

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. 16-063

WHEREAS, In 2012, the City approved Contract No. 2011-12-08 with Serco, Inc. (Serco), for parking meter coin collection, counting, and support services, in an amount not to exceed \$46,410,974, and for a term of five years, with the option to extend the agreement for up to four years (the Contract); and,

WHEREAS, In early 2016, Serco and Teamsters Local 665 successfully negotiated a collective bargaining agreement (CBA) that establishes increased wages and benefits for certain employees of Serco working on the Contract (meter collectors, coin room operators, crew leads, and foreperson positions); the CBA benefits include a progressive pay scale, with salary increases, additional paid time off, and increases to the employer contribution for health care; and,

WHEREAS, The Contract does not require that the City pay any increases resulting from negotiated wages and benefits under the CBA; and,

WHEREAS, Serco will honor the proposed CBA only with the assurance that the SFMTA will cover the increased costs resulting from the CBA; and,

WHEREAS, The SFMTA seeks to amend the agreement to in order to ensure that wage and benefits under the proposed CBA will be honored by the contractor; and,

WHEREAS, In addition, the SFMTA has drafted an uncodified ordinance for consideration by the Board of Supervisors approve, which will authorize the SFMTA to carry forward to future procurements for coin collection, counting and support services the requirement to pay prevailing wages based on the CBA and retain the current personnel performing such services for at least six months after contract award; and,

WHEREAS, The cost of implementing the CBA will be approximately \$715,000 for the remainder of the base term of the Agreement and average of approximately \$915,000 for each extension year of the agreement, which includes a 16.52% Contractor overhead rate; and,

WHEREAS, Failure to amend the Contract could result in a loss of staff providing services under the Contract, and a lack of experienced employees available for hire due to wage rates that may not be comparable to rates proposed; and,

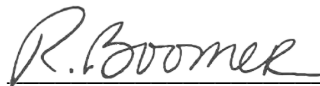
WHEREAS, Establishing the ordinance ensures that any future contractors will be obligated to continue the terms of the CBA; and,

WHEREAS, On April 7, 2016, the SFMTA, under authority delegated by the Planning Department, determined that amending the Contract and approving the prevailing wage ordinance are not “projects” pursuant to CEQA as defined in CEQA Guidelines Sections 15060(c) and 15378(b) because the actions would not result in a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation or his designee to execute the Second Amendment to SFMTA Contract No.2011-12-08 with Serco, Inc., for parking meter coin counting, collection, and support services, to implement collective bargaining agreement (CBA) wage increases of approximately \$715,000 for the remainder of the base term of the Agreement and average of approximately \$915,000 for each extension year of the agreement, effective July 1, 2016, and benefits, effective January 1, 2017 for meter collector, coin room operator, crew lead, and foreperson positions with no increase in the total contract amount; and, be it

FURTHER RESOLVED, That the SFMTA Board of Directors urges the Board of Supervisors to approve an uncodified ordinance authorizing the SFMTA to establish prevailing wage requirements in future procurements based on the CBA, and establish transitional employment and retention requirements, for existing employees performing such services.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 17, 2016.



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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency