



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

May 31, 2021

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

Attention: Ronda Chu, Acting Budget Director

RE: Contracting for Airport Parking Operations – 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 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
Shirley West, Principal Budget Analyst

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
Manager IV	0932	1.0	\$ 5,885	\$ 7,065	\$ 153,604	\$ 184,399
Manager II	0923	1.0	\$ 5,085	\$ 6,104	\$ 132,718	\$ 159,325
Manager I	0922	1.0	\$ 4,737	\$ 5,686	\$ 123,628	\$ 148,413
Accountant IV	1657	1.0	\$ 4,888	\$ 5,868	\$ 127,575	\$ 153,151
Senior Management Assistant	1844	1.0	\$ 3,694	\$ 4,435	\$ 96,426	\$ 115,757
Sr. Payroll & Personnel Clerk	1222	1.0	\$ 3,039	\$ 3,648	\$ 79,306	\$ 95,205
Clerk	1404	1.0	\$ 2,165	\$ 2,599	\$ 56,502	\$ 67,830
Senior Clerk	1406	4.0	\$ 2,723	\$ 3,269	\$ 284,292	\$ 341,287
Principal Clerk	1408	1.0	\$ 2,965	\$ 3,560	\$ 77,389	\$ 92,903
Management Assistant	1842	1.0	\$ 3,223	\$ 3,870	\$ 84,133	\$ 101,000
Accountant II	1652	1.0	\$ 3,245	\$ 3,896	\$ 84,697	\$ 101,677
Collection Supervisor	4366	1.0	\$ 3,232	\$ 3,880	\$ 84,358	\$ 101,270
Investigator, Tax Collector	4334	2.0	\$ 3,603	\$ 4,325	\$ 188,069	\$ 225,774
Customer Service Agent Sup	1326	19.75	\$ 3,343	\$ 4,013	\$ 1,723,098	\$ 2,068,544
Customer Service Agent	1324	2.5	\$ 2,953	\$ 3,545	\$ 192,682	\$ 231,311
Cashier III	4322	31.25	\$ 2,704	\$ 3,246	\$ 2,205,524	\$ 2,647,688
Electronic Maintenance Tech	7318	1.0	\$ 4,320	\$ 5,186	\$ 112,756	\$ 135,361
Stationary Engineer	7334	2.0	\$ 3,529	\$ 4,237	\$ 184,223	\$ 221,156
Chief Stationary Engineer	7205	1.0	\$ 4,477	\$ 5,375	\$ 116,857	\$ 140,285
Sheriff's Lieutenant	8310	1.0	\$ 5,574	\$ 6,691	\$ 145,469	\$ 174,632
Institutional Police Sergeant	8205	3.0	\$ 4,767	\$ 5,723	\$ 373,252	\$ 448,081
Building & Grounds Patrol Officer	8207	54.0	\$ 2,525	\$ 3,031	\$ 3,559,019	\$ 4,272,531
Custodial Supervisor	2718	1.0	\$ 2,744	\$ 3,294	\$ 71,614	\$ 85,972
Custodial Assistant Supervisor	2716	3.0	\$ 2,489	\$ 2,988	\$ 194,881	\$ 233,951
Custodian	2708	42.25	\$ 2,262	\$ 2,715	\$ 2,493,944	\$ 2,993,931
Holiday Pay (if applicable)	n/a	n/a			410,787	493,142
Night / Shift Differential (if applicable)	n/a	n/a			366,437	439,900
Overtime Pay (if applicable)	n/a	n/a				
Other Pay (if applicable)	n/a	n/a				
Total FTE		178.75				
Total Salary Costs-->					\$ 12,946,015	\$ 15,541,434
Total of Other Compensation-->					\$ 777,223.95	\$ 933,041.96

FRINGE BENEFITS

Job Class	\$ Amount
Benefits per FTE--Job Class #:	0932 70,764
Benefits per FTE--Job Class #:	0923 65,440
Benefits per FTE--Job Class #:	0922 63,123
Benefits per FTE--Job Class #:	1657 58,523
Benefits per FTE--Job Class #:	1844 48,715
Benefits per FTE--Job Class #:	1222 42,897
Benefits per FTE--Job Class #:	1404 35,147
Benefits per FTE--Job Class #:	1406 40,099
Benefits per FTE--Job Class #:	1408 42,245
Benefits per FTE--Job Class #:	1842 44,537

Benefits per FTE--Job Class #:	1652	45,188
Benefits per FTE--Job Class #:	4366	44,614
Benefits per FTE--Job Class #:	4334	47,902
Benefits per FTE--Job Class #:	1326	45,595
Benefits per FTE--Job Class #:	1324	42,138
Benefits per FTE--Job Class #:	4322	39,930
Benefits per FTE--Job Class #:	7318	57,065
Benefits per FTE--Job Class #:	7334	49,448
Benefits per FTE--Job Class #:	7205	57,180
Benefits per FTE--Job Class #:	8310	119,740
Benefits per FTE--Job Class #:	8205	59,681
Benefits per FTE--Job Class #:	8207	38,344
Benefits per FTE--Job Class #:	2718	40,283
Benefits per FTE--Job Class #:	2716	38,022
Benefits per FTE--Job Class #:	2708	36,006
		Low High
Total Fringe Benefits		\$ 6,552,934 \$ 7,329,130

ADDITIONAL CITY COSTS		
Operating Expenses	\$ 1,180,245	\$ 1,180,245
Credit Card Processing Fees	\$ 1,250,000	\$ 1,250,000
Training	\$ 300,000	\$ 300,000
Parking/Billing Technology	\$ 300,000	\$ 300,000
Total Capital & Operating		\$ 3,030,245 \$ 3,030,245

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 23,306,417	\$ 26,833,851
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 22,944,525	\$ 23,006,818
ESTIMATED SAVINGS	<u>\$ 361,892</u>	<u>\$ 3,827,033</u>
% of Savings to City Cost	2%	14%

Comments/Assumptions:

1. 1971 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2018. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Operating costs include operating expenses & credit card fees. FTEs are based on Contractor FTEs.
6. In addition to the costs outlined above, the City would have to incur additional expenses to provide the following no cost value added services that are offered by the contractor:
 - Management of parking specific marketing campaigns
 - Legal services for subcontracted contracts
 - Parking data analyses
 - Increased parking facility insurance premiums and increased claim settlement costs to the City due to the loss of contractor's liability insurance coverage
 - An automated and proprietary software that reconciles general ledger revenue entries against location-specific bank deposits to identify anomalies, including: missing deposits, out-of-balance entries, deposits to wrong location, etc.