



**CITY AND COUNTY OF SAN FRANCISCO**  
**OFFICE OF THE CONTROLLER**

**Ben Rosenfield**  
**Controller**  
**Todd Rydstrom**  
**Deputy Controller**

May 17, 2017

Naomi Kelly, Director  
General Services Agency – City Administrator  
City Hall, Room 362  
San Francisco, CA 94102-4683

Attention: Jennifer Johnston, Deputy City Administrator

RE: Contracting for Fleet Security–FY 2017-18

The cost information and supplemental data provided by your office on the proposed contract for convention facilities management 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 Year 2017-18 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 Theresa Kao at 415-554-5253 if you have any questions regarding this determination.

Sincerely,



Ben Rosenfield,  
Controller

Enclosures

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

GSA / City Administrator  
 Internal Services / Central Shops  
 Security guard Services (Unarmed)  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)  
 FISCAL YEAR 2017-18

**ESTIMATED CITY COSTS:**

**PROJECTED PERSONNEL COSTS**

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Building & Grounds Patrol Officer	8207	3.0	\$ 2,178	\$ 2,648	\$ 170,573	\$ 207,349
Holiday Pay					\$ 3,594	\$ 4,369
Premium Pay					\$ 10,790	\$ 13,116
Total Salary Costs		3.0			\$ 184,957	\$ 224,834

**FRINGE BENEFITS**

Fringe Benefits per FTE	\$ 32,931		
Total Fringe Benefits (3)		\$ 89,110	\$ 98,793

**ESTIMATED CAPITAL & OPERATING COSTS**

Uniforms		\$ 1,500	\$ 1,500
Total Capital & Operating		\$ 1,500	\$ 1,500

**COST COMPARISON SUMMARY**

ESTIMATED TOTAL CITY COST	\$ 275,567	\$ 325,127
LESS: ESTIMATED TOTAL CONTRACT COST (4) (5)	\$ (143,368)	\$ (144,518)
<b>ESTIMATED SAVINGS</b>	<b>\$ 132,199</b>	<b>\$ 180,609</b>
	% of Savings to City Cost	48% 56%

Comments/Assumptions:

1. These services have been contracted out since 1983.
2. Salaries and fringe for City employees reflect salary and fringe rates effective July 1, 2017 to June 30, 2018.
3. Fringe benefits includes variable benefits (employer retirement, Social Security, Medicare, unemployment and long-term disability, where applicable) and fixed benefits (health and dental).
4. The estimated City cost does not include materials and supplies other than uniforms; if included these costs would increase the estimated savings to the City.
5. Contract cost estimates include 0.05 FTE for contract monitoring.