



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

March 25, 2016

Ed Reiskin, Director of Transportation
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94102-4645

Attn: Sonali Bose, Chief Financial Officer, Municipal Transportation Agency

RE: Contracting for SFMTA Parking Meter Payment Collection Services – FY 2016-17 and FY 2017-18

The cost information and supplemental data provided by your office on the proposed contract referenced above have been reviewed by my staff.

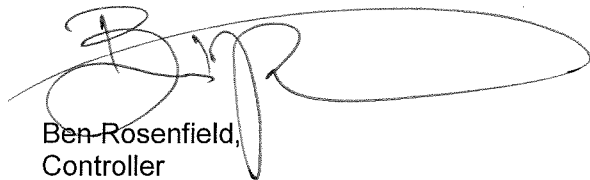
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 2016-17 and 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

SFMTA - Finance & Information Technology
 Parking Meter Coin Collection, Counting and Date Management Services
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2016-17

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Salary Cost (3)	Benefit Cost (4) (5)	Total Cost High	Total Cost Low
Collections						
Manager IV, SFMTA	9174	0.3	145,736	54,504	\$ 50,060	\$ 42,551
Manager III, SFMTA	9177	1.0	135,226	52,458	\$ 187,685	\$ 159,532
Analyst	1824	1.0	125,633	46,100	\$ 171,733	\$ 145,973
Transit Revenue Supervisor	9118	4.0	101,110	40,411	\$ 566,083	\$ 481,170
Principal Fare Collections Receiver	9117	2.0	97,229	39,381	\$ 273,221	\$ 232,237
Senior Fare Collections Receiver	9116	10.0	77,288	34,088	\$ 1,113,761	\$ 946,696
Fare Collections Receiver	9110	13.0	66,778	31,299	\$ 1,275,000	\$ 1,083,750
Counting						
Senior Fare Collections Receiver	9116	1.0	77,288	34,088	\$ 111,376	\$ 94,670
Fare Collections Receiver	9110	3.0	66,778	31,299	\$ 294,231	\$ 250,096
Holiday Pay (if applicable) (6)					\$ 96,964	\$ 82,419
Night / Shift Differential (if applicable) (7)					\$ 86,828	\$ 73,804
Overtime Pay (if applicable)					\$ -	\$ -
Total Personnel Costs		35.3			\$ 4,226,941	\$ 3,592,900

ADDITIONAL CITY COSTS (if applicable) (8)

Rent	86,520	86,520
Utilities	24,720	24,720
Uniform	41,200	41,200
Vehicles	108,000	108,000
Radios	18,540	18,540
Gas	34,608	34,608
Total Capital & Operating	313,588	313,588

ESTIMATED TOTAL CITY COST

4,540,529 3,906,488

LESS: ESTIMATED TOTAL CONTRACT COST

(3,108,539) (3,102,099)

ESTIMATED SAVINGS

\$ 1,431,990 \$ 804,388

% of Savings to City Cost

32% 21%

Comments/Assumptions:

- (1) Position salaries and fringe costs, plus non-labor costs if performed inhouse.
- (2) FY 1978 was the first year these services were contracted out. Contract costs are based on FY16 contract plus contract
- (3) Salary rates are per DHR website on June 30, 2016 with 3.25% salary increase in FY17 per MOUs.
- (4) Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long term disability, when applicable.
- (5) Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- (6) Holiday pay calculated at time and half for 11 holidays for 50% of the Fare collections staff.
- (7) Premium pay calculated at 8.5% of salary at 1/3 of Fare Collection staff qualifying.
- (8) Additional City Costs
 - Rent \$12,000/month with 3% CPI
 - Utilities \$2,000/month with 3% CPI
 - Uniform \$800/staff for 50 staff with 3% CPI
 - Vehicles \$12 vehicles at \$45,000 /5 years
 - Radios
 - Gas

SFMTA - Finance & Information Technology
 Parking Meter Coin Collection, Counting and Date Management Services
 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	Salary Cost (3)	Benefit Cost (4) (5)	Total Cost High	Total Cost Low
Collections						
Manager IV, SFMTA	9174	0.3	148,865	59,786	\$ 52,163	\$ 44,338
Manager III, SFMTA	9177	1.0	138,130	57,427	\$ 195,557	\$ 166,223
Analyst	1824	1.0	128,330	50,546	\$ 178,876	\$ 152,045
Transit Revenue Supervisor	9118	4.0	103,281	44,256	\$ 590,146	\$ 501,624
Principal Fare Collections Receiver	9117	2.0	99,317	43,104	\$ 284,842	\$ 242,116
Senior Fare Collections Receiver	9116	10.0	78,947	37,187	\$ 1,161,344	\$ 987,143
Fare Collections Receiver	9110	13.0	68,212	34,069	\$ 1,329,648	\$ 1,130,201
Counting						
Senior Fare Collections Receiver	9116	1.0	78,947	37,187	\$ 116,134	\$ 98,714
Fare Collections Receiver	9110	3.0	68,212	34,069	\$ 306,842	\$ 260,816
Holiday Pay (if applicable) (6)					\$ 202,224	\$ 171,890
Night / Shift Differential (if applicable) (7)					\$ 90,542	\$ 76,961
Overtime Pay (if applicable)					\$ -	\$ -
Total Personnel Costs		35.3			\$ 4,508,318	\$ 3,832,070

ADDITIONAL CITY COSTS (if applicable) (8)

Rent	86,520	86,520
Utilites	24,720	24,720
Uniform	41,200	41,200
Vehicles	108,000	108,000
Radios	18,540	18,540
Gas	34,608	34,608
Total Capital & Operating	313,588	313,588

ESTIMATED TOTAL CITY COST

4,821,906 4,145,658

LESS: ESTIMATED TOTAL CONTRACT COST

(3,110,325) (3,103,617)

ESTIMATED SAVINGS

\$ 1,711,581 \$ 1,042,041

% of Savings to City Cost

35% 25%

Comments/Assumptions:

- (1) Position salaries and fringe costs, plus non-labor costs if performed inhouse.
- (2) FY 1978 was the first year these services were contracted out. Contract costs are based on FY16 contract plus contract
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