

File No. 100733

Committee Item No. 9

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 6/17/10

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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OTHER

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Completed by: Gail Johnson

Date 6/11/10

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Proposition J Contract/Certification of Specified Contracted-Out Services for Department of
2 Juvenile Probation]

3 **Resolution concurring with the Controller's certification that services can be performed**
4 **by private contractor for a lower cost than similar work performed by City and County**
5 **employees for food service in Juvenile Hall for the Department of Juvenile Probation.**

6
7 WHEREAS, The Electorate of the City and County of San Francisco passed
8 Proposition J in November 1976, allowing City and County Departments to contract with
9 private companies for specific services which can be performed for a lower cost than similar
10 work by City and County employees (Charter Section 10.104.15); and,

11 WHEREAS, The Controller has determined that the award of a contract for the services
12 listed below to a private contractor will achieve substantial cost savings for the City; and,

13 WHEREAS, The City and County of San Francisco must reconcile a projected \$483
14 million budget deficit for Fiscal Year 2010-2011 with a Charter obligation to enact a balanced
15 budget each fiscal year; and,

16 WHEREAS, The Mayor has determined that the state of the City's budget for Fiscal
17 Year 2010-2011 as indicated herein has created an emergency situation justifying a
18 Purchaser's award of a contract for food service in Juvenile Hall for the Department of
19 Juvenile Probation; and,

20 WHEREAS, The Controller's certification, which confirms that said services can be
21 performed at lower costs to the City and County by private contractor than by employees of
22 the City and County, is on file with the Clerk of the Board of Supervisors in File
23 No. 100733, which is hereby declared to be part of this resolution as if set forth
24 fully herein; now, therefore be it

1 RESOLVED, That the Board of Supervisors hereby concurs with the Controller's
2 certification, and the Mayor's determination of an emergency situation, and approves the
3 Proposition J Resolution concerning the Purchaser's award of a contract to a private
4 contractor for the services listed below for the period of July 1, 2010 through June 30, 2011.

Department/Function	City Cost (High)	Contract Cost (High)	SAVINGS	FTEs
Juvenile Probation (JUV)				
Food Service – Juvenile Hall	\$936,329	\$537,107	\$399,222	7.0



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 14, 2010

William Siffermann, Chief Probation Officer
Juvenile Probation Department
375 Woodside Avenue
San Francisco, CA 94127

Attention: Sue Wong, Director of Finance

RE: Contracting for Food Service for Juvenile Hall Detainees - FY 2010-11

Dear Mr. Siffermann:

The cost information and supplemental data provided by your office on the proposed contract for food service for Juvenile Hall detainees 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 2010-11 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2010-11 budgetary approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is the department's intention to enter into a multiple year contract, you should note that this Charter section requires annual determination by the Controller and resolution by the Board of Supervisors.

Please contact Nadia Feeser at 415-554-5247 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations
Greg Wagner, Mayor's Budget Director



**City and County of San Francisco
Juvenile Probation Department**

William P. Siffermann
Chief Probation Officer

375 Woodside Avenue
San Francisco, CA 94127
(415) 753-7800

CHARTER 10.104.15 – PROPOSITION J QUESTIONNAIRE

**Contract Services: Food Services for Juvenile Hall Detainees
Annual Analysis: July 1, 2010 – June 30, 2011**

1. Who performed the activity/service prior to contracting out?
City employees, Cooks and Food Service Workers, currently provide this service.
2. How many city employees were laid off as a result of contracting out?
Seven (7)
3. Explain the disposition of employees if they were not laid off.
N/A.
4. What percent of City employees' time is spent of services to be contracted out?
100%
5. How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?
This is the first budget request for approval to contract out this service.
6. What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?
Not applicable.
7. How will the services meet the goals of your LBE Action Plan?
The Department will plan to include LBE goals, if possible, into the Request for Proposal Solicitation and will work closely with the Human Rights Commission to identify opportunities to maximize LBE participation.
8. Does the proposed contractor provide health insurance for its employees?
The Department will plan to include health insurance for its employees as a requirement in the Request for Proposal as well as compliance with other city ordinances.

**JUVENILE PROBATION DEPARTMENT
 FOOD SERVICE FOR JUVENILE HALL DETAINEES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES ^{(1) (2)}
 FISCAL YEAR 2010-11**

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS	Class	Positions	Bi-Weekly Rate		Total Annual Salary Cost	
			Low	High	Low	High
Cooks	2654	4.0	1,750	2,127	\$ 182,723	\$ 222,056
Food Service Workers	2604	3.0	1,311	1,589	102,688	124,421
Total Salary Costs		7.0			\$ 285,412	\$ 346,477
FRINGE BENEFITS						
Variable Fringes ⁽³⁾					\$ 84,339	\$ 102,384
Fixed Fringes ⁽⁴⁾					82,468	82,468
					\$ 166,807	\$ 184,852
ESTIMATED EQUIPMENT & OPERATING COSTS ⁽⁵⁾						
Food Purchases					\$ 300,000	\$ 400,000
Facilities Maintenance/Equipment					1,000	5,000
Total Capital & Operating					\$ 301,000	\$ 405,000
ESTIMATED TOTAL CITY COST					\$ 753,219	\$ 936,329
LESS: ESTIMATED TOTAL CONTRACT COST ⁽⁶⁾					\$ (386,763)	\$ (537,107)
ESTIMATED SAVINGS					\$ 366,456	\$ 399,222
% of Savings to City Cost					49%	43%

Comments/Assumptions:

1. FY 2010-11 would be the first year these services are contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2010. Costs are represented as annual 12 month costs.
3. Operating costs include kitchen equipment replacement and repairs. 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.
5. Operating costs include kitchen equipment replacement and repairs.
6. The Estimated Contract Cost for annual service is based upon 2 vendor quotes solicited by the department. The low quote is based on a \$3.00 cost per meal for 115 youth and the high quote is \$4.00 per meal for 120 youth.

