



**Fiscal Year 2024 Year-End  
State of the CIP  
and  
State of Construction Report**



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## BACKGROUND & REPORT OVERVIEW

[City of San Diego Council Policy 000-31 / Capital Improvements Program \(CIP\) Transparency](#) describes the CIP-related information that City Departments must provide to the Council and the public. Information elements include CIP project descriptions as well as contracting, budget, schedule, and expenditure details. Multiple City Departments, including Engineering and Capital Projects (ECP), Purchasing & Contracting, and the Department of Finance, have reporting responsibilities under Council Policy 000-31.

The State of the CIP and State of Construction Report is part of a larger group of enhanced reporting activities defined in Council Policy 000-31 and detailed in **Exhibit A** to help keep the City Council and the public informed about the City CIP. This report provides an overview of the City CIP during Fiscal Year 2024, from July 1, 2023, through June 30, 2024, highlighting major programs, significant projects, emergency projects, process improvements, program challenges, recommendations, and accomplishments.



*Tecolote Shores Ribbon Cutting Ceremony*

## CAPITAL IMPROVEMENTS PROGRAM OVERVIEW

The City's CIP is a compilation of individual capital improvement projects financed by annually adopted and mid-year amended budgets, as proposed by the Mayor and approved by the City Council. CIP projects are unique construction projects that provide improvements or additions to the City's infrastructure assets and systems, which enhances the overall quality of life and public health and safety of the community. The CIP is fundamental to advancing the City's Strategic Plan Goals to advance mobility and infrastructure, promote effective stormwater management, and provide safe and reliable drinking water.

Executing the CIP portfolio, which includes refurbishing or rehabilitating existing structures and constructing new facilities, is complex due to the volume and variety of funding sources, asset types, project delivery methods, and priorities. Projects are identified through coordination with the Mayor, City Council, asset managing departments (AMD), the Capital Improvements Program Review and Advisory Committee (CIPRAC), and input from community stakeholders. Once capital requirements are identified, CIP projects are prioritized according to Council Policy 800-14 / Prioritizing Capital Improvements Program Projects. This policy provides a ranking methodology that more closely aligns infrastructure prioritization with the City's goals for the equitable and efficient delivery of capital projects.

After projects are initiated and funded, a project manager is identified to facilitate project implementation. ECP is the hub for most, but not all, CIP projects in the Program, regardless of the AMD. Using the updated Council Policy 800-14, all active CIP projects were rescored during Fiscal Year 2024. The updated scores guided budget decisions for Fiscal Year 2025, focusing on completing existing projects with significant prior investment.

The CIP directly supports the operations of many City Departments across a range of functions, including public safety (Police, Fire, and Lifeguard stations), environmental (landfill and recycling operations), transportation (roads, streetlights, traffic signals, bridges, and sidewalks), culture and leisure (Libraries, Parks and Recreation facilities), and utilities (water and sewer distribution and treatment).

ECP maintains the [CIP website](#), which provides additional information about the City's CIP projects and policies, as well as CIP project schedules with details that are updated monthly according to CP 000-31 Sections B and E. The website also provides project-specific web pages for critical or high-interest projects under the header of Featured Projects.



*Children's Park*

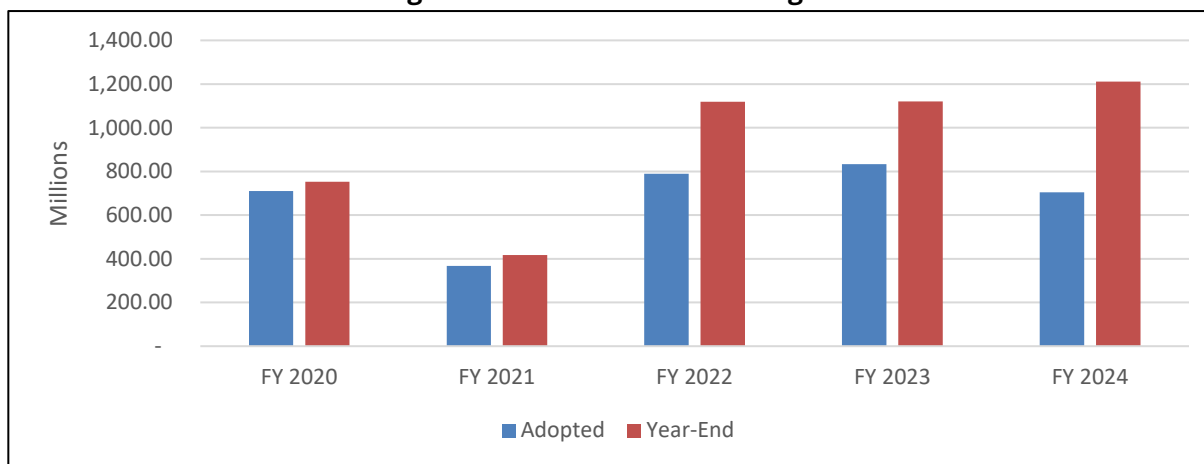
## **CIP BUDGET**

The [Adopted CIP Budget](#) allocates existing funds and anticipated revenues to both new and continuing projects in the Multi-Year CIP, which is funded by nearly 300 unique funding sources, including, but not limited to, water and sewer enterprise funds, Infrastructure Fund, Climate Equity Fund (CEF), Development Impact Fees (DIF), grants, and park improvement funds. Transportation projects are primarily funded by TransNet, which may also fund transportation components of other CIP projects in the right of way. Landfill, airport, and golf projects are funded by their respective enterprise funds.

Parks and other building projects, such as police, fire, and library buildings, compete for scarce resources, including DIF, CEF, and the City General Fund.

The Fiscal Year 2024 Adopted CIP Budget was \$704.1M, and various Council Actions throughout the Fiscal Year increased this amount by \$506.8M to a total of \$1.21B in new funding dedicated to the CIP. **Figure 1** displays the adopted and final CIP budgets for Fiscal Years 2020 through 2024.

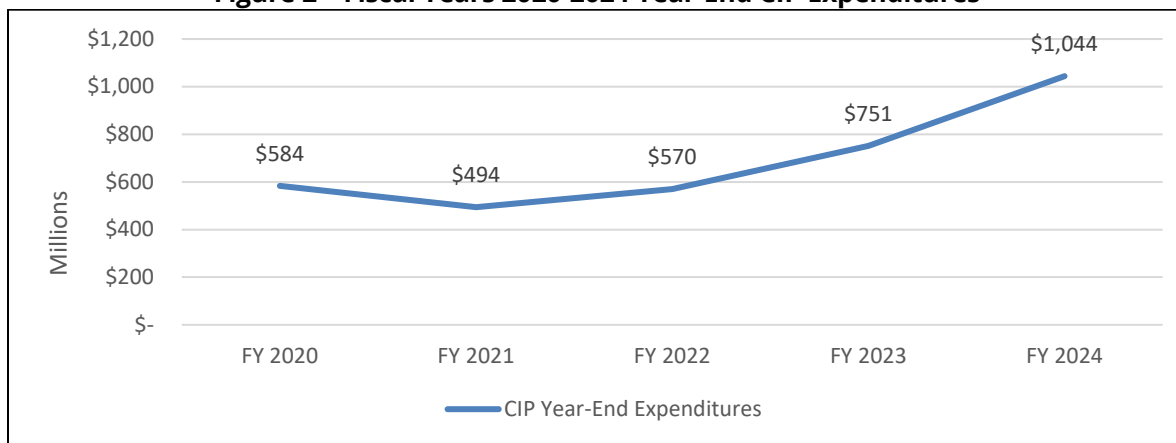
**Figure 1: FY 2020 - 2024 CIP Budgets**



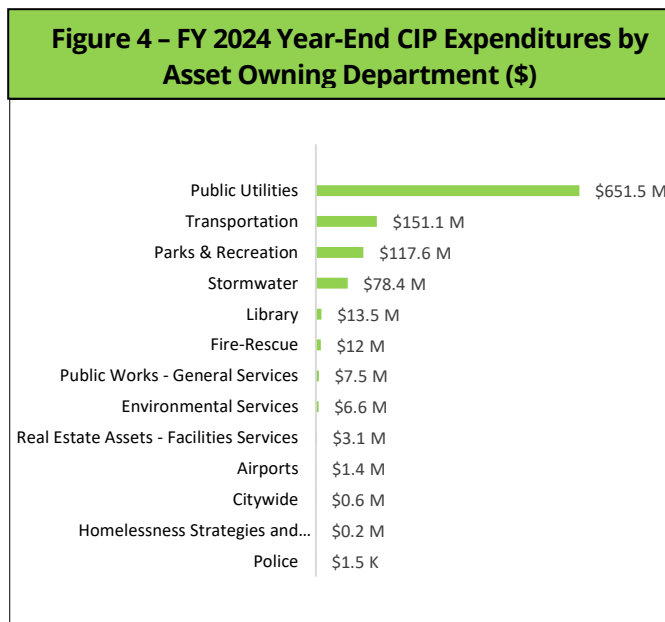
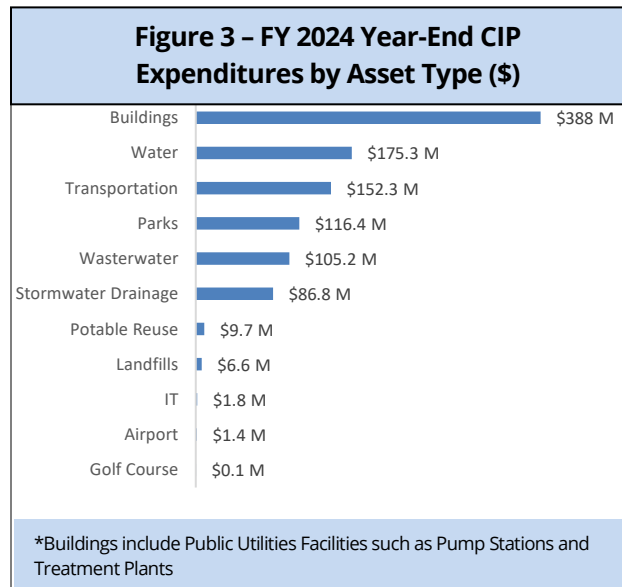
### CIP EXPENDITURES

For the first time in City history, both new budget adds and capital program expenditures exceeded one billion dollars. Expenditures at Fiscal Year 2024 year-end were \$1.04B, a nearly 40% increase in year-over-year spending. Expenses had been on an upward trend when they dropped sharply in Fiscal Year 2021 due to the COVID-19 pandemic, subsequent budgetary constraints, and high ECP vacancies. As a result of significant process improvement and streamlining efforts, along with operational efficiency enhancements that ECP implemented, expenditures began to recover in Fiscal Year 2022, and this upward activity trend in expenditures continued through the end of Fiscal Year 2024. The Annual CIP expenditure trends are represented in **Figure 2**.

**Figure 2 - Fiscal Years 2020-2024 Year-End CIP Expenditures**



**Exhibit B** details CIP expenditures and encumbrances by project. **Figures 3** and **4** summarize Fiscal Year 2024 expenditures by asset type and asset-owning department, respectively. **Exhibit B** details CIP expenditures and encumbrances by project.



### ACTIVE CIP PROJECT COUNT

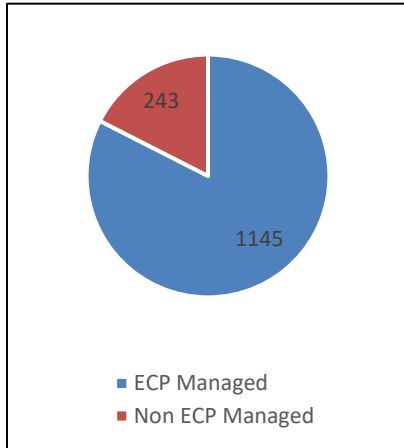
During Fiscal Year 2024, there were 1,388 active projects in the City CIP. These projects are at various stages in the project delivery process, and many will need additional funds in future years to be completed.



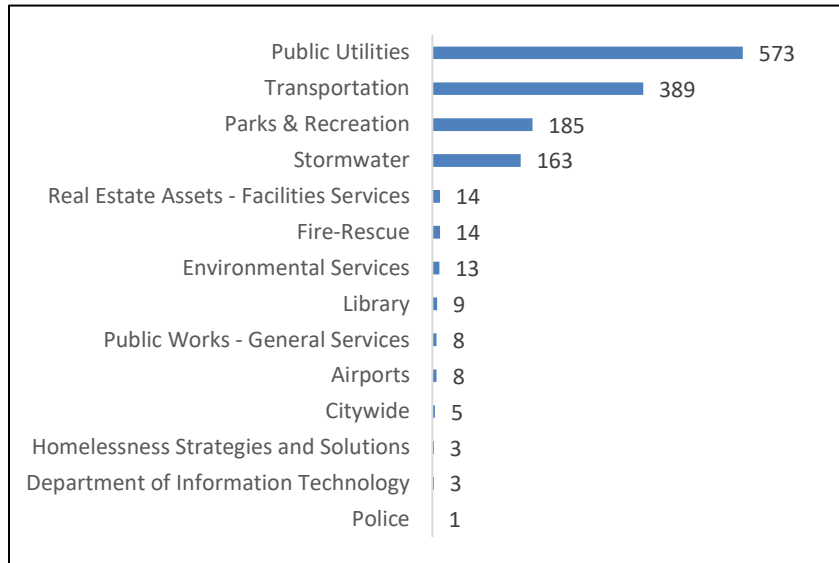
Over 82% of the City's CIP projects are managed by the Engineering and Capital Projects Department (ECP), and the rest are managed by the asset owners such as the Public Utilities, Environmental Services, Stormwater, and Transportation Departments, to name a few. Projects that the asset-owning department manages are generally in-kind replacements of assets, such as sidewalk and pipe replacement projects that do not require extensive design or permitting, and construction is performed with City Forces. ECP also manages small-scale projects that qualify for the Quick Build method to support the sheltered competition program.

**Figures 5** and **6** show all open CIP projects by the responsible project managing department as of June 30, 2024, and the CIP project count by the asset-owning department that will benefit from the completed CIP project. **Figure 7** shows the CIP project count by phase.

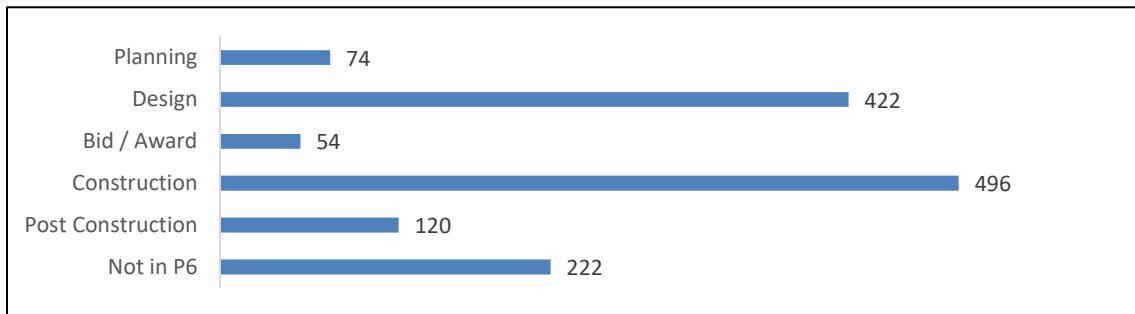
**Figure 5 – CIP Projects by Asset Managing Department**



**Figure 6 – CIP Projects by Asset Owning Department**



**Figure 7 – CIP Projects by Phase**



**CIP PERFORMANCE MEASURES AND KEY PERFORMANCE INDICATORS**

Performance measures assess CIP achievements during a fiscal year and compare annual performance to guide the program toward improved results. **Table 1** compares measures from Fiscal Years 2023 and 2024.

**Table 1 - CIP Performance Measures**

	FY 2023	FY 2024
CIP Project Expenditures	\$750.9 million	\$1.04 billion
CIP Project Encumbrances	\$1,098.4 million	\$1.11 billion
Active CIP Projects	1,362	1,388
Total Construction Contracts Value Awarded for CIP Projects	\$795.3 million	\$631.6 million
Overlay miles completed FY 2024 Goal: 60 repair miles	52 miles	75 miles
Water main construction contract awarded miles. Goal: 35 miles	34.70 miles	33.99 miles
Sewer line construction contract awarded miles. Goal: 40 miles	40.04 miles	43.35 miles
Water main completed miles. Goal: 20 miles	26.02 miles	19.82 miles*
Sewer line completed miles. Goal: 20 miles	28.80 miles	13.89 miles*
Average calendar days from bid opening to construction contract award. Goal: 90 days	84 days	75 days
CIP contracts awarded to SLBE/ELBE firms. Goal: 20% of total contract value	23%	21%

*\*Does not include partial project completion and acceptance.*

All companies seeking to do business with the City of San Diego must show a good faith effort that they have taken steps to attract and utilize Small Local Business Enterprise (SLBE) and Emerging Local Business Enterprise (ELBE) firms to comply with the Equal Opportunity Contracting Program requirements. The City aims to award 20% of CIP contracts to SLBE and ELBE firms, and in Fiscal Year 2024, 21% of CIP contracts were awarded to SLBE and ELBE firms. **Table 2** summarizes contract awards to city-certified Small Local Business Enterprises/Emerging Local Business Enterprises (SLBE/ELBE) Program firms in Fiscal Year 2024.

**Table 2 - EOC Awards**

	Total Award Amount	SLBE/EBLE Total*	SLBE/ELBE Percent
Construction Contracts	\$447,752,955	\$95,485,355	21%
A&E Agreements	\$82,085,521	\$17,688,682	22%
Total	\$529,838,477	\$113,174,036	21%

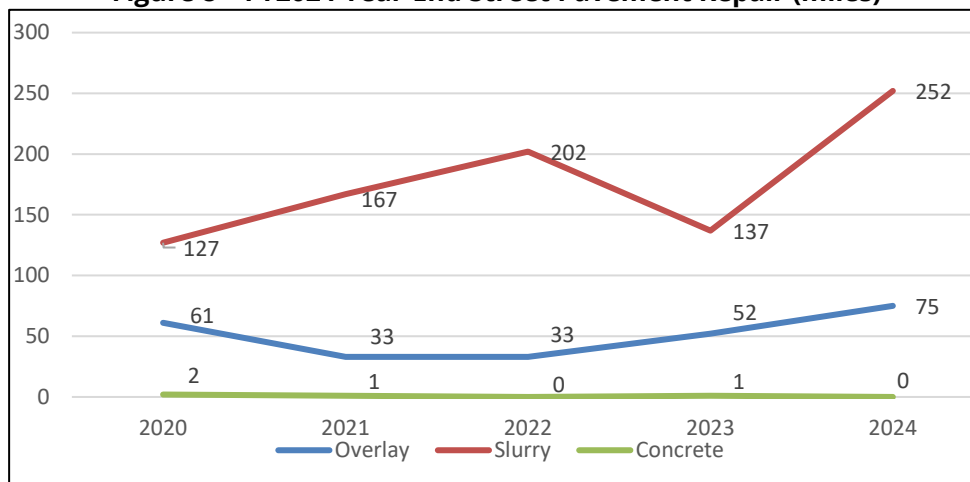
*\*The totals exclude State and Federally funded, emergency, Job Order Contracting (JOC), and sole source projects.*

**STREET PAVEMENT REPAIR PROGRAM**

The Street Resurfacing Program aims to achieve and maintain an average street network Pavement Condition Index (PCI) of 70 or greater. The PCI is an assessment of the pavement condition of city streets. The 2023 Pavement Condition Assessment determined that the current PCI is 63, 8 points less

than the last condition assessment performed in 2016. To achieve and maintain a PCI of 70 in the next 10 years, an average of 321 repair miles must be repaired annually through maintenance (slurry seal/cape seal) and rehabilitation (overlay/reconstruction) activities, based on analysis performed by the Transportation Department. The program successfully met its annual street pavement repair goal for Fiscal Year 2024. The goal was to repair 310 miles of roadway, and 327.3 miles of street pavement repairs were completed. This includes approximately 0.1 mile of concrete panel replacement, 252.2 repair miles of slurry seal, and 75 repair miles of overlay. This is 5% more than the established Fiscal Year 2024 street pavement repair goal and 72% more than what was repaired in Fiscal Year 2023.

**Figure 8 - FY2024 Year-End Street Pavement Repair (miles)**



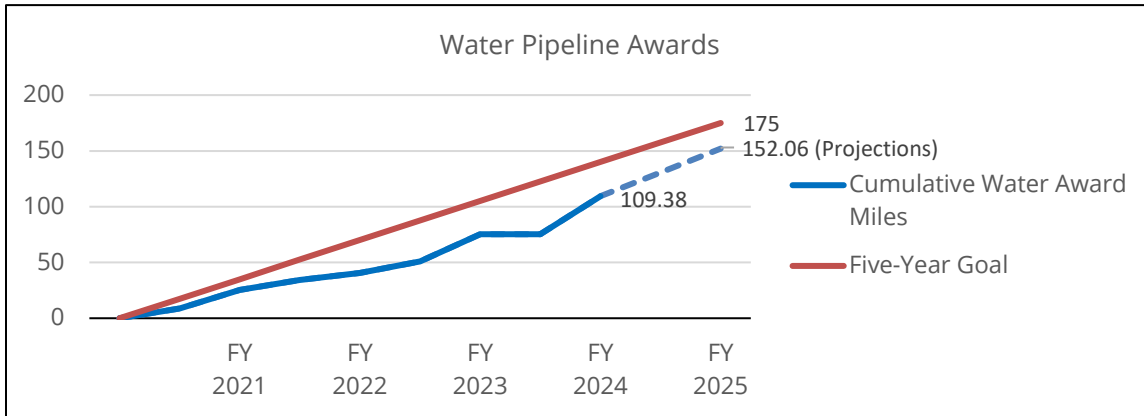
### WATER PIPELINE REPLACEMENT PROGRAM

ECP aims to award 175 miles of water main contracts (measured at the time of construction contract award) from Fiscal Year 2021 through Fiscal Year 2025, or an average annual goal of 35 miles. The Public Utilities Department has determined this mileage goal based on best management practices to maintain service levels and minimize the number of water main breaks. In Fiscal Year 2024, 33.99 miles of water pipeline contracts were awarded, and 19.82 miles of water pipeline were replaced.

The awarded water pipeline contracts in Fiscal Year 2024 are slightly lower than the target annual goal of 35 miles. The shortfall was caused by challenges encountered by several projects during the procurement process. Approximately 43 miles of water main pipeline replacement were advertised; however, 9 miles of water main replacement contracts were not awarded due to bidders failing EOC requirements, receiving high bids, or not receiving bids at all. To spread awareness of the CIP program, ECP continues to schedule networking events, as discussed later in this report, providing opportunities to learn about current processes and guidelines to comply with the EOCP requirements when submitting bids.

Looking forward to Fiscal Year 2025, while ECP remains committed to the efficient delivery of the program, current project schedule forecasts show that it will be challenging to meet the five-year goal of 175 miles by the end of the fiscal year due to the long-term effects of the impacts felt during the two pandemic years. The cumulative progress of contracts awarded for miles of water main replacement is in **Figure 9**.

**Figure 9 - Water Main Replacement Contracts**



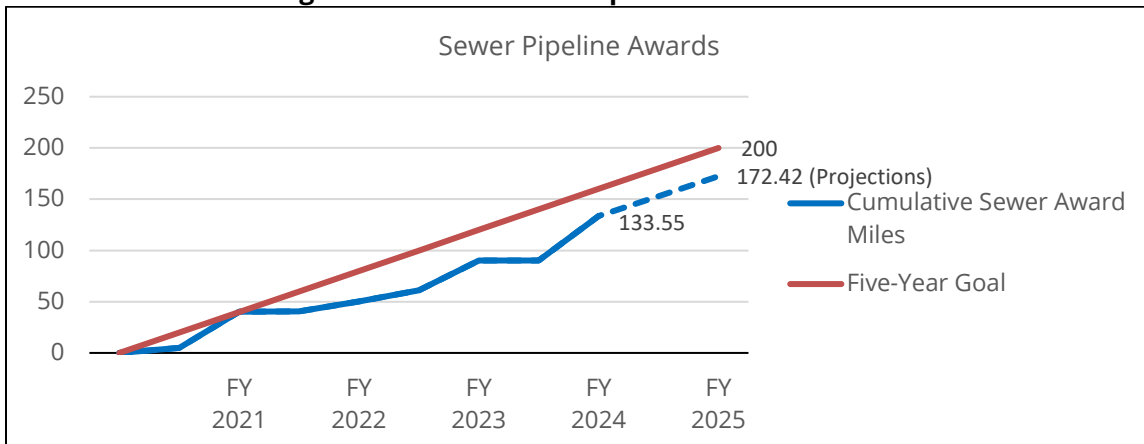
**SEWER PIPELINE REPLACEMENT PROGRAM**

The ECP sewer main five-year goal is to award 200 miles of sewer main contracts (measured at the time of construction contract award) from Fiscal Year 2021 through Fiscal Year 2025, or an average annual goal of 40 miles. The Public Utilities Department has determined this mileage goal based on best management practices to maintain service levels and minimize the number of sewer spills. In Fiscal Year 2024, 43.35 miles of sewer pipeline replacement or rehabilitation contracts were awarded, and 13.89 miles of sewer pipeline were replaced or rehabilitated. The awarded sewer pipeline contracts in Fiscal Year 2024 exceeded the target annual goal of 40 miles.

Approximately 49 miles of sewer main pipeline replacement were advertised; however, 5.65 miles were not awarded due to bidders failing EOC requirements, receiving high bids, or not receiving bids at all. As discussed later in this report, ECP continues to schedule networking events to spread awareness of the CIP program. These events provide opportunities to learn about current processes and guidelines for complying with the EOC requirements when submitting bids.

Looking forward to Fiscal Year 2025, while ECP remains committed to the efficient delivery of the program, current project schedule forecasts show that it will be challenging to meet the five-year goal of 200 miles by the end of the fiscal year due to the long-term effects of the impacts felt during the two pandemic years. The cumulative progress of contracts awarded for miles of sewer main replacement is in **Figure 10**.

**Figure 10 - Sewer Main Replacement Contracts**



## CIP PROJECT HIGHLIGHTS

Projects highlighted in this section reached significant milestones during the Fiscal Year 2024. These milestones include projects that have started the Planning Phase, started the Design Phase, started the Bid/Advertise Phase, received Limited Notice to Proceed (construction contract awarded), received Notice to Proceed (construction started), reached Substantial Completion, or received Notice of Completion (completed construction). It is important to note that only a small number of significant projects are highlighted here and that project completion schedules depend on funds being available as the projects advance through the delivery process.

### Pump Station G & 17 Full Improvement (WBS# S24006) – Design Phase Started

Asset Managing Department: Stormwater

Planned Total Cost: \$67,136,000

Estimated Construction Cost: \$48,225,000

Council Districts: 1 and 2

Project Description: The existing facilities (combined Stormwater Pump Station/Sewer Pump Station/Comfort Station) will be replaced with two independent pumping facilities and an independent comfort station. Pump Station G will be upgraded to meet a 100-year storm event. The proposed pump station will install four (4) new submersible pumps configured for dry pit mounting, each with a capacity of 15,000 GPM. A backup generator will also be installed to ensure the pump station remains working during extreme weather conditions. This project is partially funded through the WIFIA program and is anticipated to be complete in Fiscal Year 2029.



Figure 1-2. PS-G Preferred Alternative Site Plan

*Pump Station G & 17 Rendering of Preferred Alternative Site Plan*

Lake Hodges Dam Replacement (WBS# S23002) – Design Phase Started

Asset Managing Department: Public Utilities

Planned Total Cost: \$275,000,000

Estimated Construction Cost: \$181,000,000

Council District: 5

Project Description: This project will provide the design and construction of a new roller-compacted concrete dam approximately 100 feet downstream of the existing dam. The current project schedule estimates construction to be complete in Fiscal Year 2035.



*Existing Lake Hodges Dam*

Tecolote Canyon Trunk Sewer Improvement (WBS# S15020) – Construction Contract Awarded

Asset Managing Department: Public Utilities

Planned Total Cost: \$55,137,803

Estimated Construction Cost: \$44,495,069

Council Districts: 2 and 7

Project Description: This project rehabilitates and upsizes nearly five miles of variable-sized sewer pipes to accommodate future flow capacity and address deteriorated conditions within the existing trunk sewer. Miscellaneous improvements for small vehicle access are also included in the project scope. Stream crossings, slope restoration, and erosion protection of manholes are also aspects of the project's scope of work. The current project schedule estimates construction to be complete in Fiscal Year 2028.



*Tecolote Canyon*

Alvarado 2nd Extension Pipeline (WBS# S12013) – Construction Contract Awarded

Asset Managing Department: Public Utilities

Planned Total Cost: \$156,958,563

Estimated Construction Cost: \$116,489,472

Council Districts: 2, 3, 7 and 9

Project Description: This project will replace 20,592 linear feet of existing AC water mains and construct 33,897 linear feet of new water mains. In addition to the over 10 miles of new water mains, the project also includes an additional scope of 0.32 miles of AC pipeline replacement on Morena Blvd and 0.33 miles on Sea World Drive for coordination with the Pure Water Morena Pipeline project and Mission Bay Master Plan. The added scope required additional schedule time for supplemental survey and design. The current project schedule estimates construction to be complete in Fiscal Year 2030.

Oak Park Library (WBS# S22011) – Bid/Advertise for Construction Started

Asset Managing Department: Library Department

Planned Total Cost: \$37,285,000

Estimated Construction Cost: \$30,000,000

Council District: 4

Project Description: This project provides for the design and construction of a new 20,000-square-foot library. The library building will consist of an entryway with community services, a computer lab, a reader service area, an informal reading/special feature area, a reference area, a multipurpose room, an adult/young adult area, a children's area, and staff support areas. The facility will also construct a parking lot and a path of travel from nearby school and park areas. Construction is anticipated to be complete in Fiscal Year 2028.



*Conceptual Rendering of Oak Park Library Entrance*

Fire Station 48 (WBS# S15015) – Bid/Advertise for Construction Started

Asset Managing Department: Fire-Rescue

Planned Total Cost: \$32,000,000

Estimated Construction Cost: \$25,850,000

Council District: 5

Project Description: Fire Station 48 will be designed and constructed as an 11,500 square foot station housing that meets SDFD's current design and construction standards and specifications. The facility will accommodate ten crewmembers and will include an apparatus bay, dorm rooms, kitchen, watch room, ready room, station alerting system, and training room/multipurpose room. The new station will be located on Carmel Valley Road and Winecreek Road in the Black Mountain Ranch community area. Construction is anticipated to be complete in Fiscal Year 2029.



*Fire Station 48 General Location Area*

Beyer Park Development (WBS# S00752) – Construction Ongoing



*Ground-breaking Ceremony for Beyer Park*

Asset Managing Department: Parks & Recreation

Planned Total Cost: \$22,446,340

Estimated Construction Cost: \$17,066,340

Council District: 8

Project Description: This project provides for the design and construction of a new 8-acre park on an approximately 43-acre site located in the San Ysidro Community in Council District 8. Amenities will include multi-purpose fields, a children's play area, picnic areas, a comfort station, a basketball court, a dog park, a skate park, and walking trails. Construction is anticipated to be complete in Fiscal Year 2026.

## PURE WATER SAN DIEGO

Pure Water San Diego is an integrated water and wastewater capital effort to provide a local water supply by turning recycled wastewater into drinkable water through advanced purification technology. At complete build-out, Pure Water San Diego will provide nearly half of the City's forecasted water needs.

The project is expected to be built in two phases. Phase 1 will produce 30 million gallons of water per day (mgd) in the northern part of the City, followed by Phase 2, which could produce up to an additional 53 mgd in the central part of the City. Further project details are available on the [Public Utilities Sustainability Page](#).

\$1.08 billion has been expended on Pure Water San Diego Phase 1 and Phase 2 projects through June 30, 2024. No new Pure Water-related projects were awarded in Fiscal Year 2024. An in-depth update was recently provided to the City Council and is available with additional details [here](#).



North City Pure Pump Station



Thickening Centrifuge (3 of 5 depicted)



UV Reactors and Reverse Osmosis Equipment in Background

## AWARD-WINNING CIP PROJECTS

Executing the CIP portfolio of projects is complex due to the volume and variety of funding sources, asset types, project delivery methods and priorities. Still, despite these challenges, ECP continues to deliver award-winning projects. In Fiscal Year 2024, ECP received 21 awards, including a Quality Based Selection Championship Award by the American Council of Engineering Companies. Details for the award-winning projects can be found in **Exhibit C**.



*Inside 69<sup>th</sup> and Mohawk Pump Station, winner of APWA Project of the Year Award for Utilities.*

## INDUSTRY OUTREACH

ECP continues to increase outreach and awareness of CIP projects and contracting opportunities, as required by the Capital Improvements Program Transparency Policy Section H.5, by hosting regularly scheduled meetings with Small Local Business Enterprises/Emerging Local Business Enterprises (SLBE/ELBE) firms and the consulting and construction industries. **Table 3** lists the outreach events held during Fiscal Year 2024, including with the Regional Construction Procurement Committee (RCPC), which coordinates the procurement of major infrastructure projects within San Diego County.

In addition to hosting regularly scheduled meetings with Small Local Business Enterprises/Emerging Local Business Enterprises (SLBE/ELBE) firms and the consulting and construction industries, ECP coordinated two outreach events with the San Diego Building & Construction Trades Council. ECP also participated in multiple industry events hosted by other organizations, such as the American Public Works Association (APWA), Associated General Contractors of America (AGC), American Council of Engineering Companies (ACEC), American Society of Civil Engineers (ASCE), and the Construction Network, to further increase awareness of our program contracting opportunities and processes and

encourage regional and national construction firms to partner with the City in delivering our CIP program.

**Table 3 – FY 2024 Year-End Industry Outreach and Regional Coordination Meetings**

Date	Meetings Title	Registrants
July 12, 2023	RCPC	23
July 27, 2023	SLBE/ELBE	26
August 23, 2023	Consultant Industry	93
September 28, 2023	Construction Industry	48
October 4, 2023	RCPC	23
October 25, 2023	SLBE/ELBE	27
November 15, 2023	Consultant Industry	72
December 14, 2023	Construction Industry	32
January 23, 2024	RCPC	21
January 31, 2024	SLBE/ELBE	26
February 28, 2024	Consultant Industry	80
March 28, 2024	Construction Industry	27
April 3, 2024	RCPC	26
April 24, 2024	SLBE/ELBE	27
May 22, 2024	Consultant Industry	67
June 18, 2024	Construction Industry	29
June 26, 2024	Contractor Networking Event	177

### **CIP STREAMLINING**

ECP continuously assesses its capacity to manage an increasing CIP through various streamlining measures. A series of measures to streamline the CIP procurement process and amend the San Diego Municipal Code (SDMC) to accommodate the growing budget, contract sizes, and workload were approved by the City Council in Fiscal Year 2023. These process improvements have helped to make the delivery of the CIP more effective and efficient. ECP continues implementing various recommendations from the operational assessment performed in Fiscal Year 2023 and is developing a Project Management Guide for all employees to ensure consistent project delivery across the CIP. ECP is also working to establish standard project delivery timelines for future projects per the recent City Auditor recommendations.

### **PROJECT LABOR AGREEMENT**

On January 30, 2024, the City Council approved implementing an extensive citywide project labor agreement (“PLA”). The PLA imposes various conditions and requirements on most City-funded construction projects. ECP is committed to supporting the PLA’s implementation of the participating CIP projects and monitoring its effects on the overall delivery of City infrastructure projects. ECP will continue to train staff on the terms and requirements of the PLA to ensure compliance with its regulations.

## QUICK BUILD

The Quick Build unit in ECP delivers projects that are less complex in scope, rely on local funding, and are CEQA-exempt. Quick Build is a ‘one-stop shop’ with a single point of contact for project management from inception to completion, which provides improved accountability and efficiency. Eligible projects include streetlights, guard rails, sidewalks and building deferred capital maintenance. The streamlined provisions of Quick Build will enhance efficiency and shorten delivery time. Four projects using the Quick Build Approach are under construction, including roof and HVAC system replacement projects. Ten more projects have been identified that will use the Quick Build delivery method, including paving, sidewalks and streetlight projects.

## INTER-AGENCY AGREEMENTS

The City partners with other agencies to develop specific CIP construction projects. These projects have executed inter-agency agreements that outline project delivery responsibilities and cost-sharing requirements. A list of active projects with inter-agency agreements is included as **Exhibit D** pursuant to CP 000-31 Section E.1.

## CONSTRUCTION MANAGEMENT

The Construction Management & Field Engineering (CMFE) and Infrastructure Construction Management (ICM) divisions provide CIP construction management and inspection services. The size and complexity of projects can range from installing a curb ramp to constructing a multi-facility program, such as Pure Water.

## CHANGE ORDERS

Change orders under \$1 million are executed using Mayoral delegated authority. The updated CIP Transparency Policy Section G.1 requires ECP to list change orders between \$500,000 and \$1 million executed for the CIP. The Pure Water Program has a delegated authority for change orders up to \$2 million. To provide transparency, details for projects with change orders between \$500,000 and \$2 million are provided in **Exhibit E**. In Fiscal Year 2024, 36 change orders meeting this criterion were issued.

ECP is also required, according to [Ordinance O-20988](#), to notify the City Council in writing of Utilities Undergrounding Program (UUP) Construction Change Orders (CCOs) for amounts over \$200,000. No UUP CCOs over \$200,000 were processed in the Fiscal Year 2024.

**Table 4** summarizes construction-change order performance statistics for Fiscal Year 2024.

**Table 4 - Construction Change Orders through June 30, 2024**

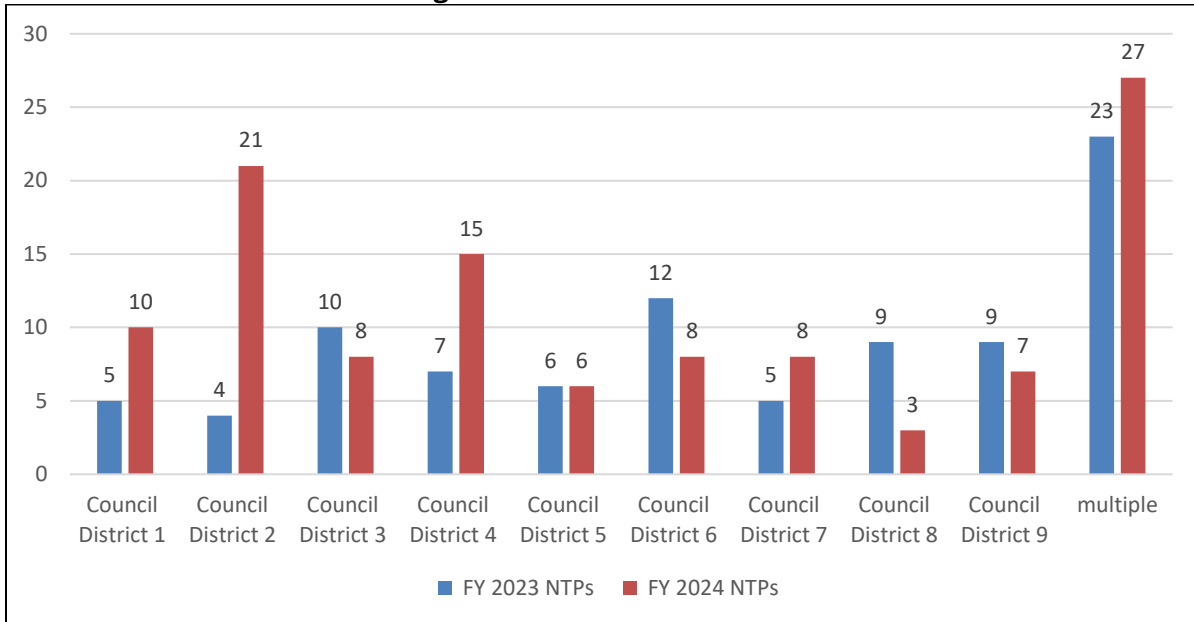
	FY 2023 Year-End	FY 2024 Year-End
Change order % (excluding scope changes)	3.7%	3.9%
Total change order cost (excluding scope changes)	\$15,162,592	\$61,683,430

ECP staff are developing a change order dashboard, which they anticipate adding to the CIP webpage as a new resource.

## NOTICES TO PROCEED AND COMPLETION

Figures 11 and 12 list the number of projects that have begun construction and received a Notice to Proceed (NTP) or have completed construction and received a Notice of Completion (NOC) in Fiscal Year 2023 and Fiscal Year 2024 by Council District. 113 NTPs were issued in Fiscal Year 2024 compared to 90 in Fiscal Year 2023. 43 NOCs were issued in Fiscal Year 2024 compared to 90 in Fiscal Year 2023.

**Figure 11: Notices to Proceed**



**Figure 12: Notices of Completion**

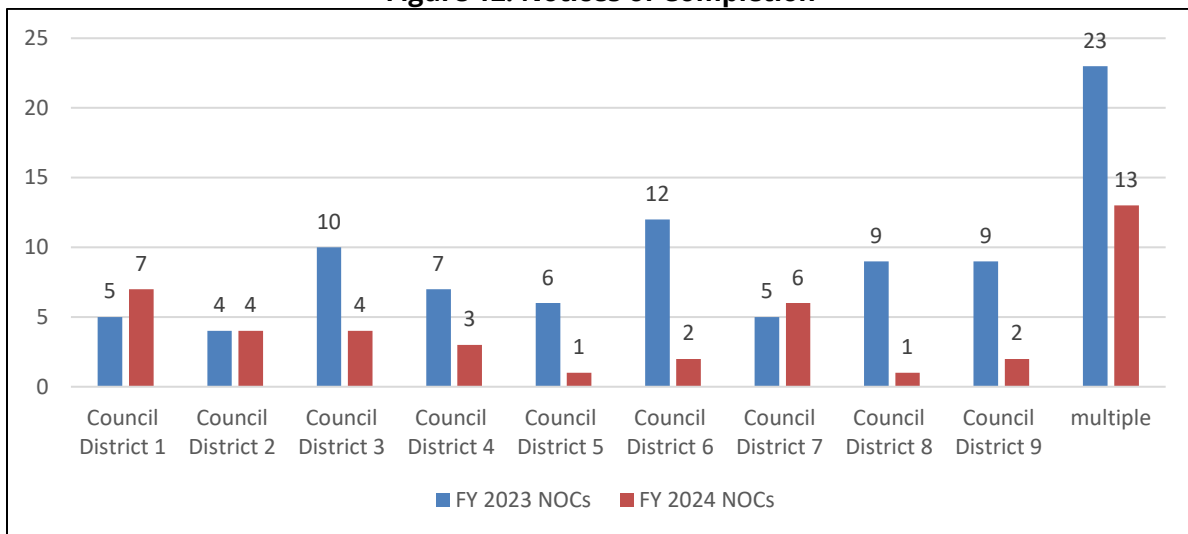


Exhibit F includes a list of Fiscal Year 2024 Notices of Completion per CP 000-31 Section D.2.

## CONSTRUCTION MANAGEMENT CONTRACTS

Construction Management (CM) teams are structured to provide construction management services for all possible types of CIP projects and inspection services. To help manage peak workloads or to provide inspection services for projects that require unique expertise, CM teams have executed as-needed CM consultant contracts.

Under CM contracts, consultants may be assigned full or limited project responsibility. Projects currently supported by these contracts include water and wastewater pipelines, buildings, bridges, and roadway paving. CM consultants can only be used for city-issued projects, not CMFE-inspected private permits. To determine which projects are selected for consultant CM services, an analysis of the project package is performed to identify what services will be required to deliver the project. The CM team then evaluates staff workload capacity and the level of technical expertise necessary for the successful delivery of the project. If in-house staff cannot provide the requested services, a CM task is issued to assist the construction team with project delivery. CM teams will issue a tailored Request for Proposal for large projects.

The Pure Water program requires multiple CM consultants authorized by the City Council in prior years. **Table 5** describes the status of the current As-Needed Construction Management contracts as of June 30, 2024.

**Table 5 - Status of Existing As-Needed Construction Management Contracts**

As-Needed Construction Management Contracts	Task Orders Issued FY 2024	Cumulative Task Orders Issued	Task Order Value (\$) FY 2024	Cumulative Task Order Value (\$)	Remaining Contract Capacity (\$)
Kleinfelder	2	20	\$268,295	\$10,217,495	\$4,782,504
Arcadis U.S., Inc.	4	22	\$978,801	\$11,462,685	\$3,537,315
WSP (formerly Louis Berger U.S., Inc.)	1	32	\$24,957	\$13,301,177	\$1,698,823
<b>As-needed subtotal</b>	<b>7</b>	<b>74</b>	<b>\$1,272,053</b>	<b>\$34,981,357</b>	<b>\$10,018,642</b>
Parsons-Black & Veatch Joint Venture	2	11	\$21,219,457	\$63,609,628	\$46,390,372
CH2M Hill Engineers Inc.	1	7	\$8,285,526	\$46,781,581	\$38,218,419
<b>Pure Water Subtotal</b>	<b>3</b>	<b>18</b>	<b>\$29,504,983</b>	<b>\$110,391,209</b>	<b>\$84,608,791</b>
<b>Total</b>	<b>10</b>	<b>92</b>	<b>\$30,777,036</b>	<b>\$145,372,566</b>	<b>\$94,627,433</b>

## CONSULTANT AND CONSTRUCTION CONTRACTS

Pursuant to the CP 000-31 Sections C.1 and C.2, a list of [completed architectural and engineering consultant contracts](#) and a [forecast planned construction contract awards](#) is available online.

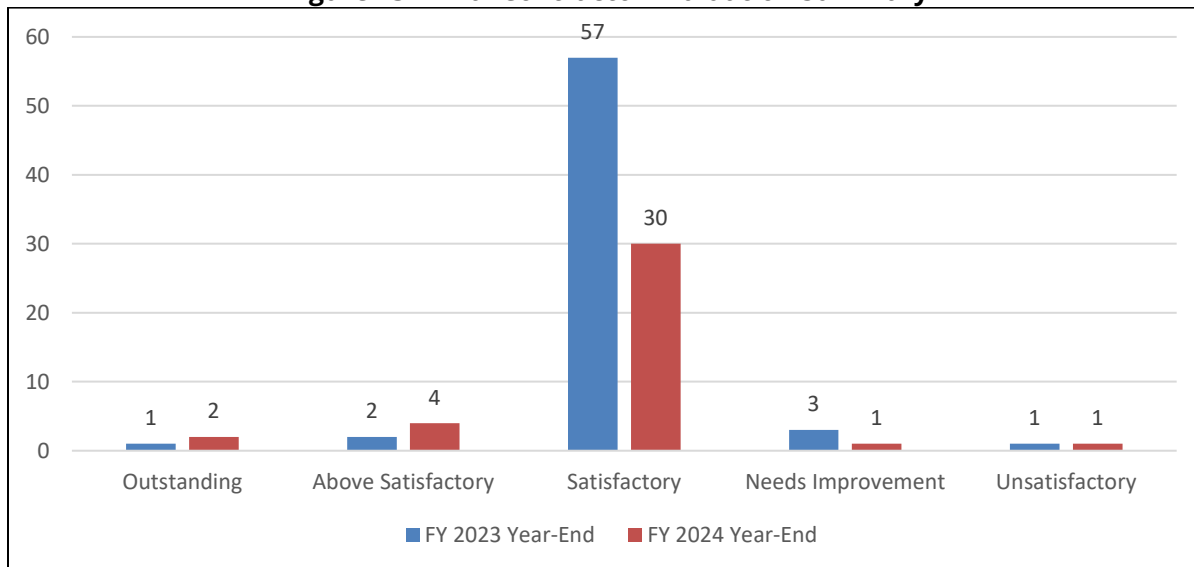
## CONTRACTOR PERFORMANCE AND EVALUATIONS

ECP meets quarterly with the construction industry to discuss new regulatory requirements, standards, and challenges. Overall, contractor performance remained steady, with most contractors performing satisfactorily. Evaluations are conducted at various stages in the project, typically at the 30% and 60% construction completion milestones and at the completion of the construction of the project. The overall rating for each evaluation is either 'outstanding,' 'above satisfactory,' 'satisfactory,' 'needs improvement,' or 'unsatisfactory.' A final evaluation with an 'unsatisfactory' overall rating has repercussions. Per the SDMC, receipt of two 'unsatisfactory' evaluations in a two-year period may be grounds for debarment of the contractor for two years. There are additional levels of enforcement that could lead to permanent debarment. Contractor evaluations are completed for each CIP project to document their performance. Each evaluation covers six categories, including:

- Contract Administration
- Compliance with Contract Documents
- Construction
- Safety
- Stormwater/Best Management Practice Compliance
- Cooperation/Professionalism/Communication and Public Outreach

ECP completed 38 final project evaluations in the Fiscal Year 2024. The results are summarized in **Figure 13**.

**Figure 13 - Final Contractor Evaluation Summary**



## EMERGENCY CIP PROJECTS

A total of 17 emergency projects with an estimated completion cost of \$42.3 million, of which 15 are stormwater related emergencies, were declared during Fiscal Year 2024. While the number of declared emergency projects this fiscal year is less than the 24 emergency projects declared in Fiscal Year 2023, the cost is \$5.5 million higher than estimated for Fiscal Year 2023.

Table 6 lists Fiscal Year 2024 emergency CIP Projects through June 30, 2024.

**Table 6 – FY 2024 Emergency Projects**

Name	Contractor	Contract Amount	Council Memo Date	Description
<b>Stormwater</b>				
12200 Escala Dr Storm Drain Emergency (B23161)	Filanc	\$ 1,275,000.00	7/7/2023	Storm drain replacement
7671 Macaw Ln Storm Drain Emergency (B23135)	Burtech Pipeline, Inc.	\$ 1,131,200.00	7/31/2023	Storm drain replacement
10428 Clairemont Mesa Blvd Storm Drain Emergency (B23154)	Burtech Pipeline, Inc.	\$ 2,800,000.00	7/31/2023	Storm drain replacement
5995 Eldergardens St Emergency (B23139)	Filanc	\$ 5,235,000.00	8/23/2023	Storm drain replacement
1391 Ava Street Storm Drain Emergency (B24068)	TC Construction	\$ 500,000.00	10/26/2023	Storm drain replacement
8519 Sugarman Dr Storm Drain Emergency (B24006)	Orion	\$ 1,700,000.00	11/9/2023	Storm drain replacement
1105 Sutter Street Storm Drain Emergency (B24065)	Orion	\$ 750,000.00	11/14/2023	Storm drain replacement
4451 Hermosa Way Storm Drain Emergency (B24067)	TC Construction	\$ 2,750,000.00	11/15/2023	Storm drain replacement
4502 Rhode Island Street Storm Drain Emergency (B24066)	Cass Orion	\$ 2,000,000.00	11/15/2023	Storm drain replacement
3575 Nile Street Storm Drain Emergency (B24081)	Cass Arrieta	\$ 80,000.00	11/23/2023	Storm drain replacement
8051 & 8075 La Jolla Scenic Dr Emergency (B24120)	KTA	\$ 2,500,000.00	1/3/2024	Storm drain replacement
4620 Alma Place Storm Drain Emergency (B24129)	Cass Arrieta	\$ 2,700,000.00	1/3/2024	Storm drain replacement
4878 Austin Drive Storm Drain Emergency (B24130)	Orion	\$ 3,400,000.00	1/4/2024	Storm drain replacement
Aldine Dr Storm Drain Emergency (B23134)	KTA	\$ 1,540,000.00	5/31/2024	Storm drain replacement
8803 Gilman Dr Storm Drain Emergency (B23153)	Orion	\$ 10,150,000.00	5/31/2024	Storm drain replacement
<b>Total - Stormwater</b>		<b>\$ 38,511,200.00</b>		
<b>Parks &amp; Recreation</b>				
Quince Dr Runoff and Slope Failure Erosion Control (B23122)	Cass Arrieta	\$ 2,900,000.00	7/31/2023	Road/slope reconstruction
<b>Total - Park&amp; Recreation</b>		<b>\$ 2,900,000.00</b>		
<b>Public Utilities Department</b>				
Pump Station 2 Sluice Gate 2 Emergency (B23140)	Orion	\$ 850,000.00	10/26/2023	Repair
<b>Total - Public Utilities</b>		<b>\$ 850,000.00</b>		
<b>Grand Total - All Emergencies</b>		<b>\$ 42,261,200.00</b>		

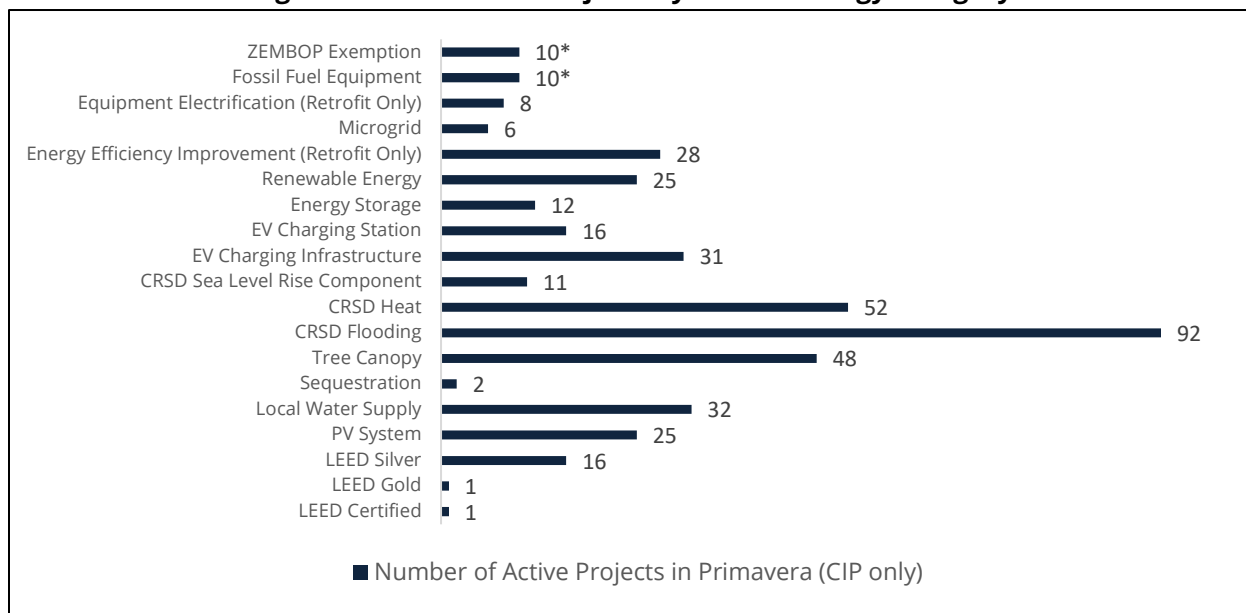
### CLIMATE ACTION PLAN (CAP)

Advancing the CAP is a priority for the CIP across multiple departments and types of projects. Projects contributing to the CAP include landfill improvements, facility clean energy upgrades, Pure Water, and multimodal transportation improvements. Reaffirming this commitment, CP800-14 gives higher weight values to projects with CAP considerations and positive CAP impacts.

ECP has worked with the Sustainability and Mobility Department (SuMo) to expand significantly on the CAP and EV/Energy-related project activities and codes used by ECP. This expanded tracking will enable SuMo to more comprehensively track the CIP contribution and report on future progress toward achieving CAP goals.

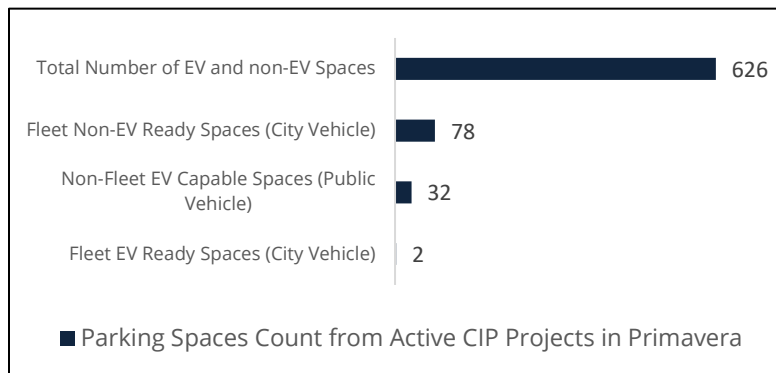
**Exhibit G** lists CAP project data for all active CIP projects in Primavera (ECP’s project scheduling tool). **Figure 14** shows active CIP projects in Primavera by CAP category. **Figure 15** shows a count of active CIP projects in Primavera with EV-related parking spaces.

**Figure 14 – Active CIP Projects by CAP/EV Energy Category**



\*Project scope includes the installation of fossil fuel for emergency generators, exempted by the policy, or the project was awarded before ZEMBOP implementation.

**Figure 15 – EV Related Parking Spaces Count (Active CIP Projects)**



## CONCLUSION

The Year-End State of the CIP and Construction Report shows an increasing trend in CIP investments, project expenditures, and emerging challenges. While funding availability has grown, funding needs have grown faster. Resolutions to bridge the gap include implementing the updated Council Policy 800-14, which helps prioritize available resources within the limited CIP budget to maintain equal and equitable investments amongst City neighborhoods and assets.

Due to the pandemic, ECP experienced setbacks in delivering CIP projects over two years and is still ramping back up on project delivery. Simultaneously, other agencies are ramping up their project delivery, and the increase in construction demand is leading to market saturation. The sheer volume of projects entering the construction market in San Diego County and limited contractor availability have impacted the bidding climate.



*Tecolote Playground Improvements*

Fiscal Year 2025 is also the inaugural year of the Citywide Project Labor Agreement (PLA), which adds various conditions and requirements to City-funded construction projects. This agreement governs the terms and conditions of employment for craftworks union and non-union workers on City construction projects, ensuring a reliable and well-trained workforce to complete City infrastructure projects. The effects of this new requirement on CIP program delivery are still to be realized.

Over the coming months, ECP will continue to outreach and partner with the San Diego Building & Construction Trades Council, the members of the Regional Construction Procurement Committee, the participating agencies of the California Multi-Agency CIP Benchmarking Study, and the consultant and construction industries throughout Southern California. Educating our broader regional partners about the upcoming CIP program will help bring new contractors and resources to support the delivery of our City CIP. While facing many challenges, the CIP, led by ECP, continues to adapt and respond as the City AMDs continue to update and refine capital infrastructure needs. The City is committed to investing in the organization and ensuring that ECP has the right people, processes, and tools to deliver the CIP program with integrity, transparency, and a sense of urgency.