



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

March 25, 2016

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

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

RE: Contracting for SFMTA Transit Shelter Services – FY 2016-17 and FY 2017-18

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

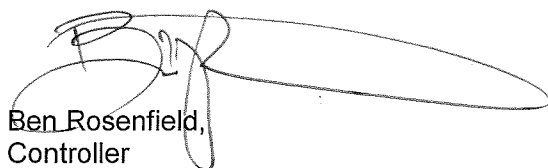
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Years 2016-17 and 2017-18 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

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

Please contact Theresa Kao at 415-554-5253 if you have any questions regarding this determination.

Sincerely,


Ben Rosenfield,
Controller

Enclosures

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

SFMTA FINANCE & INFORMATION TECHNOLOGY
 TRANSIT SHELTER MAINTENANCE & ADVERTISING SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)
 FISCAL YEAR 2016-17

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Salary Cost (2)	Benefit Cost (3) (4)	Total Cost High	Total Cost Low
General Laborer	7514	1.5	\$ 67,937	\$ 32,053	\$ 149,984	\$ 127,487
Track Maintenance Worker	7540	1.5	69,284	32,421	152,557	129,674
Holiday Pay (if applicable)					19,126	16,257
Night / Shift Differential (if applicable)					8,563	7,279
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Personnel Costs			3.0		330,231	280,697

ADDITIONAL CITY COSTS (if applicable)

Materials & Supplies (5)	144,200	144,200
Safety Equipment (6)	5,150	5,150
Vehicle Maintenance (7)	1,030	1,030
	0	0
Total Capital & Operating	150,380	150,380

ESTIMATED TOTAL CITY COST

480,611 431,077

LESS: ESTIMATED TOTAL CONTRACT COST (8)

(392,149) (385,825)

ESTIMATED SAVINGS

\$ 88,462 \$ 45,251

% of Savings to City Cost

18% 10%

Comments/Assumptions:

1. FY 2007-08 was the first year these services were contracted out.
2. Salary rates as posted in DHR website at June 30,2016 x 1.0325, salary rate increase per MOUs
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.
5. Materials and supplies would be the costs for the cleaning materials, glass, protective film for the glass, paint for railing, etc.. Assumes a 3% cost increase (CPI) from FY16
6. Safety equipment is personal protective gear for the workers. Assumes as 3% increase (CPI) from FY16.
7. Vehicle maintenance is the usual type of maintenance for City vehicles. Assumes as 3% increase (CPI) from FY16.
8. Total Contract Costs 1% increase in Contract Cost from FY16 (Controller's approved low at \$367,471 and high at \$371,167)

SFMTA FINANCE & INFORMATION TECHNOLOGY
 TRANSIT SHELTER MAINTENANCE & ADVERTISING SERVICES
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)
 FISCAL YEAR 2017-18

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Salary Cost (2)	Benefit Cost (3) (4)	Total Cost High	Total Cost Low
General Laborer	7514	1.5	\$ 69,395	\$ 34,331	\$ 155,590	\$ 132,251
Track Maintenance Worker	7540	1.5	70,772	34,731	158,254	134,516
Holiday Pay (if applicable)					19,841	16,865
Night / Shift Differential (if applicable)					8,883	7,551
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Personnel Costs		3.0			342,568	291,183

ADDITIONAL CITY COSTS (if applicable)

Materials & Supplies (5)	148,526	148,526
Safety Equipment (6)	5,305	5,305
Vehicle Maintenance (7)	1,061	1,061
Total Capital & Operating	154,891	154,891

ESTIMATED TOTAL CITY COST

497,459 446,074

LESS: ESTIMATED TOTAL CONTRACT COST (8)

(396,515) (390,062)

ESTIMATED SAVINGS

\$ 100,944 \$ 56,012

% of Savings to City Cost

20% 13%

Comments/Assumptions:

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