



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

July 31, 2020

Harlan Kelly, Jr., General Manager
San Francisco Public Utilities Commission
525 Golden Gate Avenue
San Francisco, CA 94102

Attention: Eric Sandler, Chief Financial Officer

RE: Contracting for Security Services – FY 2020-21

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 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
Laura Busch, Budget Director

San Francisco Public Utilities Commission
 298650 Power Enterprise
 Safety and Security Services
 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
Security Guard	8202	1.0	\$ 1,919	\$ 2,333	\$ 50,095	\$ 60,891
Management Assistant	1842	0.1	\$ 2,979	\$ 3,621	\$ 3,888	\$ 4,725
Holiday Pay (if applicable)	n/a	n/a				
Night / Shift Differential (if applicable)	n/a	n/a				
Overtime Pay (if applicable)	n/a	n/a	\$720	\$875	\$18,785.8	22,834
Other Pay (if applicable)	n/a	n/a				
Total FTE		1.1				
Total Salary Costs-->					\$ 53,983.03	\$ 65,616.71
Total of Other Compensation-->					\$ 18,785.78	\$ 22,834.24

FRINGE BENEFITS

Job Class	\$ Amount
Benefits per FTE--Job Class #:	
8202	\$35,837.05
1842	\$44,165.02
Total Fringe Benefits	
	Low High
	31,692 38,045

ADDITIONAL CITY COSTS

Two-way radios (1 per shift/location)- One (1) needed	\$ 200	\$ 200
Uniforms (600/year per person) - One (1) needed	\$ 600	\$ 600
Annual Certifications (guard card for unarmed guard)	\$ -	\$ -
Total Capital & Operating	\$ 800	\$ 800

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 105,260.54	\$ 127,296.24
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 73,452.33	\$ 96,425.66
ESTIMATED SAVINGS	\$ 31,808	\$ 30,871
% of Savings to City Cost	30%	24%

Comments/Assumptions:

1. FY 20/21 would be the first year these services are contracted out for the Power Enterprise.
 2. Salary levels reflect proposed salary rates effective FY20-21. 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 disability, where applicable.
 4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- <List any other comments or assumptions>
5. Overtime of 20 hrs per pay period for 7 am- 5:30 pm daily security shifts

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
Security Guard (1800 Oakdale/SECF)	8202	2.0	\$ 1,919	\$ 2,333	100,191	121,783
Security Guard As-Needed M-F (1800 Oakdale/SECF)	8202	0.5	1,919	2,333	25,048	30,446
Security Guard As-Needed Sa-Su (1800 Oakdale/SECF)	8202	0.7	1,919	2,333	35,067	42,624
Security Guard (750 Phelps/SEP)	8202	6.0	1,919	2,333	300,573	365,348
Security Guard As-Needed (750 Phelps/SEP)	8202	0.5	1,919	2,333	25,048	30,446
Security Guard - Saturday (750 Phelps/SEP)	8202	0.2	1,919	2,333	10,019	12,178
Security Guard (3500 Great Highway/OSP)	8202	5.0	1,919	2,333	250,477	304,457
Security Guard As-Needed (3500 Great Highway/OSP)	8202	0.5	1,919	2,333	25,048	30,446
Security Guard - Saturday (3500 Great Highway/OSP)	8202	0.2	1,919	2,333	10,019	12,178
Security Guard (1601 Griffith/Griffith Yard)	8202	4.0	1,919	2,333	200,382	243,565
Security Guard As-Needed (1601 Griffith/Griffith Yard)	8202	0.5	1,919	2,333	25,048	30,446
Administrator/Manager	0931	1.0	5,067	6,159	132,249	160,750
Holiday Pay (if applicable)	n/a	n/a			-	-
Night / Shift Differential (if applicable)	n/a	n/a			103,208	125,449
Overtime Pay (if applicable)	n/a	n/a				
Other Pay (if applicable)	n/a	n/a				
Total FTE		21.1				
					Total Salary Costs-->	
					1,139,167	1,384,665
					Total of Other Compensation-->	
					103,208	125,449

FRINGE BENEFITS

Job Class	\$ Amount	
Benefits per FTE--Job Class #:	8202 \$ 35,837	71,674
Benefits per FTE--Job Class #:	8202 \$ 35,837	17,919
Benefits per FTE--Job Class #:	8202 \$ 35,837	25,086
Benefits per FTE--Job Class #:	8202 \$ 35,837	215,022
Benefits per FTE--Job Class #:	8202 \$ 35,837	17,919
Benefits per FTE--Job Class #:	8202 \$ 35,837	7,167
Benefits per FTE--Job Class #:	8202 \$ 35,837	179,185
Benefits per FTE--Job Class #:	8202 \$ 35,837	17,919
Benefits per FTE--Job Class #:	8202 \$ 35,837	7,167
Benefits per FTE--Job Class #:	8202 \$ 35,837	143,348
Benefits per FTE--Job Class #:	8202 \$ 35,837	17,919
Benefits per FTE--Job Class #:	0931 \$ 68,257	68,257
Total Fringe Benefits		
		Low High
		709,744 788,582

ADDITIONAL CITY COSTS

Two-way radios (1 per shift/location) - Four (4) needed.	\$ 2,504	\$ 2,504
Uniforms (\$600 per year per person) - Seventeen (17) needed.	\$ 10,200	\$ 10,200
Annual Certifications.	\$ -	\$ -
	\$ -	\$ -
Total Capital & Operating	\$ 12,704	\$ 12,704

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 1,964,823	\$ 2,311,401
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 1,206,938	\$ 1,210,677
ESTIMATED SAVINGS	\$ 757,886	\$ 1,100,723
% of Savings to City Cost	39%	48%

Comments/Assumptions:

- FY 2012 was the first year these services are/were contracted out.
- Salary levels reflect proposed salary rates effective December 28, 2019. Costs are represented as annual 12 month costs.
- 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.
- 0931 Manager III will be needed fulltime to manage security program and supervise security personnel.