



SFMTA
Municipal
Transportation
Agency

Edwin M. Lee, *Mayor*

Tom Nolan, *Chairman*

Gwyneth Borden, *Director*

Jerry Lee, *Director*

Cristina Rubke, *Director*

Cheryl Brinkman, *Vice-Chairman*

Malcolm Heinicke, *Director*

Joél Ramos, *Director*

Edward D. Reiskin, *Director of Transportation*

September 15, 2014

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Ordinance for SFMTA Security Services Contract

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the Board of Supervisors approve an Ordinance that would allow the inclusion of language in any contract for security services it executes within the next year after issuing a competitive solicitation, provisions that require: (1) payment of prevailing wages by both the contractor and subcontractors to any individual providing security services under the contract, and (2) transitional employment and retention for the prior contractor's employees as set forth in Section 21C.7 of the San Francisco Administrative Code.

Background

San Francisco Administrative Code Section 21C.7 requires contractors, for certain types of contracts, to pay prevailing wages to any employee performing services, and provide transitional employment and retention for the prior contractor's employees.

The Board of Supervisors has previously determined that the turnover of experienced workers resulting from a change in City contractors for certain types of services jeopardizes the quality, efficiency and cost-effectiveness provided under the successor contract.

The Board of Supervisors has determined that contracts for these types of services must include requirements that the successor contractor: (1) retain, for a six-month period, employees who have worked at least fifteen hours per week and have been employed by the prior contractor or its subcontractors, if applicable, for the preceding twelve months; (2) retain employees of the prior contractor by seniority within job classifications if fewer employees are required to perform the new contract; (3) maintain a preferential hiring list of eligible employees that were not retained by the successor contractor; (4) not discharge any retained employee without cause; (5) perform a written performance evaluation for each retained employee after six months; and (6) offer continued employment to retained employees, if the employee's performance is satisfactory, under the terms and conditions established by the successor contractor.

The Municipal Transportation Agency intends to issue a new solicitation for security services within the next six months since the existing contract will expire within that timeframe.

Because the possibility of turnover of experienced workers resulting from a potential change in contractors will jeopardize the quality, efficiency and cost-effectiveness of security services provided under a successor contract, the Municipal Transportation Agency is seeking authorization from the Board of Supervisors to include, in any contract for security services the Municipal Transportation Agency executes within the next year after issuing a competitive solicitation, provisions that would require: (1) payment of prevailing wages by both the contractor and subcontractors to any individual providing security services under the contract, and (2) transitional employment and retention for the prior contractor's employees as set forth in Section 21C.7 of the San Francisco Administrative Code. For the purposes of this ordinance, the term "prevailing wages" shall not be defined under Section 21C.7, but shall be defined as the amount of compensation, including fringe benefits or the matching equivalent thereof, paid by the incumbent contractor to its security guard employees as of the date of the issuance of the competitive solicitation.

SFMTA Board Action

On September 16, 2014, the SFMTA Board of Directors will consider a Resolution recommending that the Board of Supervisors approve an uncodified ordinance authorizing the SFMTA to include, in any contract for security services it executes within the next year after issuing a competitive solicitation, provisions that require payment of prevailing wages (as defined in the ordinance) by both the contractor and subcontractors to any individual providing security services under the contract, and transitional employment and retention for the prior contractor's employees.

Recommendation

SFMTA recommends that the Board of Supervisors approve this uncodified ordinance authorizing the SFMTA to include, in any contract for security services it executes within the next year after issuing a competitive solicitation, provisions that require payment of prevailing wages (as defined in the ordinance) by both the contractor and subcontractors to any individual providing security services under the contract, and transitional employment and retention for the prior contractor's employees.

Thank you for your consideration of this proposed agreement. Should you have any questions or require more information, please do not hesitate to contact me.

Sincerely,



Edward D. Reiskin
Director of Transportation