

**BUDGET FORM 1A: Summary of Major Changes
FY 2021-22 and FY 2022-23**

Port

Major Changes	Department Response to Major Changes	Equity Lens: Explain what populations are benefited by these changes and how they are benefited. How will the department know those were successful?	Equity Lens: Explain what populations are negatively impacted by these changes and how they are impacted. Describe what strategies your Department recommends to mitigate any potential adverse impacts.
1. SUMMARY. What major changes is the department proposing? Clearly describe each change, including the fiscal impact of the proposal, and how the department proposes to fund each significant change (i.e. reprioritization of existing funds, grants, or other new revenues). Include detail related to position changes in Position section below.	The Port is not proposing any major changes in the department phase. All major changes to revenue, salary and fringe, and new revenue lines will be part of the FY 21-22 supplemental appropriation entered during Mayor's phase.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
2. TARGET. How did the department meet its target? What are the high-level programmatic, operational, or staffing impacts of this proposed reduction?	The Port increased its fund balance contribution on the sources side to balance increased salary cost (COLA) and work order costs.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
3. EXPENDITURE CHANGES. What major expenditure changes is the department proposing? Please provide information especially for any grant changes, major contract changes, personnel changes, or other changes that affect core services and functions. What is the overall General Fund impact? Highlight any changes related to major changes/initiatives as noted in the Summary section.	The department is not proposing any expenditures changes with the exception of work order balancing and salary and fringe increases.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
4. REVENUE. What revenue changes did the department submit from the base budget? Please differentiate between General Fund and non-General Fund. (This should match an Audit Trail, as shown in form 2A Revenue Report).	No revenue changes are noted in this submission. Increased fund contribution was used to balance increased costs.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
5. LEGISLATION. Is the department seeking to submit any legislation with the budget? Does the department's budget assume any revenues/expenditures that require a legislative change? If so, please submit drafts of legislation along with the budget submission. Or provide a summary of desired legislation and an expected date of submission, if still in progress.	The Port proposes to submit a supplemental appropriation for FY 21-22 of the fixed two year budget. This supplemental appropriation will assume reduced revenue and expenditures. This supplemental appropriation will also include over \$30 million in continuing capital project de-appropriations (fund 23700) to support fund balance.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
6. PROP J. Identify existing Prop J Analyses that will continue, and if the department's budget proposes any NEW contracting out of work previously done by City workers.	Existing Prop J Analyses for Janatorial and Security services will continue for FY 2021-22.		
7. TRANSFER OF FUNCTION. Is the department requesting any Transfer of Functions of positions between departments? If so, please explain.	No		
8. INTERIM EXCEPTIONS. Is the department requesting any interim exceptions (new positions that are 1.0 FTE rather than 0.77)? If so, for what reason are is the request being made?	No		
9. FELLOWSHIP PROGRAMS. Did the department apply to any citywide fellowship programs, including San Francisco Fellows, the Fish Fellowship, or the 1249 HR Analyst Trainee Program?	Yes, the Waterfront Resilience Program is requesting a San Francisco Fellow for FY 21-22.	Equity analysis will be provided at the time of supplemental	Equity analysis will be provided at the time of supplemental
10. BUDGET EQUITY. How will your department support advancing racial equity through its services to the community and within your organization, including the goals and actions identified in the Racial Equity Action Plan?	The Port hired its first Diversity, Equity, and Opportunity Manager in FY 20-21 and submitted Phase 1 of the Racial Equity Action Plan to ORE. The Port's budget contains an annual programmatic project with a commitment of \$112k in FY 21-22.		

Please complete all shaded sections in this worksheet, as is required by San Francisco Administrative Code Section 2.15:

Department: Port of San Francisco
Contract: Provide security services to Port staff and tenants

SEC. 2.15 SUPPLEMENTAL REPORTS REQUIRED

Any officer, department or agency seeking Board approval of a contract for personal services under Charter Section 10.104(15) shall submit a supplemental report to the Board of Supervisors in connection with the contract and the Controller's certification.

The report shall summarize the essential terms of the proposed contract and address the following subjects:

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

The Port requires private security to ensure the safety of tenants, employees, and visitors, and to protect Port property along the 7 1/2 miles of Port waterfront.

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; contract for these services has been in place for over 10 years.

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

Current oversight and reporting requirements are defined in the contract, which includes Daily Activity Reports provided three times per day, site coverage reports provided daily, and incident reports provided within 24-hours of an event and/or of SFPD/private security intervention.

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:

Any labor agreements are reviewed through the OCA Contracting process. The 3 contracts were negotiated through OCA and align with current wage, benefit and labor laws. The contracts were approved through the OLSE compliance process.

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);

Both the Janitorial and Security Guards contracts are general service contracts set up by Office of Contract Administration (OCA) at the Port's request. The Contract Monitoring Division, OCA, and the Office of Labor Standards Enforcement (OLSE) have primary responsibility for compliance monitoring and enforcing which they do through random checks and in responses to worker complaints. As a department, the Port reviews invoices and FSP entries to periodically ensure compliance. The Port is not able to enforce these City Labor Laws but can refer any non-compliance by contractors to the relevant agency.

6. The department's plan for City employees displaced by the contract; and,
There are no city employees displaced under this contract.

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)

Currently, the cost of City employees performing this work would outweigh the cost of the contract by over \$1.5M in personnel costs alone. To add a City-staffed security unit would not only include hiring and training personnel, but purchasing vehicles and incurring additional spending on overhead.

Per PRT staff, vehicles and overhead are not included in the calculation of City costs.

Name and job title of the person completing this questionnaire:

Ken Tashian, Program Manager, Homeland Security

PROP J ANALYSIS SUMMARY

Port of San Francisco

Provide security services to Port staff and tenants

FISCAL YEAR 21-22

City cost if services are not contracted out

	<i>low range</i>		<i>high range</i>	
Total Annual Salary	\$	1,874,580	\$	2,299,280
Total Other Pay	\$	-	\$	-
Total Fringe Benefits	\$	936,536	\$	1,052,120
Additional City Costs	\$	-	\$	-
	\$	2,811,117	\$	3,351,400

City cost if services are contracted out

Contract Cost	\$	1,638,199	\$	1,638,199
City Contract Monitoring	\$	10,038	\$	12,007
	\$	1,648,237	\$	1,650,206

City Savings from Contracting Out,				
Savings/(Cost)	\$	1,162,880	\$	1,701,194
		41%		51%

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 21-22

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	\$ 4,320	5,516	338,256	\$ 431,903	
Institutional Police Officer	8204	21.0	2,803	3,407	1,536,324	1,867,377	
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-->	1,874,580	2,299,280
					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. May include capital costs, materials & supplies, uniforms, technology, as is comparable to the contract components.	0	0
Vehicles	0	0
Total Capital & Operating	0	0

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	2,811,117	3,351,400
LESS: ESTIMATED TOTAL CONTRACT COST	1,648,237	1,650,206
ESTIMATED SAVINGS	<u>1,162,880</u>	<u>1,701,194</u>
% of Savings to City Cost	41%	51%

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.

Contract Cost Details

	Low	High
Estimated Contract Cost	\$ 1,638,199.05	\$ 1,638,199.05
Estimated Monitoring Cost	\$ 10,037.78	\$ 12,007.21
	1,648,237	1,650,206

Contract Cost Calculation:

Please show all calculations made to estimate contract cost. Describe assumptions and source of data above, and feel free to enter more rows as needed.

List of all contract components	Number of Hours/Month	Notes	Total Cost - low end est	Total Cost - high end est
Homeland Security -- General		All \$32.99/hour		
Area 1 - Hyde Street Harbor	424	\$ 32.99	\$ 167,853	\$ 167,853
Area 2 - Ferry Plaza	200	\$ 32.99	\$ 79,176	\$ 79,176
Area 3 - Mobile Patrol	744	\$ 32.99	\$ 294,535	\$ 294,535
Zone 1 - Bicycle/Foot Patrol (Pier 35 to Agriculture Bldg.)	564	\$ 32.99	\$ 223,276	\$ 223,276
Zone 2 - Bicycle/Foot Patrol (Pier 14 to China Basin Ferry)	564	\$ 32.99	\$ 223,276	\$ 223,276
Homeland Security -- Specialty		\$ 32.99	\$ -	\$ -
New Year's Eve	36	\$ 32.99	\$ 1,188	\$ 1,188
4th of July	36	\$ 32.99	\$ 1,188	\$ 1,188
SF Marathon	24	\$ 32.99	\$ 792	\$ 792
Fleet Week	240	\$ 32.99	\$ 7,918	\$ 7,918
Fire Watch	288	\$ 32.99	\$ 9,501	\$ 9,501
Special Watches	275	\$ 32.99	\$ 9,072	\$ 9,072
Maritime - SBH	248	\$ 32.99	\$ 98,178	\$ 98,178
Real Estate As-Needed	264	\$ 32.99	\$ 104,512	\$ 104,512
Maritime - Pier 70 As-Needed	505	\$ 32.99	\$ 200,000	\$ 200,000
Crane Cove Park	550	\$ 32.99	\$ 217,734	\$ 217,734
TOTAL CONTRACT COST	4,962.2		\$ 1,638,199	\$ 1,638,199

1. List all assumptions made in calculating contract cost.

Include any private wage rates, population estimates, square footage estimates or other data used in calculating your contract cost. Please insert more lines as needed.

Section 11.14 of Contract #86024 provides for a maximum annual increase in rates of 5%. Historically, OCA was granted increases of 3.5%, the 3.5%, the projected increase used to forecast future expenses

- 3)
- 4)

2. What is the source of data used to calculate the contract cost?

Contract #86024, and amendment 1

3. What year is your data from?

2018

4. If contract cost is based on an RFP and before a contract has been approved, was the RFP for comparable services?

N/A. Contract commenced on 12/01/16

Contract Monitoring Costs:

Does/would contract require monitoring? If yes, fill out the details below. If not, explain why, as this would be unusual.	Yes, see below.
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Salary:

Job Class	Job Class Title	# of FTEs (can be partial; e.g. a half time employee would be 0.5 FTE)	Biweekly Rate		Annual Salary Expense		Benefits per FTE		Annual Benefit Expense		TOTAL EXPENSES	
			Low	High	Low	High	Low	High	Low	High	Low	High
5504	Project Manager II	0.05	5,477	6,658	\$ 7,148	\$ 8,689	\$ 57,793	\$ 66,372	\$ 2,890	\$ 3,319	\$ 10,038	\$ 12,007
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CONTRACT MONITORING COST					\$ 7,148	\$ 8,689	\$ 57,793	\$ 66,372	\$ 2,890	\$ 3,319	\$ 10,038	\$ 12,007

Year (BY, aka FY 19/20)	Job Class Number	Job Class Title	FTE	5010 Salary	5130 Benefits	Total Sal & Ben	bi-weekly rate = salary/26.1	bi-weekly = step 1 low
FY21-22	5504	Project Manager II	0.05	\$ 173,772	\$ 66,372	\$ 12,007	6,658	5,477

Please complete all shaded sections in this worksheet, as is required by San Francisco Administrative Code Section 2.15:

Department: Port of San Francisco
Contract: Provide janitorial services to Port facilities

SEC. 2.15 SUPPLEMENTAL REPORTS REQUIRED

Any officer, department or agency seeking Board approval of a contract for personal services under Charter Section 10.104(15) shall submit a supplemental report to the Board of Supervisors in connection with the contract and the Controller's certification.

The report shall summarize the essential terms of the proposed contract and address the following subjects:

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

The Port does not have staff capacity to add a new Janitorial unit to cover the large geographic area of the various Port properties along the waterfront. Contracting out the janitorial work allows the flexibility of services as tenants move in/out of Port facilities.

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 services are under a 3 year Contract with 3 LBE Janitorial Vendors for Port facilities.

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

Monthly invoice billing review. Periodic updates from Property Managers. Quarterly Meetings with Janitorial supervisors.

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:

Any labor agreements are reviewed through the OCA Contracting process. The 3 contracts were negotiated through OCA and align with current wage, benefit and labor laws. The contracts were approved through the OLSE compliance process.

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);

Both the Janitorial and Security Guards contracts are general service contracts set up by Office of Contract Administration (OCA) at the Port's request. The Contract Monitoring Division, OCA, and the Office of Labor Standards Enforcement (OLSE) have primary responsibility for compliance monitoring and enforcing which they do through random checks and in responses to worker complaints. As a department, the Port reviews invoices and FSP entries to periodically ensure compliance. The Port is not able to enforce these City Labor Laws but can refer any non-compliance by contractors to the relevant agency.

6. The department's plan for City employees displaced by the contract; and,
There are no city employees displaced under this contract.

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)

The current estimate to add and train staff for a Janitorial unit is approx. 18 months with an estimated \$1.2M in personnel costs. There would also be a limitation to easily add or reduce Janitorial services to match the Port tenancy turnover of full service Janitorial sites -- this flexibility is possible under this contract, but would not be with City employees.

Name and job title of the person completing this questionnaire:

Tyrone Navarro, Principal Administrative Analyst

PROP J ANALYSIS SUMMARY

Port of San Francisco

Tyrone Navarro, Real Estate & Development Division

FISCAL YEAR 2021-22

City cost if services are not contracted out

	<i>low range</i>	<i>high range</i>
Total Annual Salary	\$ 1,048,124	\$ 1,273,158
Total Other Pay	\$ 62,925	\$ 76,435
Total Fringe Benefits	\$ 590,166	\$ 654,352
Additional City Costs	\$ 35,000	\$ 55,000
	<u>\$ 1,736,214</u>	<u>\$ 2,058,946</u>

City cost if services are contracted out

Contract Cost	\$ 1,200,000	\$ 1,800,000
City Contract Monitoring	\$ 8,303	\$ 10,092
	<u>\$ 1,208,303</u>	<u>\$ 1,810,092</u>

City Savings from Contracting Out,

Savings/(Cost)	\$ 527,911	\$ 248,853
	30%	12%

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	
Custodial Supervisor	2718	3.0	\$ 2,611	\$ 3,175	\$ 204,441	\$ 248,603	
Custodian	2708	12.0	2,155	2,617	\$ 674,946.00	\$ 819,644.40	
Porter	2736	3.0	2,155	2,617	\$ 168,736.50	\$ 204,911.10	
Holiday Pay (if applicable)					33,258	40,398	
Night / Shift Differential (if applicable)					29,667	36,037	
Overtime Pay (if applicable)					-	-	
Other Pay (if applicable)					-	-	
Total FTE		18.0					
					Total Salary Costs-->	\$ 1,048,123.80	\$ 1,273,158.00
					Total of Other Compensation-->	\$ 62,924.92	\$ 76,435.02

FRINGE BENEFITS

Job Class	\$ Amount	Low	High
Benefits per FTE--Job Class #:	2718 \$ 39,827		
Benefits per FTE--Job Class #:	2708 \$ 35,458		
Benefits per FTE--Job Class #:	2736 \$ 36,460		
Total Fringe Benefits		590,166	654,352

ADDITIONAL CITY COSTS

Insert all additional costs, with a description, that the City would incur if providing the service. May include capital costs, materials & supplies, uniforms, technology, as is comparable to the contract components.	\$ 35,000	\$ 55,000
	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Total Capital & Operating	\$ 35,000	\$ 55,000

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	1,736,214	2,058,946
LESS: ESTIMATED TOTAL CONTRACT COST	1,208,303	1,810,092
ESTIMATED SAVINGS	\$ 527,911	\$ 248,853
% of Savings to City Cost	30%	12%

Comments/Assumptions:

1. FY 2020 will about the 23rd year these services have been 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.

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.

Contract Cost Details

	Low	High
Estimated Contract Cost	\$ 1,200,000	\$ 1,800,000
Estimated Monitoring Cost	\$ 8,303	\$ 10,092

\$ 1,208,303 \$ 1,810,092

Contract Cost Calculation:

Please show all calculations made to estimate contract cost. Describe assumptions and source of data above, and feel free to enter more rows as needed.

List of all contract components	Number of Units	Notes	Total Cost - low end est	Total Cost - high end est
Sub area 1 - FW Harbor Office/Northern Waterfront		Contract #10802	\$ 400,000	\$ 600,000
Sub area 2 - Ferry building Central Waterfront		Contract #10803	\$ 400,000	\$ 600,000
Sub area 3 - Buildings & Sheds Southern Waterf		Contract #10801	\$ 400,000	\$ 600,000
TOTAL CONTRACT COST			\$ 1,200,000	\$ 1,800,000

1. List all assumptions made in calculating contract cost.

Include any private wage rates, population estimates, square footage estimates or other data used in calculating your contract cost. Please insert more lines as needed.

Janitorial services have been contracted out since 1997. For calculation purposes, costs are assumed to have increased due to higher level of service and increased rates in Contract effective July 2018. The Janitorial contract was awarded to three LBE vendors. Estimates is based on RFP and FY 18-19 costs, with 3% per year added for two years for FY 20-21 calculation.

2. What is the source of data used to calculate the contract cost?

RFP and FY 18-19 costs

3. What year is your data from?

RFP and Proposals from contractor June 2018 and FY 18-19 costs

4. If contract cost is based on an RFP and before a contract has been approved, was the RFP for comparable services?

Yes Estimates are based on actual costs of the competitively bid contracts awarded in July 2018.

Contract Monitoring Costs:

Does/would contract require monitoring? If yes, fill out the details below. If not, explain why, as this would be unusual.	Yes, see below.
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Salary:

Job Class	Job Class Title	# of FTEs (can be partial; e.g. a half time employee would be 0.5 FTE)	Biweekly Rate		Annual Salary Expense		Benefits per FTE		Annual Benefit Expense		TOTAL EXPENSES	
			Low	High	Low	High	Low	High	Low	High	Low	High
0922	Manager I	0.05	4,378	5,321	\$ 5,713	\$ 6,944	\$ 51,803	\$ 62,967	\$ 2,590	\$ 3,148	\$ 8,303	\$ 10,092
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CONTRACT MONITORING COST					\$ 5,713	\$ 6,944	\$ 51,803	\$ 62,967	\$ 2,590	\$ 3,148	\$ 8,303	\$ 10,092

Year	Start Pay Period	End Pay Period	Job Class	Class Salary	FTE	001 Salary	013 Benefits	Total Sal & Ben		
BY		1	27 0922_C M	138,346	1	138,878	62,967	201,845	5,321.00	4,378
BY		1	27 0922_F M	138,346	1	138,878	54,232	193,110	5,321.00	4,378
BY		1	27 0922_S M	138,346	1	138,878	93,247	232,125	5,321.00	4,378
BY+1		1	27 0922_C M	138,346	1	138,878	64,721	203,599	5,321.00	4,378
BY+1		1	27 0922_F M	138,346	1	138,878	55,986	194,864	5,321.00	4,378
BY+1		1	27 0922_S M	138,346	1	138,878	92,942	231,820	5,321.00	4,378