



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

July 31, 2020

Jeffrey Tumlin, Director of Transportation
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94102

Attention: Leo Levenson, Chief Financial Officer

RE: Contracting for SFMTA Security Services – FY 2020-21 & FY 2021-22

The cost information and supplemental data provided by your office on the proposed contract referenced above 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 2020-21 and 2021-22 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,

/s/

Ben Rosenfield,
Controller

Enclosures

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

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

FISCAL YEAR 2020-21

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	\$ 4,378	\$ 5,321	114,255	138,878
ADA Observer	8202	4.0	\$ 1,919	\$ 2,333	200,382	243,565
Badging Clerk	1406	1.0	\$ 2,077	\$ 2,525	54,218	65,903
Administrative Support	1408	0.8912	\$ 2,740	\$ 3,331	63,744	77,481
Video Surveillance Supervisor	1410	1.0	\$ 3,142	\$ 3,819	82,004	99,676
Video Surveillance Assistants	1408	13.0	\$ 2,740	\$ 3,331	929,825	1,130,208
Security Operations Coordinator	8202	1.0	\$ 1,919	\$ 2,333	50,095	60,891
Field Supervisor	8202	5.0	\$ 1,919	\$ 2,333	250,477	304,457
Armed Security Guards	8202	15.0	\$ 1,919	\$ 2,333	751,431	913,370
Unarmed Security Guards	8202	55.0	\$ 1,919	\$ 2,333	2,755,248	3,349,022
Overtime Pay during holidays (50% of holiday pay, applicable class) ⁴					101,942	123,911
Night / Shift Differential (if applicable)					135,175	164,306
Overtime pay (if applicable)						
Other Pay (if applicable)						
Total FTE		96.9				
			Total Salary Costs--->		5,251,680	6,383,450
			Total of Other Compensation--->		237,117	288,218

FRINGE BENEFITS

		Amount		
9172	1.0	\$ 62,967.04		
8202	4.0	\$ 35,837.05		
1406	1.0	\$ 35,328.61		
1408	0.9	\$ 41,826.92		
1410	1.0	\$ 45,761.38		
1408	13.0	\$ 41,826.92		
8202	1.0	\$ 35,837.05		
8202	5.0	\$ 35,837.05		
8202	15.0	\$ 35,837.05		
8202	55.0	\$ 35,837.05		
Total Fringe Benefits	96.9		Low	High
			3,234,888	3,592,047

ADDITIONAL CITY COSTS

		0	0
MTA Transit Overhead of 59.4% of salary + benefits		5,041,021	5,925,445
Total Capital & Operating		5,041,021	5,925,445

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST, including 59.4% overhead	13,764,706	16,189,160
LESS: ESTIMATED TOTAL CONTRACT COST	7,695,741	7,697,669
ESTIMATED SAVINGS	\$ 6,068,965	\$ 8,491,491
% of Savings to City Cost	44%	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 2021-22

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	\$ 4,378	\$ 5,321	114,255	138,878
ADA Observer	8202	4.0	\$ 1,919	\$ 2,333	200,382	243,565
Badging Clerk	1406	1.0	\$ 2,077	\$ 2,525	54,218	65,903
Administrative Support	1408	0.8912	\$ 2,740	\$ 3,331	63,744	77,481
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Unarmed Security Guards	8202	55.0	\$ 1,919	\$ 2,333	2,755,248	3,349,022
Overtime Pay during holidays (50% of holiday pay, applicable class) ¹					101,942	123,911
Night / Shift Differential (if applicable)					135,175	164,306
Overtime pay (if applicable)						
Other Pay (if applicable)						
Total FTE		96.9				
Total Salary Costs--->					5,251,680	6,383,450
Total of Other Compensation--->					237,117	288,218

FRINGE BENEFITS

		Amount	Percent		
9172	1.0	\$ 64,721.13			
8202	4.0	\$ 36,887.85			
1406	1.0	\$ 36,403.53			
1408	0.9	\$ 43,003.32			
1410	1.0	\$ 46,999.22			
1408	13.0	\$ 43,003.32			
8202	1.0	\$ 36,887.85			
8202	5.0	\$ 36,887.85			
8202	15.0	\$ 36,887.85			
8202	55.0	\$ 36,887.85			
Total Fringe Benefits				97	
				Low	High
				3,321,913	3,696,520

ADDITIONAL CITY COSTS

MTA Transit Overhead of 59.4% of salary + benefits	5,092,714	5,987,502
Total Capital & Operating	5,092,714	5,987,502

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST before 59.4% overhead	8,810,711	10,368,187
LESS: ESTIMATED TOTAL CONTRACT COST	7,899,512	7,901,458
ESTIMATED SAVINGS	\$ 911,198	\$ 2,466,729
% of Savings to City Cost	10%	24%
ESTIMATED TOTAL CITY COST, including 59.4% overhead	13,903,425	16,355,689
LESS: ESTIMATED TOTAL CONTRACT COST	7,899,512	7,901,458
ESTIMATED SAVINGS	\$ 6,003,913	\$ 8,454,231
% of Savings to City Cost	43%	52%

Comments/Assumptions:

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