650) 821-5010

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY -1 PM 2:33

April 30, 2012

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: General Security Services – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for general security services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
AIRPORT COMMISSION
GENERAL SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Security Guard	8202	11.0	1,460	1,769	$ 417,560	$ 505,934
Building & Grounds Patrol Officer	8207	2.0	1,769	2,151	91,988	111,852
Holiday Pay (if applicable)					16,168	19,603
Night / Shift Differential (if applicable)					14,423	17,486
Total Salary Costs		13.0			540,139	654,875
FRINGE BENEFITS						
Variable Fringes (3)					137,906	167,199
Fixed Fringes (4)					163,540	163,540
Total Fringe Benefits					301,446	330,739
ADDITIONAL CITY COSTS (if applicable) (5)						
800 MGHZ Motorola Handheld Radio Set (includes extra battery and charger)					10,000	10,000
					0	0
					0	0
					0	0
Total Capital & Operating					10,000	10,000
ESTIMATED TOTAL CITY COST					851,585	995,615
LESS: ESTIMATED TOTAL CONTRACT COST					(789,321)	(916,518)
ESTIMATED SAVINGS					$ 62,264	$ 79,097
% of Savings to City Cost					7%	8%

Comments/Assumptions:
1. These services have been contracted out since FY 2007/08.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost. Radio equipment is essential to maintain communications.

PROP J SUBMISSION COVER SHEET
AIRPORT COMMISSION
GENERAL SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Security Guard	8202	11.0	1,460	1,769	$ 419,166	$ 507,880
Building & Grounds Patrol Officer	8207	2.0	1,769	2,151	92,342	112,282
Holiday Pay (if applicable)					16,168	19,603
Night / Shift Differential (if applicable)					14,478	17,554
Total Salary Costs		13.0			542,154	657,319
FRINGE BENEFITS						
Variable Fringes (3)					138,431	167,836
Fixed Fringes (4)					173,576	173,576
Total Fringe Benefits					312,007	341,412
ADDITIONAL CITY COSTS (if applicable) (5)						
800 MGHZ Motorola Handheld Radio Set (includes extra battery and charger)					10,000	10,000
					0	0
					0	0
					0	0
Total Capital & Operating					10,000	10,000
ESTIMATED TOTAL CITY COST					864,161	1,008,731
LESS: ESTIMATED TOTAL CONTRACT COST					(789,768)	(917,063)
ESTIMATED SAVINGS					$ 74,394	$ 91,668
% of Savings to City Cost					9%	9%

Comments/Assumptions:
1. These services have been contracted out since FY 2007/08.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost. Radio equipment is essential to maintain communications.

SAN FRANCISCO ADMINISTRATIVE CODE SECTION 2.15. SUPPLEMENTAL REPORT

Department:	**Airport Commission**
Contract Services:	**General Security Services**
Contract Period:	**July 1, 2012 to June 30, 2014**

Documentation supporting the Prop J certification request for General Security Services:

1. The department's basis for proposing the Prop J certification?

   The contract is based on the original emergency contract in response to TSA issued Security Directive 1542-06-01B (now 1542-06-01D) requiring airport operators to conduct inspections of all food, beverage, and merchandise products brought from the ramp area into sterile terminal areas (post-security) effective August 23, 2006. The request to continue the contract is because the same service can be performed by private contract at a cost lower than by civil servants.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

   Not applicable. City employees have never provided merchandise inspection services from the ramp area into the sterile terminal areas (post security).

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

   Contractor compiles daily report listing vendor delivery access details and employee screening at select airfield/sterile area elevator entries. Oversight of this service is accomplished by Aviation Security audits and by contractor supervision.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

   Security Guard regular hourly rate is $35.44 with an overtime rate of $43.71. Benefits are per Contract 8738 requirements: CAS guards are covered under a collective bargaining agreement with SEIU-USWW. Benefits include: transportation allowance, one hour unpaid lunch, 100% paid medical/dental/group life insurance/AD&D for employee, 401K, 9 paid holidays, uniform dry cleaning expenses.

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

   The Airport Aviation Security oversees these requirements chiefly through its Quality Standards Program auditing. Furthermore, the terms of the contract require compliance certification with all applicable contracting requirements.

6. The department's plan for City employees displaced by the contract?

   Does not apply.

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004).

   Service costs less by using a private contractor at this time. If the Airport is to staff for the service, it would need to provide full-time supervisors, uniforms and equipment required for the job, break/lunch room facility, etc. Unless the guard rates increase significantly or if the process by which this function changes, e.g. off-site security inspection facility, it is not currently economically feasible to staff this function with civil servants.

Department Representative:	Henry Thompson, Associate Deputy Airport Director- Operations and Security
Telephone Number:	(650) 821-3340

OFFICE OF THE MAYOR
SAN FRANCISCO

EDWIN M. LEE
MAYOR

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY -1 PM 2:31
BY

May 1, 2012

Angela Calvillo, Clerk of the Board of Supervisors
City Hall, 1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Ms. Calvillo:

Attached is the Mayor's proposed May 1 Budget comprised of the following seven departments: Airport Commission, Board of Appeals, Environment, Municipal Transportation Agency, Port, Public Utilities Commission, and Rent Arbitration Board. Also attached are the following four pieces of legislation:

120437 • Proposition J Contract/Certification of Specified Contracted-Out Services Previously Approved for Enterprise Departments

120428 • Three Supplemental Appropriations for the Two-Year Capital Budgets of each of the Public Utilities Commission Enterprises – Water, Wastewater, and Hetch Hetchy.

If you have any questions please feel free to contact me at 554-6515.

Sincerely,

Kate Howard

Kate Howard
Mayor's Budget Director

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200
SAN FRANCISCO, CALIFORNIA 94102-4681
TELEPHONE: (415) 554-6141

120428
120429
120430

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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SAN FRANCISCO
2012 MAY -1 PM 2:32

April 30, 2012

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Shuttle Bus Service – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for airport shuttle bus services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
AIRPORT COMMISSION
AIRPORT SHUTTLE BUS SERVICE (1)(2)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Transit Operator	9163	88.0	1,488	2,362	3,404,109	5,403,341
Transit Supervisor	9139	5.0	2,786	3,387	362,180	440,310
Transit Manager II	9141	1.0	3,714	4,514	96,564	117,364
Transit Manager I	9140	1.0	3,289	3,998	85,514	103,948
Automotive Mechanic	7381	4.0	2,923	2,923	303,992	303,992
Transit Car Cleaner	9102	2.0	1,862	2,264	96,824	117,728
Holiday Pay (If Applicable)					138,003	205,827
Premium Pay (If Applicable)					127,010	189,432
Total Salary Costs		101.0			4,614,196	6,881,942
FRINGE BENEFITS						
Variable Fringes (3)					1,411,927	2,129,324
Fixed Fringes (4)					1,315,809	1,315,809
Total Fringe Benefits					2,727,736	3,445,133
ESTIMATED CAPITAL & OPERATING COSTS (5)						
Fuels, Lubricants and Utilities (same as contractor)					865,395	865,395
Liability Insurance (same as contractor)					135,063	135,063
Workers Compensation (same as contractor)					262,181	262,181
Property Insurance (same as contractor)					5,805	5,805
Lease-Purchase 7 Buses (same as contractor)					157,320	157,320
Bus Maintenance (same as contractor)					373,181	373,181
Uniforms (same as contractor)					22,109	22,109
Administration/Office Cost (same as contractor)					98,753	98,753
Profit (same as contractor)					220,473	220,473
Unanticipated Operational Expenses (same as contractor)					250,000	250,000
Baggage Handling (same as contractor)					430,494	430,494
Emergency Contingency (same as contractor)					873,416	873,416
Total Capital & Operating					3,694,189	3,694,189
ESTIMATED TOTAL CITY COST					11,036,120	14,021,263
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(9,274,744)	(9,277,393)
ESTIMATED SAVINGS					$ 1,761,376	$ 4,743,871
% of Savings to City Cost					16%	34%

Comments/Assumptions:

1. This service has been contracted out since 1975.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated totatl contract cost.
6 The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.

PROP J SUBMISSION COVER SHEET
AIRPORT COMMISSION
AIRPORT SHUTTLE BUS SERVICE (1)(2)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
CAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Transit Operator	9163	88.0	1,488	2,362	3,417,202	5,424,123
Transit Supervisor	9139	5.0	2,786	3,387	363,573	442,004
Transit Manager II	9141	1.0	3,714	4,514	96,935	117,815
Transit Manager I	9140	1.0	3,289	3,998	85,843	104,348
Automotive Mechanic	7381	4.0	2,923	2,923	305,161	305,161
Transit Car Cleaner	9102	2.0	1,862	2,264	97,196	118,181
Holiday Pay (If Applicable)					138,003	205,827
Premium Pay (If Applicable)					127,483	190,138
Total Salary Costs		101.0			4,631,397	6,907,597
FRINGE BENEFITS						
Variable Fringes (3)					1,560,625	2,358,027
Fixed Fringes (4)					1,384,480	1,384,480
Total Fringe Benefits					2,945,105	3,742,507
ESTIMATED CAPITAL & OPERATING COSTS (5)						
Fuels, Lubricants and Utilities (same as contractor)					882,702	882,702
Liability Insurance (same as contractor)					137,764	137,764
Workers Compensation (same as contractor)					267,424	267,424
Property Insurance (same as contractor)					5,922	5,922
Lease-Purchase 7 Buses (same as contractor)					157,320	157,320
Bus Maintenance (same as contractor)					380,645	380,645
Uniforms (same as contractor)					22,551	22,551
Administration/Office Cost (same as contractor)					100,728	100,728
Profit (same as contractor)					224,883	224,883
Unanticipated Operational Expenses (same as contractor)					250,000	250,000
Baggage Handling (same as contractor)					439,104	439,104
Emergency Contingency (same as contractor)					890,884	890,884
Total Capital & Operating					3,759,926	3,759,926
ESTIMATED TOTAL CITY COST					11,336,428	14,410,030
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(9,446,227)	(9,448,966)
ESTIMATED SAVINGS					$ 1,890,201	$ 4,961,064
% of Savings to City Cost					17%	34%

Comments/Assumptions:

1. This service has been contracted out since 1975.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated totatl contract cost.
6. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.

SAN FRANCISCO AL .NISTRATIVE CODE SECTION 2.15. .PPLEMENTAL REPORT

Department:	**Airport Commission**
Contract Services:	**Airport Shuttle Bus Service**
Contract Period:	**July 1, 2012 to June 30, 2014**

1. The department's basis for proposing the Prop J certification?

   In-house staff cannot perform the services because it is more economical and efficient to contract with a vendor that specializes in this business. These services have been contracted out since 1975. SFO Shuttle Bus Company has satisfactorily operated the Airport's shuttle bus service under the current agreement. The Office of the Controller has annually concluded that these services can be performed at a lower cost by SFO Shuttle Bus Company than if work was performed by City employees (MUNI).

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

   Since its inception in 1975, the management and operations of long-term parking and employee shuttle bus service has been performed by contract.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

   Pursuant to contract, the Contractor will maintain logs as required by the Director demonstrating schedule adherence and ridership. Trip reports and driver hours are compiled, summarized and submitted according to a format and schedule approved by the Director. Reports are submitted as part of regular monthly invoices, or as requested by the Director. Landside staff currently reviews each individual report for accuracy.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

   See attachment to Prop J that details current wages and benefits for Drivers and Car Cleaners (Local 665), Supervisors (Local 856) and Mechanics (Local 1414).

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

   The Contractor continues to meet the provisions of the Minimum Compensation Ordinance. Although the contract does not require health insurance, the Contractor per labor agreement, continues to provide applicable health benefits per Section 12Q.3 of the HCAO as set forth by the contract. Contractor must adhere to the City's non-discrimination ordinance contained in Chapter 12B & 12C of the City's Administrative Code.

6. The department's plan for City employees displaced by the contract?
   N/A (See #1)

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004).

Currently, the Airport operates a 24- hour/7 day a week shuttle bus service for both long-term parking and employees (contracted with SFO Shuttle Bus Company and administered by Landside Operations). Based on annual cost estimates as provided to Controller Office, contractor wage and benefit costs for transit operators, supervisors and mechanics are approximately 32% less than for similar City classifications. MUNI would be the most logical agency to send drivers, supervisors and mechanics to the Airport. If MUNI had drivers, supervisors and mechanics available for Airport parking shuttle service, drivers would have to incorporate a bid cycle for preferred route and schedules and be trained on various routes. In addition, there would likely be issues with Union Locals 665, 856 and 1414 should these Airport jobs go to City workers and different union locals. Full payment through the current contract would be required; driver route and schedule bids, training on various routes would need to take place.

Department Representative:	Jeff Littlefield, Deputy Airport Director- Operations and Security
Telephone Number:	(650) 821-5010

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY -1 PM 2:33

April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Comprehensive Facility Security Services Contract – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for comprehensive facility security services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA - SECURITY
COMPREHENSIVE FACILITY SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Building & Grounds Patrol Officer	8207	16.6	$ 1,769	$ 2,151	$ 768,636	$ 934,616
Security Guard	8202	70.8	$ 1,460	$ 1,769	$2,696,090	$ 3,266,701
Senior Clerk	1406	1.0	$ 1,577	$ 1,914	$ 41,160	$ 49,955
Senior Clerk	1406	1.0	$ 1,577	$ 1,914	$ 41,160	$ 49,955
Manager I	9175	1.0	$ 3,041	$ 3,881	$ 79,370	$ 101,294
Senior Clerk	1406	4.0	$ 1,577	$ 1,914	$ 164,639	$ 199,822
Senior Clerk	1406	1.0	$ 1,577	$ 1,914	$ 41,160	$ 49,955
Mail Clerk	1404	1.0	$ 1,520	$ 1,844	$ 39,672	$ 48,128
Transit Information Clerk	9122	2.0	$ 2,033	$ 2,472	$ 106,123	$ 129,038
Holiday Pay (if applicable)					$ 126,225	$ 153,243
Night / Shift Differential (if applicable)					$ 112,598	$ 136,698
Overtime Pay (if applicable)					-	-
Other Pay (if applicable)					-	-
Total Salary Costs		98.4			4,216,831	5,119,406
FRINGE BENEFITS						
Variable Fringes (3)					1,160,108	1,408,599
Fixed Fringes (4)					1,313,802	1,313,802
Total Fringe Benefits					2,473,909	2,722,401
ADDITIONAL CITY COSTS (if applicable)					-	-
Total Capital & Operating					-	-
ESTIMATED TOTAL CITY COST					6,690,741	7,841,807
LESS: ESTIMATED TOTAL CONTRACT COST					6,190,957	6,449,244
ESTIMATED SAVINGS					$ 499,784	$ 1,392,563
% of Savings to City Cost					7%	18%

Comments/Assumptions:

1. FY 2008 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

SFMTA - SECURITY SERVICES
COMPREHENSIVE FACILITY SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Building & Grounds Patrol Officer	8207	16.6	1,769	2,151	$ 765,691	$ 931,035
Security Guard	8202	70.8	1,460	1,769	2,685,760	3,254,185
Senior Clerk	1406	1.0	1,577	1,914	41,002	49,955
Senior Clerk	1406	1.0	1,577	1,914	41,002	49,955
Manager I	9175	1.0	3,041	3,881	79,066	101,294
Senior Clerk	1406	4.0	1,577	1,914	164,008	199,822
Senior Clerk	1406	1.0	1,577	1,914	41,002	49,955
Mail Clerk	1404	1.0	1,520	1,844	39,520	48,128
Transit Information Clerk	9122	2.0	2,033	2,472	105,716	129,038
Holiday Pay (if applicable)					125,742	152,732
Night / Shift Differential (if applicable)					112,166	136,242
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		98.4			4,200,675	5,102,343
FRINGE BENEFITS						
Variable Fringes (3)					1,053,257	1,279,307
Fixed Fringes (4)					1,237,828	1,237,828
Total Fringe Benefits					2,291,085	2,517,135
ADDITIONAL CITY COSTS (if applicable)						
					-	-
Total Capital & Operating					$ -	$ -
ESTIMATED TOTAL CITY COST					6,491,760	7,619,478
LESS: ESTIMATED TOTAL CONTRACT COST					(6,014,304)	(6,707,895)
ESTIMATED SAVINGS					$ 477,456	$ 911,583
% of Savings to City Cost					7%	12%

Comments/Assumptions:
1. FY 2008 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

Prop J Supplemental Questionnaire

1. ***The department's basis for proposing the Prop J certification***

   The Comprehensive Facility Security Services for the San Francisco Municipal Transportation Agency (MTA) and Municipal Railway have been contracted out since 1975. The scope of the coverage provided by the contracted guard services to the Agency is both extensive and comprehensive for this full-service program. Guard services include both armed and unarmed officers.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   This is not applicable. These services have been contracted out since 1975.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   Oversight of the contract and the vendor performance is provided by MTA Chief of Security. Reports required by the contract include Emergency Reports, Training Affidavits, Incident Reports, Guard Timesheets, Lost/Stolen Item Reports, a Daily Security Report (DSR), Radio Logs, Armed Guard Daily Report, Observer Reports, monthly invoice and an Excel matrix of Planned/Unplanned Scheduled Events to track date, time of event, location, number of guards, hours of service. All are submitted to SFMTA for approval.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

   The employees who provide services under the Cypress contract are covered under the Service Employees International Union (SEIU) Local 24/7 Collective Bargaining Agreement. Employees receive vacation, sick leave, health benefits, including medical dental and vision, and retirement benefits.

   FY 2013 and FY 2014 bi-weekly wages for the employees who provide services under this contract are:

Classification 8207 – Building & Grounds Patrol Officer -	$1,765 - $2,145
Classification 8201 – Security Guard -	$1,457 - $1,765

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

   The Department requires an annual certification from the vendor to ensure ongoing compliance with all applicable contracting requirements for approved city vendors.

6. ***The department's plan for City employees displaced by the contract***

   This is not applicable. No employees are displaced as a result of this contract. These services have been contracted out since 1975.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

   Please refer to comments in No. 1 above which also apply to this question.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

RECEIVED
BOARD OF SUPERVISORS
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2012 MAY -1 PM 2:33

April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Parking Meter Payment Collection Services – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for parking meter payment collection services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA - FINANCE & INFORMATION TECHNOLOGY
Coin Collection, Counting and Data Management Services
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Collections						
Transit Revenue Supervisor	9118	2.0	$ 2,693.00	$ 3,273.00	$ 140,036.00	$ 170,196.00
Principal Fare Collections Receiver	9117	2.0	$ 2,711.00	$ 3,295.00	$ 140,972.00	$ 171,340.00
Senior Fare Collections Receiver	9116	12.0	$ 2,156.00	$ 2,621.00	$ 672,672.00	$ 817,752.00
Fare Collections Receiver	9110	30.0	$ 1,778.00	$ 2,161.00	$ 1,386,840.00	$ 1,685,580.00
Counting						
Senior Fare Collections Receiver	9116	1.0	$ 2,058.00	$ 2,502.00	$ 53,508.00	$ 65,052.00
Fare Collections Receiver	9110	3.0	$ 1,778.00	$ 2,161.00	$ 138,684.00	$ 168,558.00
Holiday Pay (if applicable)					$ 80,364.90	$ 97,682.48
Night / Shift Differential (if applicable)					$ 71,688.41	$ 87,136.32
Overtime Pay (if applicable)					$ -	$ -
Other Pay (if applicable)					$ -	$ -
Total Salary Costs		50.0			**2,684,765**	**3,263,297**
FRINGE BENEFITS						
Variable Fringes (3)					$ 673,448	$ 818,567
Fixed Fringes (4)					$ 629,000	$ 629,000
Total Fringe Benefits					**$ 1,302,448**	**$ 1,447,567**
ADDITIONAL CITY COSTS (if applicable)						
					$ -	$ -
					3,987,213	**4,710,864**
ESTIMATED TOTAL CITY COST (5)					**(3,065,612)**	**(3,074,502)**
LESS: ESTIMATED TOTAL CONTRACT COST (5)					**$ 921,602**	**$ 1,636,362**
ESTIMATED SAVINGS					23%	35%
% of Savings to City Cost						

Comments/Assumptions:
1. FY 1978-1979 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Estimated City cost and contract cost includes approximately 2,000 additional meters installed over the past 18 months, as well as collections and counting services for the Port of San Francisco.

SFMTA - FINANCE & INFORMATION TECHNOLOGY
Con Collection, Counting and Data Management Services
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Collections						
Transit Revenue Supervisor	9118	2.0	$ 2,693.00	$ 3,273.00	$ 140,574.60	$ 170,850.60
Principal Fare Collections Receiver	9117	2.0	$ 2,711.00	$ 3,295.00	$ 141,514.20	$ 171,999.00
Senior Fare Collections Receiver	9116	12.0	$ 2,156.00	$ 2,621.00	$ 675,259.20	$ 820,897.20
Fare Collections Receiver	9110	30.0	$ 1,778.00	$ 2,161.00	$ 1,392,174.00	$ 1,692,063.00
Counting						
Senior Fare Collections Receiver	9116	1.0	$ 2,058.00	$ 2,502.00	$ 53,713.80	$ 65,302.20
Fare Collections Receiver	9110	3.0	$ 1,778.00	$ 2,161.00	$ 139,217.40	$ 169,206.30
Holiday Pay (if applicable)					80,674	98,058
Night / Shift Differential (if applicable)					71,964	87,471
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		50.0			**2,695,091**	**3,275,848**
FRINGE BENEFITS						
Variable Fringes (3)					$ 773,923	$ 940,693
Fixed Fringes (4)					$ 667,600	$ 667,600
Total Fringe Benefits					**$ 1,441,523**	**$ 1,608,293**
ADDITIONAL CITY COSTS (if applicable)						
					$ -	$ -
ESTIMATED TOTAL CITY COST (5)					**4,136,614**	**4,884,141**
LESS: ESTIMATED TOTAL CONTRACT COST (5)					**(3,065,845)**	**(3,074,735)**
ESTIMATED SAVINGS					**$ 1,070,769**	**$ 1,809,406**
% of Savings to City Cost					26%	37%

Comments/Assumptions:
1. FY 1978-1979 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Estimated City cost and contract cost includes approximately 2,000 additional meters installed over the past 18 months, as well as collections and counting services for the Port of San Francisco.

Prop J Supplemental Questionnaire-Parking Meter Collections

1. ***The department's basis for proposing the Prop J certification***

   Services for parking meter collections and counting services have been performed by outside vendors since 1978. Prior to this, meter collections were performed by the Tax Collector's Office and coin counting services were performed by the Municipal Railway. To the best of our knowledge, no city employees were laid off as a result of transferring these services to an outside vendor.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   Since this type of contract has been in place since 1978, we have no historic records that would allow for a comparison of service provisions.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   Current oversight is done by a contract administrator (9174-Manger IV at .25 FTE) with periodic input from (Manager VII (9181) of 6-8 hours per month. Contractor is required to maintain the City's parking meter management software system for maintenance and revenue tracking, as well as submitting a daily report that reconciles reported collections revenue with revenue reported by the armored car service.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

   See attached. There are no union agreements for this contract.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

   See attached.

6. ***The department's plan for City employees displaced by the contract***

Not applicable.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

Establishing the needed infrastructure, hiring personnel through the City's process and developing software capable of parking meter maintenance and revenue tracking and processing would take 3 to 5 years. The costs are calculated in the estimate of City costs within the Prop J spreadsheet.

Not applicable.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

   Establishing the needed infrastructure, hiring personnel through the City's process and developing software capable of parking meter maintenance and revenue tracking and processing would take 3 to 5 years. The costs are calculated in the estimate of City costs within the Prop J spreadsheet.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

RECEIVED
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2012 MAY -1 PM 2:33

April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Paratransit Services Contract – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for paratransit services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA - ADMINISTRATION
PARATRANSIT SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Transit Operators	9163	148.0	$ 1,488	$ 2,362	$ 5,725,085	$ 9,087,437
Chauffeur	7312	231.0	$ 1,190	$ 1,889	$ 7,148,620	$ 11,347,016
Auto Mechanic Assistant Supervisor	7382	2.0	$ 3,522	$ 3,522	$ 183,144	$ 183,144
Auto Mechanic	7381	12.0	$ 2,923	$ 2,923	$ 911,976	$ 911,976
Auto Service Worker	7410	8.0	$ 1,951	$ 2,371	$ 405,808	$ 493,168
Transit Car Cleaner	9102	7.0	$ 1,862	$ 2,264	$ 338,884	$ 412,048
Transit Supervisor	9139	2.0	$ 2,786	$ 3,387	$ 144,872	$ 176,124
Transit Manager I	9140	4.0	$ 3,289	$ 3,998	$ 342,056	$ 415,792
Passenger Services Specialist	9135	14.0	$ 2,110	$ 2,564	$ 768,040	$ 933,296
Senior Clerk Typist	1426	6.0	$ 1,731	$ 2,319	$ 270,036	$ 361,764
Senior Eligibility Worker	2905	5.0	$ 2,161	$ 2,627	$ 280,930	$ 341,510
Holiday Pay					513,321	769,391
Night / Shift Differential (if applicable)					467,583	698,094
Premium and Other Pay					110,240	110,240
Total Number of Employees		439.0			17,610,595	26,241,000
FRINGE BENEFITS						
Variable Fringes (3)					5,279,824	7,969,983
Fixed Fringes (4)					5,698,241	5,698,241
		Total Fringe Benefits			10,978,065	13,668,224
ADDITIONAL CITY COSTS (if applicable)						
200 Sedans, 4-door midsize					1,400,000	1,400,000
49 Vans, Type II, lift equipped					845,250	845,250
64 Vans, Type III, lift equipped					1,136,000	1,136,000
25 Vans, ramp-equipped					275,000	275,000
338 2-way radios					116,188	116,188
Fuel, parts, claims					2,738,937	2,738,937
		Total Capital & Operating			6,511,375	6,511,375
ESTIMATED TOTAL CITY COST					35,100,085	46,420,648
LESS: ESTIMATED TOTAL CONTRACT COST					(20,011,392)	(20,037,975)
ESTIMATED SAVINGS					$15,088,693	$ 26,382,674
% of Savings to City Cost					43%	57%

Comments/Assumptions:

1. FY84 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

SFMTA - ADMINISTRATION
PARATRANSIT SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Transit Operators	9163	148.0	$ 1,488	$ 2,362	$ 5,747,105	$ 9,122,388
Chauffeur	7312	231.0	$ 1,190	$ 1,889	$ 7,176,115	$ 11,390,658
Auto Mechanic Assistant Supervisor	7382	2.0	$ 3,522	$ 3,522	$ 183,848	$ 183,848
Auto Mechanic	7381	12.0	$ 2,923	$ 2,923	$ 915,484	$ 915,484
Auto Service Worker	7410	8.0	$ 1,951	$ 2,371	$ 407,369	$ 495,065
Transit Car Cleaner	9102	7.0	$ 1,862	$ 2,264	$ 340,187	$ 413,633
Transit Supervisor	9139	2.0	$ 2,786	$ 3,387	$ 145,429	$ 176,801
Transit Manager I	9140	4.0	$ 3,289	$ 3,998	$ 343,372	$ 417,391
Passenger Services Specialist	9135	14.0	$ 2,110	$ 2,564	$ 770,994	$ 936,886
Senior Clerk Typist	1426	6.0	$ 1,731	$ 2,319	$ 271,075	$ 363,155
Senior Eligibility Worker	2905	5.0	$ 2,161	$ 2,627	$ 282,011	$ 342,824
Holiday Pay					$ 515,296	$ 772,350
Night / Shift Differential (if applicable)					$ 469,381	$ 700,779
Premium and Other Pay					110,240	110,240
Total Number of Employees		439.0			$ 17,677,904	$ 26,341,503
Variable Fringes (3)					$ 5,938,577	$ 8,953,825
Fixed Fringes (4)					$ 5,698,241	$ 5,698,241
		Total Fringe Benefits			$ 11,636,818	$ 14,652,066
ADDITIONAL CITY COSTS (if applicable)						
200 Sedans, 4-door midsize					1,400,000	1,400,000
49 Vans, Type II, lift equipped					845,250	845,250
64 Vans, Type III, lift equipped					1,136,000	1,136,000
25 Vans, ramp-equipped					275,000	275,000
338 2-way radios					116,188	116,188
Fuel, parts, claims					2,738,937	2,900,819
		Total Capital & Operating			6,511,375	6,673,257
ESTIMATED TOTAL CITY COST					35,826,096	47,666,825
LESS: ESTIMATED TOTAL CONTRACT COST					(20,775,195)	(20,801,777)
ESTIMATED SAVINGS					$ 15,050,902	$ 26,865,048
% of Savings to City Cost					42%	56%

Comments/Assumptions:

1. FY 84 was the first year these services were contracted out.

costs.

3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.

4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

Prop J Supplemental Questionnaire

1. ***The department's basis for proposing the Prop J certification***

   For the past thirty-two years, the Public Utilities Commission, Public Transportation Commission, and the San Francisco Municipal Transportation Agency have contracted for the provision of paratransit services. It is more economical to contract for paratransit services, mainly because the City cannot take advantage of a reasonable economy of scale and maintain the same programmatic/operational requirements as a private contractor. This is particularly true of on-call user side metered services (taxi service) in which the taxi industry provides 24-hour, 7-day a week on-call service with a fleet of no less than 1,511 vehicles. Additionally, under private contract a demand driven system can be maintained, whereas with City employees, a supply system would have to be established.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   Not applicable.

   The paratransit service has been contracted since its inception.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   The SFMTA's Paratransit Manager, in conjunction with the Manager of Accessible Services, administers the current oversight of the paratransit contract. The contract deliverables include many reporting and monitoring provisions:

   - Provide quarterly report of service level statistics, including number of trips by subcontractor and mode, number of no-show trips and cancelled trips, number of stair assists performed, trip denials
   - Prepare summaries of number of ADA certification on a monthly basis, including number of applications received, certifications of ADA eligible users by category, number of eligibility denials, appeals processed, recertifications, and levels of active and inactive users
   - Provide reports identifying service trends or patterns on a bi-annual basis

- Maintain records and prepare operating reports as required by the SFMTA, San Francisco County Transportation Authority, San Francisco Office on the Aging, and other agencies
- Provide quarterly reports of cumulative trip costs
- Quarterly incentive/disincentive review

In terms of financial monitoring, the contract states that the "Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement." SFMTA therefore has the ability to audit and examine all records and transactions, including invoices, materials, payrolls, records or personnel and other data.

There is also a reporting requirement related to City-owned vehicles that the Broker is leasing out to subcontracts. The Broker is required to report to the City within thirty days any occurrence – such as an inoperable vehicle or mechanical deterioration to the extent that repair is infeasible.

An annual independent customer satisfaction survey is also included as a contract deliverable. And other reporting deliverables include:

- Prepare reports, analysis materials, and informational materials for presentation to the Paratransit Coordinating Council, the SFMTA's advisory body on paratransit-related issues, comprised of paratransit customers, social service agency representatives, van company providers, and taxi industry representatives

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

Veolia Transportation Services, Inc. (the current Paratransit Broker) is on the approved Human Rights Commission (HRC) list for equal benefits for employees, and domestic partners and the Domestic Partners Ordinance as required. Paratransit Broker employees also receive full medical and dental benefits. See Attachment 1 for a full list of the current wages and benefits summary.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

The contract has a provision to ensure that all Broker employees maintain salaries at or above minimum prescribed wage rate - All Broker employee wage rates will meet

or exceed the minimum San Francisco minimum wage standards, and annual salary levels per employee must be submitted to the Accessible Services Manager yearly.

The department is obligated and committed to enforce the provisions and spirit of all applicable regulations and ordinances of the City and County of San Francisco governing city contracts. To that end, we will work with the Human Rights Commission, the Contract Compliance Office and the City Attorney's Office to ensure that the Paratransit Broker complies with all wage, compensation, health care and equal benefits privileges stipulated by law.

6. ***The department's plan for City employees displaced by the contract***

N/A

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

It is unlikely that the paratransit service could be provided in the future using City employees due to the extremely comprehensive service that is provided using the general taxi service, allowing SFMTA to pay a very low cost per trip ($13.29) that would be nearly impossible to reproduce using City employees.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Parking Citation Processing and Collection Services – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for parking citation processing and collection services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA - FINANCE & INFORMATION TECHNOLOGY
CITATION PROCESSING AND COLLECTION SUPPORT SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
INTERSTATE & SPECIAL COLLECTIONS:						
IS Business Analyst	1052	2.00	2,775	3,491	144,300	181,532
Senior Administrative Analyst	1823	1.00	3,027	3,679	78,702	95,654
OPERATING SYSTEM & APPLICATION SOFTWARE MAINTENANCE:						
IS Operator - Analyst	1004	4.00	2,292	2,786	238,368	289,744
IS Operator - Supervisor	1005	1.00	2,551	3,101	66,326	80,626
IS Administrator 2	1022	1.00	2,602	3,162	67,652	82,212
IS Administrator 3	1023	1.00	3,162	3,844	82,212	99,944
IS Engineer - Senior	1043	1.00	3,812	4,794	99,112	124,644
IS Engineer - Principal	1044	1.00	4,101	5,157	106,626	134,082
IS Programmer Analyst	1062	2.00	2,397	3,015	124,644	156,780
IS Programmer Analyst - Senior	1063	3.00	2,911	3,666	227,058	285,948
IS Programmer Analyst - Principal	1064	1.00	3,389	4,264	88,114	110,864
IS Project Director	1070	1.00	4,101	5,157	106,626	134,082
CITATION PROCESSING & COLLECTION:						
Clerk	1404	2.00	1,520	1,844	79,040	95,888
Principal Clerk	1408	1.00	2,079	2,527	54,054	65,702
Account Clerk	1630	3.00	1,630	1,980	127,140	154,440
Principal Account Clerk	1634	1.00	2,130	2,589	55,380	67,314
Senior Management Assistant	1844	1.00	2,589	3,147	67,314	81,822
Cashier 2	4321	22.00	1,690	2,053	966,680	1,174,316
Cashier 3	4322	9.00	1,895	2,303	443,430	538,902
Holiday Pay (if applicable)					102,261	125,479
Night / Shift Differential (if applicable)					91,221	111,932
Total Salary Costs		58.0			**3,416,260**	**4,191,907**
FRINGE BENEFITS						
Variable Fringes (3)					856,192	1,050,571
Fixed Fringes (4)					739,007	739,007
Total Fringe Benefits					**1,595,199**	**1,789,578**
ADDITIONAL CITY COSTS						
Citations Processing Software (one-time initial cost) (5)					4,075,400	4,075,400
Handheld ticket-writing devices					357,500	357,500
Workstations					150,400	150,400
Postage					901,800	901,800
Ticket Stock and Mailing Envelopes					367,400	367,400
Total Capital & Operating					**5,852,500**	**5,852,500**
ESTIMATED TOTAL CITY COST					**10,863,958**	**11,833,985**
LESS: ESTIMATED TOTAL CONTRACT COST (6)					*(7,029,553)*	*(7,038,180)*
ESTIMATED SAVINGS					**$ 3,834,405**	**$ 4,795,805**
% of Savings to City Cost					35%	41%

Comments/Assumptions:

1. FY 1998 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Software development costs are based on a 1998 estimate, adjusted for CPI.
6. The contract cost is based on a $2.89 per citation fee, plus 34% of all amounts collected through the vendor's special collections program.

SFMTA - FINANCE & INFORMATION TECHNOLOGY
CITATION PROCESSING AND COLLECTION SUPPORT SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
INTERSTATE & SPECIAL COLLECTIONS:						
IS Business Analyst	1052	2.00	2,775	3,491	144,855	182,230
Senior Administrative Analyst	1823	1.00	3,027	3,679	79,005	96,022
OPERATING SYSTEM & APPLICATION SOFTWARE MAINTENANCE:						
IS Operator - Analyst	1004	4.00	2,292	2,786	239,285	290,858
IS Operator - Supervisor	1005	1.00	2,551	3,101	66,581	80,936
IS Administrator 2	1022	1.00	2,602	3,162	67,912	82,528
IS Administrator 3	1023	1.00	3,162	3,844	82,528	100,328
IS Engineer - Senior	1043	1.00	3,812	4,794	99,493	125,123
IS Engineer - Principal	1044	1.00	4,101	5,157	107,036	134,598
IS Programmer Analyst	1062	2.00	2,397	3,015	125,123	157,383
IS Programmer Analyst - Senior	1063	3.00	2,911	3,666	227,931	287,048
IS Programmer Analyst - Principal	1064	1.00	3,389	4,264	88,453	111,290
IS Project Director	1070	1.00	4,101	5,157	107,036	134,598
CITATION PROCESSING & COLLECTION:						
Clerk	1404	2.00	1,520	1,844	79,344	96,257
Principal Clerk	1408	1.00	2,079	2,527	54,262	65,955
Account Clerk	1630	3.00	1,630	1,980	127,629	155,034
Principal Account Clerk	1634	1.00	2,130	2,589	55,593	67,573
Senior Management Assistant	1844	1.00	2,589	3,147	67,573	82,137
Cashier 2	4321	22.00	1,690	2,053	970,398	1,178,833
Cashier 3	4322	9.00	1,895	2,303	445,136	540,975
Holiday Pay (if applicable)					102,655	125,962
Night / Shift Differential (if applicable)					91,572	112,363
Total Salary Costs		58.0			**3,429,399**	**4,208,030**
FRINGE BENEFITS						
Variable Fringes (3)					984,039	1,207,445
Fixed Fringes (4)					784,695	784,695
Total Fringe Benefits					**1,768,734**	**1,992,140**
ADDITIONAL CITY COSTS						
Citations Processing Software (one-time initial cost) (5)					4,075,400	4,075,400
Handheld ticket-writing devices					357,500	357,500
Workstations					150,400	150,400
Postage					813,120	813,120
Ticket Stock and Mailing Envelopes					340,000	340,000
Total Capital & Operating					**5,736,420**	**5,736,420**
ESTIMATED TOTAL CITY COST					10,934,553	11,936,590
LESS: ESTIMATED TOTAL CONTRACT COST					(7,030,741)	(7,039,631)
ESTIMATED SAVINGS					**$ 3,903,812**	**$ 4,896,959**
% of Savings to City Cost					36%	41%

Comments/Assumptions:
1. FY 1998 was the first year these services
2. Salary levels reflect proposed salary rates
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement,
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Software development costs are based on a 1998 estimate, adjusted for CPI.
6. The contract cost is based on a $2.89 per citation fee, plus 34% of all amounts collected through the vendor's special collections program.

Prop J Supplemental Questionnaire-Citation Processing

1. ***The department's basis for proposing the Prop J certification***

   The City has contracted out for Citation Processing Services since 1998. At that time the Board of Supervisors approved Prop J status for this contract, because it was determined that the City would save money for contracting out for this service as opposed to the City providing the service. Prior to contracting out, the services were conducted by the Trial Court computer information group, since citations were previously under the jurisdiction of the courts. No city employees were laid off as a result of contracting out these services.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   This service was never performed by City employees. We have no data on the cost of these services when handled by the Courts.

2. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   Contract oversight is carried out with a day-to-day contract administrator (9174 Manager IV .25 FTE), with periodic input from a senior manager (9181-6-8 hours per month) The contractor is required to provide regular reporting that includes daily tracking of citations and revenue, weekly handheld issuance, weekly violation distribution and monthly boot fee collections report. In addition contractor maintains a large database so that SFMTA can pull data to create ad-hoc reports as needed.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

   The wage information is attached. There are no union contracts for this agreement.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

This information is attached.

6. ***The department's plan for City employees displaced by the contract***

Not applicable.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

Establishing the needed infrastructure, hiring personnel through the City's process and developing software capable of citations processing and special collection efforts would take 3 to 5 years. The costs are calculated in the estimate of City costs within the Prop J spreadsheet.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Towing, Storage and Disposal Contract – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for towing, storage, and disposal services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA - FINANCE & INFORMATION TECHNOLO
TOWING, STORAGE & DISPOSAL SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Management & Administration						
MIS Administrator III	1023	1.0	$ 3,162	$ 3,844	$ 82,528	$ 100,328
Senior Payroll & Personnel Clerk	1222	1.0	2,130	2,589	55,593	67,573
Senior Systems Accountant	1657	1.0	3,369	4,094	87,931	106,853
Senior Administrative Analyst	1823	1.0	3,027	3,679	79,005	96,022
Dispatch & Customer Processing						
Clerk	1404	3.0	1,520	1,844	119,016	144,385
Account Clerk	1630	3.0	1,630	1,980	127,629	155,034
Principal Account Clerk	1634	1.0	2,130	2,589	55,593	67,573
Senior Accountant	1652	1.0	2,407	2,926	62,823	76,369
Communications Dispatcher I	1704	7.0	1,678	2,038	306,571	372,343
Communications Dispatcher II	1705	1.0	1,858	2,258	48,494	58,934
Senior Management Assistant	1844	1.0	2,589	3,147	67,573	82,137
Cashier II	4321	9.0	1,690	2,053	396,981	482,250
Cashier III	4322	3.0	1,895	2,303	148,379	180,325
Collection Supervisor	4366	3.0	2,264	2,752	177,271	215,482
Vehicle Storage & Disposal						
Sr Materials & Supplies Supervisor	1926	2.0	1,710	2,079	89,262	108,524
Storekeeper	1934	13.0	1,662	2,019	563,917	685,047
Senior Storekeeper	1936	4.0	1,769	2,151	184,684	224,564
Assistant Materials Coordinator	1942	1.0	2,855	3,470	74,516	90,567
Purchaser	1952	2.0	2,551	3,101	133,162	161,872
Security Guard	8202	4.0	1,460	1,769	152,424	184,684
Towing Services						
Truck Driver	7355	57.0	2,317	2,951	3,447,001	4,390,203
Automobile Mechanic-Asst Supvsr (3)	7382	1.0	3,522	3,522	91,924	91,924
Automobile Mechanic (3)	7381	5.0	2,923	2,923	381,452	381,452
Holiday Pay (if applicable)					201,970	248,556
Night / Shift Differential (if applicable)					178,591	219,809
Overtime Pay (if applicable)					91,453	129,207
Bilingual Pay (if applicable)					13,050	13,050
Total Salary Costs		125.0			**7,418,790**	**9,135,065**
FRINGE BENEFITS						
Variable Fringes (3)					2,107,663	2,591,810
Fixed Fringes (4)					1,793,862	1,793,862
Total Fringe Benefits					**3,901,525**	**4,385,672**
ADDITIONAL CITY COSTS						
Materials and Supplies					35,587	35,587
Storage and Office Space					2,796,779	2,796,779
Truck & Lift Repair & Maintenance					86,486	86,486
Fuel					373,500	373,500
MIS - Hardware & Software					506,204	506,204
Two Way Communication Devices					14,150	14,150
Tow Trucks (5 year amortization)					1,263,000	1,263,000
Total Capital & Operating					**5,075,706**	**5,075,706**
ESTIMATED TOTAL CITY COST					**16,396,021**	**18,596,443**
LESS: ESTIMATED TOTAL CONTRACT COST					**(10,528,758)**	**(10,543,042)**
ESTIMATED SAVINGS					$ 5,867,263	$ 8,053,401
% of Savings to City Cost					36%	43%

Comments/Assumptions:

1. These services have been contracted out since at least FY 1986-87.
2. Salary levels reflect projected salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up, unemployment insurance and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental insurance plus an estimate of dependent coverage.
5. Estimated contract cost is based upon the current vendor's actual receipts for FY 2010-11, adjusted by indexed price changes in the contract then applied to the anticipated number of tows. Estimated contract cost also includes 0.25 FTE for contract monitoring costs.

SFMTA - FINANCE & INFORMATION TECHNOLOGY
TOWING, STORAGE & DISPOSAL SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Management & Administration						
MIS Administrator III	1023	1.0	$ 3,162	$ 3,844	$ 82,212	$ 99,944
Senior Payroll & Personnel Clerk	1222	1.0	2,130	2,589	55,380	67,314
Senior Systems Accountant	1657	1.0	3,369	4,094	87,594	106,444
Senior Administrative Analyst	1823	1.0	3,027	3,679	78,702	95,654
Dispatch & Customer Processing						
Clerk	1404	3.0	1,520	1,844	118,560	143,832
Account Clerk	1630	3.0	1,630	1,980	127,140	154,440
Principal Account Clerk	1634	1.0	2,130	2,589	55,380	67,314
Senior Accountant	1652	1.0	2,407	2,926	62,582	76,076
Communications Dispatcher I	1704	7.0	1,678	2,038	305,396	370,916
Communications Dispatcher II	1705	1.0	1,858	2,258	48,308	58,708
Senior Management Assistant	1844	1.0	2,589	3,147	67,314	81,822
Cashier II	4321	9.0	1,690	2,053	395,460	480,402
Cashier III	4322	3.0	1,895	2,303	147,810	179,634
Collection Supervisor	4366	3.0	2,264	2,752	176,592	214,656
Vehicle Storage & Disposal						
Sr Materials & Supplies Supervisor	1926	2.0	1,710	2,079	88,920	108,108
Storekeeper	1934	13.0	1,662	2,019	561,756	682,422
Senior Storekeeper	1936	4.0	1,769	2,151	183,976	223,704
Assistant Materials Coordinator	1942	1.0	2,855	3,470	74,230	90,220
Purchaser	1952	2.0	2,551	3,101	132,652	161,252
Security Guard	8202	4.0	1,460	1,769	151,840	183,976
Towing Services						
Truck Driver	7355	57.0	2,317	2,951	3,433,794	4,373,382
Automobile Mechanic-Asst Supvsr (3)	7382	1.0	3,522	3,522	91,572	91,572
Automobile Mechanic (3)	7381	5.0	2,923	2,923	379,990	379,990
Holiday Pay (if applicable)					201,196	247,604
Night / Shift Differential (if applicable)					177,907	218,966
Overtime Pay (if applicable)					91,102	128,712
Bilingual Pay (if applicable)					13,050	13,050
Total Salary Costs		125.0			**7,390,415**	**9,100,114**
FRINGE BENEFITS						
Variable Fringes (3)					1,833,662	2,254,947
Fixed Fringes (4)					1,694,092	1,694,092
Total Fringe Benefits					**3,527,754**	**3,949,039**
ADDITIONAL CITY COSTS						
Materials and Supplies					34,890	34,890
Storage and Office Space					2,741,940	2,741,940
Truck & Lift Repair & Maintenance					84,743	84,743
Fuel					373,500	373,500
MIS - Hardware & Software					499,362	499,362
Two Way Communication Devices					14,150	14,150
Tow Trucks (5 year amortization)					1,263,000	1,263,000
Total Capital & Operating					**5,011,585**	**5,011,585**
ESTIMATED TOTAL CITY COST					**15,929,755**	**18,060,738**
LESS: ESTIMATED TOTAL CONTRACT COST					**(10,138,888)**	**(10,443,055)**
ESTIMATED SAVINGS					$ 5,790,867	$ 7,617,683
% of Savings to City Cost					36%	42%

Comments/Assumptions:

1. These services have been contracted out since at least FY 1986-87.
2. Salary levels reflect projected salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up, unemployment insurance and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental insurance plus an estimate of dependent coverage.
5. Estimated contract cost is based upon the current vendor's actual receipts for FY 2010-11, adjusted by indexed price changes in the contract then applied to the anticipated number of tows. Estimated contract cost also includes 0.25 FTE for contract monitoring costs.

Prop J Supplemental Questionnaire – Towing of Abandoned and Illegally Parked Vehicles

1. ***The department's basis for proposing the Prop J certification***

   According to departmental records, towing services have been contracted out since 1987. These services may have been contracted out prior to 1987, but the department has no records to verify this assumption. In addition, the Department of Parking and Traffic was required to contract out for these services under Traffic Code Section 163 (the Traffic Code was replaced by the Transportation Code in 2008).

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   To the SFMTA's knowledge and based on the Traffic Code requirement, the City has always contracted out for towing services. Therefore no comparison data is available.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   Contract oversight is carried out with a day-to-day contract administrator (9174 Manager IV .25 FTE), with periodic input from a senior manager (Manager VII-9181-6-8 hours per month.) The Contractor is required to provide daily towing statistical reports, weekly auction reports and monthly operational and revenue reports.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

   Wages and benefits for non-managers are covered by a collective bargaining agreement between the Contractor and Teamsters Local 665. This agreement can be furnished upon request.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

See attached letter from Contractor.

6. ***The department's plan for City employees displaced by the contract***

Not applicable.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

Establishing the needed infrastructure, hiring personnel through the City's process and developing software capable of tow tracking, auction tracking and processing efforts would take 3 to 5 years. The costs are calculated in the estimate of City costs within the Prop J spreadsheet.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Ed Reiskin, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Sonali Bose, Chief Financial Officer
Municipal Transportation Agency

RE: Transit Shelter Maintenance and Advertising Contract – FY 2012-13 and FY 2013-14

The cost information and supplementary data provided by your office on the proposed contract for transit shelter maintenance and advertising services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget and Legislative Analyst
Human Resources, Employee Relations

SFMTA FINANCE & INFORMATION TECHNOLOGY
TRANSIT SHELTER MAINTENANCE & ADVERTISING SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14 (Revised)

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
General Laborer	7514	1.5	$ 1,876	$2,281	$ 73,445	$ 89,301
Track Maintenance Worker	7540	1.5	1,914	2,326	74,933	91,063
Holiday Pay (if applicable)					4,690	5,701
Night / Shift Differential (if applicable)					4,200	5,105
Overtime Pay (if applicable)					-	-
Other Pay (if applicable)					-	-
Total Salary Costs		3.0			157,268	191,170
FRINGE BENEFITS						
Variable Fringes (3)					45,166	54,903
Fixed Fringes (4)					41,115	41,115
Total Fringe Benefits					86,281	96,018
ADDITIONAL CITY COSTS (if applicable)						
Materials & Supplies (5)					140,000	140,000
Safety Equipment (6)					5,000	5,000
Vehicle Maintenance (7)					1,000	1,000
Total Capital & Operating					146,000	146,000
ESTIMATED TOTAL CITY COST					389,550	433,188
LESS: ESTIMATED TOTAL CONTRACT COST					353,202	356,757
ESTIMATED SAVINGS					$ 36,348	$ 76,431
% of Savings to City Cost					9%	18%

Comments/Assumptions:

1. FY 2007-08 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Materials and supplies would be the costs for the cleaning materials, glass, protective film for the glass, paint for railings, etc.
6. Safety equipment represents personal protective gear for the workers.
7. Vehicle maintenance is the usual type of maintenance for City vehicles.

SFMTA FINANCE & INFORMATION TECHNOLOGY
TRANSIT SHELTER MAINTENANCE & ADVERTISING SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13 (Revised)

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
General Laborer	7514	1.5	$ 1,876	$ 2,281	$ 73,164	$ 88,959
Track Maintenance Worker	7540	1.5	1,914	2,326	74,646	90,714
Holiday Pay (if applicable)					4,690	5,701
Night / Shift Differential (if applicable)					4,184	5,086
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		3.0			156,684	190,460
FRINGE BENEFITS						
Variable Fringes (3)					39,303	47,775
Fixed Fringes (4)					38,928	38,928
Total Fringe Benefits					78,231	86,703
ADDITIONAL CITY COSTS (if applicable)						
Materials & Supplies (5)					140,000	140,000
Safety Equipment (6)					5,000	5,000
Vehicle Maintenance (7)					1,000	1,000
					0	0
Total Capital & Operating					146,000	146,000
ESTIMATED TOTAL CITY COST					380,915	423,163
LESS: ESTIMATED TOTAL CONTRACT COST					352,678	356,116
ESTIMATED SAVINGS					$ 28,236	$ 67,047
% of Savings to City Cost					7%	16%

Comments/Assumptions:
1. FY 2007-08 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Materials and supplies would be the costs for the cleaning materials, glass, protective film for the glass, paint for railings, etc.
6. Safety equipment represents personal protective gear for the workers.
7. Vehicle maintenance is the usual type of maintenance for City vehicles.

CHARTER 0.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Municipal Transportation Agency
CONTRACT SERVICES: Transit Shelter Advertising Agreement—maintenance of low-level platforms
CONTRACT PERIOD: FY 13-14

(1) Who performed the activity/service prior to contracting out?

Prior to the implementation of the new Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc. on December 10, 2007, SFMTA maintenance staff was responsible for the cleaning and other maintenance of the SFMTA's low-level boarding platforms. Due to the extensive other demands on the time of SFMTA maintenance staff, these services on the low-level platforms were difficult to get scheduled and performed.

(2) How many City employees were laid off as a result of contracting out?

No City employees will be, or have been, laid off as a result of this contract.

(3) Explain the disposition of employees if they were not laid off.

SFMTA maintenance staff is fully employed in maintenance of the SFMTA's transit vehicles, facilities and other related maintenance matters.

(4) What percentage of City employees' time is spent of services to be contracted out?

Minimal

(5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

The new Transit Shelter Advertising Agreement has a 15-year term, with a five-year option to renew. This request will be ongoing.

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

The SFMTA received Proposition J certification for the full Transit Shelter Advertising Agreement, including the piece related to maintenance of the low-level platforms, in FY07/08. The SFMTA first requested certification for the low-level platform piece as a stand-alone matter in FY 08/09; the SFMTA received that certification.

(7) How will the services meet the goals of your MBE/WBE Action Plan?

The contract meets the department's MBE/WBE (now LBE) action plan and was certified by HRC.

(8) Does the proposed contractor provide health insurance for its employees?

Yes.

(9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

Yes.

(10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes.

Department Representative: Gail Stein
Telephone Number: 701-4327

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Meghan Wallace
Budget Manager
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

RE: Janitorial Services – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for Port janitorial services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
PORT, REAL ESTATE DIVISION
JANITORIAL SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Custodial Supervisor	2718	1.0	$ 1,923	$ 2,337	$ 49,998	$ 60,762
Custodian	2708	4.0	1,588	1,927	165,152	200,408
Porter	2736	1.0	1,588	1,927	41,288	50,102
Holiday Pay (if applicable)					8,137	9,877
Night / Shift Differential (if applicable)					7,258	8,811
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		6.0			$ 271,833	$ 329,959
FRINGE BENEFITS						
Variable Fringes (3)					68,187	82,767
Fixed Fringes (4)					75,480	75,480
Total Fringe Benefits					$ 143,667	$ 158,247
ADDITIONAL CITY COSTS (if applicable)						
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					**$ 415,500**	**$ 488,207**
LESS: ESTIMATED TOTAL CONTRACT COST					(390,982)	(392,224)
ESTIMATED SAVINGS					**$ 24,518**	**$ 95,983**
% of Savings to City Cost					6%	20%

Comments/Assumptions:

1. Services have been contracted out since
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.05 FTE for contract monitoring.

PROP J SUBMISSION COVER SHEET
PORT, REAL ESTATE DIVISION
JANITORIAL SERVICES
MPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
CAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Custodial Supervisor	2718	1.0	$ 1,923	$ 2,337	$ 50,190	$ 60,996
Custodian	2708	4.0	1,588	1,927	165,787	201,179
Porter	2736	1.0	1,588	1,927	41,447	50,295
Holiday Pay (if applicable)					8,168	9,915
Night / Shift Differential (if applicable)					7,286	8,844
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		6.0			$ 272,879	$ 331,229
FRINGE BENEFITS						
Variable Fringes (3)					78,360	95,116
Fixed Fringes (4)					80,112	80,112
Total Fringe Benefits					$ 158,472	$ 175,228
ADDITIONAL CITY COSTS (if applicable)						
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					**$ 431,351**	**$ 506,456**
LESS: ESTIMATED TOTAL CONTRACT COST					(402,759)	(404,043)
ESTIMATED SAVINGS					**$ 28,592**	**$ 102,413**
% of Savings to City Cost					7%	20%

Comments/Assumptions:

1. Services have been contracted out since
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.05 FTE for contract monitoring.

Prop J Questionnaire
Janitorial Services
Port, Real Estate Division
FY 2012-2013 and FY 2013-14

1. *Department's basis for proposing the Prop J certification.*

The Port is required under the terms of various leases it has with tenants to provide janitorial services.

Port janitorial services have been contracted out since 1997. At the request of the HRC this contract, which had been previously awarded to a single vendor, was awarded to two Disadvantaged Business Enterprises with additional DBE participation at the sub-contractor level. The current contract expires on April 30, 2012. Port staff is in contact with OCA regarding contractor performance, and whether or not it is advisable to rebid the contract or extend for a year.

2. *Contract's impact on the provision of services covered by the contract.*

Services are not anticipated to change due to the continued use of contractor janitorial services. Service levels are not estimated to be any different if they were provided by City staff instead of contractor staff; however cost savings are estimated between $57,863 and $135,954 in FY 12-13 and $57,862 and $135,953 in FY13-14.

3. *Department's current oversight and reporting for services covered by the contract.*

OCA, with input from Port staff, is currently considering rebiding the contract or extending it for another year. Day to day management is provided by the Port's property managers and the business services manager to ensure services are provided and the Port is properly invoiced.

4. *Contractor's current wages/benefits for employees under the contract, and the contractor's current labor agreements for employees.*

The current contractor is required to pay prevailing wages pursuant to the SEIU Local 87 Collective Bargaining Agreement.

5. *Department's procedure for ensuring applicable contracting requirements.*

OCA is responsible for ensuring contractor meets contracting requirements (HRC goals), while Port staff oversees service and billing levels.

6. *Department's plan for City employees displaced by the contract.*

There are no existing City employees that would be displaced due to contract.

7. *Timelines and cost estimates of providing the same services by City employees in the future.*

The Port is not considering the use of City staff for such services in the future. Use of City staff would not only increase annual operating costs, there would be initial start up costs including vehicle purchase (for transporting crew and equipment between various locations) and other equipment purchases (commercial grade steamers and other cleaning apparatus) which would render the use of City staff cost prohibitive.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Meghan Wallace
Budget Manager
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

RE: Security Services – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for Port security services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
PORT OF SAN FRANCISCO
EXECUTIVE DIVISION-HOMELAND SECURITY FOR SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Institutional Police Sergeant	8205	1.0	2,499	3,038	64,974	78,988
Institutional Police Officer	8204	1.0	2,063	2,507	53,638	65,182
Security Guard	8202	8.0	1,460	1,769	303,680	367,952
Buildings & Grounds Patrol Officer	8207	4.0	1,769	2,151	183,976	223,704
Night Shift & Overtime Differential					30,313	36,791
Overtime for Contingency/Fire Watch (7)					-	73,583
Holiday Pay					17,110	20,762
Premium Pay					15,321	18,592
Total Salary Costs		14.0			$ 669,013	$ 885,554
FRINGE BENEFITS						
Variable Fringes (3)					161,739	202,106
Fixed Fringes (4)					176,635	176,635
Total Fringe Benefits					$ 338,374	$ 378,741
ESTIMATED TOTAL CITY COST					**$ 1,007,386**	**$ 1,264,294**
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					(662,257)	(665,237)
ESTIMATED SAVINGS					**$ 345,130**	**$ 599,057**
% of Estimated Savings to City Cost					34%	47%

Comments/Assumptions:

1. Services have been contracted out since 1976.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.1 FTE for contract monitoring
7. Contingency/Fire watch equal up to 20% of total hours and is used for unanticipated security needs that require 24-hour fixed post presence due to unanticipated situations.

PROP J SUBMISSION COVER SHEET
PORT OF SAN FRANCISCO
EXECUTIVE DIVISION-HOMELAND SECURITY FOR SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Institutional Police Sergeant	8205	1.0	2,499	3,038	65,224	79,292
Institutional Police Officer	8204	1.0	2,063	2,507	53,844	65,433
Security Guard	8202	8.0	1,460	1,769	304,848	369,367
Buildings & Grounds Patrol Officer	8207	4.0	1,769	2,151	184,684	224,564
Night Shift & Overtime Differential					30,430	36,933
Overtime for Contingency/Fire Watch (7)					-	73,866
Holiday Pay					17,176	20,842
Premium Pay					15,380	18,663
Total Salary Costs		14.0			$ 671,586	$ 888,960
FRINGE BENEFITS						
Variable Fringes (3)					182,903	227,809
Fixed Fringes (4)					187,047	187,047
Total Fringe Benefits					$ 369,950	$ 414,856
ESTIMATED TOTAL CITY COST					**$ 1,041,535**	**$ 1,303,815**
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					(690,672)	(693,743)
ESTIMATED SAVINGS					**$ 350,863**	**$ 610,072**
% of Estimated Savings to City Cost					34%	47%

Comments/Assumptions:

1. Services have been contracted out since 1976.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.1 FTE for contract monitoring
7. Contingency/Fire watch equal up to 20% of total hours and is used for unanticipated security needs that require 24-hour fixed post presence due to unanticipated situations.

PORT OF SAN FRANCISCO
Executive Division-Homeland Security
Fiscal Year 12-13 Proposition "J" Certification Report (Per Administrative Code Section 2.15)

SUMMARY OF CONTRACT ESSENTIALS

NATURE OF SERVICES:	Security Services
CURRENT CONTRACTOR:	Securitas Security Services USA, Inc.
	Contract #: 86023
CONTRACT TERM:	October 1, 2011 - September 30, 2014

Unarmed guard security services are required on a routine basis as well as on as-needed basis. As-needed services are used for unanticipated or irregular activities such as cruise ship arrivals and extra security for special events or tenant matters.

Based upon the total required number of hours for basic services coverage, at least fourteen (14) full-time positions would be needed to provide these services internally. This estimate is based upon the assumption that each full-time employee has 1,800 work hours available per year (25,628 hours/1,800 hours = 14.24 employees). The cost of basic security services for FY12-13 is approximately $543,079. Factoring in "as needed" services for special events, cruise calls and Real Estate services, the projected FY 12-13 annual cost increases to $649,719.

1. Department's basis for proposing the Prop J Certification.

The Port operates as an enterprise fund, generating much of its revenue from leases. These facility leases usually require the Port to provide security services. As a designated federal transportation security facility, the Port employs a Homeland Security Manager to oversee the Port's Unarmed Guard Security Contract in conjunction with other Port security matters.

The Port has contracted out security services since 1976 and is again requesting Board of Supervisor's approval to continue contracting for these services. Port available records indicate that Board of Supervisor approval has been granted since at least 1997. The Port has compared costs for security guard services with existing civil service classifications to the Port's existing security guard contract. Based upon this analysis, it is more cost effective to continue to contract out these services.

2. The contract's impact on the provision of services covered by the contract.

Based upon the contracted monthly fees, and the Port's requirement for additional protective services, the Port estimates the cost of **basic** services at approximately $543,079 per year. When adding optional on demand "additional" security services, the total cost of these services could potentially increase to $649,719.

The estimated annual contract cost is significantly lower than the cost to the City to provide these services internally. The projected annual savings to the City (Port Enterprise Fund) are conservatively estimated between $418,779 and $693,578. Projected savings do not include the cost of motor vehicles, maintenance, supplies, training, certifications, and related additional expenses associated with a City operated security operation.

3. Department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

The City's Department of Contract Administration (OCA) manages the procurement process that includes bidding, contract renewals and amendments. Day-to-day oversight in the managing the contract is the responsibility of the Port's Homeland Security Director with the support of Real Estate Division Property Managers and administrative staff. The Port's Wharfinger and other staff from the Maritime Division serve as back-up resources in the Homeland Security Director's absence. Additional support for reporting requirements, contract interpretation and contract management advice is provided to the Port's Homeland Security Director by the Port's Contract Manager.

4. Department's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.

Both parties have committed to meeting the City and County of San Francisco's Minimum Compensation Ordinance as required in the contract. The Port has been actively monitoring these requirements with support from the Office of Labor Standards & Enforcement.

5. Department's current procedures for ensuring the Contractor's on-going compliance with all applicable contracting requirements.

The Port's Homeland Security Program Manager conducts monthly performance reviews with Securitas Security Services USA, Inc. to review performance, the quality of deliverables, and overall satisfaction with the service(s) provided to ensure contract compliance. Any deviations and/or compliance issues are reported to OCA for resolution.

6. Department's plan for City employees displaced by the contract.

There are no City employees displaced by this contract.

7. Timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.

In order for the City/Port to provide this service, substantial capital investment and working capital would be required to acquire vehicles, bicycles, radio equipment, uniforms, computer equipment, software and training. In addition, the Port would have to bear the overhead costs for maintaining equipment and added personnel. Some of the shifts such as graveyard foot patrol are not very desirable assignments in which the Port could be challenged with employee retention problems where private security firms can more easily fill these positions.

It could take 12-24 months for the City to convert these contracted services to an internal service that would guarantee the required level of service, assuming funds were available for start-up costs. Due to the higher operating cost and initial start-up cost, the Port is not considering meeting these service needs with City employees in the future.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

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April 30, 2012

Todd Rydstrom, AGM Business Services & CFO
San Francisco Public Utilities Commission
1155 Market Street, 5th Floor
San Francisco, CA 94103

RE: Security Services – FY 2012-13 and FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for Public Utilities Commission security services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

Please Fill Out Highlighted Areas Only.

SFPUC, Wastewater Enterprise
Wastewater Security Services
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

FY 2012-13 Changes/Assumptions:
20.30% new CCSF retirement rate
7.50% City pick-up of employee retirement (if applicable)
Note: Some unions, such as SEIU, no longer receive City pick-up.

To Be Completed by Controller's Office:

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Institutional Police Officer	8204	3.0	2,084	2,533	$ 162,552	$ 197,574
Institutional Police Officer	8204	2.0	2,084	2,533	$ 108,368	$ 131,716
Institutional Police Officer	8204	0.1	2,084	2,533	$ 6,773	$ 8,232
Institutional Police Officer	8204	0.3	2,084	2,533	$ 13,546	$ 16,465
Holiday Pay (if applicable)	8204				5,158	6,269
Holiday Pay (if applicable)	8204				3,439	4,179
Overtime Pay (if applicable)	8204				36,574	44,454
Overtime Pay (if applicable)	8204				16,255	19,757
Total Salary Costs		5.4			352,665	428,647

Fringe Benefits:

Retirement Indicator	Union	Fixed ($)	Variable Rate (%)	Variable Low ($)	Variable High ($)	Fixed ($)
	790	12,580	26.59%	43,223	52,535	37,740
	790	12,580	26.59%	28,815	35,023	25,160
	790	12,580	26.59%	1,801	2,189	1,573
	790	12,580	26.59%	3,602	4,378	3,145
				77,440	94,125	67,618

	Low	High
FRINGE BENEFITS		
Variable Fringes	77,440	94,125
Fixed Fringes	67,618	67,618
Total Fringe Benefits	145,058	161,743
ADDITIONAL CITY COSTS (if applicable)		
Total Capital & Operating	0	0
ESTIMATED TOTAL CITY COST	497,723	590,390
LESS: ESTIMATED TOTAL CONTRACT COST (3)	(291,895)	(291,895)
ESTIMATED SAVINGS	$ 205,828	$ 298,495
% of Savings to City Cost	41%	51%

Comments/Assumptions:
1. Services have been contracted out since at least 1986.
2. Salary levels reflect proposed salary rates effective March 31, 2012. Costs are represented as annual 12 month costs.

3. The Estimated Contract Cost for annual service is based on exisiting contracts.

Please Fill **Highlighted Areas Only.**

SFPUC, Wastewater Enterprise
Wastewater Security Services
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Institutional Police Officer	8204	3.0	2,147	2,609	$ 168,073	$ 204,284
Institutional Police Officer	8204	2.0	2,147	2,609	$ 112,048	$ 136,189
Institutional Police Officer	8204	0.1	2,147	2,609	$ 7,003	$ 8,512
Institutional Police Officer	8204	0.3	2,147	2,609	$ 14,006	$ 17,024
Holiday Pay (if applicable)	8204				5,313	6,457
Holiday Pay (if applicable)	8204				3,542	4,305
Overtime Pay (if applicable)	8204				37,816	45,964
Overtime Pay (if applicable)	8204				16,807	20,428
Total Salary Costs		5.4			364,608	443,163

FRINGE BENEFITS		
Variable Fringes	80,070	97,322
Fixed Fringes	71,767	71,767
Total Fringe Benefits	151,837	169,089
ADDITIONAL CITY COSTS (if applicable)		
Total Capital & Operating	0	0
ESTIMATED TOTAL CITY COST	516,445	612,252
LESS: ESTIMATED TOTAL CONTRACT COST (3)	(301,799)	(301,799)
ESTIMATED SAVINGS	$ 214,646	$ 310,452
% of Savings to City Cost	42%	51%

Comments/Assumptions:
1. Services have been contracted out since at least 1986.
2. Salary levels reflect proposed salary rates effective March 31, 2012, with a 3% increase for COLA . Costs are represented as annual 12 month costs.
3. The Estimated Contract Cost for annual service is based on exisiting contracts.

FY 2012-13 Changes/Assumptions:
20.30% new CCSF retirement rate
7.50% City pick-up of employee retirement (if applicable)
Note: Some unions, such as SEIU, no longer receive City pick-up.

To Be Completed by Controller's Office:

Fringe Benefits:

Retirement Indicator	Union	Fixed ($)	Variable Rate (%)	Variable Low ($)	Variable High ($)	Fixed ($)
C	790	13,352	26.59%	44,690	54,319	40,056
C	790	13,352	26.59%	29,794	36,213	26,704
C	790	13,352	26.59%	1,862	2,263	1,669
C	790	13,352	26.59%	3,724	4,527	3,338
				80,070	97,322	71,767

1. **The department's basis for proposing the Prop J certification**
   The department is proposing a Prop J certification for Security Guard Services in compliance with San Francisco ordinance requirements for contracting out services that might be provided by City employees.

2. **The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:**
   This comparison cannot be made because Security Guard Service for Wastewater facilities have never been provided by City employees.

3. **The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:**
   The oversight for the current contract is provided on a direct, daily basis by the Wastewater Enterprise security representative and the Southeast Community Facilities Director. Oversight is provided by the Wastewater Enterprise Maintenance Manager.

4. **The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract:**
   Since this proposal for services not yet obtained, we do not have this information at this time.

5. **The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)**
   The Human Rights Commission (HRC) ensures ongoing compliance with contracting requires for Administrative Code Chapter 12P, Chapter 12Q, and Section 12B.1

6. **The department's plan for City employees displaced by the contract**
   This is not applicable (N/A) because Security Guard Service for Wastewater facilities have never been provided by City employees.

7. **A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.**
   The amount of security services is minimal to the overall operations, so the Wastewater Enterprise does not plan to use City employees in the future.

File No. 120328 Committee Item No. 4
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee **Date** May 23, 2012

Board of Supervisors Meeting **Date** _____

Cmte	Board	
☐	☐	**Motion**
☐	☐	**Resolution**
☐	☐	**Ordinance**
☐	☐	**Legislative Digest**
☐	☐	**Budget and Legislative Analyst Report**
☐	☐	**Legislative Analyst Report**
☐	☐	**Youth Commission Report**
☒	☐	**Introduction Form (for hearings)**
☐	☐	**Department/Agency Cover Letter and/or Report**
☐	☐	**MOU**
☐	☐	**Grant Information Form**
☐	☐	**Grant Budget**
☐	☐	**Subcontract Budget**
☐	☐	**Contract/Agreement**
☐	☐	**Form 126 – Ethics Commission**
☐	☐	**Award Letter**
☐	☐	**Application**
☐	☐	**Public Correspondence**

OTHER **(Use back side if additional space is needed)**

☐	☐	_____
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☐	☐	_____
☐	☐	_____

Completed by: Victor Young **Date** May 18, 2012
Completed by: Victor Young **Date** _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

Print Form

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

☒ 1. For reference to Committee: [ ]

An ordinance, resolution, motion, or charter amendment.

☐ 2. Request for next printed agenda without reference to Committee.

☐ 3. Request for hearing on a subject matter at Committee: Budget & Finance

☐ 4. Request for letter beginning "Supervisor [ ] inquires"

☐ 5. City Attorney request.

☐ 6. Call File No. [ ] from Committee.

☐ 7. Budget Analyst request (attach written motion).

☐ 8. Substitute Legislation File No. [ ]

☐ 9. Request for Closed Session (attach written motion).

☐ 10. Board to Sit as A Committee of the Whole.

☐ 11. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission

☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a different form.

Sponsor(s):

John Avalos, Mark Farrell, Scott Weiner

Subject:

Creation of an Office of Early Childhood Education (ECE)

The text is listed below or attached:

Hearing on the creation of an Office of Early Childhood Education (ECE)-- consolidating ECE functions of various City Departments such as the Department of Children, Youth, and Families, Department of Public Health, First Five Commission, and Human Services Agency.

Signature of Sponsoring Supervisor:

For Clerk's Use Only:

170328

CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

May 21, 2012

TO: Budget and Finance Committee

FROM: Budget and Legislative Analyst

SUBJECT: Recommendations of the Budget and Legislative Analyst for Amendment of the Mayor's Fiscal Year 2012-2013 to Fiscal Year 2013-2014 Budget.

Page

Descriptions for Departmental Budget Hearing, May 23, 2012 Meeting, 10:00 a.m.

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RNT	Rent Board	19

Harvey M. Rose

cc: Supervisor Chu
Supervisor Avalos
Supervisor Kim
Supervisor Cohen
Supervisor Wiener
President Chiu
Supervisor Campos
Supervisor Elsbernd
Supervisor Farrell
Supervisor Mar
Supervisor Olague
Clerk of the Board
Cheryl Adams
Mayor Lee
Controller
Kate Howard
Greg Wagner

DEPARTMENT: **AIR– AIRPORT**

BUDGET REVIEW EXECUTIVE SUMMARY

YEAR ONE: FY 2012-13

Budget Changes

The department's proposed $838,016,536 budget for FY 2011-12 is $81,871,314 or 10.8 percent more than the original FY 2011-12 budget of $ 756,145,222.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 is 1,469.52 FTEs, which is 92.21 FTEs more than the 1,377.31 FTEs in the original FY 2011-12 budget. This represents 6.7 percent increase in FTEs from the original FY 2011-12 budget.

Revenue Changes

Consistent with expenditures, the Department's revenues have increased by $81,871,314 or 10.8 percent from the original FY 2011-12 budget of $756,145,222 to the proposed FY 2012-13 budget of $838,016,536.

YEAR TWO: FY 2013-14

Budget Changes

The department's proposed $865,701,259 budget for FY 2013-14 is $27,684,723 or 3.3 percent more than the proposed FY 2012-13 budget of $838,016,536.

Personnel Changes

The number of FTEs budgeted for FY 2013-14 is 1,488.42 FTEs, which is 18.9 FTEs more than the 1,469.52 FTEs in the proposed FY 2012-13 budget.

Revenue Changes

Consistent with expenditures, the Department's revenues have increased by $27,684,723 or 3.3 percent, from the proposed FY 2012-13 budget of $838,016,536 to the proposed FY 2013-14 budget of $865,701,259.

RECOMMENDED REDUCTIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total $2,340,846 in FY 2012-13 and $2,217,127 in FY 2013-14. These reductions would still allow an increase of $79,530,468 or 10.5 percent in the Department's FY 2012-13 budget and $25,467,596 or 3 percent in the Department's FY 2013-14 budget.

RECOMMENDATIONS OF THE BUDGET & LEGISLATIVE ANALYST FOR AMENDMENT OF BUDGET ITEMS, FISCAL YEARS 2012-13 & 2013-14

DEPARTMENT: AIR – AIRPORT

SUMMARY OF PROGRAM EXPENDITURES:

Program	2011-2012 Budget	2012-2013 Proposed	Change From 2011-2012	2013-2014 Proposed	Change From 2012-2013
ADMINISTRATION	36,899,762	42,335,878	5,436,116	44,572,563	2,236,685
AIRPORT DIRECTOR	16,579,536	8,681,265	(7,898,271)	8,823,278	142,013
BUREAU OF DESIGN AND CONSTRUCTION	5,621,140	13,346,864	7,725,724	14,027,455	680,591
BUSINESS & FINANCE	428,766,832	448,091,868	19,325,036	467,436,020	19,344,152
CAPITAL PROJECTS AND GRANTS	39,498,903	80,519,484	41,020,581	76,229,491	(4,289,993)
CHIEF OPERATING OFFICER	4,595,869	4,811,312	215,443	5,111,470	300,158
COMMUNICATIONS & MARKETING	5,862,433	6,301,302	438,869	6,480,587	179,285
CONTINUING PROJECTS, MAINT AND RENEWAL	7,075,000	10,500,000	3,425,000	9,310,000	(1,190,000)
FACILITIES	148,844,080	155,996,876	7,152,796	164,167,236	8,170,360
FIRE AIRPORT BUREAU NON-PERSONNEL COST	811,248	678,947	(132,301)	598,434	(80,513)
OPERATIONS AND SECURITY	55,098,535	59,634,287	4,535,752	61,941,342	2,307,055
PLANNING DIVISION	4,019,107	3,551,512	(467,595)	3,827,380	275,868
POLICE AIRPORT BUREAU NON-PERSONNEL COST	2,472,777	3,566,941	1,094,164	3,176,003	(390,938)
AIRPORT COMMISSION Total	**756,145,222**	**838,016,536**	**81,871,314**	**865,701,259**	**27,684,723**

The Department's proposed FY 2012-13 budget has increased by $81,871,314 largely due to:

- The annualized cost of positions added in prior years as well as proposed new positions;
- Additional services and cost increases for shuttle bus, parking management, and the Airline Liaison Office as well as a proposed parking tax on the ballot in San Mateo County;
- Police Academy trainees to replace officers assigned to SFO; and,
- Higher debt service expenses as the result of scheduled increases for previously issued bonds.

The Department's proposed FY 2013-14 budget will be increasing by $27,684,723 largely due to:

- The additional cost of positions added in prior years and proposed new positions;
- Additional services and cost increase for information technology services, parking management services, and equipment maintenance; and,
- Higher debt service payments that will increase again as the result of scheduled increases for previously issued bonds.

DEPARTMENT: AIR – AIRPORT

DEPARTMENT PERSONNEL SUMMARY:

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 is 1,469.52 FTEs, which is 92.21 FTEs more than the 1,377.31 FTEs in the original FY 2011-12 budget. This represents 6.7 percent increase in FTEs from the original FY 2011-12 budget.

The number of FTEs budgeted for FY 2013-14 is 1,488.42 FTEs, which is 18.9 FTEs more than the 1,469.52 FTEs in the proposed FY 2012-13 budget.

DEPARTMENT REVENUES:

Department revenues have increased by $81,871,314 or 10.8 percent from FY 2011-12 to FY 2012-13. Revenue increases are resulting from:

- An increase in enplanements (the number of passengers boarding a plane) from FY 2011-12 to FY 2012-13. Recent increases in service primarily reflect domestic growth, with new or more frequent flights by United Airlines following its merger with Continental Airlines, and the continued expansion of Virgin America. The Airport has also seen an increase in international flights. These changes will lead to increased revenues from landing fees, airline rental fees, parking and transportation, and other concessions. The Department expects these changes will lead to landing fee revenue increases from FY 2011-12 to FY 2012-13 based on landed weight forecasts.

- The Department also expects increased revenues from FY 2011-12 to FY 2012-13 due to increased rental rates and increased leased space as United Airlines takes on additional space in Boarding Area B and increased parking and other concession revenue.

Department revenues have increased by $27,684,723 or 3.3 percent in the proposed FY 2013-14 budget. Revenue increases are resulting from:

- Department forecasts that enplanements will continue to increase from FY 2012-13 to FY 2013-14. This will lead to increased revenues from landing fees, airline rental fees, parking and transportation, and other concessions to increase. The Department expects revenues from Airport landing fees to increase from FY 2012-13 to 2013-14 based on landed weight forecasts.

- Increases in rental rates and leased space. Additionally, the Department expects total concession revenue to increase from FY 2012-13 to FY 2013-14 due to increased passenger activity.

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total $2,340,846 in FY 2012-13 and $2,217,127 in FY 2013-14. These reductions would still allow an increase of $79,530,468 or 10.5 percent in the Department's FY 2012-13 budget and $25,467,596 or 3 percent in the Department's FY 2013-14 budget.

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	To	Savings	GF	1T
BG1- Administration (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
0933 Manager V	1.00	0.00	$148,830	$0	$148,830			1.00	0.00	$148,830	$0	$148,830		
0932 Manager IV	0.00	1.00	$0	$137,904	($135,200)			0.00	1.00	$0	$137,904	($137,904)		
Mandatory Fringe Benefits			$53,134	$51,014	$2,120					$59,684	$57,147	$2,537		
	Total Savings				$15,750			*Total Savings*				$13,463		
	Disapprove the upward substitution of a 0931 Manager II to 0933 Manager V. Instead, allow upward substitution to 0932 Manager IV, which is an appropriate position to handle the anticipated responsibilities.							Ongoing reduction						
Permanent Salaries-Miscellaneous			($4,080,242)	($4,230,242)	$150,000					($3,391,497)	($3,541,497)	$150,000		
Mandatory Fringe Benefits			($1,776,334)	($1,841,584)	$65,250					($1,671,765)	($1,737,015)	$65,250		
	Increase Attrition Savings by $150,000, thus reducing Permanent Salaries, to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Professional & Specialized Services			$1,379,499	$1,254,499	$125,000					$1,248,228	$1,123,228	$125,000		
	The Department's contract with Catholic Healthcare West (aka Dignity Health) provides medical clinic services. The Department has increased the contract amount by $146,842, from $1,232,657 in FY 2011-12 to $1,379,499 in FY 2012-13. The proposed reduction of $125,000 reflects projected expenditures in FY 2012-13 as well as historical expenditures.							Ongoing reduction						
Professional & Specialized Services			$450,000	$350,000	$100,000		x			$200,000	$200,000	$0		
	The Department has a contract with SFOtec for after-hours, weekend and holiday network monitoring, reporting and restoration of Airport Systems and Networks. The Department has requested a $140,000 increase in the contract from $310,000 in FY 2011-12 to $450,000 in FY 2012-13, but is not projected to fully expend on the contract in FY 2011-12. This $100,000 reduction would still allow a $40,000 increase in the contract amount from FY 2011-12 to FY 2012-13.													
Maintenance Services-Equipment			$1,024,250	$899,250	$125,000					$1,324,250	$1,199,250	$125,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Other Current Expenses			$2,863,350	$2,788,350	$75,000					$2,837,725	$2,762,725	$75,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	**From**	**To**	**From**	**To**	**Savings**	**GF**	**1T**	**From**	**To**	**From**	**To**	**Savings**	**GF**	**1T**
Equipment Purchase			$458,500	$447,662	$10,838		x			$388,000	$384,387	$3,613		x
	Based on vendor quote.							Based on vendor quote.						
BG2- Business & Finance (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Premium Pay			$28,594	$26,094	$2,500					$28,594	$26,094	$2,500		
Mandatory Fringe Benefits			$2,270	$2,072	$198					$2,270	$2,072	$198		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Professional & Specialized Services			$2,193,747	$2,043,747	$150,000					$2,193,747	$2,043,747	$150,000		
	The Department has a contract with Smart Carte for the provision of free luggage carts in the International Terminal customs area. The Department has not fully expended on the contract in FY 2011-12 and is projected to expend less than the budgeted amount for FY 2012-13.							Ongoing reduction						
Professional & Specialized Services			$18,538,661	$18,338,661	$200,000					$19,150,568	$18,950,568	$200,000		
	The Department's contract with New South Parking provides parking management services. The Department did not expend all budgeted funds in FY 2010-11 and is not projected to do so in FY 2011-12. This $200,000 reduction would still allow a $363,315 increase in the contract from FY 2010-11 to FY 2011-12.							Ongoing reduction						
Other Current Expenses			$137,170	$129,670	$7,500					$138,445	$130,945	$7,500		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Equipment Purchase			$25,000	$18,448	$6,552		x			$0	$0	$0		
	Based on vendor quote.													
BG3- Communications & Marketing (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Travel			$87,305	$72,305	$15,000					$87,305	$72,305	$15,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	To	Savings	GF	1T
Professional & Specialized Services			$1,152,400	$1,052,400	$100,000					$1,152,400	$1,052,400	$100,000		
	The Department has a contract with the International Strategic Marketing Alliance Pool to promote tourism, trade, and international air traffic to San Francisco. The Department did not expend the entirety of the contract in FY 2010-11 and is not projected to do so in FY 2011-12.							Ongoing reduction						
Other Current Expenses			$126,955	$106,955	$20,000					$126,955	$106,955	$20,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
BG4- Chief Operating Officer (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Other Current Expenses			$239,500	$234,500	$5,000					$240,000	$235,000	$5,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
BG6- Facilities (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Manager II	1.00	0.00	$119,128	$0	$119,128					$119,128	$0	$119,128		
Manager I	0.00	1.00	$0	$111,066	($111,066)					$0	$111,066	($111,066)		
Mandatory Fringe Benefits			$47,369	$45,864	$1,505					$52,792	$50,922	$1,870		
	Total Savings			$9,567				*Total Savings*			$9,932			
	Disapprove the upward substitution of a 0922 Manager I to 0923 Manager II. A Manager I position is sufficient for the proposed responsibilities.							Ongoing reduction						
Premium Pay			$3,007,000	$2,992,000	$15,000					$3,007,000	$2,992,000	$15,000		
Mandatory Fringe Benefits			$238,756	$237,565	$1,191					$238,756	$237,565	$1,191		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Professional & Specialized Services			$24,000	$20,000	$4,000					$24,000	$20,000	$4,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
9993 M Attrition Savings			($1,349,846)	($1,549,846)	$200,000					($1,239,846)	($1,439,846)	$200,000		
Mandatory Fringe Benefits			($627,813)	($720,833)	$93,020					($639,183)	($742,289)	$103,106		
	The Department has reduced Attrition Savings by $1,087,059 from ($2,436,905) in FY 2011-12 to ($1,349,846) in FY 2012-13. The proposed increase in Attrition Savings reflects projected actual salary savings and should provide sufficient funds for salaries.							Ongoing reduction						

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	To	Savings	GF	1T
9993 M Attrition Savings			($35,896)	($135,896)	$100,000					($35,896)	($135,896)	$100,000		
Mandatory Fringe Benefits			($16,736)	($63,360)	$46,624					($18,553)	($70,238)	$51,685		
	The Department has reduced Attrition Savings by $500,617 from ($536,513) in FY 2011-12 to ($35,896) in FY 2012-13. The proposed increase in Attrition Savings reflects projected actual salary savings and should provide sufficient funds for salaries.							Ongoing reduction						
9993 M Attrition Savings			($57,030)	($157,030)	$100,000					($57,030)	($157,030)	$100,000		
Mandatory Fringe Benefits			($23,468)	($64,618)	$41,150					($26,160)	($72,031)	$45,871		
	The Department has reduced Attrition Savings by $496,922 from ($553,952) in FY 2011-12 to ($57,030) in FY 2012-13. The proposed increase in Attrition Savings reflects projected actual salary savings and should provide sufficient funds for salaries.							Ongoing reduction						
Maintenance Services-Buildings & Structures			$1,591,400	$1,391,400	$200,000					$1,646,400	$1,446,400	$200,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Equipment Maintenance Supplies			$2,044,708	$1,984,708	$60,000					$2,040,183	$1,980,183	$60,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
BG7- Operations and Security (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
1822 Administrative Analyst	1.00	0.00	$81,824	$0	$81,824					$81,824	$0	$81,824		
1408 Principal Clerk	0.00	1.00	$0	$69,316	($69,316)					$0	$69,316	($69,316)		
Mandatory Fringe Benefits			$34,402	$31,066	$3,336					$38,274	$34,465	$3,809		
	Total Savings			$15,844				*Total Savings*			$16,317			
	Disapprove the upward substitution of a 1408 Principal Clerk to 1822 Administrative Analyst. A 1408 Principal Clerk position is sufficient for the proposed responsibilities.							Ongoing reduction						

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	**From**	**To**	**From**	**To**	**Savings**	**GF**	**1T**	**From**	**To**	**From**	**To**	**Savings**	**GF**	**1T**
1823 Senior Administrative Analyst	1.00	0.00	$95,654	$0	$95,654					$95,654	$0	$95,654		
1844 Senior Management Assistant	0.00	1.00	$0	$86,322	($69,316)					$0	$86,322	($86,322)		
Mandatory Fringe Benefits			$38,513	$35,602	$2,911					$42,957	$39,645	$3,312		
	Total Savings				$29,249			*Total Savings*				$12,644		
	Disapprove the upward substitution of a 1844 Senior Management Assistant to 1823 Senior Administrative Analyst. A 1844 Senior Management Assistant position is sufficient for the proposed responsibilities.							Ongoing reduction						
Professional & Specialized Services			$9,136,874	$8,936,874	$200,000					$9,319,612	$9,119,612	$200,000		
	The Department has a contract with SFO Shuttle Bus for shuttle bus services for long-term and employee parking lots. The Department did not expend all funds on the contract in FY 2010-11 and is not projected to do so in FY 2011-12. This reduction would still allow for a $873,063 increase from FY 2011-12 to FY 2012-13.							Ongoing reduction						
Equipment Purchase			$45,000	$42,006	$2,994		x			$0	$0	$0		
	Based on vendor quote.													
BG8- Bureau of Design & Construction (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Premium Pay			$53,801	$43,801	$10,000					$53,801	$43,801	$10,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						
Equipment Purchase			$30,000	$21,238	$8,762		x			$0	$0	$0		
	Based on vendor quote.													
BG9- Planning Division (5A AAA AAA)	**SFIA Operating Non-Project Controlled**													
Other Materials & Supplies			$14,500	$10,000	$4,500					$14,500	$10,000	$4,500		
Mandatory Fringe Benefits			$1,151	$794	$357					$1,151	$794	$357		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

AIR - Airport

	FY 2012-13							FY 2013-14						
	FTE		Amount					FTE		Amount				
Object Title	From	To	From	To	Savings	GF	1T	From	To	From	To	Savings	GF	1T
BGQ- Fire Airport Bureau (5A AAA AAA)	SFIA Operating Non-Project Controlled													
Training			$130,000	$105,000	$25,000					$130,000	$105,000	$25,000		
	Reduce to reflect actual expenditures in prior fiscal years and projected expenditures in FY 2011-12.							Ongoing reduction						

FY 2012-13
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	$0	$0	$0
Non-General Fund	$129,146	$2,211,700	$2,340,846
Total	$129,146	$2,211,700	$2,340,846

FY 2013-14
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	$0	$0	$0
Non-General Fund	$3,613	$2,213,514	$2,217,127
Total	$3,613	$2,213,514	$2,217,127

GF = General Fund
1T = One Time

DEPARTMENT: PRT - PORT

BUDGET REVIEW EXECUTIVE SUMMARY
FIXED TWO YEAR BUDGET, FY 2012-13 & FY 2013-14

YEAR ONE (FY 2012-13)

Expenditure Changes

The Port's proposed expenditures of $85,788,804 for FY 2012-13 is $7,036,645 or 8.9% more than the original budget of $78,752,159 for FY 2011-12.

Personnel Changes

The number of full-time equivalent (FTE) net operating positions budgeted for FY 2012-13 is 237.38 FTEs, which is 14.22 FTEs more than the 223.16 FTEs in FY 2011-12. This represents a 6.4% increase in FTEs from the original budget for FY 2011-12.

Revenue Changes

Port revenues, consistent with expenditures, have increased by $$7,036,645 or 8.9%, from the original FY 2011-12 budget of $78,752,159 to the proposed FY 2012-13 budget of $85,788,804.

YEAR TWO (FY 2013-14)

Expenditure Changes

The Port's proposed expenditures of $87,871,163 for FY 2013-14 is $2,082,359 or 2.4% more than the proposed budget of $85,788,804 for FY 2012-13.

Personnel Changes

The number of FTEs net operating positions budgeted for FY 2013-14 is 238.38 FTEs, which is 1.0 FTE more than the 237.38 FTEs in FY 2012-13.

Revenue Changes

Port revenues, consistent with expenditures, have increased by $2,082,359 or 2.4%, from the proposed FY 2012-13 budget of $85,788,804 to the proposed FY 2013-14 budget of $87,871,163.

RECOMMENDED REDUCTIONS

The Budget and Legislative Analyst's recommended reductions to the proposed budget total $439,382 in FY 2012-13 and $442,776 in FY 2013-14. These reductions would still allow an increase of $6,597,263 or 8.4% in the Department's FY 2012-13 budget and $1,639,583 or 1.9% in the Department's FY 2013-14 budget.

DEPARTMENT: PRT - PORT

SUMMARY OF PROGRAM EXPENDITURES:

	FY 2011-12 Original	FY 2012-13 Proposed	Increase/ (Decrease) from FY 2011-12	FY 2013-14 Proposed	Increase/ (Decrease) from FY 2012-13
Administration	$23,084,714	$26,181,961	$3,097,247	$27,005,951	$823,990
Engineering & Environmental	4,194,296	4,354,256	159,960	4,493,181	138,925
Maintenance	34,793,060	32,102,682	(2,690,378)	33,828,836	1,726,154
Maritime Operations & Marketing	3,832,466	8,412,256	4,579,790	8,502,353	90,097
Planning & Development	2,944,527	4,341,865	1,397,338	3,422,927	(918,938)
Real Estate & Management	9,903,096	10,395,784	492,688	10,617,915	222,131
Total	**$78,752,159**	**$85,788,804**	**$7,036,645**	**$87,871,163**	**$2,082,359**

FY 2012-13

The Port's proposed budget for FY 2012-13 is $7,036,645 more than the original budget for FY 2011-12, primarily due to:

- $3,097,247 increase in Administration for (a) $2,100,000 increase for debt service from additional financing payments from the $34.6 million Certificates of Participation for the Cruise Terminal ($21 million) and America's Cup ($13.6 million) projects, (b) approximately $700,000 increase for additional salaries and fringe benefits due to changes in positions and increasing labor and health/dental costs, and (c) various changes in workorders which result in a net increase of approximately $200,000 for additional parking meter and traffic management services from the Department of Parking and Traffic.
- $4,579,790 increase in Maritime Operations & Marketing because of the addition of the South Beach Harbor and Marina projects, which were previously under the Redevelopment Agency.
- $1,397,338 increase in Planning & Development because of one-time $1 million professional services consultant study for the America's Cup related to Piers 30-32, and additional labor and fringe benefit costs.
- $2,690,378 reduction in Maintenance because of reduced available funding for capital expenditures, due to the need to drawdown the Port's operating surpluses to fund the Cruise Terminal Project and the America's Cup Project in FY 2012-13.

FY 2013-14

The Port's proposed budget for FY 2013-14 is $2,082,359 more than the proposed budget for FY 2012-13, largely due to:

- $1,726,154 increase in Maintenance because of additional funds allocated to capital improvements to address the physical infrastructure of the Port.
- $823,900 increase in Administration generally due to increases in labor and fringe benefit costs.
- $918,938 reduction in Planning and Development because of reduction of $1 million one-time study in FY 2012-13 related to the America's Cup.

DEPARTMENT: PRT - PORT

DEPARTMENT PERSONNEL SUMMARY:

The budgeted number of FTEs in FY 2012-13 is 237.38 or 14.22 more than the 223.16 FTEs in FY 2011-12, primarily due to:

- 9.0 FTEs for the addition of the South Beach Harbor and Marina projects, which were previously under the Redevelopment Agency.
- 5.0 FTE new positions, including (a) 1.0 FTE limited tenure Principal Business Analyst to assist in upgrading the Port's financial and asset management systems, (b) 1.0 FTE limited tenure Personnel Analyst to manage labor issues in the Maintenance division, (c) 1.0 FTE General Laborer due to an expanded workload, (d) 1.0 FTE Planner III position to address expanded community planning, urban design and other regulatory Port planning requirements, and (e) transition of two 0.5 FTE positions from off-budget to the Port's operating budget.
- In addition, 2.0 FTE off-budget maintenance positions are proposed for FY 2012-13 only to ensure timely completion of the America's Cup project.

The budgeted number of FTEs in FY 2013-14 is 238.38 or 1.0 more than the 237.38 FTEs in FY 2012-13, which reflects the addition of 1.0 FTE Project Manager I position that is proposed to transition from off-budget to the Port's operating budget.

REVENUES:

The Port's major source of revenue is office, commercial and industrial leasing of Port property, which is projected to increase from approximately $37.9 million in FY 2011-12 to (a) $40.6 million in FY 2012-13, an increase of $2.7 million, and (b) $42 million in FY 2013-14, or an additional $1.4 million due to economic recovery. In addition, the General Fund, through the Office of Economic and Workforce Development, is projected to contribute (a) $500,000 in FY 2011-12, (b) $2,228,000 in FY 2012-13, and (c) $494,000 in FY 2013-14, or a total of $3,222,000 as Payments in Lieu of Rent to offset the Port's lost rent revenues from moving Port tenants out of Port facilities that will be used for the America's Cup events. In accordance with a Memorandum of Understanding (MOU) approved in March, 2011 by the Board of Supervisors (File 10-1564), the Port originally projected receiving $6,700,000 of General Fund revenues as Payments in Lieu of Rent, instead of the currently anticipated $3,222,000, a savings of approximately $3,478,000 of General Fund revenues due to fewer piers being used for the America's Cup.

The Port's other major sources of revenues in FY 2012-13 are: (a) $19.3 million from maritime, cargo, ship repair, and cruise services, (b) $15.7 million from parking lots, meters and fines, and (c) approximately $2 million from other permit, special events, and miscellaneous receipts. All of these revenues are projected to further increase in FY 2013-14 due primarily to increased number of cruise bookings, ship repairs, installation of additional parking meters along the Southern Waterfront, and inflation.

DEPARTMENT: PRT - PORT

NEW CAPITAL POLICY AND FIVE YEAR FINANCIAL PLAN UPDATE:

The Port's 10-year Capital Plan identified a total of $2.2 billion of capital improvements. In March, 2012, the Port Commission approved a new Capital Policy to require the Port to commit a minimum of 20 percent of operating revenues to capital each fiscal year. However, neither the proposed FY 2012-13 nor FY 2013-14 Port budgets commit 20 percent of operating revenues to capital improvements, because the Port's available fund balance is needed to fund the Cruise Terminal and other related America's Cup projects. The Port includes $9,803,160 of capital expenditures for FY 2012-13 or 13.1 percent of the Port's $74,646,369 FY 2012-13 operating revenues, and $12,555,666 of capital expenditures for FY 2013-14, or 16.5 percent of the Port's $76,088,339 FY 2013-14 operating budget.

The Port's 5-Year Financial Plan identifies increasing operating expenses relative to projected revenues, such that reductions to capital improvements or to operating expenses will be necessary in the future.

OTHER ISSUES

In May, 2012, the Board of Supervisors approved the sale of $45,000,000 of Certificates of Participation (COPs) and the appropriation of the $45,000,000 of COPs and $13,700,580 of other Port revenue bond and capital funds, for a total of $58,700,580 for the (a) Pier 27 Cruise Terminal ($23,800,003), (b) America's Cup projects ($18,740,662), (c) Pier 70 Shoreside Power projects ($5,700,000) and (d) debt issuance and related costs ($10,459,915). The proposed FY 2012-13 and FY 2013-14 budgets include the additional debt financing costs for these COPs.

In addition, although not included in the proposed Port budget, the Port and the Office of Economic and Workforce Development staff advise that a total of $6,500,000 will be included in the Office of Economic and Workforce Development's FY 2012-13 budget, including (a) $4,900,000 of General Fund revenues and (b) $1,600,000 of America's Cup Organizing Committee fundraising revenues to fund the Port's Cruise Terminal and America's Cup projects in FY 2012-13.

COMMENTS:

The Budget and Legislative Analyst's recommended reductions to the proposed budget total $439,382 in FY 2012-13 and $442,776 in FY 2013-14. These reductions would still allow an increase of $6,597,263 or 8.4% in the Department's budget for FY 2012-13 and $1,639,583 or 1.9% in the Department's budget for FY 2013-14.

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

PRT - Port

Object Title	FY 2012-13 FTE From	FTE To	Amount From	Amount To	Savings	GF	1T	FY 2013-14 FTE From	FTE To	Amount From	Amount To	Savings	GF	1T
BKO - Administration														
Project Manager								1.00	0.00	$117,494	0	$117,494		
IS Administrator								0.00	1.00	$0	$109,903	($109,903)		
Fringe Benefits										$48,521	$45,832	$2,689		
			Total Savings	$0						*Total Savings*	$10,280			
								Substitute one 1024 IS Administrator position, for the existing 5502 Project Manager off-budget position. For FY 2013-14, the Port is proposing to transfer one grant-funded 5502 Project Manager position to the Port's Operating budget, due to a reduction of Homeland Security grant funding. However, the position that would actually be transferred is a lower-classification 1024 IS Administrator position. The recommended 1024 IS Administrator will be responsible for continuing to oversee technical Homeland Security projects and Police Department operations at the Port.						
Senior IS Business Analyst	1.00	0.00	$105,092	$0	$105,092			1.00	0.00	$105,092	$0	$105,092		
Fringe Benefits			$40,498	$0	$40,498					$45,301	$0	$45,301		
			Total Savings	$145,590						*Total Savings*	$150,393			
			Delete existing 1053 Senior IS Business Analyst position. The Port is proposing to add one new 1054 Principal IS Business Analyst in the FY 2012-13 budget. The existing budgeted 1053 IS Business Analyst position will becoming vacant in the near future and there is not a need for both positions.					Ongoing reduction from elimination of one 1053 Senior IS Business Analyst position in FY 2012-13.						
Equipment Purchase			$52,560	$52,560	$0					$52,560	$26,280	$26,280		x
			Port is requesting purchase of two replacement sedans in FY 2012-13, which is not recommended for reduction.					Purchase one replacement sedan, instead of two replacement sedans in FY 2013-14, given that the Department has also budgeted replacing two sedans in FY 2012-13.						
Equipment Purchase			$177,390	$139,065	$38,325		x							
			Eliminate Google Search Appliance proposed to be purchased in FY 2012-13 because this Intranet indexing system is not critical to Port operations at this time.											

GF = General Fund
1T = One Time

Recommendations of the Budget and Legislative Analyst
For Amendment of Budget Items in the FY 2012-13 and FY 2013-14 Fixed Two-Year Budget

PRT - Port

Object Title	FY 2012-13 FTE From	FTE To	Amount From	Amount To	Savings	GF	1T	FY 2013-14 FTE From	FTE To	Amount From	Amount To	Savings	GF	1T
BKY - Maintenance														
Pile Worker	12.00	11.00	$1,038,024	$951,522	$86,502			12.00	11.00	$1,038,024	$951,522	$86,502		
Fringe Benefits			$446,328	$409,134	$37,194					$495,522	$454,229	$41,293		
Pile Worker Apprentice II	0.00	1.00	$0	$82,186	($82,186)			0.00	1.00	$0	$82,502	($82,502)		
Fringe Benefits			0	36,043	($36,043)					$0	$39,470	($39,470)		
			Total Savings		$5,467					*Total Savings*		$5,823		
	Reduce the number of 9330 Pile Workers from 12 FTEs to 11 FTEs and create one new 9329 Pile Worker Apprentice II position based on the new classification recently created by the Department of Human Resources for the Port.							Ongoing reduction from substituting one 9330 Pile Worker position for one lower classification 9329 Pile Worker Apprentice II position.						
Capital Projects			$2,025,000	$1,825,000	$200,000					$550,000	$350,000	$200,000		
	Reduce to reflect double-budgeting of electrical costs for America's Cup Event Authority in FY 2012-13 and FY 2013-14.							Reduce to reflect double-budgeting of electrical costs for America's Cup Event Authority in FY 2012-13 and FY 2013-14.						
BKD - Maritime Operations														
Professional Services			$1,391,702	$1,341,702	$50,000					$1,309,605	$1,259,605	$50,000		
	Reduce Professional Services to reflect actual projected need.s							Reduce to reflect ongoing reduction in Professional Services.						

FY 2012-13
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	$0	$0	$0
Non-General Fund	$38,325	$401,057	**$439,382**
Total	**$38,325**	**$401,057**	**$439,382**

FY 2013-14
Total Recommended Reductions

	One-Time	Ongoing	Total
General Fund	$0	$0	$0
Non-General Fund	$26,280	$416,496	**$442,776**
Total	**$26,280**	**$416,496**	**$442,776**

GF = General Fund
1T = One Time

DEPARTMENT: PAB – PERMIT APPEALS BOARD

BUDGET REVIEW EXECUTIVE SUMMARY
TWO YEAR BUDGET
FY 2012-13 & FY 2013-14

YEAR ONE: FY 2012-13

Expenditure Changes

The department's proposed $934,735 budget for FY 2012-13 is $9,446, or 1.0%, more than the original FY 2011-12 budget of $925,289.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 is 5, which is unchanged from the original FY 2011-12 budget.

Revenue Changes

Department revenues have increased by $9,446 or 1.0%, from the original FY 2011-12 budget of $925,289 to the proposed FY 2012-13 budget of $934,735.

YEAR TWO: FY 2013-14

Expenditure Changes

The department's proposed $949,328 budget for FY 2013-14 is $14,593, or 1.6%, more than the original FY 2012-13 budget of $934,735.

Personnel Changes

The number of FTEs budgeted for FY 2013-14 is 5, which is unchanged from the original FY 2012-13 budget.

Revenue Changes

Department revenues have increased by $14,593 or 1.6%, from the original FY 2012-13 budget of $934,735 to the proposed FY 2013-14 budget of $949,328.

DEPARTMENT: PAB – PERMIT APPEALS BOARD

SUMMARY OF PROGRAM EXPENDITURES:

	FY 2011-12 Original Budget	FY 2012-13 Proposed Budget	Increase/ (Decrease) from Prior Year	Percent Change	FY 2013-14 Proposed Budget	Increase/ (Decrease) from Prior Year	Percent Change
Program							
Appeals Processing	$925,289	$934,735	$9,446	1.0%	$949,328	$14,593	1.6%
Total, Permit Appeals Board	**$925,289**	**$934,735**	**$9,446**	1.0%	**$949,328**	**$14,593**	1.6%

FY 2012-13

The Permit Appeals Board's proposed budget for FY 2012-13 is $9,446 more than the budget for FY 2011-12. The Permit Appeals Board has proposed new or increased programs in FY 2012-13, as noted below, offset by other reductions:

- An increase in permanent salaries and mandatory fringe benefits due to Memoranda of Understanding (MOU) changes; and

Increases in Professional and Specialized Services to cover the cost of annual maintenance and support for a new database that will allow the Department to better automate appeal processing and tracking. These increases are partially offset by a reduction in the Department's workorder with the City Attorney, as reduced City Attorney services are anticipated in FY 2012-13.

FY 2013-14

The Permit Appeals Board's proposed budget for FY 2013-14 is $14,593 more than the budget for FY 2012-13, largely due to:

- Increases in mandatory fringe benefits for department staff.

Increases are partially offset by a reduction in the Department's workorder with the City Attorney, as reduced City Attorney services are further anticipated in FY 2013-14.

Personnel

The number of FTEs in FY 2012-13 is 5 or unchanged from the 5 FTEs in FY 2011-12.

The number of FTEs in FY 2013-14 is 5 or unchanged from than the 5 FTEs in FY 2012-13.

The Department currently has no vacancies and anticipates no layoffs in the upcoming two year budget cycle.

DEPARTMENT: PAB – PERMIT APPEALS BOARD

Revenues

The Permit Appeals Board receives operating revenue from permit application filing fees and a Board of Appeals surcharge. The proposed budget includes modest increases in revenue from the Board of Appeals surcharge in FY 2012-13 and 2013-14, and no increase in budgeted permit application filing fee revenues in either FY 2012-13 or FY 2013-14

Expenditures

The Board of Appeals major expenditure increases over the next two years are for mandatory fringe benefits for Board of Appeals staff, and a new service contract to provide maintenance and support for the Board of Appeals' new database, which will automate portions of the appeal processing and tracking.

COMMENTS:

The Budget and Legislative Analyst has no recommended reductions to the proposed budget.

DEPARTMENT: RNT – RENT BOARD

BUDGET REVIEW EXECUTIVE SUMMARY
TWO YEAR ROLLING BUDGET, FY 2012-13 & FY 2013-14

YEAR ONE (FY 2012-13)

Expenditure Changes

The Rent Board's proposed expenditures of $6,000,593 for FY 2012-13 is $45,241 or 0.8% more than the original budget of $5,955,352 for FY 2011-12.

Personnel Changes

The number of full-time equivalent positions (FTE) budgeted for FY 2012-13 is 28.53 FTEs, which is 0.38 FTEs less than the 28.91 FTEs in FY 2011-12. This represents a 1.3% decrease in FTEs from the original budget for FY 2011-12.

Revenue Changes

Department revenues, consistent with expenditures, have increased by $45,241 or 0.8%, from the original FY 2011-12 budget of $5,955,352 to the proposed FY 2012-13 budget of $6,000.593.

YEAR TWO (FY 2013-14)

Expenditure Changes

The Rent Board's proposed expenditures of $6,212,995 for FY 2013-14 is $212,402 or 3.5% more than the proposed budget of $6,000,593 for FY 2012-13.

Personnel Changes

The number of FTEs budgeted for FY 2013-14 is 28.53 FTEs, the same as proposed for FY 2012-13.

Revenue Changes

Department revenues, consistent with expenditures, would increase by $212,402 or 3.5%, from the proposed FY 2012-13 budget of $6,000,593 to the proposed FY 2013-14 budget of $6,212,995.

RECOMMENDED REDUCTIONS

None.

DEPARTMENT: RNT – RENT BOARD

SUMMARY OF PROGRAM EXPENDITURES:

	FY 2011-12 Original	FY 2012-13 Proposed	Increase/ (Decrease) from FY 2011-12	FY 2013-14 Proposed	Increase/ (Decrease) from FY 2012-13
Rent Board	$5,955,352	$6,000,593	$45,241	$6,212,995	$212,402

FY 2012-13

The Rent Board's proposed budget for FY 2012-13 is $45,241 more than the budget for FY 2011-12, primarily due to:

- $94,232 increase in salaries and $33,049 increase in fringe benefits based on negotiated labor agreements;
- $18,525 increase in Tax Collector workorder to process and collect Rent Board fees;
- $40,000 decrease in professional services from one-time technology contract in FY 2011-12; and
- $56,787 decrease in Real Estate Division workorder due to one-time painting and carpeting expenses completed in FY 2011-12.

FY 2013-14

The Rent Board's proposed budget for FY 2013-14 is $212,402 more than the proposed budget for FY 2012-13, largely due to:

- $42,294 increase in salaries and $171,499 increase in fringe benefits based on negotiated labor agreements.

DEPARTMENT PERSONNEL SUMMARY:

The number of FTEs in FY 2012-13 is 28.53 or 0.38 less than the 28.91 FTEs in FY 2011-12, primarily due to increased Attrition savings.

The number of FTEs in FY 2013-14 is 28.53, the same as proposed for FY 2012-13.

REVENUES:

The Rent Board is fully supported by an annual $29 Rent Stabilization and Arbitration Fee charged to the owners for each of their rental units in the City that are subject to the City's Rent Ordinance. Each year, the Controller calculates the annual Rent Board fee by July 31 of each year, based on the projected annual cost of operating the Rent Board, less any remaining fund balance from the previous year, divided by the number of residential units subject to the annual fee. Such Rent Board fees are collected by the Tax Collector's Office, together with Property Taxes. The annual Rent Board fee is estimated to remain at $29 per rental unit for FY 2012-13 and FY 2013-14.

DEPARTMENT: RNT – RENT BOARD

The Rent Board also receives recoveries of an estimated $96,000 annually to conduct hearings on an as-needed basis for the Human Services Agency Care Not Cash hearings ($70,000), the Department of Public Works Litter Abatement Hearings ($16,000) and City Planning's Sign Ordinance hearings ($10,000).

COMMENTS:

No recommended reductions.