

CITY OF SAN DIEGO, CALIFORNIA  
**COUNCIL POLICY**

CURRENT

SUBJECT: CAPITAL IMPROVEMENT PROGRAM TRANSPARENCY  
POLICY NO.: 000-31  
EFFECTIVE DATE: September 22, 2022

BACKGROUND:

In 2012, the City Council approved a number of measures to streamline the City's Capital Improvements Projects (*CIP*) delivery systems. The *CIP* streamlining reforms expedite the process of harnessing scarce resources on job-generating projects that revitalize our neighborhoods. Additionally, the streamlining measures require an increased transparency to enable the City Council and the public to provide oversight of the City's *CIP* program.

PURPOSE:

This policy establishes the standard requirements for enhancing *CIP* transparency and improving access to publicly available information related to the *CIP*. It also establishes the framework for making the information readily available to the stakeholders by using a combination of presentations to the City Council, stakeholder meetings, reports, and updates to the City's Website.

DEFINITIONS:

*Change Order* means a written order to the contractor signed by the City directing an addition, deletion, revision, or adjustment in the *Public Works Contract* to the contract price, contract time, or scope of work issued after the effective date of the contract.

*CIP* means the City's Capital Improvement Program.

*CIP Budget Document* means City of San Diego's fiscal year *CIP* Budget.

*CIP Outlook* means the five-year outlook described in section A below.

*CIP Webpage* means internal and external internet-based pages set up to present and access publicly available *CIP* information.

*CIPRAC* means the Capital Improvements Program Review & Advisory Committee consisting of the Mayor's staff to advise the Mayor on the *CIP*-related matters, e.g., projects listing and prioritizations.

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*Consultant Contract* means a contract to provide expert or professional services, such as architectural and engineering services for a Public Works project.

*EOCP* means Equal Opportunity Contracting Program.

*Job Order Contract (JOC)* means a *Public Works Contract* awarded on a unit cost basis for all necessary labor, materials, and equipment pursuant to San Diego City Charter section 94.1.

*Multiple Award Construction Contract (MACC)* means an alternate delivery method where a shortlist of pre-qualified design-build teams bid on projects that are similar in scope or asset type without a full and open solicitation.

*Priority Score* means the score assigned to the project signifying its priority status in accordance with Council Policy 800-14.

*Public Works Contract* means a contract for the construction, reconstruction, or repair of public buildings, streets, utilities, and other public works.

*Task Order* means an authorization to perform public works issued under a *Job Order Contract* or a multiple award design-build contract under section 22.3310 of the San Diego Municipal Code.

**POLICY:**

To maintain the public's trust and confidence, it is the policy of the City Council that the information related to the execution of the *CIP* remains transparent and easily accessible to stakeholders and members of the public. The City Manager may modify the reporting details, e.g., formats and updating frequency that are controlled by logistical issues without having to revise this policy. The City Council will be informed by *CIPRAC* of these changes via a memorandum four weeks prior to implementation.

**POLICY APPLICABILITY:**

This policy applies to all *Public Works Contracts* and *CIP*-related *Consultant Contracts* awarded pursuant to Chapter 2, Article 2, Divisions 30, 31, 32, 33, 34, 36, and 38 of the Municipal Code and included in the *CIP Budget Document*. The following sections outline how, when, and where *CIP*-related information will be provided to the City Council and the public.

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**A. Five-Year *CIP* Planning Outlook**

1. Each year, *CIPRAC* will present to the City Council a forecast of the *CIP*'s priority needs, discretionary needs, and anticipated revenues for the next five fiscal years. The five-year *CIP Budget Document* is a planning tool to assist in budget decisions and the allocation of resources required to meet the City's strategic goals that are critical to core services. This provides the City Council, key stakeholders, and the public with information prior to the budget meetings to facilitate an informed discussion during the development of the *CIP Budget*. The *CIP Budget Document* aims to explain the basis for revenue projections, provide criteria to determine capital infrastructure needs, and present a broad overview of capital infrastructure needs and funding over the next five fiscal years. As outlined in Council Policy 000-32, the City will incorporate input from both the Community Planners Committee and the City Council into the *CIP Budget Document*. The *CIP Budget Document* will be published on the City's Website.

**B. *CIP Budget Documents* and Hearings**

The following information will either be included in the proposed and annual *CIP Budget Documents* as prepared by the Department of Finance or provided by the Engineering and Capital Projects Department in conjunction with the release of the proposed budget (by April 15th of each fiscal year).

1. Each *CIP* project will have a project page that includes the Council District, community plan, project status, duration, *Priority Score*, project description, project justification, operating budget impact, project schedule, summary of project changes, funding sources, and a five-year funding plan that includes the current year funding and proposed year funding.
2. In addition to the summary sheets that have been historically provided (i.e., *CIP* project by fund, *CIP* by funding source, *CIP* by project type, *CIP* by department, *CIP* by *Priority Score*), the following additional summary sheets will be provided:
  - a) List of projects organized by new, continuing, completed/warranty, and unfunded/underfunded.
  - b) List of all projects that are anticipated to move forward to bid and award of construction contract during the upcoming fiscal year. Projects should be grouped by asset owning department and also include the delivery method, estimated amount of the contract to be let, total estimated project cost, and the *CIP Budget Document* project description page number.

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- c) For projects that include the replacement of multiple street, and pipeline assets, such as street resurfacing, slurry seal, and water/sewer main replacement, a prioritized list of the known projects will be provided to the City Council in conjunction with the release of the proposed *CIP Budget Document* (by April 15th of each fiscal year) followed by future updates when the lists are refreshed.

**C. CIP-Related Consultant and Construction Contracts**

- 1. A summarized list of *CIP-related Consultant Contracts* valued at \$5 million or less that are proposed to be awarded during the upcoming fiscal year will be provided to the City Council in conjunction with the release of the proposed *CIP Budget Document* (by April 15th of each fiscal year). Staff will update the *CIP Webpage* once the consultant selection and award have been completed.
- 2. A summarized list of *CIP-related Consultant Contracts* sorted by consultant, that have already been awarded, will also be provided as part of the *CIP Budget Document* or in conjunction with the release of the proposed *CIP Budget Document* (by April 15th of each fiscal year) by the Purchasing and Contracting Department. The list will include the name of the consultant firm, brief scope of work performed, amount of contract awarded during the current fiscal year, total contract amount, funding source, and *EOCP* information.
- 3. The Engineering and Capital Projects Department will provide to the City Council a list of all *CIP* construction contracts that were awarded in the last fiscal year and current fiscal year to date. This list shall also contain a project summary that contains the following information: the name of the construction firm, a brief scope of work to be performed, and the amount of contract awarded. The Engineering and Capital Projects Department will provide the City Council with an update to this list each fiscal quarter.

**D. Budget Hearings**

- 1. At the City's annual budget hearings, Engineering and Capital Projects management will schedule a *CIP* hearing before the Budget and Finance Committee.
- 2. Staff will provide a report on the status of major *CIP* projects covering milestones completed, expenditures, and whether the projects are meeting performance goals at the budget hearings.
- 3. Staff will also include the accomplishments for the current fiscal year and present the next fiscal year's proposed *CIP* budget highlighting the new, continuing, completed/warranty, and unfunded/underfunded projects.

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4. Staff will also present which projects they are requesting Council to approve going out to bid and award for the upcoming fiscal year.

**E. *CIP Webpage***

1. The Engineering and Capital Projects Department will maintain a *CIP Webpage* that will be updated, at a minimum, quarterly. The *CIP Webpage* will include the following information:
  - a) For each project the following information will be provided: Council District, project status, duration, *Priority Score*, project location and description, project justification, operating budget impact, project schedule, summary of project changes, project delivery method, *EOCP* subcontracting participation levels, funding sources, and links to bundled projects. This information will be updated on a monthly basis.
  - b) Status and update of all project awards shall be provided. Projects should be grouped by department and shall include the delivery method, actual amount of the contract let, total estimated project cost, funding source, and *CIP* project description page number.

A summarized list of inter-agency agreements (i.e., co-operative agreements) will be posted on the *CIP Webpage* and updated quarterly.

2. Additional details, such as individual *CIP Priority Score*, operating budget impact, and funding sources, will be located in the Department of Finance Capital Improvements Program Adopted Budget pages.
3. *EOCP* statistical data related to total dollars awarded, goal achievement, ethnicity, female owned business dollars & percentages, DBE/MBE/WBE/DVBE/SLBE/ELBE awards, and compliance will also be provided by the Purchasing and Contracting Department.

**F. Council Notification of *CIP* Project Awards**

Engineering and Capital Projects staff will maintain a database for registering and tracking *CIP* projects awards, which includes the list of all *Public Works Contracts* and *CIP Consultant Contracts* that are advertised and awarded with the relevant *EOCP* results.

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**G. Council Notification of *Change Orders*, Consultant Amendments, and the Awarding of *Task Orders***

1. Engineering and Capital Projects staff will maintain a database for registering and tracking *Change Orders* and the awarding of *JOC Task Orders*.

*Change Orders* executed with a cost between \$500,000 and \$1,000,000 will be listed within a Bi-annual State of Construction report posted on the *CIP Webpage*.

2. Engineering and Capital Project Department will work with Purchasing and Contracting staff to post a summarized list of *Consultant Contract* amendments for *CIP* projects with a change in cost greater than \$200,000 on the *CIP Webpage*. This list will be updated quarterly.
3. Engineering and Capital Project Department will work with Purchasing and Contracting staff to post a summarized list of *JOC Task Orders* that have been awarded on the *CIP Webpage*. This list will be updated quarterly.
4. Engineering and Capital Project Department will work with Purchasing and Contracting staff to post a summarized list of *MACC Task Orders* that have been awarded to the *CIP Webpage*. This list will be updated quarterly.

**H. State of the *CIP* Program and Stakeholder Meetings**

1. *CIP* performance goals and measures tied to the City's Strategic Plans and Commitments will be provided in the State of the *CIP* Report.
2. *CIPRAC* will provide semi-annual presentations/reports to the appropriate Council Committee covering the state of the *CIP*.
3. Staff will make deliberate effort to provide details on the projects, respond to questions in writing, and be prepared for in-depth discussions when *CIP* projects are presented to stakeholders. Staff will stand ready to provide briefings or consider any additional feedback upon request by community stakeholders.
4. Upon the request of the Citizen's Equal Opportunity Commission (CEOC) Chair, staff shall attend CEOC meetings and make deliberate effort to provide details on the projects, respond to questions in writing, and be prepared for in-depth discussions when *CIP* projects are presented.

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5. Engineering and Capital Projects staff will host three public industry meetings quarterly (i.e., *CIP* General Contracting, *CIP* Consulting Contracting, and SLBE-ELBE Certified Firms). The meeting agenda, location, time, and date will be publicly announced i.e., on the *CIP Webpage* to ensure all interested members of the public are aware of the meetings and can participate.
6. Engineering and Capital Projects Department will provide semi-annual presentations/reports to the appropriate Council Committee regarding the status of construction for *CIP* projects. This report will cover contractor performance metrics, asset programs' construction milestones achieved, awarded construction management service contracts, and highlights of projects in construction.

**I. Equal Opportunity Contracting Program**

1. *EOCP* staff will continue to review and approve contract awards prior to the issuance of the notice-to-proceed. For additional information see other related Council Policies, e.g., 800-15 and 100-10, developed to maintain or to enhance *EOCP* goals and to provide greater transparency.

**HISTORY:**

“Capital Improvement Program Transparency”

Adopted by Resolution R-307347 – 04/05/2012

Amended by Resolution R-314352 – 09/22/2022