

File No. 100362

Committee Item No. 5

Board Item No. 3

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 5/19/10

Board of Supervisors Meeting

Date 5/25/10

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" 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 checked="" 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 |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

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Completed by: Gail Johnson

Date 5/14/10

Completed by: [Signature]

Date 5/20/10

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 Previously Approved
2 for Enterprise Departments]

3 **Resolution concurring with the Controller's certification that services previously**
4 **approved can be performed by private contractor for a lower cost than similar work**
5 **performed by City and County employees, for the following services: employee and**
6 **public parking management services, general security services, information booth**
7 **services, and shuttle bus services (Airport); paratransit services, comprehensive**
8 **facility security services, parking citation and collection system, meter coin counting**
9 **and collection services, towing contract services, and transit shelter maintenance**
10 **services (MTA); and janitorial services and security services (Port).**

11
12 WHEREAS, The Electorate of the City and County of San Francisco passed
13 Proposition J in November 1976, allowing City and County Departments to contract with
14 private companies for specific services which can be performed for a lower cost than similar
15 work by City and County employees (Charter Section 10.104.15); and,

16 WHEREAS, The services listed below have been previously approved outside
17 contracts; and,

18 WHEREAS, The Controller has determined that a Purchaser's award of a contract for
19 the services listed below to a private contractor will achieve substantial cost savings for the
20 City; and,

21 WHEREAS, The City and County of San Francisco must reconcile a projected \$483
22 million budget deficit for fiscal year 2010-2011 and a projected \$712 million budget deficit for
23 fiscal year 2011-2012 with a Charter obligation to enact a balanced budget each fiscal year;
24 and,

1 WHEREAS, The Mayor has determined that the state of the City's budget for fiscal
 2 year 2010-2011 and fiscal year 2011-2012 as indicated herein has created an emergency
 3 situation justifying a Purchaser's award of a contract for employee and public parking
 4 management services, information booth services, security services, and shuttle bus services
 5 (Airport); paratransit services, security services, parking citation and collection, meter
 6 collection and coin counting, towing services, and transit shelter maintenance services (MTA);
 7 janitorial and security services (Port) to a private contractor; and,

8 WHEREAS, The Controller's certification, which confirms that said services can be
 9 performed at lower costs to the City and County by private contractor than by employees of
 10 the City and County, is on file with the Clerk of the Board of Supervisors in File
 11 No. 100362, which is hereby declared to be part of this resolution as if set forth fully herein;
 12 now, therefore, be it

13 RESOLVED, That the Board of Supervisors hereby concurs with the Controller's
 14 certification and approves the Proposition J Resolution concerning the Purchaser's award of a
 15 contract to a private contractor for the services listed below for the period of July 1, 2010
 16 through June 30, 2011; and, be it

| Department/Function | City Cost (High) | Contract Cost (High) | SAVINGS | FTEs |
|-----------------------------|---------------------|-------------------------|-------------|-------|
| Airport (AIR) | | | | |
| Employee and Public Parking | | | | |
| Management Services | \$22,058,804 | \$17,762,875 | \$4,295,929 | 214.0 |
| General Security Services | \$1,001,548 | \$727,323 | \$274,225 | 13.0 |
| Information Booth Services | \$2,759,130 | \$1,578,034 | \$1,181,096 | 24.5 |
| Shuttle Bus Services | \$11,013,032 | \$8,510,478 | \$2,502,554 | 80.0 |

| 1 | | City Cost | Contract Cost | | |
|----|---------------------------------------|--------------|---------------|--------------|-------|
| 2 | Department/Function | (High) | (High) | SAVINGS | FTEs |
| 3 | Municipal Transportation Agency (MTA) | | | | |
| 4 | Paratransit Services | \$40,292,669 | \$20,715,689 | \$19,576,980 | 439.0 |
| 5 | Comprehensive Facility Security | | | | |
| 6 | Services | \$7,371,204 | \$4,726,130 | \$2,645,074 | 93.0 |
| 7 | Parking Citation and Collection | | | | |
| 8 | System | \$9,922,124 | \$8,032,304 | \$1,889,820 | 64.0 |
| 9 | Meter Coin Counting and Collection | | | | |
| 10 | Services | \$2,945,316 | \$2,156,916 | \$788,400 | 34.3 |
| 11 | Towing Contract Services | | | | |
| 12 | Transit Shelter Maintenance | \$19,533,166 | \$16,435,552 | \$3,097,614 | 148.0 |
| 13 | Services | \$911,631 | \$344,851 | \$566,780 | 9.0 |
| 14 | | | | | |
| 15 | Port (PRT) | | | | |
| 16 | Janitorial Services | \$566,026 | \$380,163 | \$185,863 | 7.0 |
| 17 | Security Services | \$1,266,755 | \$512,654 | \$754,101 | 14.0 |

18

19

20 FURTHER RESOLVED, That the Board of Supervisors hereby concurs with the

21 Controller's certification and approves the Proposition J Resolution concerning the

22 Purchaser's award of a contract to a private contractor for the services listed below for the

23 period of July 1, 2011 through June 30, 2012.

| 24 | | City Cost | Contract Cost | | |
|----|---------------------|-----------|---------------|---------|------|
| 25 | Department/Function | (High) | (High) | SAVINGS | FTEs |

| | City Cost | Contract Cost | | |
|--|--------------|---------------|--------------|-------|
| Department/Function | (High) | (High) | SAVINGS | FTEs |
| Airport (AIR) | | | | |
| Employee and Public Parking | | | | |
| Management Services | \$22,835,768 | \$17,771,266 | \$5,064,502 | 214.0 |
| General Security Services | \$1,040,646 | \$727,556 | \$313,090 | 13.0 |
| Information Booth Services | \$2,853,987 | \$2,016,127 | \$837,860 | 24.5 |
| Shuttle Bus Services | \$11,254,218 | \$8,511,019 | \$2,743,199 | 80.0 |
| Municipal Transportation Agency (MTA) | | | | |
| Paratransit Services | \$41,488,063 | \$20,717,659 | \$20,770,404 | 439.0 |
| Comprehensive Facility Security | | | | |
| Services | \$7,568,305 | \$4,726,529 | \$2,841,776 | 93.0 |
| Parking Citation and Collection | | | | |
| System | \$10,174,551 | \$8,034,618 | \$2,139,933 | 64.0 |
| Meter Coin Counting and Collection | | | | |
| Services | \$3,061,499 | \$2,166,171 | \$895,328 | 34.3 |
| Towing Contract Services | \$20,059,224 | \$16,436,122 | \$3,623,102 | 148.0 |
| Transit Shelter Maintenance | | | | |
| Services | \$937,691 | \$345,455 | \$592,236 | 9.0 |
| Port (PRT) | | | | |
| Janitorial Services | \$585,080 | \$381,245 | \$203,835 | 7.0 |
| Security Services | \$1,311,399 | \$513,736 | \$797,663 | 14.0 |



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Andrés Acevedo
Budget Manager
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

RE: Janitorial Services – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for Port janitorial services 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Aimée Fribourg at 415-554-6562 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

**PORT OF SAN FRANCISCO
 JANITORIAL SERVICES (1) (2)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2010-11**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|------------|---------|-------|-------------------|-------------------|
| Custodial Supervisor | 2718 | 1.0 | 1,903 | 2,314 | 49,674 | 60,397 |
| Custodians | 2708 | 5.0 | 1,572 | 1,923 | 205,120 | 250,952 |
| Porter | 2736 | 1.0 | 1,572 | 1,923 | 41,024 | 50,190 |
| Night Shift Differential | | | | | 12,424 | 15,185 |
| Total Salary Costs | | 7.0 | | | \$ 308,243 | \$ 376,723 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 87,414 | 106,835 |
| Fixed Fringes (4) | | | | | 82,468 | 82,468 |
| Total Fringe Benefits | | | | | \$ 169,882 | \$ 189,303 |
| ESTIMATED TOTAL CITY COST (5) | | | | | \$ 478,126 | \$ 566,026 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (376,133) | (380,163) |
| ESTIMATED SAVINGS | | | | | \$ 101,992 | \$ 185,863 |
| % of Savings to Estimated City Cost | | | | | 21% | 33% |

Comments/Assumptions:

1. These services have been contracted out since 1997.
2. The salary rates reflect salary levels effective July 1, 2010.
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, and dependent coverage.
5. Estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.20 FTE for contract monitoring.

PORT OF SAN FRANCISCO
 JANITORIAL SERVICES (1) (2)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2011-12

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|-------------------|-------------------|
| Custodial Supervisor | 2718 | 1.0 | 1,918 | 2,332 | 50,060 | 60,865 |
| Custodians | 2708 | 5.0 | 1,584 | 1,923 | 206,712 | 250,952 |
| Porter | 2736 | 1.0 | 1,584 | 1,923 | 41,342 | 50,190 |
| Night Shift Differential | | | | | 12,521 | 15,204 |
| Total Salary Costs | | 7.0 | | | \$ 310,635 | \$ 377,211 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 97,155 | 117,978 |
| Fixed Fringes (4) | | | | | 89,890 | 89,890 |
| Total Fringe Benefits | | | | | \$ 187,046 | \$ 207,868 |
| ESTIMATED TOTAL CITY COST (5) | | | | | \$ 497,681 | \$ 585,080 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (377,062) | (381,245) |
| ESTIMATED SAVINGS | | | | | \$ 120,619 | \$ 203,835 |
| % of Savings to Estimated City Cost | | | | | 24% | 35% |

Comments/Assumptions:

1. These services have been contracted out since 1997.
2. The salary rates reflect salary levels effective July 1, 2011.
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, and dependent coverage.
5. Estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would even further increase the estimated savings to CCSF, as the external contract includes these costs.
6. The estimated contract cost for annual service is based upon the contract and includes 0.20 FTE for contract monitoring.

PORT OF SAN FRANCISCO

Real Estate Division

Fiscal Year 10-11 & 11-12 Proposition "J" Certification Report (Per Administrative Code Section 2.15)

SUMMARY OF CONTRACT ESSENTIALS

NATURE OF SERVICES: Janitorial Services Contract #: 83637

CURRENT CONTRACTORS: 1) WWC Window Cleaning
2) First Building Maintenance

CONTRACT TERM: November 1, 2005 – April 30, 2010

CONTRACT EXTENSION: All or in part, for a period or periods up to one year by mutual agreement in writing. Maximum contract period shall not be more than 10 years.

The Port operates as an enterprise fund, generating much of its revenue from leases. These facility leases usually require the Port to provide custodial maintenance services. The current contract includes janitorial services for the following facilities:

| Area | Description | Monthly Base Amount | Annual Base Amount |
|------|--|---------------------|--------------------|
| I | Agriculture Building | \$2,420 | \$29,040 |
| II | Roundhouse Plaza | \$1,936 | \$23,232 |
| | <ul style="list-style-type: none"> • Roundhouse One • Roundhouse Two • Sandhouse | | |
| III | Northern Waterfront Pier Sheds and Bulkhead Offices | \$7,090 | \$85,080 |
| | <ul style="list-style-type: none"> • Pier I • Pier 27 Shed • Pier 27 Administration Building/Annex • Pier 29 • Pier 33 • Pier 33 ½ • Pier 35 Bulkhead • Pier 19 Restroom • Pier 23 Restroom | | |
| | Bulkhead Offices, Sheds & Northern Waterfront Pier | \$1,064 | \$12,768 |
| VII | Fisherman's Wharf Port Harbor Office | \$750 | \$ 9,000 |
| IV | 401 Terry Francois | \$2,365 | \$28,380 |
| V | Southern Waterfront Office Building | \$2,908 | \$34,896 |
| | <ul style="list-style-type: none"> • 501 Cesar Chavez • Pier 70, Bldg. II • Pier 96, Administration Building | | |
| VI | Southern Waterfront Pier Sheds | \$5,609 | \$67,308 |
| | <ul style="list-style-type: none"> • Pier 26 • Pier 28 • Pier 50, Shed A • Pier 50, Shed B | | |

| | | | |
|--------------|------------|----------|-----------|
| | • Piers 54 | \$24,142 | \$289,704 |
| TOTAL | | | |

Full service buildings are cleaned between 5:00 p.m. and midnight. Other sites are cleaned between 6:00 a.m. and 5:00 p.m.; five (5) days per week servicing. The contractor is responsible for providing all cleaning materials, janitorial supplies (including expendable supplies), equipment and uniforms for all janitorial employees. Many service locations do not have janitorial closets. As such, the contractor is required to have appropriate vehicles to carry supplies and equipment.

Although the contract has an Indefinite Quantity Amount as its dollar value, per the base award and sampling of past invoices, including as needed services, the annual budgeted amounts are estimated as follows:

| <u>Area</u> | <u>Contractor</u> | <u>Contract Amount (Annual)</u> |
|-------------------------------|---|---------------------------------|
| Southern Waterfront | WWC Window Cleaning (Areas IV, V, VI) | \$161,000 |
| Northern Waterfront | First Building Maintenance (Areas I, II, III, VII) | 194,000 |
| Total Annual Base Cost | | \$355,000 |

The Port may require additional services as needed for special events or activities that can not be anticipated.

1. Department's basis for proposing the Prop J certification.

Port janitorial services have always been contracted out. At the request of the Human Rights Commission (HRC), this previously single contract has been awarded to two HRC certified San Francisco Disadvantage Business Enterprise (DBE) firms, with additional DBE participation at the subcontracting level. The two separate contracts were awarded based upon the geographic location of facilities to be serviced. Essentially the Port was divided by the Southern Waterfront and the Northern Waterfront. The Port is seeking approval as required annually under Proposition "J" to continue contracting out these services.

2. The contract's impact on the provision of services covered by the contract.

In June of 2002, the current contract was modified to incorporate prevailing wage rate requirements, as well as Health Care Benefits for Covered Employees. As illustrated in the attached Prop J Submission Cover Sheet, the Contract cost is \$355,000. This contracted cost compares to an estimate ranging from a low of \$466,689 to a high of \$549,532 if City employees were to provide this service. This comparison illustrates cost savings to the City (Port Enterprise Fund) from a low of \$111,689 to a high of \$194,532 by contracting out these janitorial services.

Contracting out these services is the most efficient and cost effective means of meeting the Port's lease requirement to provide custodial services for its leased facilities.

3. Department's proposed or, for contract renewals, current oversight and reporting for the services covered by the contract.

The City's Department of Contract Administration (OCA) manages the procurement process for selecting a new contractor and maintaining a current contract to provide the required janitorial services. The OCA assigned Purchaser works with a representative from the Port's Real Estate Division to facilitate the procurement process and compliance with various City requirements.

Day-to-day oversight in the managing the contract is the responsibility of the Port's Real Estate Division Property Manager assigned to a specific facility. The Port's Real Estate Division Principal Administrative Analyst works with the Port's Business Services Manager in establishing the Department Blanket Purchase Order and processing all invoices.

4. Department's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.

The Contractor is required to pay prevailing wages in accordance with the SEIU Local 87 Collective Bargaining Agreement. As a part of the Proposition J review process, each contractor is requested to provide documentation to verify compliance with wage and benefit requirements for employees covered by the contract, if that information is not routinely included with invoice submittals. If the contractor fails to comply with request for documentation to verify compliance with wage and benefit requirements of the contract, the matter is referred to the City's Office of Labor Standards and Enforcement.

5. Department's current procedures for ensuring the Contractor's on-going compliance with all applicable contracting requirements.

The City's Department of Contract Administration (OCA) manages the procurement process for selecting a new contractor to provide the required janitorial services. In addition, when contract modifications are required to address labor rate increases, OCA initiates and process such modifications on the Port's behalf. The OCA assigned Purchaser works with a representative from the Port's Real Estate Division to facilitate the procurement process and compliance with various City requirements. The Contract can not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as the original contract.

6. Department's plan for City employees displaced by the contract.

There are no City employees displaced by this contract.

7. Timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.

If the City was to assume internal staffing responsibility for these services, various start-up costs would be incurred including capital equipment investment, initial operating supplies and administrative oversight. It could take at least one year for the City to convert these contracted services to an internal service that would guarantee the required level of service, assuming funds were immediately available for start-up costs. Due to the higher operating cost and initial start-up cost, the Port is not considering meeting these service needs with City employees in the future.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Andrés Acevedo
Budget Manager
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

RE: Security Services – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for port security services 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.

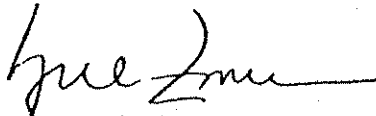
The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Aimée Fribourg at 415-554-6562 if you have any questions regarding this determination.

Sincerely,


Ben Rosenfield,
Controller

Enclosures

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

PROP J SUBMISSION COVER SHEET
 PORT OF SAN FRANCISCO
 EXECUTIVE DIVISION-HOMELAND SECURITY FOR SECURITY SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2010-11

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|--------------|--------------|
| Institutional Police Sergeant | 8205 | 1.0 | 3,197 | 3,038 | 83,442 | 79,292 |
| Institutional Police Officer | 8204 | 1.0 | 2,047 | 2,488 | 53,430 | 64,929 |
| Security Guard | 8202 | 8.0 | 1,446 | 1,751 | 301,879 | 365,694 |
| Buildings & Grounds Patrol Officer | 8207 | 4.0 | 1,751 | 2,128 | 182,847 | 222,214 |
| Night Shift & Overtime Differential | | | | | 31,080 | 36,606 |
| Overtime for Contingency/Fire Watch (7) | | | | | - | 73,213 |
| Holiday Pay | | | | | 17,011 | 20,636 |
| Premium Pay | | | | | 15,233 | 18,479 |
| Total Salary Costs | | 14.0 | | | \$ 684,921 | \$ 881,062 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 180,666 | 220,490 |
| Fixed Fringes (4) | | | | | 165,203 | 165,203 |
| Total Fringe Benefits | | | | | \$ 345,868 | \$ 385,692 |
| ESTIMATED TOTAL CITY COST | | | | | \$ 1,030,789 | \$ 1,266,755 |
| LESS: ESTIMATED TOTAL CONTRACT COST (5) (6) | | | | | (508,624) | (512,654) |
| ESTIMATED SAVINGS | | | | | \$ 522,165 | \$ 754,101 |
| % of Estimated Savings to City Cost | | | | | 51% | 60% |

Comments/Assumptions:

1. These services have been contracted out since 1976.
2. CCSF and contract costs are presented as annualized costs and reflect salaries effective July 1, 2010.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, 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.
5. The estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would increase the estimated savings to CCSF.
6. Contract costs include 0.2 FTE for contract monitoring.
7. Contingency/Fire watch equal up to 20% of total hours and is used for unanticipated security needs that require 24-hour fixed post presence due to unanticipated situations.

PROP J SUBMISSION COVER SHEET
PORT OF SAN FRANCISCO
EXECUTIVE DIVISION-HOMELAND SECURITY FOR SECURITY SERVICES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2011-12

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-------------|---------|-------|---------------------|---------------------|
| Institutional Police Sergeant | 8205 | 1.0 | 3,197 | 3,038 | 83,442 | 79,292 |
| Institutional Police Officer | 8204 | 1.0 | 2,063 | 2,507 | 53,844 | 65,433 |
| Security Guard | 8202 | 8.0 | 1,457 | 1,765 | 304,222 | 368,532 |
| Buildings & Grounds Patrol Officer | 8207 | 4.0 | 1,765 | 2,145 | 184,266 | 223,938 |
| Night Shift & Overtime Differential | | | | | 31,289 | 36,860 |
| Overtime for Contingency/Fire Watch (7) | | | | | - | 73,719 |
| Holiday Pay | | | | | 17,143 | 20,796 |
| Premium Pay | | | | | 15,351 | 18,622 |
| Total Salary Costs | | 14.0 | | | \$ 689,556 | \$ 887,191 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 200,549 | 244,136 |
| Fixed Fringes (4) | | | | | 180,071 | 180,071 |
| Total Fringe Benefits | | | | | \$ 380,620 | \$ 424,207 |
| ESTIMATED TOTAL CITY COST | | | | | \$ 1,070,176 | \$ 1,311,399 |
| LESS: ESTIMATED TOTAL CONTRACT COST (5) (6) | | | | | (509,553) | (513,736) |
| ESTIMATED SAVINGS | | | | | \$ 560,623 | \$ 797,663 |
| % of Estimated Savings to City Cost | | | | | 52% | 61% |

Comments/Assumptions:

1. These services have been contracted out since 1976.
2. CCSF and contract costs are presented as annualized costs and reflect salaries effective July 1, 2011.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, 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.
5. The estimated City cost does not include vehicles, equipment, materials and other supplies required to provide services. If included, these costs would increase the estimated savings to CCSF.
6. Contract costs include 0.2 FTE for contract monitoring.
7. Contingency/Fire watch equal up to 20% of total hours and is used for unanticipated security needs that require 24-hour fixed post presence due to unanticipated situations.

SUMMARY OF CONTRACT ESSENTIALS

NATURE OF SERVICES: Security Services
 CURRENT CONTRACTOR: Cypress Security, LLC Contract #: 86022
 CONTRACT TERM: May 1, 2010 - April 30, 2011 (one year extension to existing contract, contract will be rebid prior to the start of FY 11-12)

The contract includes a San Francisco Human Rights Commission (HRC) Local Business Enterprise (LBE) subcontracting goal of 20%. As such, the Cypress Security contract was awarded with a subcontract to SRK Security, an HRC certified local business. However, effective February 4, 2008, that subcontractor was replaced with another HRC certified local business, HAL MAR JAC Enterprises dba McCoy's Patrol Service. McCoy's Patrol Service was the second low bidder in the competitive bid process for the prime contract award and previously held the contract as the prime contractor from 1994 through 2002.

Unarmed guard security services are required on a routine basis as well as on as-needed basis. As-needed services are used for unanticipated or irregular activities such as cruise ship arrivals and extra security for special events or tenant matters. The current required annual hours of basic services for each location are as follows:

| Locations for Basic Services | Nights Per Year | Hrs. per Night Shift | Weekends Holidays Per Year | Hrs. per Weekend Holiday Shift | Weekdays Per Year | Hrs. per Weekday Shift | Annual Labor Hrs. |
|------------------------------|-----------------|----------------------|----------------------------|--------------------------------|-------------------|------------------------|-------------------|
| Area 1 - Hyde St | 365 | 12 | 120 | 12 | 0 | 0 | 5,820 |
| Area 2 - Ferry Plaza | 0 | 0 | 0 | 0 | 245 | 9.5 | 2,328 |
| Area 3 - Mobile Patrol | 365 | 16 | 0 | 0 | 0 | 0 | 5,840 |
| Zone 1 - Bicycle/Foot Patrol | 245 | 12 | 120 | 24 | 0 | 0 | 5,820 |
| Zone 2 - Bicycle/Foot Patrol | 245 | 12 | 120 | 24 | 0 | 0 | 5,820 |
| TOTALS | | | | | | | 25,628 |

Based upon the total required number of hours for basic services coverage, at least fourteen (14) full-time positions would be needed to provide these services internally. This estimate is based upon the assumption that each full-time employee has 1,800 work hours available per year (25,628 hours/1,800 hours = 14.24 employees). The cost of basic security services for FY08-09 was approximately \$457,488. FY09-10 provides for a 5% maximum adjustment that could potentially increase the projected actual annual cost to \$480,362.

In addition to the basic services, in FY 08-09 the Port required additional services as follows:

| Additional Services 7/1/08 through 6/30/09 | Hours @ \$28.96 per hour | Cost |
|---|---------------------------------|-----------------|
| Cruise Ship Detail | 785 | \$22,734 |
| Special Events | 128 | \$3,707 |
| Pier 80 Patrols | <u>123</u> | <u>\$3,562</u> |
| | 1,036 | \$30,003 |
| Grand Totals | | |
| Basis Hours Billed | 25,628 | |
| Additional Hours Billed | 1036 | |
| Total Hours Billed | 26,664 | |
| Total Basic Charges | | \$457,488 |
| Total Additional Charges | | <u>\$30,003</u> |
| Total Basic and Additional Charges | | \$487,491 |

The total estimated cost in to the Port in FY 2008-09 for basic and additional Unarmed Guard Security Services was \$487,491.

1. Department's basis for proposing the Prop J Certification.

The Port operates as an enterprise fund, generating much of its revenue from leases. These facility leases usually require the Port to provide security services. As a designated federal transportation security facility, the Port employs a Homeland Security Manager to oversee the Port's Unarmed Guard Security Contract in conjunction with other Port security matters.

The Port has contracted out security services since 1976 and is again requesting Board of Supervisor's approval to continue contracting for these services. Port available records indicate that Board of Supervisor approval has been granted since at least 1997. The Port has compared costs for security guard services with existing civil service classifications to the Port's existing security guard contract. Based upon this analysis, it is more cost effective to continue to contract out these services.

2. The contract's impact on the provision of services covered by the contract.

Based upon the contracted monthly fees, and the Port's requirement for additional protective services, the Port estimates the cost of basic services at approximately \$457,488 per year, with a total annualized adjusted cost of \$480,362 (+5%). When adding optional on demand "additional" security services, the total cost of these services could potentially increase to \$487,491.

The estimated annual contract cost is significantly lower than the cost to the City to provide these services internally. The projected annual savings to the City (Port Enterprise Fund) are conservatively estimated between \$488,904 and \$860,062. Projected savings do not include the cost of motor vehicles, maintenance, supplies, training, certifications, and related additional expenses associated with a City operated security operation.

3. Department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

The City's Department of Contract Administration (OCA) manages the procurement process that includes bidding, contract renewals and amendments. Day-to-day oversight in the managing the contract is the responsibility of the Port's Homeland Security Director with the support of Real Estate Division Property Managers and administrative staff. The Port's Wharfinger and other staff from the Maritime Division serve as back-up resources in the Homeland Security Director's absence. Additional support for reporting requirements, contract interpretation and contract management advice is provided to the Port's Homeland Security Director by the Port's Contract Manager.

4. Department's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.

Both parties have committed to meeting the City and County of San Francisco's Minimum Compensation Ordinance as required in the contract. The Port has been actively monitoring these requirements with support from the Office of Labor Standards & Enforcement.

5. Department's current procedures for ensuring the Contractor's on-going compliance with all applicable contracting requirements.

The City's Department of Contract Administration (OCA) has extended the existing contract and is managing the procurement process for awarding a new contract. The OCA assigned Purchaser is working with the Port's Homeland Security Director to facilitate the contract award process and compliance with various City requirements. The Port's Contract Administrator is available to assist with meeting City contracting requirements, as needed.

6. Department's plan for City employees displaced by the contract.

There are no City employees displaced by this contract.

7. Timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.

In order for the City/Port to provide this service, substantial capital investment and working capital would be required to acquire vehicles, bicycles, radio equipment, uniforms, computer equipment, software and training. In addition, the Port would have to bear the overhead costs for maintaining equipment and added personnel. Some of the shifts such as graveyard foot patrol are not very desirable assignments in which the Port could be challenged with employee retention problems where private security firms can more easily fill these positions.

It could take 12-24 months for the City to convert these contracted services to an internal service that would guarantee the required level of service, assuming funds were available for start-up costs. Due to the higher operating cost and initial start-up cost, the Port is not considering meeting these service needs with City employees in the future.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Information Booth Program – FY 2010-11 and 2011-12

The cost information and supplemental data provided by your office on the proposed contract for the airport information booth program 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

SAN FRANCISCO ADMINISTRATIVE CODE SECTION 2.15. SUPPLEMENTAL REPORT

Department: Airport Commission
Contract Services: Airport Information Booth Program
Contract Period: July 1, 2010 to June 30, 2012

- 1. The department's basis for proposing the Prop J certification?**
The Airport's Information Booth Contract has been contracted out since the program's inception in 1990. An RFP resulted in awarding a new contract to Polaris Research and Development, Inc. in 2006. The Office of the Controller has annually concluded that the information booth services can be performed at a lower cost by the Contractor than if the work was performed by City employees.
- 2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor. Since its inception in 1990, the management and operation of the Information Booth Program has been contracted out.**
- 3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.**
Pursuant to the contract, the Contractor staffs the information booths specific hours every day and provides other services as requested by the Airport Director. The Contractor maintains records required by the City to support invoices submitted for reimbursement. Records detailing the number of passengers that have been assisted, the numbers and types of questions answered, and transit tickets sold at the information booths, as well as other logs are maintained and are submitted on a monthly basis or as requested by the Director.
- 4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.**
See attached Prop J that details the proposed FY 10-11 wages and benefits for the Information Booth Program staff and management.
- 5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance [MCO]), Chapter 12Q (the Health Care Accountability Ordinance [HCAO]); and Section 12B.1(b) (the Equal Benefits Ordinance [EBO]);**
The Information Booth Program contract includes the MCO, HCAO, and EBO provisions and the Contractor continues to comply. Each year, before renewing the contract, the Airport reviews the salary rates to ensure that MCO requirements are met. The Airport ensures that the contract is adequately funded to allow the Contractor to continue to provide the Information Booth Program employees with health benefits per Section 12Q.3 of the HCAO. The Contractor also adheres to the City's non-discrimination ordinance contained in Chapters 12B of the City's Administrative Code. Additional oversight of Contractor compliance with these sections of the City's Administrative Code is provided by Local 3 that represents the majority of the Information Booth Program staff members.
- 6. The department's plan for City employees displaced by the contract?**
N/A (See Question # 1 above.)

PROP J SUBMISSION COVER SHEET
AIRPORT
OPERATIONS & SECURITY
Information Booth Services
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR: 2010-11

ESTIMATED CITY COSTS:

To Be Completed By Department:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|---|-------|-------------|---------|-------|------------------|------------------|
| Senior Operations Manager | 9143 | 0.5 | 4,483 | 5,449 | 56,034 | 68,113 |
| Accountant | 1650 | 0.6 | 2,108 | 2,563 | 35,574 | 43,256 |
| Manager II | 0923 | 0.8 | 3,467 | 4,425 | 76,278 | 97,342 |
| Sr. Management Assistant | 1844 | 1.7 | 2,562 | 3,114 | 112,733 | 137,009 |
| Management Assistant | 1842 | 2.8 | 2,235 | 2,716 | 165,365 | 200,978 |
| Passenger Service Specialist ⁽³⁾ | 9135 | 8.0 | 2,110 | 2,564 | 438,880 | 533,312 |
| Transit Information Clerk ⁽³⁾ | 9122 | 8.8 | 1,903 | 2,314 | 432,985 | 526,445 |
| Account Clerk | 1630 | 1.3 | 1,613 | 1,960 | 52,438 | 63,693 |
| Bilingual Pay ⁽³⁾ | | 16.8 | 60 | 60 | 26,231 | 26,231 |
| Holiday Pay (If Applicable) | | | | | 42,372 | 51,468 |
| Premium Pay (If Applicable) | | | | | 39,142 | 47,545 |
| Total Salary Costs | | 24.5 | | | 1,478,032 | 1,795,391 |

FRINGE BENEFITS

| | | | | | | |
|---------------------------------|--|--|--|--|----------------|----------------|
| Variable Fringes ⁽⁴⁾ | | | | | 358,604 | 436,866 |
| Fixed Fringes ⁽⁵⁾ | | | | | 300,058 | 300,058 |
| Total Fringe Benefits | | | | | 658,661 | 736,924 |

ESTIMATED CAPITAL & OPERATING COSTS ⁽⁶⁾

| | | | | | | |
|---|--|--|--|--|----------------|----------------|
| AIRS Flight Information, Communications, Uniforms, etc. | | | | | 159,729 | 159,729 |
| Contingency for as-needed Materials & Services | | | | | 67,086 | 67,086 |
| Total Capital & Operating | | | | | 226,815 | 226,815 |

ESTIMATED TOTAL CITY COST

2,363,508 2,759,130

LESS: ESTIMATED TOTAL CONTRACT COST ⁽⁷⁾

(1,575,297) (1,578,034)

ESTIMATED SAVINGS

\$ 788,211 \$ 1,181,095

% of Savings to City Cost

33% 43%

Comments/Assumptions:

1. Airport Information Booth Program has been contracted out since the program's inception in 1990.
2. Salary rates reflect salary levels effective July 1, 2010.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The estimated contract cost for annual service is based upon contractor's bid for services and contract monitoring costs. The total includes 0.10 FTE for contract monitoring.

**PROP J SUBMISSION COVER SHEET
 AIRPORT
 OPERATIONS & SECURITY
 Information Booth Services
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR: 2011-12**

ESTIMATED CITY COSTS:

To Be Completed By Department:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|---|-------|-------------|---------|-------|------------------|------------------|
| Senior Operations Manager | 9143 | 0.5 | 4,619 | 5,615 | 57,741 | 70,187 |
| Accountant | 1650 | 0.6 | 2,135 | 2,596 | 36,028 | 43,808 |
| Manager II | 0923 | 0.8 | 3,573 | 4,559 | 78,602 | 100,306 |
| Sr. Management Assistant | 1844 | 1.7 | 2,582 | 3,138 | 113,608 | 138,072 |
| Management Assistant | 1842 | 2.8 | 2,252 | 2,737 | 166,648 | 202,538 |
| Passenger Service Specialist ⁽³⁾ | 9135 | 8.0 | 2,110 | 2,564 | 438,880 | 533,312 |
| Transit Information Clerk ⁽³⁾ | 9122 | 8.8 | 1,918 | 2,332 | 436,345 | 530,530 |
| Account Clerk | 1630 | 1.3 | 1,626 | 1,975 | 52,845 | 64,188 |
| Bilingual Pay ⁽³⁾ | | 16.8 | 60 | 60 | 26,231 | 26,231 |
| Holiday Pay (If Applicable) | | | | | 42,647 | 51,807 |
| Premium Pay (If Applicable) | | | | | 39,396 | 47,858 |
| Total Salary Costs | | 24.5 | | | 1,488,970 | 1,808,836 |

FRINGE BENEFITS

| | | | | | | |
|---------------------------------|--|--|--|--|----------------|----------------|
| Variable Fringes ⁽⁴⁾ | | | | | 403,224 | 491,273 |
| Fixed Fringes ⁽⁵⁾ | | | | | 327,063 | 327,063 |
| Total Fringe Benefits | | | | | 730,287 | 818,336 |

ESTIMATED CAPITAL & OPERATING COSTS ⁽⁶⁾

| | | | | | | |
|---|--|--|--|--|----------------|----------------|
| AIRS Flight Information, Communications, Uniforms, etc. | | | | | 159,729 | 159,729 |
| Contingency for as-needed Materials & Services | | | | | 67,086 | 67,086 |
| Total Capital & Operating | | | | | 226,815 | 226,815 |

ESTIMATED TOTAL CITY COST

2,446,071 2,853,987

LESS: ESTIMATED TOTAL CONTRACT COST ⁽⁷⁾

(2,013,286) (2,016,127)

ESTIMATED SAVINGS

\$ 432,786 \$ 837,860

% of Savings to City Cost

18% 29%

Comments/Assumptions:

1. Airport Information Booth Program has been contracted out since the program's inception in 1990.
2. Salary rates reflect salary levels effective July 1, 2011.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The estimated contract cost for annual service is based upon contractor's bid for services and contract monitoring costs. The total includes 0.10 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Public and Employee Parking – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for airport public and employee parking 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

Prop J. Supplemental Report

Department: Airport Commission
Contract Services: Airport Public and Employee Parking
Contract Period: July 1, 2010 to June 30, 2012

1. The department's basis for proposing the Prop J certification?

It is more cost effective to contract out for the professional services associated with managing and operating the Airport's public and employee parking facilities than it is to staff them with civil service positions.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

City employees have never provided this type of service. Professional services to operate and manage the Airport's public and employee parking facilities have always been contracted to a third party.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

Contract provides monthly, as well as rolling annual statistical reports, on revenues and expenses by location and by category. Additionally, revenues and expenses are itemized by function and are submitted twice per month with supporting documentation. A third party auditing firm provides an independent review of the contractor's statement of revenues and expenses. Volume related reports are provided to the Airport on a monthly basis to determine future pricing strategies and facility utilization schemes.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

Contractor has labor agreements with 3 unions: SEIU Local 1877 for janitorial employees; IUOE Local 39 for maintenance employees (stationary engineers); Teamsters Local 665 for security guards and all parking employees (cashiers, supervisors, LPI clerks and office administrative staff).

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

The contract with New South Parking – California, includes provisions for compliance with Chapter 12 P (MCO), Chapter 12Q (HCAO), and Chapter 12 B.1 (b) of the Administrative Code (EBO). Contractor must be certified compliant and maintain compliance with these provisions as stipulated in the Agreement for Professional Services.

SAN FRANCISCO INTERNATIONAL AIRPORT
 AIRPORT PUBLIC AND EMPLOYEE PARKING (1) (2)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2010-11

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|---------------|---------|-------|---------------------|---------------------|
| General Manager | 0932 | 1.00 | 4,014 | 5,122 | \$ 104,762 | \$ 133,684 |
| Asst General Manager | 0923 | 1.00 | 3,467 | 4,425 | 90,494 | 115,483 |
| Head Accountant | 1658 | 1.00 | 2,638 | 3,206 | 68,845 | 83,672 |
| Sr. Management Assistant | 1844 | 2.00 | 2,562 | 3,114 | 133,743 | 162,542 |
| Management Assistant | 1842 | 2.00 | 2,235 | 2,716 | 116,649 | 141,771 |
| Sr. Payroll & Personnel Clerk | 1222 | 1.00 | 2,108 | 2,562 | 55,010 | 68,871 |
| Clerk | 1404 | 1.00 | 1,505 | 1,828 | 39,289 | 47,654 |
| Sr. Clerk | 1406 | 9.00 | 1,561 | 1,894 | 366,653 | 444,971 |
| Principal Clerk | 1408 | 1.00 | 2,058 | 2,502 | 53,715 | 65,291 |
| Cashier II | 4321 | 2.00 | 1,673 | 2,032 | 87,332 | 106,082 |
| Sr. Accountant | 1652 | 1.00 | 2,067 | 2,512 | 53,949 | 65,560 |
| Collection Supervisor | 4366 | 1.00 | 2,241 | 2,724 | 58,480 | 71,093 |
| Investigator | 4334 | 2.00 | 2,502 | 3,040 | 130,583 | 158,709 |
| Collection Supervisor | 4366 | 18.00 | 2,241 | 2,724 | 1,052,640 | 1,279,671 |
| Cashier III | 4322 | 63.00 | 1,875 | 2,279 | 3,083,798 | 3,747,875 |
| Stationary Engineer | 7334 | 2.00 | 2,893 | 2,893 | 151,015 | 151,015 |
| Chief Stationary Engr | 7205 | 1.00 | 3,671 | 3,671 | 95,813 | 95,813 |
| Institutional Police Lieutenant | 8209 | 1.00 | 2,499 | 3,348 | 65,224 | 87,383 |
| Institutional Police Sergeant | 8205 | 3.00 | 2,756 | 3,038 | 215,795 | 237,875 |
| Bldg & Grounds Patrol Officer | 8207 | 62.00 | 1,751 | 2,128 | 2,834,131 | 3,444,312 |
| Custodial Supervisor I | 2718 | 1.00 | 1,903 | 2,314 | 49,674 | 60,397 |
| Custodial Assistant Supervisor | 2716 | 3.00 | 1,727 | 2,099 | 135,193 | 164,329 |
| Custodian | 2708 | 35.00 | 1,572 | 1,908 | 1,435,842 | 1,743,134 |
| Holiday Pay | | | | | 331,221 | 400,653 |
| Premium Pay | | | | | 296,598 | 358,771 |
| Total Salary Costs | | 214.00 | | | 11,106,444 | 13,434,613 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 3,030,084 | 3,669,223 |
| Fixed Fringes (4) | | | | | 2,533,047 | 2,533,047 |
| Total Fringe Benefits | | | | | 5,563,130 | 6,202,270 |
| ESTIMATED OPERATING COSTS (5) | | | | | | |
| Operating Expenses | | | | | 981,921 | 981,921 |
| Credit Card Fees | | | | | 1,440,000 | 1,440,000 |
| Total Operating | | | | | 2,421,921 | 2,421,921 |
| ESTIMATED TOTAL CITY COST | | | | | 19,091,496 | 22,058,804 |
| LESS: PROPOSED CONTRACT COST (6) | | | | | | |
| Labor | | | | | (7,900,967) | (7,900,967) |
| Fringe | | | | | (2,186,268) | (2,186,268) |
| Operating Expenses (5) | | | | | (981,921) | (981,921) |
| Subcontractor Fees | | | | | (6,502,060) | (6,502,060) |
| Management Fee | | | | | (49,096) | (49,096) |
| Contract Monitoring | | | | | (114,461) | (142,564) |
| Total Contract | | | | | (17,734,772) | (17,762,875) |
| ESTIMATED SAVINGS | | | | | \$ 1,356,724 | \$ 4,295,929 |
| % of Estimated Savings to Estimated City Cost | | | | | 7% | 19% |

Comments/Assumptions:

1. These services have been contracted out since 1971, the initial year of the services.
2. Salary rates reflect salary levels effective July 1, 2010 and all known wage increases.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The estimated contract cost for annual services is based upon contractor's bid for services and contract monitoring costs. The total includes 0.80 FTE for contract monitoring.

**SAN FRANCISCO INTERNATIONAL AIRPORT
AIRPORT PUBLIC AND EMPLOYEE PARKING (1) (2)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 2011-12**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|---------------|---------|-------|---------------------|---------------------|
| General Manager | 0932 | 1.00 | 4,136 | 5,278 | \$ 107,953 | \$ 137,756 |
| Asst General Manager | 0923 | 1.00 | 3,573 | 4,559 | 93,250 | 119,000 |
| Head Accountant | 1858 | 1.00 | 3,018 | 3,688 | 78,770 | 95,735 |
| Sr. Management Assistant | 1844 | 2.00 | 2,582 | 3,138 | 134,780 | 163,804 |
| Management Assistant | 1842 | 2.00 | 2,252 | 2,737 | 117,554 | 142,871 |
| Sr. Payroll & Personnel Clerk | 1222 | 1.00 | 2,124 | 2,582 | 55,436 | 67,390 |
| Clerk | 1404 | 1.00 | 1,517 | 1,840 | 39,594 | 48,024 |
| Sr. Clerk | 1408 | 9.00 | 1,573 | 1,909 | 369,498 | 448,424 |
| Principal Clerk | 1408 | 1.00 | 2,074 | 2,521 | 54,131 | 65,798 |
| Cashier II | 4321 | 2.00 | 1,686 | 2,048 | 88,009 | 106,906 |
| Sr. Accountant | 1652 | 1.00 | 2,385 | 2,874 | 61,727 | 75,011 |
| Collection Supervisor | 4366 | 1.00 | 2,258 | 2,745 | 58,934 | 71,645 |
| Investigator | 4334 | 2.00 | 2,521 | 3,064 | 131,596 | 159,941 |
| Collection Supervisor | 4366 | 18.00 | 2,258 | 2,745 | 1,060,808 | 1,289,601 |
| Cashier III | 4322 | 63.00 | 1,890 | 2,297 | 3,107,727 | 3,776,957 |
| Stationary Engineer | 7334 | 2.00 | 2,893 | 2,893 | 151,015 | 151,015 |
| Chief Stationary Engr | 7205 | 1.00 | 3,671 | 3,671 | 95,813 | 95,813 |
| Institutional Police Lieutenant | 8209 | 1.00 | 2,499 | 3,348 | 65,224 | 87,383 |
| Institutional Police Sergeant | 8205 | 3.00 | 2,756 | 3,038 | 215,795 | 237,875 |
| Bldg & Grounds Patrol Officer | 8207 | 62.00 | 1,765 | 2,145 | 2,856,123 | 3,471,039 |
| Custodial Supervisor I | 2718 | 1.00 | 1,918 | 2,332 | 50,060 | 60,865 |
| Custodial Assistant Supervisor | 2716 | 3.00 | 1,740 | 2,115 | 136,242 | 165,605 |
| Custodian | 2708 | 35.00 | 1,584 | 1,923 | 1,446,984 | 1,756,661 |
| Holiday Pay | | | | | 334,331 | 404,443 |
| Premium Pay | | | | | 299,383 | 362,166 |
| Total Salary Costs | | 214.00 | | | 11,210,737 | 13,581,726 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 3,378,637 | 4,091,098 |
| Fixed Fringes (4) | | | | | 2,761,022 | 2,761,022 |
| Total Fringe Benefits | | | | | 6,139,660 | 6,852,120 |
| ESTIMATED OPERATING COSTS (5) | | | | | | |
| Operating Expenses | | | | | 981,921 | 981,921 |
| Credit Card Fees | | | | | 1,440,000 | 1,440,000 |
| Total Operating | | | | | 2,421,921 | 2,421,921 |
| ESTIMATED TOTAL CITY COST | | | | | 19,772,317 | 22,835,768 |
| LESS: PROPOSED CONTRACT COST (6) | | | | | | |
| Labor | | | | | (7,900,987) | (7,900,987) |
| Fringe | | | | | (2,186,268) | (2,186,268) |
| Operating Expenses (5) | | | | | (981,921) | (981,921) |
| Subcontractor Fees | | | | | (6,502,060) | (6,502,060) |
| Management Fee | | | | | (49,096) | (49,096) |
| Contract Monitoring | | | | | (121,283) | (150,955) |
| Total Contract | | | | | (17,741,595) | (17,771,266) |
| ESTIMATED SAVINGS | | | | | \$ 2,030,723 | \$ 5,064,501 |
| % of Estimated Savings to Estimated City Cost | | | | | 10% | 22% |

Comments/Assumptions:

1. These services have been contracted out since 1971, the initial year of the services.
2. Salary rates reflect salary levels effective July 1, 2011 and all known wage increases.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The estimated contract cost for annual service is based upon contractor's bid for services and contract monitoring costs. The total includes 0.80 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: General Security Services – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for general security services 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

SAN FRANCISCO ADMINISTRATIVE CODE SECTION 2.15. SUPPLEMENTAL REPORT

Department: Airport Commission
Contract Services: General Security Services
Contract Period: July 1, 2010 to June 30, 2012

Documentation supporting the Prop J certification request for General Security Services:

1. **Basis of request:** The contract is based on the original emergency contract in response to TSA issued Security Directive 1542-06-01B (now 1542-06-01D) requiring airport operators to conduct inspections of all food, beverage, and merchandise products brought from the ramp area into sterile terminal areas (post-security) effective August 23, 2006. This request to continue the contract is that the service can be performed by private contract at a cost lower than the same service performed by civil servants.
2. **Impact (in context of contract renewal):** Not applicable. Service was never provided by City employees.
3. **Current oversight and reporting requirements:** contractor compiles daily report listing vendor delivery access details and employee screening at select airfield/sterile area elevator entries. Oversight of this service is accomplished by Aviation Security audits and by contractor supervision.
4. **Contractor current wages and benefits:** Hourly rate - \$35.44; overtime rate - \$43.71. Benefits are per Contract 8738 requirements.
5. **Department's current procedures for ensuring compliance with applicable contracting requirements (including Administrative Code Chapter 12P – Minimum Compensation Ordinance), Chapter 12Q (Health Care Accountability Ordinance), and Section 12B.1(b) – Equal Benefits Ordinance.** The Airport Aviation Security oversees these requirements chiefly through its Quality Standards Program auditing. Furthermore, these requirements are documented in the contract.
6. **Department plan for City employees displaced by the contract:** Does not apply.
7. **Discussion of conditions that the service could be provided in the future using City employees.** Not applicable as services costs less through private contract.

Department Representative: Tryg McCoy, Deputy Airport Director- Operations and Security
Telephone Number: (650) 821-5010

**SAN FRANCISCO INTERNATIONAL AIRPORT
GENERAL SECURITY SERVICES (1) (2)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 2010-11**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|------------|------------|
| Security Guard | 8202 | 11.0 | 1,446 | 1,751 | \$ 415,084 | \$ 502,830 |
| Building & Grounds Patrol Officer | 8207 | 2.0 | 1,751 | 2,128 | 91,424 | 111,107 |
| Holiday Pay | | | | | 32,144 | 38,961 |
| Night-Pay | | | | | 3,363 | 4,077 |
| Total Salary Costs | | 13.0 | | | 542,014 | 656,974 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 149,673 | 181,418 |
| Fixed Fringes (4) | | | | | 153,155 | 153,155 |
| Total Fringe Benefits | | | | | 302,828 | 334,573 |
| ESTIMATED CAPITAL & OPERATING COSTS (5) | | | | | | |
| 800 mghz Motorola Handheld Radio Set (includes extra battery & charger) | | | | | 10,000 | 10,000 |
| Total Capital & Operating | | | | | 10,000 | 10,000 |
| ESTIMATED TOTAL CITY COST | | | | | 854,842 | 1,001,548 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (726,308) | (727,323) |
| ESTIMATED SAVINGS | | | | | \$ 128,534 | \$ 274,224 |
| % of Savings to City Cost | | | | | 15% | 27% |

Comments/Assumptions:

1. These services have been contracted out since FY 2007-08.
2. Salary rates reflect salary levels effective July 1, 2010.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. The total includes 0.05 FTE for contract monitoring.

**SAN FRANCISCO INTERNATIONAL AIRPORT
GENERAL SECURITY SERVICES (1) (2)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 2011-12**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | | Class | Positions | BW Rate | | Low | High |
|--|--|-------|-----------|---------|-------|------------|------------|
| Security Guard | | 8202 | 11.0 | 1,457 | 1,765 | \$ 418,305 | \$ 506,732 |
| Building & Grounds Patrol Officer | | 8207 | 2.0 | 1,765 | 2,145 | 92,133 | 111,969 |
| Holiday Pay | | | | | | 32,393 | 39,264 |
| Night Pay | | | | | | 3,389 | 4,108 |
| Total Salary Costs | | | 13.0 | | | 546,220 | 662,072 |
| FRINGE BENEFITS | | | | | | | |
| Variable Fringes (3) | | | | | | 166,352 | 201,634 |
| Fixed Fringes (4) | | | | | | 166,939 | 166,939 |
| Total Fringe Benefits | | | | | | 333,291 | 368,573 |
| ESTIMATED CAPITAL & OPERATING COSTS (5) | | | | | | | |
| 800 mghz Motorola Handheld Radio Set (includes extra battery & charger) | | | | | | 10,000 | 10,000 |
| Total Capital & Operating | | | | | | 10,000 | 10,000 |
| ESTIMATED TOTAL CITY COST | | | | | | 889,511 | 1,040,646 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | | (726,509) | (727,556) |
| ESTIMATED SAVINGS | | | | | | \$ 163,001 | \$ 313,090 |
| % of Savings to City Cost | | | | | | 18% | 30% |

Comments/Assumptions:

1. These services have been contracted out since FY 2007-08.
2. Salary rates reflect salary levels effective July 1, 2011.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. The total includes 0.05 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Transit Shelter Maintenance Services – FY 2010-11 and FY 2011-12

The cost information and supplementary data provided by your office on the proposed contract for transit shelter maintenance services 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.

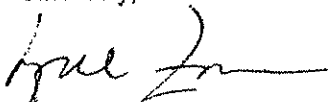
The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,



Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Municipal Transportation Agency

CONTRACT SERVICES: Transit Shelter Advertising Agreement—maintenance of low-level platforms

CONTRACT PERIOD: 7/1/10 – 6/30/12

- (1) Who performed the activity/service prior to contracting out?

Prior to the implementation of the new Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc. on December 10, 2007, SFMTA maintenance staff was responsible for the cleaning and other maintenance of the SFMTA's low-level boarding platforms. Due to the extensive other demands on the time of SFMTA maintenance staff, these services on the low-level platforms were difficult to get scheduled and performed.

- (2) How many City employees were laid off as a result of contracting out?

No City employees will be, or have been, laid off as a result of this contract.

- (3) Explain the disposition of employees if they were not laid off.

SFMTA maintenance staff is fully employed in maintenance of the SFMTA's transit vehicles, facilities and other related maintenance matters.

- (4) What percentage of City employees' time is spent of services to be contracted out?

Minimal

- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

The new Transit Shelter Advertising Agreement has a 15-year term, with a five-year option to renew. This request will be ongoing.

- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

The SFMTA received Proposition J certification for the full Transit Shelter Advertising Agreement, including the piece related to maintenance of the low-level platforms, in FY07/08. The SFMTA first requested certification for the low-level platform piece as a stand-alone matter in FY 08/09; the SFMTA received that certification.

- (7) How will the services meet the goals of your MBE/WBE Action Plan?

The contract meets the department's MBE/WBE (now LBE) action plan and was certified by HRC.

- (8) Does the proposed contractor provide health insurance for its employees?

Yes.

- (9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

Yes.

- (10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes.

Department Representative: Gail Stein
Telephone Number: 701-4327

MUNICIPAL TRANSPORTATION AGENCY
 TRANSIT SHELTER MAINTENANCE (1)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2010-11

ESTIMATED CITY COSTS:

| PROJECTED SALARY COSTS (2) | Class | Positions | BW Rate | Low | High |
|---|-------|-----------|-------------|------------------|------------------|
| General Laborer | 7514 | 6.00 | 1,876 2,281 | 293,782 | 357,205 |
| Track Maintenance Worker | 7540 | 3.00 | 1,914 2,326 | 149,866 | 182,126 |
| Total Salary Costs | | 9.00 | | 443,648 | 539,330 |
| FRINGE BENEFITS | | | | | |
| Variable Fringes (3) | | | | 97,824 | 118,922 |
| Fixed Fringes (4) | | | | 107,378 | 107,378 |
| Total Fringe Benefits | | | | 205,202 | 226,300 |
| ESTIMATED CAPITAL AND OPERATING COSTS | | | | | |
| Material & Supplies | | | | 140,000 | 140,000 |
| Safety Equipment | | | | 5,000 | 5,000 |
| Vehicle | | | | | |
| Maintenance | | | | 1,000 | 1,000 |
| Total Capital and Operating | | | | 146,000 | 146,000 |
| ESTIMATED TOTAL CITY COST (5) | | | | 794,850 | 911,631 |
| LESS: ESTIMATED TOTAL CONTACT COST (6) | | | | (342,519) | (344,851) |
| ESTIMATED SAVINGS | | | | 452,331 | 566,780 |
| % of Estimated Savings to Estimated City Cost | | | | 57% | 62% |

Comments/Assumptions:

1. Transit shelter maintenance has been contracted out since FY 2007-08.
2. Salary levels reflect salary levels effective July 1, 2010.
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.
5. The estimated City cost does not include vehicle, equipment, material and other supplies required to provide services. If included, these costs would increase the estimated savings to CCSF.
6. Contract costs include 0.1 FTE for contract monitoring.

MUNICIPAL TRANSPORTATION AGENCY
 TRANSIT SHELTER MAINTENANCE (1)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2011-12

ESTIMATED CITY COSTS:

| PROJECTED SALARY COSTS (2) | Class | Positions | BW Rate | Low | High |
|--|-------|-----------|-------------|------------------|------------------|
| General Laborer | 7514 | 6.00 | 1,876 2,281 | 293,782 | 357,205 |
| Track Maintenance Worker | 7540 | 3.00 | 1,914 2,326 | 149,866 | 182,126 |
| Total Salary Costs | | 9.00 | | 443,648 | 539,330 |
| FRINGE BENEFITS | | | | | |
| Variable Fringes (3) | | | | 111,311 | 135,318 |
| Fixed Fringes (4) | | | | 117,042 | 117,042 |
| Total Fringe Benefits | | | | 228,353 | 252,360 |
| ESTIMATED CAPITAL AND OPERATING COSTS | | | | | |
| Material & Supplies | | | | 140,000 | 140,000 |
| Safety Equipment | | | | 5,000 | 5,000 |
| Vehicle | | | | | |
| Maintenance | | | | 1,000 | 1,000 |
| Total Capital and Operating | | | | 146,000 | 146,000 |
| ESTIMATED TOTAL CITY COST (5) | | | | 818,001 | 937,691 |
| LESS: ESTIMATED TOTAL CONTACT COST (6) | | | | (343,035) | (345,455) |
| ESTIMATED SAVINGS | | | | 474,966 | 592,236 |
| % of Estimated Savings to Estimated City Cost | | | | 58% | 63% |

Comments/Assumptions:

1. Transit shelter maintenance has been contracted out since FY 2007-08.
2. Salary levels reflect salary levels effective July 1, 2011.
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.
5. The estimated City cost does not include vehicle, equipment, material and other supplies required to provide services. If included, these costs would increase the estimated savings to CCSF.
6. Contract costs include 0.1 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Towing Contract – FY 2010-11 and FY 2011-12

The cost information and supplementary data provided by your office on the proposed contract for the towing contract 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, when City employees are paid at the upper range of their respective job classifications.

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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: San Francisco Municipal Transportation Agency

CONTRACT SERVICES: Towing, Storage and Disposal of Illegally Parked and Abandoned Vehicles

CONTRACT PERIOD: 7/1/10 – 6/30/12

- (1) Who performed the activity/service prior to contracting out?

DPT is required under San Francisco Traffic Code section 163 to contract out for towing, storage and disposal of abandoned and illegally parked vehicles. According to Departmental records, towing services have been contracted out since 1987. These services may have been contracted out prior to 1987, but the department has no records to verify this assumption.

- (2) How many City employees were laid off as a result of contracting out?

None

- (3) Explain the disposition of employees if they were not laid off.

N/A

- (4) What percentage of City employees' time is spent of services to be contracted out?

N/A

- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

The Department cannot provide a verifiable date for when the City first contracted for towing services. The request for contracting out for these services will be ongoing.

- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

The current contract, which began July 31, 2005 and is up for possible renewal in August 2010, was certified as part of the contract approval process. This is the fifth annual prop J renewal for the current contract.

- (7) How will the services meet the goals of your MBE/WBE Action Plan?

MBE/WBE compliance is not required because the contract exceeds \$10 million. However, the contractor is in compliance with the Department's suggested goal of 12% for minority subcontracting.

- (8) Does the proposed contractor provide health insurance for its employees?

Yes. The contract requires health insurance be provided to its employees.

- (9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

The Contractor provides the same benefits to employees with spouses and to employees with domestic partners.

- (10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes.

Department Representative: Lorraine Fuqua

Telephone Number: 415-701-4678

MUNICIPAL TRANSPORTATION AGENCY
DEPARTMENT OF PARKING & TRAFFIC - TOWING CONTRACT
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2010-11

ESTIMATED CITY COSTS

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|--------------|--------------|
| <u>Management & Administration</u> | | | | | | |
| Manager II (3) | 0923 | 1.0 | 3,467 | 4,425 | \$ 90,494 | \$ 115,483 |
| MIS Administrator III | 1023 | 1.0 | 3,069 | 3,729 | \$ 80,097 | \$ 97,338 |
| Senior Payroll & Personnel Clerk | 1222 | 1.0 | 2,108 | 2,562 | \$ 55,010 | \$ 66,871 |
| Senior Systems Accountant | 1657 | 1.0 | 3,271 | 3,977 | \$ 85,380 | \$ 103,806 |
| Senior Administrative Analyst | 1823 | 1.0 | 2,939 | 3,572 | \$ 76,721 | \$ 93,240 |
| <u>Dispatch & Customer Processing</u> | | | | | | |
| Clerk | 1404 | 3.0 | 1,505 | 1,826 | 117,886 | 142,963 |
| Account Clerk | 1630 | 3.0 | 1,613 | 1,960 | 126,335 | 153,452 |
| Principal Account Clerk | 1634 | 1.0 | 2,108 | 2,562 | 55,010 | 66,871 |
| Senior Accountant | 1652 | 1.0 | 2,335 | 2,838 | 60,949 | 74,066 |
| Communications Dispatcher I | 1704 | 7.0 | 1,661 | 2,017 | 303,485 | 368,569 |
| Communications Dispatcher II | 1705 | 1.0 | 1,839 | 2,235 | 47,991 | 58,325 |
| Senior Management Assistant | 1844 | 1.0 | 2,562 | 3,114 | 66,871 | 81,271 |
| Cashier II | 4321 | 9.0 | 1,673 | 2,032 | 392,992 | 477,371 |
| Cashier III | 4322 | 4.0 | 1,875 | 2,279 | 195,797 | 237,960 |
| Collection Supervisor | 4366 | 2.0 | 2,241 | 2,257 | 116,960 | 117,841 |
| <u>Vehicle Storage & Disposal</u> | | | | | | |
| Sr Materials & Supplies Supervisor | 1926 | 2.0 | 1,693 | 2,058 | 88,367 | 107,429 |
| Storekeeper | 1934 | 22.0 | 1,645 | 1,998 | 944,693 | 1,147,534 |
| Senior Storekeeper | 1936 | 5.0 | 1,751 | 2,126 | 228,559 | 277,767 |
| Assistant Materials Coordinator | 1942 | 1.0 | 2,679 | 3,257 | 69,927 | 85,001 |
| Purchaser | 1952 | 2.0 | 2,475 | 3,009 | 129,216 | 157,049 |
| Security Guard | 6202 | 4.0 | 1,446 | 1,751 | 150,940 | 182,847 |
| <u>Towing Services</u> | | | | | | |
| Truck Driver | 7355 | 71.0 | 2,317 | 2,951 | 4,293,633 | 5,468,498 |
| Automobile Mechanic-Assst Supvrs | 7382 | 1.0 | 3,481 | 3,481 | 90,867 | 90,867 |
| Automobile Mechanic | 7381 | 3.0 | 2,889 | 2,889 | 226,239 | 226,239 |
| Night Differential | | | | | 80,944 | 99,987 |
| Bilingual Pay | | | | | 13,050 | 13,050 |
| Overtime | | | | | 117,649 | 145,283 |
| Total Salaries | 148.0 | | | | 8,306,041 | 10,256,977 |
| <u>Fringe Benefits</u> | | | | | | |
| Variable Fringes (4) | | | | | 2,020,844 | 2,490,044 |
| Fixed Fringes (5) | | | | | 1,855,346 | 1,855,346 |
| Total Fringe Benefits | | | | | 3,876,190 | 4,345,390 |
| <u>Operating Costs</u> | | | | | | |
| Materials and Supplies | | | | | 38,253 | 38,253 |
| Storage and Office Space | | | | | 2,686,725 | 2,686,725 |
| Truck & Lift Repair & Maintenance | | | | | 88,818 | 88,818 |
| Fuel | | | | | 308,000 | 308,000 |
| MIS - Hardware & Software | | | | | 488,635 | 488,635 |
| Two Way Communication Devices | | | | | 12,866 | 12,866 |
| Total Operating Costs | | | | | 3,623,299 | 3,623,299 |
| <u>Capital costs</u> | | | | | | |
| Trucks (5 year amortization) | | | | | 1,295,000 | 1,295,000 |
| Other Communications | | | | | 12,500 | 12,500 |
| Total Operating and Capital | | | | | 4,930,799 | 4,930,799 |
| ESTIMATED TOTAL CITY COST | | | | | 17,113,030 | 19,533,166 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (18,423,463) | (16,435,552) |
| ESTIMATED SAVINGS | | | | | \$ 689,567 | \$ 3,097,614 |
| % of Estimated Savings to Estimated City Cost | | | | | 4% | 16% |

Comments/Assumptions:

1. These services have been contracted out since FY 1993-94 by Parking and Traffic.
2. CCSF and contract costs are presented as annualized using salary and benefits effective July 1, 2010.
3. MCCP Class 0923 Manager II includes low and high salary within Range A.
4. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
5. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
6. Estimated contract cost is based upon the current vendor's actual receipts for FY 2006-07, adjusted by indexed price changes in the contract then applied to the anticipated number of tows. Estimated contract cost also includes 0.4 FTE for contract monitoring costs.

MUNICIPAL TRANSPORTATION AGENCY
DEPARTMENT OF PARKING & TRAFFIC - TOWING CONTRACT
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2011-12

ESTIMATED CITY COSTS

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|--------------|--------------|
| <u>Management & Administration</u> | | | | | | |
| Manager II (3) | 0923 | 1.0 | 3,573 | 4,559 | \$ 93,250 | \$ 119,000 |
| MIS Administrator III | 1023 | 1.0 | 3,108 | 3,777 | \$ 81,119 | \$ 98,580 |
| Senior Payroll & Personnel Clerk | 1222 | 1.0 | 2,124 | 2,582 | \$ 55,436 | \$ 67,390 |
| Senior Systems Accountant | 1657 | 1.0 | 3,313 | 4,028 | \$ 86,469 | \$ 105,131 |
| Senior Administrative Analyst | 1823 | 1.0 | 2,977 | 3,618 | \$ 77,700 | \$ 94,430 |
| <u>Dispatch & Customer Processing</u> | | | | | | |
| Clerk | 1404 | 3.0 | 1,517 | 1,840 | 118,781 | 144,072 |
| Account Clerk | 1630 | 3.0 | 1,626 | 1,975 | 127,316 | 154,843 |
| Principal Account Clerk | 1634 | 1.0 | 2,124 | 2,582 | 55,436 | 67,390 |
| Senior Accountant | 1652 | 1.0 | 2,365 | 2,874 | 61,727 | 75,011 |
| Communications Dispatcher I | 1704 | 7.0 | 1,674 | 2,033 | 305,840 | 371,429 |
| Communications Dispatcher II | 1705 | 1.0 | 1,853 | 2,252 | 48,363 | 58,777 |
| Senior Management Assistant | 1844 | 1.0 | 2,582 | 3,138 | 67,390 | 81,902 |
| Cashier II | 4321 | 9.0 | 1,686 | 2,048 | 398,041 | 481,075 |
| Cashier III | 4322 | 4.0 | 1,890 | 2,297 | 197,316 | 239,807 |
| Collection Supervisor | 4366 | 2.0 | 2,258 | 2,275 | 117,868 | 118,755 |
| <u>Vehicle Storage & Disposal</u> | | | | | | |
| Sr Materials & Supplies Supervisor | 1928 | 2.0 | 1,706 | 2,074 | 89,053 | 108,263 |
| Storekeeper | 1934 | 22.0 | 1,658 | 2,014 | 952,024 | 1,156,439 |
| Senior Storekeeper | 1936 | 5.0 | 1,765 | 2,145 | 230,333 | 279,923 |
| Assistant Materials Coordinator | 1942 | 1.0 | 2,700 | 3,282 | 70,470 | 85,660 |
| Purchaser | 1952 | 2.0 | 2,507 | 3,047 | 130,865 | 159,053 |
| Security Guard | 8202 | 4.0 | 1,457 | 1,765 | 152,111 | 184,266 |
| <u>Towing Services</u> | | | | | | |
| Truck Driver | 7355 | 71.0 | 2,317 | 2,951 | 4,293,633 | 5,468,498 |
| Automobile Mechanic-Asst Supvsr | 7382 | 1.0 | 3,522 | 3,522 | 91,924 | 91,924 |
| Automobile Mechanic | 7381 | 3.0 | 2,923 | 2,923 | 228,871 | 228,871 |
| Night Differential | | | | | 81,293 | 100,403 |
| Bilingual Pay | | | | | 13,050 | 13,050 |
| Overtime | | | | | 118,156 | 145,887 |
| Total Salaries | | 148.0 | | | 8,341,835 | 10,299,628 |
| <u>Fringe Benefits</u> | | | | | | |
| Variable Fringes (4) | | | | | 2,277,327 | 2,806,470 |
| Fixed Fringes (5) | | | | | 2,022,328 | 2,022,328 |
| Total Fringe Benefits | | | | | 4,299,655 | 4,828,797 |
| <u>Operating Costs</u> | | | | | | |
| Materials and Supplies | | | | | 38,253 | 38,253 |
| Storage and Office Space | | | | | 2,686,725 | 2,686,725 |
| Truck & Lift Repair & Maintenance | | | | | 88,818 | 88,818 |
| Fuel | | | | | 308,000 | 308,000 |
| MIS - Hardware & Software | | | | | 488,635 | 488,635 |
| Two Way Communication Devices | | | | | 12,866 | 12,866 |
| Total Operating Costs | | | | | 3,623,299 | 3,623,299 |
| <u>Capital costs</u> | | | | | | |
| Trucks (5 year amortization) | | | | | 1,295,000 | 1,295,000 |
| Other Communications | | | | | 12,500 | 12,500 |
| Total Operating and Capital | | | | | 4,930,799 | 4,930,799 |
| ESTIMATED TOTAL CITY COST | | | | | 17,572,289 | 20,059,224 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (16,425,129) | (16,436,122) |
| ESTIMATED SAVINGS | | | | | \$ 1,147,160 | \$ 3,623,103 |
| % of Estimated Savings to Estimated City Cost | | | | | 7% | 18% |

Comments/Assumptions:

1. These services have been contracted out since FY 1993-94 by Parking and Traffic.
2. CCSF and contract costs are presented as annualized using salary and benefits effective July 1, 2011.
3. MCCP Class 0923 Manager II includes low and high salary within Range A.
4. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
5. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
6. Estimated contract cost is based upon the current vendor's actual receipts for FY 2006-07, adjusted by indexed price changes in the contract then applied to the anticipated number of tows. Estimated contract cost also includes 0.4 FTE for contract monitoring costs.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Comprehensive Facility Security Services – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for security services 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Municipal Transportation Agency
CONTRACT SERVICES: Comprehensive Facility Security Services
CONTRACT PERIOD: 7/1/10 – 6/30/12

(1) Who performed the activity/service prior to contracting out?

The Comprehensive Facility Security Services for the San Francisco Municipal Transportation Agency (MTA) and Municipal Railway have been contracted out since 1975. The scope of coverage provided by the contracted guard services provided to the agency is both extensive and comprehensive for this full-service program. Guard services include both armed and unarmed officers.

Armed Revenue Officers

In order to prevent any harm to Revenue Operations personnel or theft of MUNI revenues and assets, Contractor provides armed revenue officers; those assigned to Revenue operations must be at the time and place assigned without fail, and be fit to complete their tour of duty as needed.

Unarmed Officers

Provides guard coverage as needed for designated Muni Shops, facilities, offices and property to protect against, damage, trespassers, break-ins, burglaries, vandalism, graffiti, and careless or suspicious activities

(2) How many City employees were laid off as a result of contracting out?

Not Applicable. The Comprehensive Facility Security Services contract began in 1975 and all guard services have been performed by contractual guards and not by any San Francisco City and County employees.

(3) Explain the disposition of employees if they were not laid off.

Not Applicable. As stated above the Comprehensive Facility Security Services for the San Francisco Municipal Transportation Agency (MTA) and Municipal Railway have been contracted out since 1975

(4) What percentage of City employees' time is spent of services to be contracted

Not Applicable

(5) How long have the services been contracted out? Is this likely to be a one-time Or an ongoing request for contracting out?

The Comprehensive Facility Security Services for the San Francisco Municipal Transportation Agency (MTA) and Municipal Railway have been contracted out since 1975. Based on the cost savings the Prop J request for Comprehensive Facility Security Services will be an ongoing request

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

The Comprehensive Facility Security Services for the San Francisco Municipal Transportation Agency (MTA) and Municipal Railway have been contracted out since 1975. This contract has been certified for each subsequent year since the implementation of an extensive and comprehensive full-service program

(7) How will the services meet the goals of your MBE/WBE Action Plan?

The Comprehensive Facility Security Services contractor is on the approved Human Rights Commission (HRC) list for equal benefits for employees and domestic partners and Domestic Partners Ordinance as required.

(8) Does the proposed contractor provide health insurance for its employees?

Yes. Health insurance is provided to contract employees, spouses and dependents. The department is obligated and committed to enforce the provisions and spirit of all applicable regulations and ordinances of the City and County of San Francisco governing city contracts. To that end, we will work with the Human Rights Commission, the Contract Compliance Office for the MTA and the City Attorney's Office to ensure that the Contractor complies with all wages, compensation, health care and equal benefits privileges stipulated by law

(9) Does the proposed contractor provide benefits to employees with spouses? If so, Are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

Yes. Health insurance is provided to contract employees and their domestic partners

(10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Wages paid by the Comprehensive Facility Security Services contractor to their employees meets the standards and provisions as outlined in the Minimum Compensation Ordinance

Department Representative: Ted Unaegbu

Telephone Number: 415-554-7166

MUNICIPAL TRANSPORTATION AGENCY
 COMPREHENSIVE FACILITY SECURITY SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2010-11

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|-------------|-------------|
| Building and Grounds Patrol Officer | 8207 | 18.0 | 1,751 | 2,128 | 822,812 | 999,962 |
| Security Guard | 8202 | 75.0 | 1,446 | 1,751 | 2,830,117 | 3,428,384 |
| Holiday Pay | | | | | 245,304 | 297,685 |
| Night Differential | | | | | 97,411 | 118,089 |
| Total Salary Costs | | 93.0 | | | 3,995,645 | 4,844,120 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 1,180,713 | 1,431,437 |
| Fixed Fringes (4) | | | | | 1,095,647 | 1,095,647 |
| Total Fringe Benefits | | | | | 2,276,360 | 2,527,084 |
| ESTIMATED TOTAL CITY COST (5) | | | | | 6,272,004 | 7,371,204 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (4,723,117) | (4,726,130) |
| ESTIMATED SAVINGS | | | | | 1,548,888 | 2,645,074 |
| % of Savings to City Cost | | | | | 25% | 36% |

Comments/Assumptions:

1. Security services have been contracted out since 1975.
2. CCSF and contract costs are presented as annualized using salary & benefit levels effective July 1, 2010.
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.
5. The estimated City cost does not include materials, weapons, services, vehicle and capital; if included these costs would increase the estimated savings to CCSF.
6. Contract costs include contract monitoring costs.

MUNICIPAL TRANSPORTATION AGENCY
 COMPREHENSIVE FACILITY SECURITY SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)(2)
 FISCAL YEAR 2011-12

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | | Class | Positions | BW Rate | | Low | High |
|--|-----------------------|-------|-----------|---------|-------|-------------|-------------|
| Building and Grounds Patrol Officer | | 8207 | 18.0 | 1,765 | 2,145 | 829,197 | 1,007,721 |
| Security Guard | | 8202 | 75.0 | 1,457 | 1,765 | 2,852,078 | 3,454,988 |
| Holiday Pay | | | | | | 247,208 | 299,995 |
| Night Differential | | | | | | 98,167 | 119,006 |
| | Total Salary Costs | | 93.0 | | | 4,026,650 | 4,881,709 |
| FRINGE BENEFITS | | | | | | | |
| | Variable Fringes (3) | | | | | 1,312,285 | 1,590,949 |
| | Fixed Fringes (4) | | | | | 1,095,647 | 1,095,647 |
| | Total Fringe Benefits | | | | | 2,407,932 | 2,686,596 |
| ESTIMATED TOTAL CITY COST (5) | | | | | | 6,434,582 | 7,568,305 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | | (4,723,445) | (4,726,529) |
| ESTIMATED SAVINGS | | | | | | 1,711,137 | 2,841,776 |
| % of Savings to City Cost | | | | | | 27% | 38% |

Comments/Assumptions:

1. Security services have been contracted out since 1975.
2. CCSF and contract costs are presented as annualized using salary & benefit levels effective July 1, 2011.
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.
5. The estimated City cost does not include materials, weapons, services, vehicle and capital; if included these costs would increase the estimated savings to CCSF.
6. Contract costs include contract monitoring costs.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

April 13, 2010

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: Airport Shuttle Bus Service – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for airport shuttle bus services 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

SAN FRANCISCO ADMINISTRATIVE CODE SECTION 2.15. SUPPLEMENTAL REPORT

Department: Airport Commission
Contract Services: Airport Shuttle Bus Service
Contract Period: July 1, 2010 to June 30, 2012

1. The department's basis for proposing the Prop J certification?

In-house staff cannot perform the services because it is more economical and efficient to contract with a vendor that specializes in this business. These services have been contracted out since 1975. SFO Shuttle Bus Company has satisfactorily operated the Airport's shuttle bus service under the current agreement. The Office of the Controller has annually concluded that these services can be performed at a lower cost by SFO Shuttle Bus Company than if work was performed by City employees (MUNI).

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

Since its inception in 1975, the management and operations of long-term parking and employee shuttle bus service has been performed by contract.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

Pursuant to contract, the Contractor will maintain logs as required by the Director demonstrating schedule adherence and ridership. Trip reports and driver hours are compiled, summarized and submitted according to a format and schedule approved by the Director. Reports are submitted as part of regular monthly invoices, or as requested by the Director.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

See attached Prop J that details current wages and benefits for Drivers and Car Cleaners (Local 665), Supervisors (Local 856) and Mechanics (Local 1414).

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

The Contractor continues to meet the provisions of the Minimum Compensation Ordinance. Although the contract does not require health insurance, the Contractor per labor agreement, continues to provide applicable health benefits per Section 12Q.3 of the HCAO as set forth by the contract. Contractor must adhere to the City's non-discrimination ordinance contained in Chapter 12B & 12C of the City's Administrative Code. The Contractor continues to utilize minority and woman owned suppliers (i.e., tire manufacturer and car cleaners).

6. The department's plan for City employees displaced by the contract?
N/A (See #1)

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004).

**SAN FRANCISCO INTERNATIONAL AIRPORT
 AIRPORT SHUTTLE BUS SERVICE (1) (2)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2010-11**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-------------|---------|-------|--------------------|---------------------|
| Transit Operator | 9163 | 67.0 | 1,407 | 2,233 | \$ 2,460,281 | \$ 3,905,197 |
| Transit Supervisor | 9139 | 5.0 | 2,786 | 3,387 | 363,573 | 442,004 |
| Transit Manager II | 9141 | 1.0 | 3,714 | 4,514 | 96,935 | 117,815 |
| Transit Manager I | 9140 | 1.0 | 3,289 | 3,998 | 85,843 | 104,348 |
| Automotive Mechanic | 7381 | 4.0 | 2,889 | 2,889 | 301,652 | 301,652 |
| Transit Car Cleaner | 9102 | 2.0 | 1,742 | 2,119 | 90,957 | 110,589 |
| Holiday Pay | | | | | 107,861 | 158,070 |
| Premium Pay | | | | | 96,216 | 141,004 |
| Total Salary Costs | | 80.0 | | | 3,603,318 | 5,280,679 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 924,580 | 1,374,807 |
| Fixed Fringes (4) | | | | | 956,454 | 956,454 |
| Total Fringe Benefits | | | | | 1,881,034 | 2,331,261 |
| ESTIMATED CAPITAL & OPERATING COSTS (5) | | | | | | |
| Fuels, Lubricants and Utilities (same as contractor) | | | | | 760,390 | 760,390 |
| Liability & Property Insurance (same as contractor) | | | | | 166,875 | 166,875 |
| Workers' Compensation (same as contractor) | | | | | 363,000 | 363,000 |
| Lease Purchase of 7 buses (same as contractor) | | | | | 599,798 | 599,798 |
| Bus Maintenance (same as contractor) | | | | | 345,889 | 345,889 |
| Uniforms (same as contractor) | | | | | 21,250 | 21,250 |
| Administration/Office Cost (same as contractor) | | | | | 94,918 | 94,918 |
| Profit (same as contractor) | | | | | 54,000 | 54,000 |
| Misc. Unanticipated Expenses (same as contractor) | | | | | 494,972 | 494,972 |
| Baggage Handling Expense (same as contractor) | | | | | 500,000 | 500,000 |
| Total Capital & Operating | | | | | 3,401,092 | 3,401,092 |
| ESTIMATED TOTAL CITY COST | | | | | 8,885,444 | 11,013,032 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (8,508,464) | (8,510,478) |
| ESTIMATED SAVINGS | | | | | \$ 376,980 | \$ 2,502,553 |
| % of Savings to Estimated City Cost | | | | | 4% | 23% |

Comments/Assumptions:

1. This service has been contracted out since 1975.
2. Salary rates reflect salary levels effective July 1, 2010.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.

**SAN FRANCISCO INTERNATIONAL AIRPORT
 AIRPORT SHUTTLE BUS SERVICE (1) (2)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
 FISCAL YEAR 2011-12**

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-------------|---------|-------|--------------------|---------------------|
| Transit Operator | 9163 | 67.0 | 1,407 | 2,233 | \$ 2,460,281 | \$ 3,905,197 |
| Transit Supervisor | 9139 | 5.0 | 2,786 | 3,387 | 363,573 | 442,004 |
| Transit Manager II | 9141 | 1.0 | 3,714 | 4,514 | 96,935 | 117,815 |
| Transit Manager I | 9140 | 1.0 | 3,289 | 3,998 | 85,843 | 104,348 |
| Automotive Mechanic | 7381 | 4.0 | 2,923 | 2,923 | 305,161 | 305,161 |
| Transit Car Cleaner | 9102 | 2.0 | 1,742 | 2,135 | 90,957 | 111,447 |
| Holiday Pay | | | | | 107,972 | 158,209 |
| Premium Pay | | | | | 96,315 | 141,128 |
| Total Salary Costs | | 80.0 | | | 3,607,038 | 5,285,308 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (3) | | | | | 1,027,394 | 1,525,282 |
| Fixed Fringes (4) | | | | | 1,042,535 | 1,042,535 |
| Total Fringe Benefits | | | | | 2,069,929 | 2,567,817 |
| ESTIMATED CAPITAL & OPERATING COSTS (5) | | | | | | |
| Fuels, Lubricants and Utilities (same as contractor) | | | | | 760,390 | 760,390 |
| Liability & Property Insurance (same as contractor) | | | | | 166,875 | 166,875 |
| Workers' Compensation (same as contractor) | | | | | 363,000 | 363,000 |
| Lease Purchase of 7 buses (same as contractor) | | | | | 599,798 | 599,798 |
| Bus Maintenance (same as contractor) | | | | | 345,889 | 345,889 |
| Uniforms (same as contractor) | | | | | 21,250 | 21,250 |
| Administration/Office Cost (same as contractor) | | | | | 94,918 | 94,918 |
| Profit (same as contractor) | | | | | 54,000 | 54,000 |
| Misc. Unanticipated Expenses (same as contractor) | | | | | 494,972 | 494,972 |
| Baggage Handling Expense (same as contractor) | | | | | 500,000 | 500,000 |
| Total Capital & Operating | | | | | 3,401,092 | 3,401,092 |
| ESTIMATED TOTAL CITY COST | | | | | 9,078,059 | 11,254,218 |
| LESS: ESTIMATED TOTAL CONTRACT COST (6) | | | | | (8,508,928) | (8,511,019) |
| ESTIMATED SAVINGS | | | | | \$ 569,131 | \$ 2,743,198 |
| % of Savings to Estimated City Cost | | | | | 6% | 24% |

Comments/Assumptions:

1. This service has been contracted out since 1975.
2. Salary rates reflect salary levels effective July 1, 2011.
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, and dependent coverage.
5. Estimated City capital and operating costs are included in the estimated total contract cost.
6. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs. Total includes 0.10 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Parking Citation and Collection System Services – FY 2010-11 and FY 2011-12

The cost information and supplemental data provided by your office on the proposed contract for parking citation and collection system services 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 (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Municipal Transportation Agency
CONTRACT SERVICES: Automated Citation Processing and Collections Services
CONTRACT PERIOD: 7/1/10 – 6/30/12

(1) Who performed the activity/service prior to contracting out?

The Board of Supervisors approved execution of the existing Contract which went into effect November 1, 2008. The services for this contract have been provided by PRWT Services Inc since 1998. Prior to this contract the Trial Court computer information group performed the services.

(2) How many City employees were laid off as a result of contracting out?

No City employees will be, or have been, laid off as a result of this contract.

(3) Explain the disposition of employees if they were not laid off.

N/A

(4) What percentage of City employees' time is spent of services to be contracted out?

Minimal

(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 service has been contracted out since 1998. This will likely be an on-going request for contracting out but will be analyzed in detail prior to any new award.

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

The first fiscal year was FY98/99. The Agreement was not certified for every subsequent year but was re-certified annually in for FY03 through FY09 .

(7) How will the services meet the goals of your MBE/WBE Action Plan?

The contractor has a six percent goal under this category. Plans for meeting this goal were certified by the SFMTA's Contract Compliance division.

(8) Does the proposed contractor provide health insurance for its employees?

Yes.

(9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

Yes to both questions.

(10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes.

Department Representative: Lorraine R. Fuqua
Telephone Number: 415.701.4678

MUNICIPAL TRANSPORTATION AGENCY
DEPARTMENT OF PARKING & TRAFFIC - PARKING CITATION AND COLLECTION SYSTEM
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2010-11

ESTIMATED CITY COSTS

| Projected Personnel Costs | Class | Positions | BW Rate | Low | High |
|---|-------|-----------|---------|--------------------|-----------------------|
| INTERSTATE & SPECIAL COLLECTIONS: | | | | | |
| IS Business Analyst | 1052 | 2.00 | 2,688 | 3,384 | \$ 140,298 \$ 176,635 |
| Senior Administrative Analyst | 1823 | 1.00 | 2,939 | 3,572 | 76,721 93,240 |
| OPERATING SYSTEM & APPLICATION SOFTWARE MAINTENANCE: | | | | | |
| IS Operator - Analyst | 1004 | 4.00 | 2,224 | 2,703 | 232,146 282,142 |
| IS Operator - Supervisor | 1005 | 1.00 | 2,475 | 3,009 | 64,608 78,525 |
| IS Administrator 2 | 1022 | 1.00 | 2,525 | 3,069 | 65,897 80,097 |
| IS Administrator 3 | 1023 | 1.00 | 3,069 | 3,729 | 80,097 97,338 |
| IS Engineer - Senior | 1043 | 1.00 | 3,696 | 4,647 | 96,461 121,279 |
| IS Engineer - Principal | 1044 | 1.00 | 3,974 | 4,998 | 103,729 130,454 |
| IS Programmer Analyst | 1062 | 2.00 | 2,323 | 2,923 | 121,279 152,565 |
| IS Programmer Analyst - Senior | 1063 | 3.00 | 2,822 | 3,553 | 220,962 278,174 |
| IS Programmer Analyst - Principal | 1064 | 1.00 | 3,284 | 4,132 | 85,715 107,852 |
| IS Project Director | 1070 | 1.00 | 3,974 | 4,998 | 103,729 130,454 |
| CITATION PROCESSING & COLLECTION: | | | | | |
| Clerk | 1404 | 2.00 | 1,505 | 1,826 | 78,578 95,308 |
| Principal Clerk | 1408 | 1.00 | 2,058 | 2,502 | 53,715 65,291 |
| Account Clerk | 1630 | 3.00 | 1,613 | 1,960 | 126,335 153,452 |
| Principal Account Clerk | 1634 | 1.00 | 2,108 | 2,562 | 55,010 66,871 |
| Senior Management Assistant | 1844 | 1.00 | 2,562 | 3,114 | 66,871 81,271 |
| Cashier 2 | 4321 | 28.00 | 1,673 | 2,032 | 1,222,641 1,485,154 |
| Cashier 3 | 4322 | 9.00 | 1,875 | 2,279 | 440,543 535,411 |
| Night Differential | | | | | 28,321 34,678 |
| Holiday Overtime | | | | | 22,594 27,623 |
| | | 64.00 | | | 3,486,248 4,273,814 |
| Fringe Benefits | | | | | |
| Variable Fringes (3) | | | | 920,841 | 1,127,150 |
| Fixed Fringes (4) | | | | 759,851 | 759,851 |
| | | | | 1,680,691 | 1,887,001 |
| Operating Costs | | | | | |
| Materials and Supplies | | | | 396,000 | 396,000 |
| Postage | | | | 1,066,000 | 1,066,000 |
| Rent | | | | 504,000 | 504,000 |
| | | | | 1,966,000 | 1,966,000 |
| Data Processing Cost (5) | | | | | |
| System Design & Conversion | | | | 550,286 | 550,286 |
| Portable Issuance Units & Workstations | | | | 835,167 | 835,167 |
| CPU Hardware & Operating Software | | | | 77,857 | 77,857 |
| Technical Support & Software Licenses | | | | 332,000 | 332,000 |
| | | | | 1,795,309 | 1,795,309 |
| ESTIMATED TOTAL CITY COST | | | | 8,928,249 | 9,922,124 |
| ESTIMATED CONTRACT COST (6) | | | | (8,024,716) | (8,032,304) |
| ESTIMATED SAVINGS | | | | \$ 903,533 | \$ 1,889,820 |
| % of Estimated Savings to Estimated City Cost | | | | 10% | 19% |

Comments/Assumptions:

1. These services have been contracted out since FY 1998-99.
2. Salary rates reflect salary levels effective July 1, 2010.
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 dependent coverage.
5. System development and capital costs have been amortized using IRS standards and the Department's historic experience with handheld unit replacement.
6. Estimated contract cost is based upon the the Department's actual cost for processing 1,900,000 citations and payments of 34% for special collections. Estimated contract costs

MUNICIPAL TRANSPORTATION AGENCY
DEPARTMENT OF PARKING & TRAFFIC - PARKING CITATION AND COLLECTION SYSTEM
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2011-12

ESTIMATED CITY COSTS

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|---|-------|-----------|---------|-------|---------------------|---------------------|
| INTERSTATE & SPECIAL COLLECTIONS: | | | | | | |
| IS Business Analyst | 1052 | 2.00 | 2,722 | 3,427 | \$ 142,088 | \$ 178,889 |
| Senior Administrative Analyst | 1823 | 1.00 | 2,977 | 3,618 | 77,700 | 94,430 |
| OPERATING SYSTEM & APPLICATION SOFTWARE MAINTENANCE: | | | | | | |
| IS Operator - Analyst | 1004 | 4.00 | 2,252 | 2,737 | -235,109 | 285,743 |
| IS Operator - Supervisor | 1005 | 1.00 | 2,507 | 3,047 | 65,433 | 79,527 |
| IS Administrator 2 | 1022 | 1.00 | 2,557 | 3,108 | 66,738 | 81,119 |
| IS Administrator 3 | 1023 | 1.00 | 3,108 | 3,777 | 81,119 | 98,580 |
| IS Engineer - Senior | 1043 | 1.00 | 3,743 | 4,706 | 97,692 | 122,827 |
| IS Engineer - Principal | 1044 | 1.00 | 4,025 | 5,062 | 105,053 | 132,118 |
| IS Programmer Analyst | 1062 | 2.00 | 2,353 | 2,960 | 122,827 | 154,512 |
| IS Programmer Analyst - Senior | 1063 | 3.00 | 2,858 | 3,598 | 223,781 | 281,723 |
| IS Programmer Analyst - Principal | 1064 | 1.00 | 3,326 | 4,185 | 86,809 | 109,229 |
| IS Project Director | 1070 | 1.00 | 4,025 | 5,062 | 105,053 | 132,118 |
| CITATION PROCESSING & COLLECTION: | | | | | | |
| Clerk | 1404 | 2.00 | 1,517 | 1,840 | 79,187 | 96,048 |
| Principal Clerk | 1408 | 1.00 | 2,074 | 2,521 | 54,131 | 65,798 |
| Account Clerk | 1630 | 3.00 | 1,626 | 1,975 | 127,316 | 154,643 |
| Principal Account Clerk | 1634 | 1.00 | 2,124 | 2,582 | 55,436 | 67,390 |
| Senior Management Assistant | 1844 | 1.00 | 2,582 | 3,138 | 67,390 | 81,902 |
| Cashier 2 | 4321 | 28.00 | 1,686 | 2,048 | 1,232,129 | 1,496,678 |
| Cashier 3 | 4322 | 9.00 | 1,890 | 2,297 | 443,961 | 539,565 |
| Night Differential | | | | | 28,682 | 35,121 |
| Holiday Overtime | | | | | 22,882 | 27,976 |
| | | 64.00 | | | 3,520,515 | 4,315,935 |
| Fringe Benefits | | | | | | |
| Variable Fringes (3) | | | | | 1,036,595 | 1,269,069 |
| Fixed Fringes (4) | | | | | 828,238 | 828,238 |
| | | | | | 1,864,832 | 2,097,306 |
| Operating Costs | | | | | | |
| Materials and Supplies | | | | | 396,000 | 396,000 |
| Postage | | | | | 1,066,000 | 1,066,000 |
| Rent | | | | | 504,000 | 504,000 |
| | | | | | 1,966,000 | 1,966,000 |
| Data Processing Cost (5) | | | | | | |
| System Design & Conversion | | | | | 550,286 | 550,286 |
| Portable Issuance Units & Workstations | | | | | 835,167 | 835,167 |
| CPU Hardware & Operating Software | | | | | 77,857 | 77,857 |
| Technical Support & Software Licenses | | | | | 332,000 | 332,000 |
| | | | | | 1,795,309 | 1,795,309 |
| ESTIMATED TOTAL CITY COST | | | | | 9,146,657 | 10,174,551 |
| ESTIMATED CONTRACT COST (6) | | | | | (8,026,606) | (8,034,618) |
| ESTIMATED SAVINGS | | | | | \$ 1,120,051 | \$ 2,139,933 |
| % of Estimated Savings to Estimated City Cost | | | | | 12% | 21% |

Comments/Assumptions:

1. These services have been contracted out since FY 1998-99.
2. Salary rates reflect salary levels effective July 1, 2011.
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 dependent coverage.
5. System development and capital costs have been amortized using IRS standards and the Department's historic experience with handheld unit replacement.
6. Estimated contract cost is based upon the the Department's actual cost for processing 1,900,000 citations and payments of 34% for special collections. Estimated contract costs also include .25 FTEs for contract monitoring costs.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Meter Collection and Counting Services – FY 2010-11 and 2011-12

The cost information and supplemental data provided by your office on the proposed contract for meter collection and counting services 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.

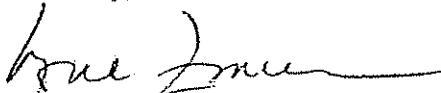
The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,


Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Municipal Transportation Agency
CONTRACT SERVICES: Parking Meter Collection and Coin Counting
CONTRACT PERIOD: 7/1/10 – 6/30/12

- (1) Who performed the activity/service prior to contracting out?

Meter collection: San Francisco Tax Collector's Office
Coin counting: San Francisco Municipal Railway

- (2) How many City employees were laid off as a result of contracting out?

Meter collection: None
Coin counting: According to the manager of Muni's revenue section, no layoffs occurred as a result of contracting out these services.

- (3) Explain the disposition of employees if they were not laid off.

N/A

- (4) What percentage of City employees' time is spent of services to be contracted out?

Meter collection: N/A
Coin counting: One FTE

- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

Meter collections have been contracted out since 1978, coin counting services since June 2002. Both meter collections and coin counting will be ongoing requests for contracting out.

- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

For meter collections the first fiscal year was FY98/99 and was not certified for every subsequent year but was re-certified in FY03 through FY10. For coin counting, the first year of certification was FY03. The contract was also certified for FY04 through FY10.

- (7) How will the services meet the goals of your MBE/WBE Action Plan?

MBE/WBE compliance is not required because the contract exceeds \$10 million. However, the contractor is in compliance with the department's action plan.

- (8) Does the proposed contractor provide health insurance for its employees?

Yes.

- (9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

The contractor has been certified by HRC as being in compliance with the domestic partner ordinance.

- (10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes.

Department Representative: Lorraine Fuqua

Telephone Number: 415-701-4678

ATTACHMENT A - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
METER COLLECTION & COUNTING SERVICES - FY 2010-11 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES' (2)

| | <u>LOW</u> | <u>HIGH</u> |
|--|--------------------|--------------------|
| CITY SERVICES: | | |
| (1) Parking Meter Coin Collection (Attachment B): | \$ 2,212,526 | \$ 2,546,622 |
| (2) Parking Meter Coin Counting (Attachment C): | 348,648 | 398,695 |
| ESTIMATED TOTAL CITY COST (3) | <u>2,561,174</u> | <u>2,945,316</u> |
| CONTRACT COST: | | |
| (1) Estimated Meter Coin Collection: | (1,928,555) | (1,951,318) |
| (2) Estimated Meter Coin Counting: | (198,010) | (205,598) |
| LESS: ESTIMATED TOTAL CONTRACT COST | <u>(2,126,565)</u> | <u>(2,156,916)</u> |
| ESTIMATED SAVINGS (CITY LESS CONTRACT) | <u>\$ 434,609</u> | <u>\$ 788,400</u> |
| % of Estimated Savings to Estimated City Cost | <u>17%</u> | <u>27%</u> |

Comments/Assumptions:

1. These services have been contracted out since 1978.
2. CCSF and contract costs are presented as annual costs; see Attachments B and C for position detail.
3. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.

ATTACHMENT B - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
PARKING METER COIN COLLECTION SERVICES - FY 2010-11 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (2)

ESTIMATED CITY COSTS:

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|--------------------|--------------------|
| Transit Revenue Supervisor | 9118 | 1.0 | 2,640 | 3,209 | \$ 68,891 | \$ 83,757 |
| Principal Fare Collections Receiver | 9117 | 1.0 | 2,537 | 3,084 | 66,224 | 80,494 |
| Senior Fare Collections Receiver | 9116 | 7.5 | 2,017 | 2,453 | 394,895 | 480,168 |
| Fare Collections Receiver | 9110 | 20.0 | 1,742 | 2,017 | 909,574 | 1,053,055 |
| | | 29.5 | | | 1,439,585 | 1,697,474 |
| Fringe Benefits | | | | | | |
| Variable Fringes (3) | | | | | 425,397 | 501,604 |
| Fixed Fringes (4) | | | | | 347,544 | 347,544 |
| Total Fringe Benefits | | | | | 772,941 | 849,148 |
| ESTIMATED TOTAL CITY COST (5) | | | | | 2,212,526 | 2,546,622 |
| LESS: ESTIMATED CONTRACT COST (6) | | | | | (1,928,555) | (1,951,318) |
| ESTIMATED SAVINGS | | | | | \$ 283,971 | \$ 595,303 |
| % of Estimated Savings to Estimated City Cost | | | | | 13% | 23% |

Comments/Assumptions:

1. These services have been contracted out since 1978.
2. The salary rates reflect salary levels effective July 1, 2010.
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.
5. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.
6. Estimated contract costs include .75 FTE for contract monitoring.

ATTACHMENT C - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
PARKING METER COIN COUNTING SERVICES - FY 2010-11 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (2)

ESTIMATED CITY COSTS:

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|-------------------|-------------------|
| Senior Fare Collections Receiver | 9116 | 1.0 | 2,017 | 2,453 | \$ 52,653 | \$ 64,022 |
| Fare Collections Receiver | 9110 | 3.8 | 1,742 | 2,017 | 172,819 | 200,080 |
| | | 4.8 | | | 225,472 | 264,103 |
| Fringe Benefits | | | | | | |
| Variable Fringes (3) | | | | | 66,627 | 78,042 |
| Fixed Fringes (4) | | | | | 56,550 | 56,550 |
| Total Fringe Benefits | | | | | 123,176 | 134,592 |
| LESS: ESTIMATED TOTAL CITY COST (5) | | | | | 348,648 | 398,695 |
| ESTIMATED CONTRACT COST (6) | | | | | (198,010) | (205,598) |
| ESTIMATED SAVINGS | | | | | \$ 150,638 | \$ 193,097 |
| % of Estimated Savings to Estimated City Cost | | | | | 43% | 48% |

Comments/Assumptions:

1. These services have been contracted out since FY 1977.
2. The salary rates reflect salary levels effective July 1, 2010.
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.
5. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.
6. Estimated contract costs include .25 FTE for contract monitoring.

ATTACHMENT A - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
METER COLLECTION & COUNTING SERVICES - FY 2011-12 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (2)

| | <u>LOW</u> | <u>HIGH</u> |
|--|--------------------|--------------------|
| CITY SERVICES: | | |
| (1) Parking Meter Coin Collection (Attachment B): | \$ 2,302,380 | \$ 2,646,969 |
| (2) Parking Meter Coin Counting (Attachment C): | 362,912 | 414,530 |
| ESTIMATED TOTAL CITY COST (3) | <u>2,665,292</u> | <u>3,061,499</u> |
| CONTRACT COST: | | |
| (1) Estimated Meter Coin Collection: | (1,934,225) | (1,958,260) |
| (2) Estimated Meter Coin Counting: | (199,900) | (207,911) |
| LESS: ESTIMATED TOTAL CONTRACT COST | <u>(2,134,125)</u> | <u>(2,166,171)</u> |
| ESTIMATED SAVINGS (CITY LESS CONTRACT) | <u>\$ 531,166</u> | <u>\$ 895,328</u> |
| % of Estimated Savings to Estimated City Cost | <u>20%</u> | <u>29%</u> |

Comments/Assumptions:

1. These services have been contracted out since 1978.
2. CCSF and contract costs are presented as annual costs; see Attachments B and C for position detail.
3. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.

ATTACHMENT B - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
PARKING METER COIN COLLECTION SERVICES - FY 2011-12 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (2)

ESTIMATED CITY COSTS:

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|--------------------|--------------------|
| Transit Revenue Supervisor | 9118 | 1.0 | 2,660 | 3,234 | \$ 69,426 | \$ 84,407 |
| Principal Fare Collections Receiver | 9117 | 1.0 | 2,557 | 3,108 | 66,738 | 81,119 |
| Senior Fare Collections Receiver | 9116 | 7.5 | 2,033 | 2,472 | 397,960 | 483,894 |
| Fare Collections Receiver | 9110 | 20.0 | 1,756 | 2,033 | 916,632 | 1,061,226 |
| | | 29.5 | | | 1,450,755 | 1,710,646 |
| Fringe Benefits | | | | | | |
| Variable Fringes (3) | | | | | 472,801 | 557,500 |
| Fixed Fringes (4) | | | | | 378,823 | 378,823 |
| Total Fringe Benefits | | | | | 851,624 | 936,323 |
| ESTIMATED TOTAL CITY COST (5) | | | | | 2,302,380 | 2,646,969 |
| LESS: ESTIMATED CONTRACT COST (6) | | | | | (1,934,225) | (1,958,260) |
| ESTIMATED SAVINGS | | | | | \$ 368,154 | \$ 688,709 |
| % of Estimated Savings to Estimated City Cost | | | | | 16% | 26% |

Comments/Assumptions:

1. These services have been contracted out since 1978.
2. The salary rates reflect salary levels effective July 1, 2011.
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.
5. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.
6. Estimated contract costs include .75 FTE for contract monitoring.

ATTACHMENT C - SUMMARY OF PARKING METER COLLECTION & COUNTING COST ANALYSIS
MUNICIPAL TRANSPORTATION AUTHORITY: PARKING & TRAFFIC
PARKING METER COIN COUNTING SERVICES - FY 2011-12 (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (2)

ESTIMATED CITY COSTS:

| Projected Personnel Costs | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|---------|-------|-------------------|-------------------|
| Senior Fare Collections Receiver | 9116 | 1.0 | 2,033 | 2,472 | \$ 53,061 | \$ 64,519 |
| Fare Collections Receiver | 9110 | 3.8 | 1,756 | 2,033 | 174,160 | 201,633 |
| | | 4.8 | | | 227,221 | 266,152 |
| Fringe Benefits | | | | | | |
| Variable Fringes (3) | | | | | 74,051 | 86,739 |
| Fixed Fringes (4) | | | | | 61,639 | 61,639 |
| Total Fringe Benefits | | | | | 135,690 | 148,378 |
| LESS: ESTIMATED TOTAL CITY COST (5) | | | | | 362,912 | 414,530 |
| ESTIMATED CONTRACT COST (6) | | | | | (199,900) | (207,911) |
| ESTIMATED SAVINGS | | | | | \$ 163,012 | \$ 206,619 |
| % of Estimated Savings to Estimated City Cost | | | | | 45% | 50% |

Comments/Assumptions:

1. These services have been contracted out since FY 1977.
2. The salary rates reflect salary levels effective July 1, 2011.
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.
5. For the purposes of this analysis operating and equipment costs have been disregarded under the assumption that they will be the same for the City or the contractor.
6. Estimated contract costs include .25 FTE for contract monitoring.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

April 13, 2010

Nathaniel P. Ford, Executive Director
Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Attention: Terrie Williams, Deputy Director, Finance
Municipal Transportation Agency
One South Van Ness

RE: Paratransit Services – FY 2010-11 and 2011-12

The cost information and supplementary data provided by your office on the proposed contract for Paratransit services 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.

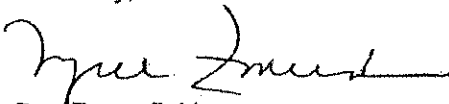
The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2010-11 and FY 2011-12 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 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

If it is your 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 Joe Nurisso at 415-554-7663 if you have any questions regarding this determination.

Sincerely,



Ben Rosenfield,
Controller

Enclosures

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

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: San Francisco Municipal Transportation Agency

CONTRACT SERVICES: Paratransit

CONTRACT PERIOD: 07/01/10 – 06/30/12

(1) Who performed the activity/service prior to contracting out?

The paratransit service has always been contracted out.

(2) How many City employees were laid off as a result of contracting out?

None.

(3) Explain the disposition of employees if they were not laid off.

N/A

(4) What percentage of City employees' time is spent of services to be contracted out?

20% of one full-time equivalent contract administrator plus 3 hours per month of a 1630 Accountant.

(5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

Thirty years. Likely to be an on-going request for contracting out.

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

FY 1983-84. Yes, it has been certified every year it has been submitted.

(7) How will the services meet the goals of your MBE/WBE Action Plan?

The contract has a SBE goal of 20%.

(8) Does the proposed contractor provide health insurance for its employees?

Yes, the contract requires health insurance for employees.

(9) Does the proposed contractor provide benefits to employees with spouses? If so, are the same benefits provided to employees with domestic partners? If not, how does the proposed contractor comply with the Domestic Partners ordinance?

Yes, the contractor provides benefits to employees with spouses and domestic partners.

(10) Does the proposed contractor pay meet the provisions of the Minimum Compensation Ordinance?

Yes, the contractor meets the provisions of the Minimum Compensation Ordinance.

Department Representative: Annette Williams

Telephone Number: 701-4444

Prop J Supplemental Questionnaire

1. *The department's basis for proposing the Prop J certification*

For the past thirty years, the Public Utilities Commission, Public Transportation Commission, and the San Francisco Municipal Transportation Agency have contracted for the provision of paratransit services. It is more economical to contract for paratransit services, mainly because the City cannot take advantage of a reasonable economy of scale and maintain the same programmatic/operational requirements as a private contractor. This is particularly true of on-call user side metered services (taxi service) in which the taxi industry provides 24-hour, 7-day a week on-call service with a fleet of no less than 1,408 vehicles. Additionally, under private contract a demand driven system can be maintained, whereas with City employees, a supply system would have to be established.

2. *The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:*

Not applicable.

The paratransit service has been contracted since its inception.

3. *The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:*

The Manager of Muni Accessible Services Program administers the current oversight of the paratransit contract. The contract deliverables include many reporting and monitoring provisions:

- Provide quarterly reports on provider compliance with MOU provisions, performance indicators and level of complaints and commendations.
- Provide quarterly report of service level statistics, including number of trips by subcontractor and mode, number of no-show trips and cancelled trips, number of stair assists performed, trip denials
- Prepare summaries of number of ADA certification on a monthly basis, including number of applications received, certifications of ADA eligible users by category, number of eligibility denials, appeals processed, recertifications, and levels of active and inactive users
- Provide reports identifying service trends or patterns on a bi-annual basis
- Maintain records and prepare operating reports as required by the MUNI/MTA, San Francisco County Transportation Authority, San Francisco Office on the Aging, and other agencies
- Provide quarterly reports of cumulative trip costs

In terms of financial monitoring, the contract states that the "Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement." Muni therefore has the ability to audit and examine all records and transactions, including invoices, materials, payrolls, records or personnel and other data.

There is also a reporting requirement related to City-owned vehicles that the Broker is leasing out to subcontracts. The Broker is required to report to the City within thirty days any occurrence – such as an inoperable vehicle or mechanical deterioration to the extent that repair is infeasible.

An annual independent customer satisfaction survey is also included as a contract deliverable. And other reporting deliverables include:

- Prepare reports, analysis materials, and informational materials for presentation to the Paratransit Coordinating Council

- Fund two independent outside audits of Broker performance - Provide one financial audit at request of AS Manager during three year contract extension period
- Provide one performance evaluation audit based upon deliverables and performance indicators at request of AS Manager during five year contract period
- The auditors must be approved by the MTA General Manager or designated representative.

4. *The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract*

ATC/Vancom, Inc. (the current Paratransit Broker) is on the approved Human Rights Commission (HRC) list for equal benefits for employees, and domestic partners and the Domestic Partners Ordinance as required. Paratransit Broker employees also receive full medical and dental benefits. See Attachment I for a full list of the current wages.

5. *The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance).*

The contract has a provision to ensure that all Broker employees maintain salaries at or above minimum prescribed wage rate - All Broker employee wage rates will meet or exceed the minimum San Francisco minimum wage standards, and annual salary levels per employee must be submitted to the Accessible Services Manager yearly.

The department is obligated and committed to enforce the provisions and spirit of all applicable regulations and ordinances of the City and County of San Francisco governing city contracts. To that end, we will work with the Human Rights Commission, the Contract Compliance Office and the City Attorney's Office to ensure that the Paratransit Broker complies with all wage, compensation, health care and equal benefits privileges stipulated by law.

6. *The department's plan for City employees displaced by the contract*

N/A

7. *A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.*

It is unlikely that the paratransit service could be provided in the future using City employees due to the extremely comprehensive service that is provided using the general taxi service, allowing SFMTA to pay a very low cost per trip (\$12.19) that would be nearly impossible to reproduce using City employees. See the attached detailed analysis which highlights that hiring City employees to perform similar duties as contracted employees would not be cost effect.

MUNICIPAL TRANSPORTATION AGENCY
 PARATRANSIT SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2010-11

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|-----------|----------|----------|---------------------|----------------------|
| Transit Operators | 9163 | 148.0 | \$ 1,407 | \$ 2,233 | \$ 5,434,960 | \$ 8,625,632 |
| Chauffer (3) | 7312 | 231.0 | 1,126 | 1,787 | 6,788,767 | 10,774,002 |
| Auto Mechanic Assistant Supervisor | 7382 | 2.0 | 3,481 | 3,481 | 181,734 | 181,734 |
| Auto Mechanic | 7381 | 12.0 | 2,889 | 2,889 | 904,956 | 904,956 |
| Auto Service Worker | 7410 | 8.0 | 1,951 | 2,371 | 407,369 | 495,065 |
| Transit Car Cleaner | 9102 | 7.0 | 1,742 | 2,119 | 318,351 | 387,061 |
| Transit Supervisor | 9139 | 2.0 | 2,786 | 3,387 | 145,429 | 176,801 |
| Transit Manager | 9140 | 4.0 | 3,289 | 3,998 | 343,372 | 417,391 |
| Passenger Service Specialist | 9135 | 14.0 | 2,110 | 2,564 | 770,994 | 936,886 |
| Senior Clerk Typist | 1426 | 6.0 | 1,714 | 2,083 | 268,366 | 326,172 |
| Sr. Eligibility Worker | 2905 | 5.0 | 2,139 | 2,601 | 279,192 | 339,407 |
| Holiday Pay | | | | | 114,418 | 131,667 |
| Premium Pay | | | | | 105,696 | 121,631 |
| Total Salary Costs | | 439.0 | | | 16,063,601 | 23,818,405 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (4) | | | | | 4,423,682 | 6,640,842 |
| Fixed Fringes (5) | | | | | 5,229,588 | 5,229,588 |
| Total Fringe Benefits | | | | | 9,653,271 | 11,870,431 |
| ESTIMATED CAPITAL & OPERATING COSTS (6) | | | | | | |
| 200 Autos | | | | | 1,689,025 | 1,689,025 |
| 138 Vans | | | | | 1,748,141 | 1,748,141 |
| 338 2-Way Radios | | | | | 464,750 | 464,750 |
| Claims | | | | | 701,917 | 701,917 |
| Total Capital & Operating | | | | | 4,603,833 | 4,603,833 |
| ESTIMATED TOTAL CITY COST | | | | | 30,320,705 | 40,292,669 |
| LESS: ESTIMATED TOTAL CONTRACT COST (7) | | | | | (20,708,331) | (20,715,689) |
| ESTIMATED SAVINGS | | | | | \$ 9,612,374 | \$ 19,576,979 |
| % of Estimated Savings to Estimated City Cost | | | | | 32% | 49% |

Comments/Assumptions:

1. This service has always been contract out, beginning in FY 1983-84.
2. Salary costs reflect salary rates effective July 1, 2010.
3. Classification has been abolished; this analysis assumes the class would be reestablished with a compensation rate equivalent to related classes, estimated to be at 80% of the Transit Operator class.
4. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
5. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
6. Capital & operating costs for vehicles has been estimated based upon IRS mileage standards.
7. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs.

MUNICIPAL TRANSPORTATION AGENCY
 PARATRANSIT SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2011-12

ESTIMATED CITY COSTS:

| PROJECTED PERSONNEL COSTS | Class | Positions | BW Rate | | Low | High |
|--|-------|--------------|----------|----------|----------------------|----------------------|
| Transit Operators | 9163 | 148.0 | \$ 1,407 | \$ 2,233 | \$ 5,434,960 | \$ 8,625,632 |
| Chauffer (3) | 7312 | 231.0 | 1,126 | 1,787 | 6,788,767 | 10,774,002 |
| Auto Mechanic Assistant Supervisor | 7382 | 2.0 | 3,522 | 3,522 | 183,848 | 183,848 |
| Auto Mechanic | 7381 | 12.0 | 2,923 | 2,923 | 915,484 | 915,484 |
| Auto Service Worker | 7410 | 8.0 | 1,951 | 2,371 | 407,369 | 495,065 |
| Transit Car Cleaner | 9102 | 7.0 | 1,756 | 2,135 | 320,821 | 390,065 |
| Transit Supervisor | 9139 | 2.0 | 2,786 | 3,387 | 145,429 | 176,801 |
| Transit Manager | 9140 | 4.0 | 3,289 | 3,998 | 343,372 | 417,391 |
| Passenger Service Specialist | 9135 | 14.0 | 2,110 | 2,564 | 770,994 | 936,886 |
| Senior Clerk Typist | 1426 | 6.0 | 1,727 | 2,099 | 270,448 | 328,703 |
| Sr. Eligibility Worker | 2905 | 5.0 | 2,156 | 2,621 | 281,358 | 342,041 |
| Holiday Pay | | | | | 115,030 | 132,325 |
| Premium Pay | | | | | 106,261 | 122,238 |
| Total Salary Costs | | 439.0 | | | 16,084,140 | 23,840,481 |
| FRINGE BENEFITS | | | | | | |
| Variable Fringes (4) | | | | | 4,903,584 | 7,352,266 |
| Fixed Fringes (5) | | | | | 5,691,483 | 5,691,483 |
| Total Fringe Benefits | | | | | 10,595,066 | 13,043,749 |
| ESTIMATED CAPITAL & OPERATING COSTS (6) | | | | | | |
| 200 Autos | | | | | 1,689,025 | 1,689,025 |
| 138 Vans | | | | | 1,748,141 | 1,748,141 |
| 338 2-Way Radios | | | | | 464,750 | 464,750 |
| Claims | | | | | 701,917 | 701,917 |
| Total Capital & Operating | | | | | 4,603,833 | 4,603,833 |
| ESTIMATED TOTAL CITY COST | | | | | 31,283,040 | 41,488,063 |
| LESS: ESTIMATED TOTAL CONTRACT COST (7) | | | | | (20,710,024) | (20,717,659) |
| ESTIMATED SAVINGS | | | | | \$ 10,573,016 | \$ 20,770,404 |
| % of Estimated Savings to Estimated City Cost | | | | | 34% | 50% |

Comments/Assumptions:

1. This service has always been contract out, beginning in FY 1983-84.
2. Salary costs reflect salary rates effective July 1, 2011.
3. Classification has been abolished; this analysis assumes the class would be reestablished with a compensation rate equivalent to related classes, estimated to be at 80% of the Transit Operator class.
4. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
5. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
6. Capital & operating costs for vehicles has been estimated based upon IRS mileage standards.
7. The Estimated Contract Cost for annual service is based upon contractor's bid for services and contract monitoring costs.



File 100362

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Gavin Newsom
RE: Certification of Specified Contracted-Out Services Previously Approved
for Enterprise Departments
DATE: May 3, 2010

Dear Madame Clerk:

Attached for introduction to the Board of Supervisors is a resolution concurring with the Controller's certification that services previously approved can be performed by private contractor for a lower cost than similar work performed by City and County employees, for the following services: employee and public parking management services, general security services, information booth services, and shuttle bus services (Airport); paratransit services, comprehensive facility security services, parking citation and collection system, meter coin counting and collection services, towing contract services, transit shelter maintenance services (MTA); and janitorial services and security services (Port).

I request that this item be calendared in the Budget and Finance Committee, in conjunction with the May 1 Enterprise budgets.

Should you have any questions, please contact Starr Terrell (415) 554-5262.

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