

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

**CURRENT**

SUBJECT: CAPITAL IMPROVEMENT PROGRAM TRANSPARENCY  
POLICY NO.: 000-31  
EFFECTIVE DATE: April 5, 2012

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 will expedite the process of harnessing scarce resources on job-generating projects that revitalize our neighborhoods. However, 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, and media including the City's Website.

DEFINITIONS:

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

*CIPRAC* means the Capital Improvement 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.

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

*Consultant Contract* in the context of this policy means a contract to provide expert or professional services such as architectural and engineering services for a Public Works project.

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*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.

*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.

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

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

**POLICY:**

To maintain the public trust and confidence, it is the policy of the City Council that the information related to the execution of 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.

**A. Multi-Year CIP Plan**

1. Develop and maintain a multi-year CIP plan that provides transparency over future CIP investments and includes:
  - a) Projects beginning in future years.
  - b) Estimates of the impact of projects on the City's operating budget.
  - c) Projects that must be deferred due to funding constraints.

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**B. CIP Budget Document and Hearings**

The following information will either be included in the Proposed and Annual CIP Budget Documents as prepared by Financial Management or provided by Public Works in conjunction with the release of the proposed budget (by April 15<sup>th</sup> 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 (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.
  - c) Prioritized list of projects that staff is requesting approval to receive funding if another project is completed during the fiscal year with funds remaining.
  - d) 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 15<sup>th</sup> of each fiscal year) followed by future updates when the lists are refreshed.

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**C. CIP Related Consultant Contracts**

1. A summarized list of CIP related Consultant Contracts that (i.e., valued at \$1 million or less) 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 15<sup>th</sup> of each fiscal year). Once the consultant selection and award have been completed, staff will notify City Council through e-mail and will update the CIP Website.
2. A summarized list of CIP related Consultant Contracts, 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 15<sup>th</sup> of each fiscal year). 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.

**D. Budget Hearings**

1. Prior to the annual budget hearings, Public Works management will work with the Budget and Finance Committee Chair and Consultant to establish a hearing scheduled for CIP.
2. At the Budget Hearings staff will provide a presentation on the status of all CIP projects covering milestones completed, expenditures, and whether the projects are meeting performance goals.
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. Staff will also discuss which projects they are requesting Council to approve going out to bid and award for the upcoming fiscal year.

**E. CIP Web Page**

1. The Public Works Department will maintain a CIP Webpage that will be updated, at a minimum, quarterly. The CIP Webpage will include the following information:

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- 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, and funding sources.
  - b) Status and update of all project Awards shall be provided. Projects should be grouped by department and also include the delivery method, actual amount of the contract let, total estimated project cost, funding source, and CIP project description page number.
  - c) Status and update of all prioritized list of projects that will receive funding if other projects are completed during the fiscal year shall be provided.
  - d) List of projects with construction completion completed during the fiscal year. Indicate to which project the excess funding (if any) has been transferred.
2. The CIP computer system and/or Public Works staff will send out automatic e-mail notifications to the City Council offices when the CIP Webpage data is refreshed.
  3. CIP performance goals and measures tied to the City's Strategic Plans and Commitments will be provided including but not limited to:
    - a) Total facilities designed and constructed organized within asset types.
    - b) Average project delivery cost and timeliness data organized to be compared to the Statewide Benchmarking Group's applicable values.
    - c) EOCP subcontracting participations; both specified and actual values.
    - d) Financial execution of water, sewer, and deferred capital bonds.
  4. EOCP statistical data related to Total Dollars Awarded, Goal Achievement, Ethnicity, Female Owned Business Dollars & Percentages, DBE/MBE/WBE/DVBE/HubZone Awards, Compliance, and Mentor Protégé Program.

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

1. Public Works staff will maintain a database for registering and tracking CIP projects awards i.e., the list of all Public Works Contracts and CIP Consultant Contracts that are advertised and awarded with the relevant EOCP results.
2. This information will be provided to the Council offices via the City's e-mail system as the information is refreshed. At a minimum this information will be provided to the City Council offices quarterly. This information will also be posted on the City's CIP webpage.

**G. Council Notification of Change Orders and the Awarding of JOC Task Orders**

1. Public Works staff will maintain a database for registering and tracking Change Orders and the awarding of JOC Task Orders.
2. This information will be provided to the Council offices via the City's e-mail system as the information is refreshed. At a minimum this information will be provided to the City Council offices quarterly.
3. This information will also be posted on the City's CIP Webpage.

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

1. CIPRAC will provide semi-annual presentations/reports to the Budget and Finance Committee covering the state of the CIP.
2. 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.
3. 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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4. Public Works 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 Website to ensure all interested members of the public are aware of and can participate.

**I. Equal Opportunity Contracting**

1. EOC 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, 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