



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 Janitorial 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,



Ben Rosenfield
Controller

Enclosures

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

PORT OF SAN FRANCISCO
REAL ESTATE DIVISION
JANITORIAL 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
Custodial Supervisor	2718	1.0	\$ 2,437	\$ 2,963	\$ 63,605	\$ 77,342
Custodian	2708	5.0	2,011	2,443	\$ 262,378	\$ 318,832
Porter	2736	2.0	2,011	2,443	\$ 104,951	\$ 127,533
Holiday Pay					13,674	16,618
Night / Shift Differential					12,198	14,824
Total FTE		8.0				
Total Salary Costs--->					\$ 430,934	\$ 523,708
Total of Other Compensation--->					\$ 25,871	\$ 31,441

FRINGE BENEFITS

	Amount
Benefits per FTE (Job Class 2718)	35,698
Benefits per FTE (Job Class 2708)	31,990
Benefits per FTE (Job Class 2736)	32,895
Total Fringe Benefits	
	Low High
	\$ 237,819 \$ 261,439

ADDITIONAL CITY COSTS

Materials and Supplies	30,000	50,000
Total Capital & Operating	30,000	50,000

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 724,625	\$ 866,588
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 617,671	\$ 680,145
ESTIMATED SAVINGS	\$ 106,954	\$ 186,443
% of Savings to City Cost	15%	22%

Comments/Assumptions:

- Services have been contracted out since 1997.
- Salary levels reflect proposed salary rates effective July 1, 2018.
- 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.
- 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

PORT OF SAN FRANCISCO
REAL ESTATE DIVISION
JANITORIAL 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	
Custodial Supervisor	2718	1.0	\$ 2,437	\$ 2,963	\$ 63,605	\$ 77,342	
Custodian	2708	5.0	2,011	2,443	\$ 262,378	\$ 318,832	
Porter	2736	2.0	2,011	2,443	\$ 104,951	\$ 127,533	
Holiday Pay (if applicable)						13,674	16,618
Night / Shift Differential (if applicable)						12,198	14,824
Total FTE		8.0					
Total Salary Costs---					\$	430,934	\$ 523,708
Total of Other Compensation---					\$	25,871	\$ 31,441

FRINGE BENEFITS

	Amount	Low	High
Benefits per FTE (Job Class 2718)	36,731		
Benefits per FTE (Job Class 2708)	33,037		
Benefits per FTE (Job Class 2736)	34,007		
Total Fringe Benefits		\$ 244,890	\$ 269,928

ADDITIONAL CITY COSTS

Materials and Supplies	30,000	50,000
Total Capital & Operating	30,000	50,000

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$	731,696	\$	875,077
LESS: ESTIMATED TOTAL CONTRACT COST	\$	636,013	\$	700,326
ESTIMATED SAVINGS	\$	95,683	\$	174,751
% of Savings to City Cost		13%		20%

Comments/Assumptions:

- Services have been contracted out since 1997.
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- Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- 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.
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