



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

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

March 14, 2018

Ed Reiskin, Director of Transportation  
Municipal Transportation Agency  
One South Van Ness Avenue, 7<sup>th</sup> Floor  
San Francisco, CA 94102-4645

Attn: Sonali Bose, Chief Financial Officer, Municipal Transportation Agency

RE: Contracting for SFMTA 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 "Ben Rosenfield", written over a large, light-colored oval scribble.

Ben Rosenfield,  
Controller

Enclosures

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

MUNICIPAL TRANSPORTATION AGENCY, SUSTAINABLE STREETS  
 SECURITY SERVICES & ASSOCIATED ADMINISTRATION  
 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
Client Manager	9172	1.0	\$ 4,244	\$ 5,095	110,780	132,989
ADA Observer	8202	4.0	\$ 1,862	\$ 2,235	194,345	233,307
Badging Clerk	1406	1.0	\$ 2,014	\$ 2,417	52,557	63,094
Administrative Support	1408	1.0	\$ 2,657	\$ 3,190	69,355	83,259
Video Surveillance Supervisor	1410	1.0	\$ 3,046	\$ 3,657	79,505	95,444
Video Surveillance Assistants	1408	13.0	\$ 2,657	\$ 3,190	901,612	1,082,367
Security Operations Coordinator	8202	1.0	\$ 1,862	\$ 2,235	48,586	58,327
Field Supervisor	8202	5.0	\$ 1,862	\$ 2,235	242,931	291,634
Armed Security Guards	8202	15.0	\$ 1,862	\$ 2,235	728,794	874,903
Unarmed Security Guards	8202	47.0	\$ 1,862	\$ 2,235	2,283,554	2,741,361
Overtime Pay during holidays (50% of holiday pay, applicable class) <sup>4</sup>					90,644	108,816
Night / Shift Differential (if applicable)					120,194	144,290
Overtime pay (if applicable)						
Other Pay (if applicable)						
Total FTE		89.0				
Total Salary Costs---->					2,785,114	5,656,686
Total of Other Compensation---->					210,838	253,106

FRINGE BENEFITS

		Amount		
9172	1.0	57,722.19		
8202	4.0	33,372.86		
1406	1.0	32,779.37		
1408	1.0	38,597.97		
1410	1.0	42,113.87		
1408	13.0	38,597.97		
8202	1.0	33,372.86		
8202	5.0	33,372.86		
8202	15.0	33,372.86		
8202	47.0	33,372.86		
Total Fringe Benefits			Low	High
			2,785,114	3,075,833

ADDITIONAL CITY COSTS

MTA Transit Overhead of 52.2% of salary + benefits	2,907,659	4,558,375
Total Capital & Operating	2,907,659	4,558,375

MUNICIPAL TRANSPORTATION AGENCY, SUSTAINABLE STREETS  
 SECURITY SERVICES & ASSOCIATED ADMINISTRATION  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)  
 FISCAL YEAR 2018-19

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST, including 52.2% overhead	8,688,724	13,544,000
LESS: ESTIMATED TOTAL CONTRACT COST	6,551,178	6,553,146
ESTIMATED SAVINGS	<u>\$ 2,137,546</u>	<u>\$ 6,990,854</u>
% of Savings to City Cost	25%	52%

Comments/Assumptions:

1. FY 2008 was the first year these services were contracted out.
2. In order to better reflect the function and wage of Cypress Security contractors, we included 8202 Class outside of SFMTA
3. Holiday pay is calculated based on the following assumption: 11 days of holiday pay at a rate of time and a half for eight hours, for applicable class.
4. Night /Shift Differential is calculated the same as previous years: the sum of personnel costs times 2.7%. This is to account for the fact that not all employees would be obtaining this rate differential.
5. Variable fringe benefits consist of Social Security and Medicare, employer retirement unemployment, and long-term disability for a total of. Employee retirement pick-up is not applicable.
6. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
7. The estimated cost does not include materials, weapons, services, vehicle and capital.

MUNICIPAL TRANSPORTATION AGENCY, SUSTAINABLE STREETS  
 SECURITY SERVICES & ASSOCIATED ADMINISTRATION  
 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
Client Manager	9172	1.0	\$ 4,420	\$ 5,306	115,350	138,475
ADA Observer	8202	4.0	\$ 1,938	\$ 2,327	202,361	242,931
Badging Clerk	1406	1.0	\$ 2,097	\$ 2,517	54,725	65,696
Administrative Support	1408	1.0	\$ 2,767	\$ 3,322	72,216	86,693
Video Surveillance Supervisor	1410	1.0	\$ 3,172	\$ 3,808	82,784	99,381
Video Surveillance Assistants	1408	13.0	\$ 2,767	\$ 3,322	938,802	1,127,013
Security Operations Coordinator	8202	1.0	\$ 1,938	\$ 2,327	50,590	60,733
Field Supervisor	8202	5.0	\$ 1,938	\$ 2,327	252,952	303,664
Armed Security Guards	8202	15.0	\$ 1,938	\$ 2,327	758,855	910,991
Unarmed Security Guards	8202	47.0	\$ 1,938	\$ 2,327	2,377,747	2,854,438
Overtime Pay during holidays (50% of holiday pay, applicable class) <sup>4</sup>					94,383	113,305
Night / Shift Differential (if applicable)					125,152	150,242
Overtime pay (if applicable)						
Other Pay (if applicable)						
Total FTE		89.0				
Total Salary Costs--->					4,906,383	5,890,015
Total of Other Compensation--->					219,534	263,547

FRINGE BENEFITS

		Amount		
9172	1.0	57,722.19		
8202	4.0	33,372.86		
1406	1.0	32,779.37		
1408	1.0	38,597.97		
1410	1.0	42,113.87		
1408	13.0	38,597.97		
8202	1.0	33,372.86		
8202	5.0	33,372.86		
8202	15.0	33,372.86		
8202	47.0	33,372.9		
Total Fringe Benefits			Low	High
			2,785,114	3,075,833

ADDITIONAL CITY COSTS

MTA Transit Overhead of 52.2% of salary + benefits	4,014,961	4,680,173
Total Capital & Operating	4,014,961	4,680,173

MUNICIPAL TRANSPORTATION AGENCY, SUSTAINABLE STREEETS  
 SECURITY SERVICES & ASSOCIATED ADMINISTRATION  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)

FISCAL YEAR 2019-20

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST, including 52.2% overhead	11,925,992	13,909,568
LESS: ESTIMATED TOTAL CONTRACT COST	6,715,171	6,717,239
ESTIMATED SAVINGS	\$ 5,210,821	\$ 7,192,328
% of Savings to City Cost	44%	52%

Comments/Assumptions:

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