



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

April 30, 2018

Elaine Forbes, Executive Director
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

Attn: Meghan Wallace, Finance Manager, Port of San Francisco

RE: Contracting for Port Security Services – FY 2018-19 and FY 2019-20

The cost information and supplemental data provided by your office on the proposed contract referenced above has 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 2018-19 and 2019-20 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Following the approval of the Board of Supervisors, we will notify your department and the Purchaser that this Charter requirement has been met. Please contact Risa Sandler at 415-554-5254 if you have any questions regarding this determination.

Sincerely,

A handwritten signature in black ink, appearing to be "B. Rosenfield", written over a large, light-colored oval shape.

Ben Rosenfield,
Controller

Enclosures

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

PORT OF SAN FRANCISCO
 Executive Division - Homeland Security
 Security Services
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2018-19

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate per FTE		Annual Cost	
			Low	High	Low	High
Institutional Police Sergeant	8205	1.0	\$ 4,031	\$ 5,128	\$ 105,220	\$ 133,846
Institutional Police Officer	8204	2.0	2,616	3,167	136,566	165,340
Security Guard	8202	19.0	1,846	2,235	915,312	1,108,209
Buildings & Grounds Patrol Officer	8207	4.0	2,243	2,717	234,205	283,652
Holiday Pay					18,195	22,069
Night / Shift Differential					32,043	38,874
Overtime Pay					0	77,747
Other Pay					16,293	19,762
Total FTE		26.0				
Total Salary Costs--->					\$ 1,391,303	\$ 1,691,047
Total of Other Compensation--->					\$ 66,531	\$ 158,452
FRINGE BENEFITS						
		Amount				
Benefits per FTE (Job Class 8205)		51,606				
Benefits per FTE (Job Class 8204)		37,240				
Benefits per FTE (Job Class 8202)		32,535				
Benefits per FTE (Job Class 8207)		34,017				
Total Fringe Benefits					Low	High
					\$ 798,432	\$ 880,314

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	2,256,266	2,729,813
LESS: ESTIMATED TOTAL CONTRACT COST	1,528,718	1,529,420
ESTIMATED SAVINGS	727,548	1,200,394
% of Savings to City Cost	32%	44%

Comments/Assumptions:

- Services have been contracted out since 1976.
- Salary levels reflect proposed salary rates effective July 1, 2018. Costs are represented as annual 12 month costs.
- Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
- Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- 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.
- The estimated contract cost for annual service is based upon the contract and includes 0.05 FTE for contract monitoring.
- 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

Security Services

COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)

FISCAL YEAR 2019-20

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate per FTE		Annual Cost	
			Low	High	Low	High
Institutional Police Sergeant	8205	1.0	\$ 4,031	\$ 5,128	\$ 105,220	\$ 133,846
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Other Pay					16,293	19,762
Total FTE		26.0				
Total Salary Costs-->					\$ 1,391,303	\$ 1,691,047
Total of Other Compensation-->					\$ 66,531	\$ 158,452
FRINGE BENEFITS						
		Amount				
Benefits per FTE (Job Class 8205)		52,802				
Benefits per FTE (Job Class 8204)		38,267				
Benefits per FTE (Job Class 8202)		33,587				
Benefits per FTE (Job Class 8207)		35,055				
Total Fringe Benefits					Low	High
					\$ 821,249	\$ 907,706

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	2,279,083	2,757,206
LESS: ESTIMATED TOTAL CONTRACT COST	1,573,886	1,574,611
ESTIMATED SAVINGS	<u>705,197</u>	<u>1,182,595</u>
% of Savings to City Cost	31%	43%

Comments/Assumptions:

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