



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

July 31, 2020

Elaine Forbes, Executive Director
Port of San Francisco
Pier 1, The Embarcadero
San Francisco, CA 94111

Attention: Katharine Petrucione, Deputy Director of Finance and Administration

RE: Contracting for Port Security Services – FY 2020-21

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

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

The requirements of Charter Section 10.104.15 relative to the Controller's findings that work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years 2020-21 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Following the approval of the Board of Supervisors, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-5254 if you have any questions regarding this determination.

Sincerely,

/s/

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations
Nate Cruz, Port Finance Director

Port of San Francisco
 232115 EXECUTIVE
 Provide security services to Port staff and tenants
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)(2)
FISCAL YEAR 20-21

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate per FTE		Annual Cost		
			Low	High	Low	High	
Institutional Police Sergeant	8205	3.0	\$ 4,406	\$ 5,355	\$ 344,956	\$ 419,297	
Institutional Police Officer	8204	21.0	2,721	3,308	1,491,654	1,813,115	
Night Shift & Overtime Differential					0	0	
Overtime for Contingency/Fire Watch					0	0	
Holiday Pay					0	0	
Premium Pay					0	0	
Total FTE		24.0					
					Total Salary Costs-->	1,836,610	2,232,411
					Total of Other Compensation-->	0	0

FRINGE BENEFITS

Job Class	\$ Amount	Low	High
Benefits per FTE--Job Class #:	8205 \$ 59,216		
Benefits per FTE--Job Class #:	8204 \$ 41,641		
Total Fringe Benefits		936,536	1,052,120

ADDITIONAL CITY COSTS

Insert all additional costs, with a description, that the City would incur if providing the service.	0	0
May include capital costs, materials & supplies, uniforms, technology, as is comparable to the contract components.	0	0
Vehicles	0	0
	0	0
Total Capital & Operating	0	0

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	2,773,147	3,284,532
LESS: ESTIMATED TOTAL CONTRACT COST	1,648,237	1,650,206
ESTIMATED SAVINGS	<u>1,124,910</u>	<u>1,634,325</u>
% of Savings to City Cost	41%	50%

Comments/Assumptions:

1. FY16-17 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2018. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.