

**Feasibility Review/Cost Analysis for Out-Sourcing vs. In-House Labor for  
RFP # AD-23-02 "Operation and Management of Transportation Services"**

<b>City's Estimated Personnel, Benefits, Taxes, Workers Comp, Liability Insurance and OPEB Costs</b>	<b>Year 1</b>
Personnel Costs for 82 Positions	\$ 3,175,031
Employee Benefits, Taxes, Workers Comp, Liability Insurance and OPEB Costs	\$ 4,367,276
<b>Sub-Total</b>	<b>\$ 7,542,307</b>

<b>Transportation Authority's Estimated Personnel, Benefits, Taxes, Workers Comp, and Liability Insurance Costs</b>	<b>Year 1</b>
Personnel Costs for 82 Positions	\$ 3,175,031
Employee Benefits, Taxes, Workers Comp, and Liability Insurance Costs	\$ 829,440
<b>Sub-Total</b>	<b>\$ 4,004,472</b>

<b>Estimated Net Increase by Utilizing In-House Labor</b>	<b>\$ 3,537,836</b>
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**Assumptions:**

1. This analysis includes the same rates from Transportation Authority's proposal for their staff and City's staff.
2. This analysis does not include additional overtime costs for City or Transportation Authority Staff.
3. The Employee Benefits and Liability Insurance Costs for Transportation Authority is based off of actual costs for the 2022-23 year.
4. Personnel Costs in future years would increase to account for wage increases and increases in cost of benefits.
5. The analysis does not include equipment and supplies and the current agreement is a reimbursement type contract, in which the City would have similar costs in providing any similar materials.
6. The analysis does not include any onboarding and training costs or additional staff that may be needed for recruiting and assisting with turnover, etc.