

1 [Prevailing Wage Requirements - Parking Meter Coin Collections and Counting]

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3 **Ordinance authorizing the Municipal Transportation Agency to include, in any contract**
4 **for parking meter coin collections, counting, and support services it executes after**
5 **issuing a competitive solicitation, provisions that require the contractor and**
6 **subcontractors to pay prevailing wages to meter collector, coin room operator, crew**
7 **lead, and foreperson positions, and to provide transitional employment and retention**
8 **to the prior contractor's employees performing such services, subject to compliance**
9 **with all applicable state laws and regulations; and making findings as to the applicable**
10 **prevailing wage rates for the positions covered by this ordinance.**

11 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
12 **Additions to Codes** are in *single-underline italics Times New Roman font*.
13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
14 **Board amendment additions** are in double-underlined Arial font.
15 **Board amendment deletions** are in ~~strikethrough Arial font~~.
16 **Asterisks (* * * *)** indicate the omission of unchanged Code
17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19 Section 1. Findings.

20 (a) San Francisco Administrative Code Section 21C.7 requires, for certain types of
21 service contracts, that contractors and their subcontractors pay prevailing wages to individuals
22 performing work under the contract, and provide transitional employment and retention for the
23 prior contractor's employees.

24 (b) The requirement to pay prevailing wages includes wage rates for overtime and
25 holiday work and fringe benefits as paid for similar work performed in the City by private
employers.

1 (c) The Board of Supervisors has previously determined that the turnover of
2 experienced workers resulting from a change in City contractors for certain types of services
3 jeopardizes the quality, efficiency, and cost-effectiveness provided under the successor
4 contract.

5 (d) The Municipal Transportation Agency (SFMTA) intends to amend its current
6 contract with Serco, Inc. (Serco), for parking meter coin collections, counting, and support
7 services to authorize payment for services based on the rates of pay and other compensation
8 terms in the collective bargaining agreement (CBA) recently agreed to by Serco and
9 Teamsters Local 665 affecting the positions of meter collector, coin room operator, crew lead,
10 and foreperson.

11 (e) The current five-year contract for parking meter coin collections, counting, and
12 support services expires on July 31, 2017, and has an option for the City to extend the
13 contract for up to four years.

14 (f) Because the possibility of turnover of experienced workers resulting from a
15 potential change in contractors will jeopardize the quality, efficiency, and cost-effectiveness of
16 parking meter coin processing provided under a successor contract, the SFMTA is seeking
17 authorization from the Board of Supervisors to include, in any contract for parking meter coin
18 collection, counting, and support services the SFMTA executes after issuing a request for
19 proposals (RFP), provisions that would require: (1) payment of prevailing wages by both the
20 contractor and subcontractors to any individual providing meter collector, coin room operator,
21 crew lead, and foreperson services under the contract; and (2) transitional employment and
22 retention for the prior contractor's employees performing such services.

23 (g) Similar to the requirements in Section 21.C.7 of the Administrative Code, the
24 SFMTA intends to include, in any new contract for coin collection, counting, and support
25 services, requirements that the successor contractor: (1) retain, for a six-month period,


1 employees who have worked at least 15 hours per week and have been employed by the
2 prior contractor or its subcontractors, if applicable, for the preceding 12 months; (2) retain
3 employees of the prior contractor by seniority within job classifications if fewer employees are
4 required to perform the new contract; (3) during the six-month retention period, maintain a
5 preferential hiring list of eligible employees that were not retained by the successor contractor;
6 (4) not discharge any retained employee during the six-month transition period without cause;
7 and (5) at the end of the six-month period, offer continued employment to retained employees,
8 if the employee's performance is satisfactory, under the terms and conditions established by
9 the successor contractor (collectively, Retention Requirements).

10 (h) Based on information provided by the SFMTA, the Board of Supervisors finds that
11 the greatest number of workers providing the subject parking meter coin collections, counting,
12 and support services in San Francisco are paid prevailing wages at the rates negotiated in the
13 CBA and set forth in the table entitled "Wages and Benefits for SF Parking Meter Revenue
14 Counting and Collections Individuals Covered by Teamsters Local 665 CBA," on file with the
15 Clerk of the Board of Supervisors in File No. 160593; accordingly, the Board of Supervisors
16 sets the prevailing wage rates for the subject workers, as intended by the SFMTA, in
17 accordance with the rates in the table for the period of time covered by the CBA.

18 Section 2. The Municipal Transportation Agency is authorized to include, in any
19 contract for parking meter coin collections, counting, and support services it executes after
20 issuing an RFP, provisions that would require: (1) payment of prevailing wages by both the
21 contractor and subcontractors to any individual meter collector, coin room operator, crew lead,
22 and foreperson services under the contract; and (2) transitional employment and retention for
23 the prior contractor's employees performing such services, in accordance with the Retention
24 Requirements set forth above. Such provisions are subject to compliance with all applicable
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1 state and local laws and other requirements, including, but not limited to, State licensing
2 requirements and SFMTA-required background checks.

3 APPROVED AS TO FORM:
4 DENNIS J. HERRERA, City Attorney

5 By: 
6 ROBIN M. REITZES
Deputy City Attorney

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LEGISLATIVE DIGEST

[Prevailing Wage Requirements - Parking Meter Coin Collections and Counting]

Ordinance authorizing the Municipal Transportation Agency to include, in any contract for parking meter coin collections, counting, and support services it executes after issuing a competitive solicitation, provisions that require the contractor and subcontractors to pay prevailing wages to meter collector, coin room operator, crew lead, and foreperson positions, and to provide transitional employment and retention to the prior contractor's employees performing such services, subject to compliance with all applicable state laws and regulations; and making findings as to the applicable prevailing wage rates for the positions covered by this ordinance.

Existing Law

Existing law does not require that City contracts for parking meter coin collection and counting services include requirements for either (1) the payment of prevailing wages by either the contractor or subcontractor to any individual providing such services, or (2) transitional employment or retention for the prior contractor's employees as required for certain types of contracts pursuant to S.F. Administrative Code section 21C.7.

Amendments to Current Law

This ordinance will authorize the SFMTA to include, in the next contract it executes for parking meter coin collections, counting and support services after issuing a competitive solicitation, provisions for (1) payment of prevailing wages by both the contractor and subcontractors to any individual providing meter collector, coin room operator, crew lead, and foreperson services under the contract; and (2) transitional employment and retention for the prior contractor's employees performing such services. Such provisions are subject to compliance with all applicable federal, state and local laws and other requirements, including, but not limited to, state licensing requirements and SFMTA-required background checks.

Prevailing wages will be based on the tables entitled "Wages and Benefits for SF Parking Meter Revenue Counting and Collections Individuals Covered by Teamsters Local 665 CBA," on file with the Clerk of the Board of Supervisors.

Background Information

The SFMTA intends to amend its current contract with Serco, Inc. (Serco), for parking meter coin collections, counting, and support services to authorize payment for services based on the rates of pay and other compensation terms in the collective bargaining agreement (CBA) recently agreed to by Serco and Teamsters Local 665 affecting the positions of meter collector, coin room operator, crew lead, and foreperson. Because the possibility of turnover of experienced workers resulting from a potential change in contractors will jeopardize the

FILE NO. 160593

quality, efficiency and cost-effectiveness of parking meter collection and counting services provided under a successor contract, the SFMTA wishes to include these requirements in a new contract issued after a competitive solicitations.

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<p>Item 7 File 16-0593</p>	<p>Department: San Francisco Municipal Transportation Agency (SFMTA)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p>	
<ul style="list-style-type: none"> • The proposed ordinance would authorize the San Francisco Municipal Transportation Agency to include, in any contract for parking meter coin collections, counting and support services it executes after issuing a competitive solicitation, provisions that require the contractor and subcontractors to pay prevailing wages to meter collector, coin room operator, crew lead and foreperson positions, and to provide transitional employment and retention to the prior contractor’s employees performing such services, subject to compliance with all applicable state laws and regulations; and making findings as to the applicable prevailing wage rates for the positions covered by this ordinance. 	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> • On July 17, 2012, the Board of Supervisors approved the SFMTA executing a five-year agreement, with four annual options, with Serco for parking meter coin collections, counting and support services for a not to exceed \$46,410,974. SFMTA’s average annual costs for this Serco agreement were \$3,802,808 between FY 2012-13 and FY 2015-16. • In early 2016, Serco negotiated a collective bargaining agreement with Teamsters Local 665 to represent Serco’s employees working on the SFMTA contract, including salary and benefit increases. The existing agreement between SFMTA and Serco does not require the City to pay any increases resulting from negotiated wages and benefits under new collective bargaining agreements. Serco indicates they will only honor the negotiated collective bargaining agreement if the SFMTA covers the increased costs to Serco that will result from the new collective bargaining agreement. • On May 17, 2016, the SFMTA Board of Directors approved (a) authorizing SFMTA to execute a second amendment with Serco to implement collective bargaining agreement wage increases effective July 1, 2016; and (b) urging the Board of Supervisors to approve an ordinance to establish prevailing wage requirements in future contracts based on the collective bargaining agreements and to establish transitional employment and retention requirements for existing employees performing these services. 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> • SFMTA estimates that the proposed ordinance would result in an increased cost of \$715,000 in FY 2016-17, an 18.8 percent cost increase. Based on projected hourly wage and benefit increases, SFMTA estimates the proposed ordinance would result in an increase of approximately \$913,000 for each extension year of the Serco agreement, a 24 percent increase. 	
<p style="text-align: center;">Recommendation</p>	
<ul style="list-style-type: none"> • Approval of the proposed ordinance is a policy decision for the Board of Supervisors. 	

MANDATE STATEMENT

City Charter Section 2.105 states that all legislative acts shall be by ordinance and shall require two readings by the Board of Supervisors.

City Administrative Code Section 21C.7 requires certain contractors and subcontractors that have contracts with the City to pay prevailing rate of wages to individuals that perform work under those contracts and to provide transitional employment and retention for the prior contractor's employees. This requirement to pay prevailing rates of wages includes wage rates for overtime, holidays and fringe benefits. The Board of Supervisors determines the prevailing rate of wages at least once a year for each of the covered contracts. These requirements are then enforced by the City's Office of Labor Standards Enforcement.

BACKGROUND

On July 17, 2012, the Board of Supervisors approved the San Francisco Municipal Transportation Agency (SFMTA) executing a five-year agreement or through July 31, 2017 with Serco, Inc. (Serco) for parking meter coin collections, counting and support services for a not to exceed \$46,410,974 (File 12-0581)¹. This agreement between SFMTA and Serco also includes options for up to an additional four years or through July 31, 2021. Serco has provided parking meter coin collections, counting and support services for the City since 1998.

Although the SFMTA conducted a competitive Request for Proposal (RFP) process in 2012, Serco submitted the sole bid to the SFMTA to provide these parking meter related services. Serco's bid was responsive to the RFP, which required compliance with the City's Minimum Compensation Ordinance.

In early 2016, Serco negotiated a collective bargaining agreement with Teamsters Local 665 to represent Serco's meter collectors, coin room operators, crew leads, and forepersons working on the SFMTA contract, including progressive pay scales, salary increases, additional paid time off, and increased employer contributions for health benefits. The existing agreement between SFMTA and Serco to provide parking meter related services does not require the City to pay any increases resulting from negotiated wages and benefits under new collective bargaining agreements. Serco indicates they will only honor the negotiated collective bargaining agreement if the SFMTA covers the increased costs to Serco that will result from the new collective bargaining agreement.

On May 17, 2016, the SFMTA Board of Directors approved a resolution (a) authorizing the Director of Transportation to execute a second amendment with Serco to implement collective bargaining agreement wage increases effective July 1, 2016 through the remainder of the base

¹ Although the Board of Supervisors approved a not to exceed \$46,410,974 agreement with Serco, or an average of \$9,282,195 per year, SFMTA's actual average per year expenditures on this Serco agreement were \$3,802,808 between FY 2012-13 and FY 2015-16. The annual reduction of approximately \$5,479,387 was due to the installation of smart parking meters which accept credit or debit cards as payment, which resulted in reduced (a) frequency to collect coins and the volume of coins to count, (b) fees associated with credit and debit cards which was transferred to other merchants, (c) need for spare parts, and (d) contingency.

term and each extension year of the agreement; and (b) urging the Board of Supervisors to approve an ordinance authorizing SFMTA to establish prevailing wage requirements in future contracts based on the collective bargaining agreements and to establish transitional employment and retention requirements for existing employees performing these services (SFMTA Resolution No. 16-063).

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would authorize the SFMTA to include in any contract for parking meter coin collections, counting and support services, which the SFMTA executes after issuing a competitive solicitation, provisions that require the contractor and subcontractors to (a) pay prevailing wages to meter collector, coin room operator, crew lead and foreperson positions, and (b) provide transitional employment and retention to the prior contractor's employees performing such services, subject to compliance with all applicable state laws and regulations and (c) make findings as to the applicable prevailing wage rates for the positions covered by this ordinance.

If the proposed ordinance is approved, the SFMTA would be required to include such prevailing rates of wage provisions in future contracts, after issuing a competitive solicitation, for meter collection, coin counting and related support services. In addition, as discussed above, the SFMTA recently approved a resolution stating their intention to amend the existing contract with Serco for parking meter coin collections, counting and support services to authorize payment for services based on the rates of pay and other compensation terms in the collective bargaining agreement negotiated by Serco and Teamsters Local 665 that affect the positions of meter collector, coin room operator, crew lead and foreperson.

If the proposed ordinance is approved, the SFMTA would also include in any new contract for coin collection, counting and support services, requirements that the successor contractor:

(1) Retain, for a six-month period, employees who have worked at least 15 hours per week and have been employed by the prior contractor or its subcontractors, if applicable, for the preceding 12 months;

(2) Retain employees of the prior contractor by seniority within job classifications if fewer employees are required to perform the new contract;

(3) During the six-month retention period, maintain a preferential hiring list of eligible employees that were not retained by the successor contractor;

(4) Not discharge any retained employee during the six-month transition period without cause; and

(5) At the end of the six-month period, offer continued employment to retained employees, if the employee's performance is satisfactory, under the terms and conditions established by the successor contractor.

FISCAL IMPACT

The Table below shows the projected hourly wage and fringe benefit increases that would occur as of July 1, 2016 for wages and December 31, 2016 for benefits, based on the collective bargaining agreement between Serco and Teamsters Local 665.

Table: Existing and Proposed Hourly Rates and Benefit Increases for Serco Employees

Covered Employees	Existing Rates Per Hour	Proposed Rates Per Hour as of July 1, 2016	Actual Increases in Hourly Rates
Parking Meter Revenue Collectors	\$13.34 - \$16.01	\$14.50 - \$21.80	\$1.16 - \$8.33
Coin Room Operators	\$13.68 - \$16.84	\$14.50 - \$21.80	\$4.96 - \$7.98
Collection Leads (Foreperson)	\$15.88 - \$18.48	\$25.07	\$6.59 - \$9.19
Additional Benefits			
- Employer Health Contribution			\$2.88
- 401(k) & Pension Contributions			2.44
- Paid Time Off			0.81 - 2.80
- Holidays, Hospital, Parking & Uniforms			0.80 - 0.99
Total Additional Benefits			\$6.93 - \$9.11

As noted above, SFMTA's actual average annual costs for this Serco agreement were \$3,802,808 between FY 2012-13 and FY 2015-16. Based on the increases reflected in the Table above, SFMTA estimates that the proposed ordinance would result in an increased cost of approximately \$715,000 in FY 2016-17. Based on the average annual expenditures of approximately \$3,802,808 per year, this represents a SFMTA cost increase of 18.8 percent.

In addition, based on projected future hourly wage and benefit increases, SFMTA estimates the proposed ordinance would result in an increase of approximately \$913,000 for each extension year of the Serco agreement, an increase of 24 percent more than current average annual cost to SFMTA.

According to Ms. Lorraine Fuqua, SFMTA Contract Administrator, the SFMTA has not included additional revenues in its FY 2016-17 budget to cover these additional costs. However, Ms. Fuqua advises that the anticipated annual debit/credit card processing fees of \$1.28 million and wireless communication fees of \$1.89 million originally anticipated to be included in the Serco contract are no longer necessary as these costs were transferred to other merchants and agreements, after SFMTA's acquisition of new smart parking meters.

POLICY CONSIDERATION

On December 8, 2015, the Board of Supervisors approved an ordinance authorizing the SFMTA to include in its next contract for SFMTA's paratransit brokerage services to pay prevailing wages and provide transitional employment and retention provisions (File 15-1003). The SFMTA paratransit broker contract expires on June 30, 2016. SFMTA estimates that this recently approved ordinance related to paratransit broker contract services will result in \$564,414 increased costs to the SFMTA in FY 2016-17 and \$960,841 increased costs in FY 2017-18. This

recently approved ordinance relating to SFMTA's paratransit brokerage services is similar to the proposed ordinance related to SFMTA's contracted parking meter related services.

However, under the proposed ordinance, the SFMTA would amend the existing contract with Serco to include these provisions, although this is not required by the existing Serco contract. Approval of both the prior paratransit brokerage services and the proposed parking meter related services results in significant increased annual costs to the SFMTA. In addition by requiring prevailing wages and transitional employment and retention of prior contractor's employees, the City is reducing the likelihood that there would be other competitive bidders in the future. By limiting the number of bidders, City costs may further increase.

RECOMMENDATION

Approval of the proposed ordinance is a policy decision for the Board of Supervisors.

**Wages for SF Parking Meter Revenue Counting and Collections Individuals
Covered by Teamsters Local 665.**

Parking Meter Revenue Collectors	Average Current Rate per Hour	Rate First Sunday following 7/1/2016
1 - 6 months	\$13.34	\$14.50
7 - 12 months	\$13.34	\$15.00
13 - 18 months	\$13.47	\$16.50
18+ months	\$14.88	\$21.80

Coin Room Operators	Average Current Rate per Hour	Rate First Sunday Following 7/1/2016
1 - 6 months	\$13.68	\$14.50
7 - 12 months	\$13.68	\$15.00
13 - 18 months	\$13.68	\$16.50
18+ months	\$15.18	\$21.80

Crew Leaders (Foreperson)	Average Current Rate per Hour	Rate First Sunday following 7/1/2016
All Crew Leaders	\$17.14	25.07

Paid Time-Off Days - All Employees

Employment length	July 1, 2016
< 1 year	9
1 year +	14
2 years +	19
5 years +	24
12 years +	29
20 years +	34
25 years +	39

Holidays	July 1, 2016
Serco provided	10
required additional per CBA	2

Employer Monthly Health Insurance Contribution	Current amount	Beginning January 1, 2017
All Employees	\$532.43	\$990.00

WAGE AND BENEFIT DETAIL

This chart is a summary of the hourly wage rates that will be effective July 1, 2016, and benefits that will be effective January 1, 2017 required by the Collective Bargaining Agreements between Serco Inc., the operations provider for Collection and Counting of San Francisco Parking Meters Revenue and Teamsters Local # 665, Parking Operators.

	Basic Hourly Rate	Health and Welfare	401 K Contrib	Paid Time Off (Includes Sick Leave Accrual)	Holidays	Hospital Leave	Parking	Uniforms	Pension Plan	Wage and Benefit Hourly Rate Estimate	1.5 X	2x
Category	EMPLOYER PAYMENTS	STRAIGHT-TIME	OVERTIME									
Meter Collector & Coin Room Operator 1 - 6 months.	\$ 14.50	\$ -	\$ 0.250	\$ 0.502	\$ 0.446	\$ -	\$ 0.075	\$ 0.427	\$ 2.190	\$ 18.39	\$ 21.75	\$ 29.00
Meter Collector & Coin Room Operator 7 - 12 months	\$ 15.00	\$ 5.712	\$ 0.250	\$ 0.519	\$ 0.462	\$ -	\$ 0.075	\$ 0.427	\$ 2.190	\$ 24.63	\$ 22.50	\$ 30.00
Meter Collector & Coin Room Operator 13 - 18 months	\$ 16.50	\$ 5.712	\$ 0.250	\$ 0.888	\$ 0.762	\$ 0.190	\$ 0.075	\$ 0.427	\$ 2.190	\$ 26.99	\$ 24.75	\$ 33.00
Meter Collector & Coin Room Operator 18 - 24 months	\$ 21.80	\$ 5.712	\$ 0.250	\$ 1.174	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 32.89	\$ 32.70	\$ 43.60
Meter Collector & Coin Room Operator 24 months +	\$ 21.80	\$ 5.712	\$ 0.250	\$ 1.593	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 33.30	\$ 32.70	\$ 43.60

	Basic Hourly Rate	Health and Welfare	401 K Contrib.	Paid Time Off (Includes Sick Leave Accrual)	Holidays	Hospital Leave	Parking	Uniforms	Pension Plan	Wage and Benefit Hourly Rate Estimate	1.5 X	2x
Meter Collector & Coin Room Operator 5 years +	\$ 21.80	\$ 5.712	\$ 0.250	\$ 2.012	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 33.72	\$ 32.70	\$ 43.60
Meter Collector & Coin Room Operator 12 years +	\$ 21.80	\$ 5.712	\$ 0.250	\$ 2.432	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 34.14	\$ 32.70	\$ 43.60
Meter Collector & Coin Room Operator 20 years +	\$ 21.80	\$ 5.712	\$ 0.250	\$ 2.851	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 34.56	\$ 32.70	\$ 43.60
Meter Collector & Coin Room Operator 25 years +	\$ 21.80	\$ 5.712	\$ 0.250	\$ 3.270	\$ 1.006	\$ 0.252	\$ 0.075	\$ 0.427	\$ 2.190	\$ 34.98	\$ 32.70	\$ 43.60
Crew Lead/Foreperson < 6 months	\$ 25.07	\$ -	\$ 0.250	\$ 0.868	\$ 1.157	\$ -	\$ 0.075	\$ 0.427	\$ 2.190	\$ 30.04	\$ 37.61	\$ 50.14
Crew Lead/Foreperson 1 year +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 1.350	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 36.52	\$ 37.61	\$ 50.14
Crew Lead/Foreperson 2 years +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 1.832	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 37.00	\$ 37.61	\$ 50.14
Crew Lead/Foreperson 5 years +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 2.314	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 37.48	\$ 37.61	\$ 50.14

	Basic Hourly Rate	Health and Welfare	401 K Contrib.	Paid Time Off (Includes Sick Leave Accrual)	Holidays	Hospital Leave	Parking	Uniforms	Pension Plan	Wage and Benefit Hourly Rate Estimate	1.5 X	2x
Crew Lead/Foreperson 12 years +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 2.796	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 37.97	\$ 37.61	\$ 50.14
Crew Lead/Foreperson 20 years +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 3.278	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 38.45	\$ 37.61	\$ 50.14
Crew Lead/Foreperson 25 years +	\$ 25.07	\$ 5.712	\$ 0.250	\$ 3.761	\$ 1.157	\$ 0.289	\$ 0.075	\$ 0.427	\$ 2.190	\$ 38.93	\$ 37.61	\$ 50.14

All Benefits listed below will be implemented beginning January 1, 2017.

- A. Paid Time Off amounts reflect the hourly value based upon the number of hours/days provided per the CBAs. The CBAs include periodic increases in the number of days paid as time off through the remaining term. See the Paid Time Off sections of the individual CBAs for details. Paid Time Off is not paid as additional hourly wages, and varies from 12 days annually up to 39 days annually at the end of the CBA term for employees of designated seniority.
- B. The Holidays amounts reflect the hourly value of the paid holiday provisions. The CBAs include periodic increases in the annual holiday allotment through the remainder of its term. See the Holiday sections of the individual CBAs. Holiday pay is not added to hourly wages. Serco currently pays 10 holidays. Under the CBA, 8 holidays will be paid in the first year of employment; 12 holidays annually starting year 2 and thereafter.
- C. Hospital Leave - Each full-time employee with one or more years of seniority shall receive three (3) days of Hospital Leave Pay each year. Hospital Leave Pay is to be used prior to the sick pay.
- D. Full time shifts are two consecutive shifts of 4 hours equaling 8 hours total per day at the discretion of the Employer and overtime is based upon working over 8 hours daily. Double-time is paid for hours worked over 12 in any given day.
- E. The Health and Welfare amounts listed is the maximum hourly value of the employer contribution specified in the CBAs for the effective date. The CBAs include increased employer contribution through the remainder of the agreements. This is paid directly toward benefits and is not paid as additional wages. For those not electing benefits a monthly contribution, a contribution, per the Healthy San Francisco provisions, is made. See appropriate Health and Benefit sections of the individual CBAs for details. New employees shall not be eligible for medical benefits during the first 6 months.
- F. The 401 K contribution reflects the hourly value of the employer contribution to the Supplemental Income 401(k) Trust Fund for each straight-time hour worked. The employer contribution is \$0.25 per hour after 4th month of employment or thereafter. No contributions will be made during first 3 months of employment. The amount of actual contribution will fluctuate based on number of hours worked. The contribution is not paid as additional wages. See 401 K Section of the individual CBAs for details.
- G. Parking - CBA allows for \$74 per month per employee for parking:
- H. Uniforms - CBA allows for \$3 per week per employee for uniform stipend to defray cleaning costs.
- I. Pension Plan - Per CBA, the Employer shall pay into the Western Conference of Teamsters Pension Trust Fund, on account of each employee performing bargaining unit work, the sums as specified below, per hour, for each straight-time hour worked for such Employer, with a maximum of 2080 hours per calendar year. The total contributions including PEER 80 to the Western Conference of Teamsters Pension Trust shall be \$2.19 per hour (\$1.88/hour Basic Contribution Rate plus \$0.31 PEER rate.)

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 16-063

WHEREAS, In 2012, the City approved Contract No. 2011-12-08 with Serco, Inc. (Serco), for parking meter coin collection, counting, and support services, in an amount not to exceed \$46,410,974, and for a term of five years, with the option to extend the agreement for up to four years (the Contract); and,

WHEREAS, In early 2016, Serco and Teamsters Local 665 successfully negotiated a collective bargaining agreement (CBA) that establishes increased wages and benefits for certain employees of Serco working on the Contract (meter collectors, coin room operators, crew leads, and foreperson positions); the CBA benefits include a progressive pay scale, with salary increases, additional paid time off, and increases to the employer contribution for health care; and,

WHEREAS, The Contract does not require that the City pay any increases resulting from negotiated wages and benefits under the CBA; and,

WHEREAS, Serco will honor the proposed CBA only with the assurance that the SFMTA will cover the increased costs resulting from the CBA; and,

WHEREAS, The SFMTA seeks to amend the agreement to in order to ensure that wage and benefits under the proposed CBA will be honored by the contractor; and,

WHEREAS, In addition, the SFMTA has drafted an uncodified ordinance for consideration by the Board of Supervisors approve, which will authorize the SFMTA to carry forward to future procurements for coin collection, counting and support services the requirement to pay prevailing wages based on the CBA and retain the current personnel performing such services for at least six months after contract award; and,

WHEREAS, The cost of implementing the CBA will be approximately \$715,000 for the remainder of the base term of the Agreement and average of approximately \$915,000 for each extension year of the agreement, which includes a 16.52% Contractor overhead rate; and,

WHEREAS, Failure to amend the Contract could result in a loss of staff providing services under the Contract, and a lack of experienced employees available for hire due to wage rates that may not be comparable to rates proposed; and,


WHEREAS, Establishing the ordinance ensures that any future contractors will be obligated to continue the terms of the CBA; and,

WHEREAS, On April 7, 2016, the SFMTA, under authority delegated by the Planning Department, determined that amending the Contract and approving the prevailing wage ordinance are not "projects" pursuant to CEQA as defined in CEQA Guidelines Sections 15060(c) and 15378(b) because the actions would not result in a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation or his designee to execute the Second Amendment to SFMTA Contract No.2011-12-08 with Serco, Inc., for parking meter coin counting, collection, and support services, to implement collective bargaining agreement (CBA) wage increases of approximately \$715,000 for the remainder of the base term of the Agreement and average of approximately \$915,000 for each extension year of the agreement, effective July 1, 2016, and benefits, effective January 1, 2017 for meter collector, coin room operator, crew lead, and foreperson positions with no increase in the total contract amount; and, be it

FURTHER RESOLVED, That the SFMTA Board of Directors urges the Board of Supervisors to approve an uncodified ordinance authorizing the SFMTA to establish prevailing wage requirements in future procurements based on the CBA, and establish transitional employment and retention requirements, for existing employees performing such services.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 17, 2016.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Ed Reiskin, Executive Director, Municipal Transportation Agency
Jaci Fong, Director, Office of Contract Administration

FROM: Linda Wong, Assistant Clerk, Budget and Finance Sub-Committee

DATE: June 1, 2016

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Budget and Finance Sub-Committee has received the following proposed legislation, introduced by Supervisor Wiener:

File No. 160593

Ordinance authorizing the Municipal Transportation Agency to include, in any contract for parking meter coin collections, counting, and support services it executes after issuing a competitive solicitation, provisions that require the contractor and subcontractors to pay prevailing wages to meter collector, coin room operator, crew lead, and foreperson positions, and to provide transitional employment and retention to the prior contractor's employees performing such services, subject to compliance with all applicable state laws and regulations; and making findings as to the applicable prevailing wage rates for the positions covered by this ordinance.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Janet Martinsen, Municipal Transportation Agency
Kate Breen, Municipal Transportation Agency
Dillon Auyoung, Municipal Transportation Agency
Roberta Boomer, Municipal Transportation Agency
Cameron Langner, Office of Contract Administration
Kofo Domingo, Office of Contract Administration

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

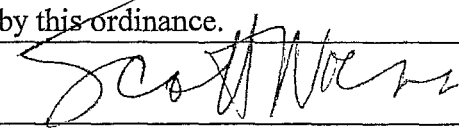
Wiener

Subject:

Prevailing Wage Requirements - Parking Meter Coin Collections and Counting

The text is listed below or attached:

Ordinance authorizing the Municipal Transportation Agency to include, in any contract for parking meter coin collections, counting, and support services it executes after issuing a competitive solicitation, provisions that require the contractor and subcontractors to pay prevailing wages to meter collector, coin room operator, crew lead, and foreperson positions, and to provide transitional employment and retention to the prior contractor's employees performing such services, subject to compliance with all applicable state laws and regulations; and making findings on the applicable prevailing wage rates for the positions covered by this ordinance.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

