



**OFFICE OF THE CONTROLLER**  
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

April 30, 2018

Ivar C. Satero, Airport Director  
San Francisco International Airport  
International Terminal, 5th Floor  
P.O. Box 8097  
San Francisco, CA 94128

Attn: Kaitlyn Connors, Budget Director, San Francisco International Airport

RE: Contracting for Airport Shuttle Bus Service – 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 "Ben Rosenfield", written over a horizontal line.

Ben Rosenfield,  
Controller

Enclosures

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

**Please Fill Out Highlighted Areas Only.**

AIR  
 [PS DIVISION CODE + TITLE]  
 Shuttle  
 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
Transit Operators	9163	85.0	\$ 1,797	\$ 2,852	\$ 3,986,635	\$ 6,327,993
Transit Supervisor	9139	6.0	3,242	3,940	507,766	616,965
Transit Manager II	9141	4.0	4,323	5,254	451,312	548,521
Transit Manager I	9140	4.0	3,827	4,653	399,590	485,723
Automotive Mechanic	7381	5.0	3,508	3,508	457,817	457,817
Transit Car Cleaner	9102	2.0	2,232	2,713	116,511	141,620
Transit Spotters	7454	4.0	1,669	2,025	174,200	211,406
					\$ -	\$ -
					\$ -	\$ -
					\$ -	\$ -
Holiday Pay (if applicable)					193,362	278,915
Night / Shift Differential (if applicable)					172,486	248,802
Overtime Pay (if applicable)						
Other Pay (if applicable)						
Total FTE		110.0				
Total Salary Costs-->					\$ 6,093,832	\$ 8,790,045
Total of Other Compensation-->					\$ 365,848	\$ 527,717

**FRINGE BENEFITS**

	Amount		
Benefits per FTE (Job Class 9163)	35,750		
Benefits per FTE (Job Class 9139)	44,588		
Benefits per FTE (Job Class 9141)	53,022		
Benefits per FTE (Job Class 9140)	49,085		
Benefits per FTE (Job Class 7381)	41,932		
Benefits per FTE (Job Class 9102)	33,914		
Benefits per FTE (Job Class 7454)	30,786		
		Low	High
Total Fringe Benefits		\$ 3,703,645	\$ 4,115,361

**ADDITIONAL CITY COSTS**

Fuel, Lubricants and Utilities	861,495	861,495
Bus Maintenance (same as contractor)	1,840,000	1,840,000
Liability Insurance	188,093	188,093
Worker's Compensation (same as contractor)	305,078	305,078
Property Insurance	6,100	6,100
Payroll Taxes	-	-
Pension	-	-
Health and Welfare	-	-
Unanticipated Operational Expenses	265,302	265,302
Emergency Contingency	662,330	662,330
Total Capital & Operating	4,128,399	4,128,399

## COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 14,291,724	\$ 17,561,521
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 14,430,057	\$ 14,433,188
<b>ESTIMATED SAVINGS</b>	<b>\$ (138,333)</b>	<b>\$ 3,128,333</b>
% of Savings to City Cost	-1%	18%

Comments/Assumptions:

1. This service has been contracted out since 1975
2. Salary levels reflect proposed salary rates effective July 1, 2017. Costs are represented as annual 12 month costs.
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. 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.
7. Shuttle bus contract renewed December 1, 2018.



## COST COMPARISON SUMMARY

<b>ESTIMATED TOTAL CITY COST</b>	\$ 13,985,830	\$ 17,273,271
<b>LESS: ESTIMATED TOTAL CONTRACT COST</b>	\$ 14,079,908	\$ 14,083,061
<b>ESTIMATED SAVINGS</b>	<u>\$ (94,077)</u>	<u>\$ 3,190,210</u>
<b>% of Savings to City Cost</b>	-1%	18%

Comments/Assumptions:

1. This service has been contracted out since 1975
2. Salary levels reflect proposed salary rates effective July 1, 2017. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement.
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