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** _____

| Cmte | Board | |
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| ☒ | ☐ | Resolution |
| ☐ | ☐ | Ordinance |
| ☐ | ☐ | Legislative Digest |
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| ☐ | ☐ | Legislative Analyst Report |
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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)
FISCAL 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 |
| Custodial Assistant Supervisor | 2716 | 3.1 | 1,744 | 2,120 | 142,359 | 173,051 |
| Custodian | 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.
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. 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<br>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
RBC

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 |
| 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 | | | | | $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.
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.

## 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

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 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)
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 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. JPPLEMENTAL 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

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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: 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

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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 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** | | | | | | |
| **% of Savings to City Cost** | | | | | 23% | 35% |

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

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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: 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

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: 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

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

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**

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: 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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2012 MAY -1 PM 2:33

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
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 |
|---|---|---|---|---|---|---|
| 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**

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

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

**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 | | |
|---|---|---|
| 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.

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 ($) | Fixed ($) |
|---|---|---|---|---|---|---|
| | 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 |

## Please Fill Out 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.