



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

April 30, 2018

Eric Sandler, Chief Financial Officer
San Francisco Public Utilities Commission
525 Golden Gate Avenue
San Francisco, CA 94102

Attn: Carlos Jacobo, Budget Director, San Francisco Public Utilities Commission

RE: Contracting for Wastewater Enterprise Security 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,

A handwritten signature in black ink, appearing to read "B. Rosenfield". The signature is written in a cursive style and is positioned above the printed name of the Controller.

Ben Rosenfield,
Controller

Enclosures

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

PUBLIC UTILITIES COMMISSION

Wastewater Enterprise

Security 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
Security Guard (SEP)	8202	6.0	\$ 1,846	\$ 2,235	\$ 289,046	\$ 349,961
Security Guard - As-Needed (SEP)	8202	0.5	1,846	2,235	24,087	29,163
Security Guard (SECF)	8202	3.0	1,846	2,235	144,523	174,980
Security Guard - As-Needed (SECF)	8202	0.5	1,846	2,235	24,087	29,163
Security Guard - Saturday (SECF)	8202	0.2	1,846	2,235	9,635	11,665
Administrator/Manager	0931	0.1	4,638	\$ 5,898	12,105	15,393
Holiday Pay					15,592	18,878
Night / Shift Differential					13,908	16,840
Total FTE		10.3				
Total Salary Costs--->					\$ 503,484	\$ 610,326
Total of Other Compensation--->					\$ 29,500	\$ 35,717

FRINGE BENEFITS

	Amount		
Benefits per FTE (Job Class 8202)	32,535		
Benefits per FTE (Job Class 0931)	60,019		
Total Fringe Benefits		Low	High
		\$ 307,236	\$ 337,856

ADDITIONAL CITY COSTS

Two-way radios (1 per shift/location)-Two (2) needed	5,004	5,004
Uniforms (2500/year per person) - Twelve (12) needed	9,600	9,600
Total Capital & Operating	14,604	14,604

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	854,824	998,504
LESS: ESTIMATED TOTAL CONTRACT COST	542,542	546,641
ESTIMATED SAVINGS	312,281	451,863
% of Savings to City Cost	37%	45%

Comments/Assumptions:

1. FY2012 was the first year these services 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 disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

PUBLIC UTILITIES COMMISSION

Wastewater Enterprise

Security 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
Security Guard (SEP)	8202	6.0	\$ 1,846	\$ 2,243	\$ 289,046	\$ 351,307
Security Guard - As-Needed (SEP)	8202	0.5	1,846	2,243	24,087	29,276
Security Guard (SECF)	8202	3.0	1,846	2,243	144,523	175,654
Security Guard - As-Needed (SECF)	8202	0.5	1,846	2,243	24,087	29,276
Security Guard - Saturday (SECF)	8202	0.2	1,846	2,243	9,635	11,710
Administrator/Manager	0931	0.1	4,638	5,920	12,105	15,452
Holiday Pay					15,976	19,441
Night / Shift Differential					14,251	17,342
Total FTE		10.3				
Total Salary Costs-->					\$ 503,484	\$ 612,674
Total of Other Compensation-->					\$ 30,227	\$ 36,782

FRINGE BENEFITS

	Amount	Low	High
Benefits per FTE (Job Class 8202)	33,587		
Benefits per FTE (Job Class 0931)	61,793		
Total Fringe Benefits		\$ 316,323	\$ 348,765

ADDITIONAL CITY COSTS

Two-way radios (1 per shift/location)-Two (2) needed	5,004	5,004
Uniforms (800/year per person) - Twelve (12) needed	9,600	9,600
Total Capital & Operating	14,604	14,604

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	864,637	1,012,825
LESS: ESTIMATED TOTAL CONTRACT COST	542,690	546,819
ESTIMATED SAVINGS	321,947	466,007
% of Savings to City Cost	37%	46%

Comments/Assumptions:

1. FY2012 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 disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.