THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Assessment of the City's Current Construction Bid Environment

OVERVIEW

Over the past several years, the City has faced rising construction costs, reduced competition in the bidding process, and an increase in the frequency of solicitations requiring rebids. These challenges have the potential to delay project delivery, reduce the City's purchasing power, and limit the effectiveness of the Capital Improvements Program (CIP). In response to these concerns, our Office conducted a comprehensive review of the City's current construction bid environment.

This report provides an assessment of that environment based on a detailed analysis of contract award data from FY 2017 through FY 2025, as well as benchmarking with other public agencies in the San Diego region. Our analysis focuses on identifying trends in bid participation, bid-to-estimate variance, rebid frequency, and the contractor concentration.[1] This report also examines internal processes and policy factors that may be contributing to these trends.

Data show a decline in bidder participation over time, with the average number of bids per construction contracts falling from 4.5 in FY 2017 to 3.1 in FY 2025. This reduction in competition is correlated with higher award costs and a growing share of contracts exceeding the Engineer's Estimate (EE). The percentage of contracts that require rebidding has increased over time, often driven by nonresponsive bids, unclear project scopes, or funding limitations. Additionally, a small number of contractors appear to receive a disproportionate share of awards, raising concerns about market concentration and long-term competitiveness.

These trends reflect a combination of external market pressures such as inflation, labor shortages, and supply chain disruptions, and internal administrative and policy factors including requirements

[1] Contractor concentration is the degree to which the City relies on a limited number of contractors.

tied to Project Labor Agreements (PLAs) and Small and Local Business Enterprise (SLBE/ELBE) programs.

Our benchmarking with peer agencies in the San Diego region - including San Diego Association of Governments (SANDAG), the County of San Diego, the Port of San Diego, and the cities of Carlsbad, Chula Vista, and Oceanside - found that many are facing similar challenges. Common themes include inflationary pressures, labor shortages, administrative delays, and the impact of labor compliance requirements on contractor participation. Key themes and ideas for improvement are included in Appendix 1.

This report concludes with a set of key takeaways and recommendations for Purchasing and Contracting (P&C) and Engineering and Capital Projects (E&CP) aimed at improving bid competitiveness, cost predictability, and project delivery. These include strategies to improve bidder participation, strengthen internal cost estimating, reduce rebid frequency, monitor contractor concentration, and evaluate the fiscal and operational impacts of labor compliance requirements. The recommendations are intended to promote more competitive, cost-effective, and timely delivery of capital projects.

Our Office appreciates the collaboration of City staff and regional partners in providing data and supporting this work and we remain available to assist Council with further analysis or implementation of the recommendations outlined in this report.

BACKGROUND

The City of San Diego works on hundreds of capital projects each year to maintain and improve public infrastructure, including streets, pipelines, stormwater systems, parks, and public facilities. The FY 2026–2030 Five-Year Capital Infrastructure Planning Outlook identifies a $6.51 billion funding gap, with $11.87 billion in total needs and only $5.36 billion in available funding.[2] Rising construction costs and higher-than-expected bids pose a risk that could further reduce purchasing power and limiting project delivery, compounding that backlog.

While the City oversees project planning and design, the majority of construction work is delivered through competitively awarded contracts with private construction firms, as the City lacks the internal staffing and technical capacity to directly implement most construction projects.

Construction contracting in California is governed by the State Public Contract Code and local municipal codes, which generally require public works projects to be awarded through a competitive bidding process. The process involves publicly advertising the project and inviting contractors to submit sealed bids which are evaluated by staff and generally awarded to the lowest responsive bidder. This process is intended to ensure fairness, transparency, and cost-effectiveness in the use of public funds. Certain types of projects—such as emergency repairs, small-scale work,

[2] The IBA issued its review of the FY 2026–2030 Five-Year Capital Infrastructure Planning Outlook on February 27, 2025, IBA Report 25-08.

or those involving proprietary systems (e.g., specialized equipment or software that must match existing infrastructure)[3]—may be exempt from competitive bidding under specific conditions.

Within the City, the Purchasing & Contracting Department (P&C) is responsible for the centralized procurement of construction and professional services contracts, coordinating with Engineering & Capital Projects Department (E&CP) on advertisement, bid evaluation, and contract award. E&CP manages project delivery and oversees construction administration. Together, these departments play a critical role in ensuring that the City's CIP is implemented efficiently and in compliance with applicable laws and policies.

Methods of Project Delivery

The City of San Diego uses a variety of contract types and delivery methods—standard in the engineering and construction industry—to deliver its CIP and other public works projects. The choice of method depends on factors such as project size, complexity, urgency, and available resources. Commonly used methods are summarized in the table below.[4]

Delivery Method	Summary
Design-Bid-Build (DBB)	Most common method used by the City. Design is completed first (in-house or by consultant), then construction is publicly bid ***and awarded to the lowest responsible and responsive bidder.***
Design-Build (DB)	A single contract for both design and construction. The City sets performance criteria, and the Design-Builder manages the rest.
Job Order Contract (JOC)	As-needed, construction-only contracts for urgent, routine, or minor projects (typically under $5 million, single trade). No design component. Awarded to the lowest responsible bidder, with a $30 million total cap over a two-year term.
Emergency (EMR)	Deployed for urgent infrastructure failures or safety risks. Contractors are chosen from a pre-approved emergency list, bypassing standard procurement timelines to enable rapid response.

Economic Uncertainty and its Impact on Capital Project Delivery

The overall economic environment remains uncertain due to ongoing global and national challenges, including tariffs, shifting federal policies, supply chain disruptions, and inflation. In addition, it is unclear how construction demands resulting from the Los Angeles wildfires may impact labor availability and project costs in the San Diego region. Collectively, these factors create financial uncertainty that makes cost forecasting difficult, complicating the City's ability to develop reliable Engineer's Estimates (EEs), evaluate bids, and phase projects within limited funding.

[3] Under California Public Contract Code §3400, public agencies may specify a particular brand or product—effectively exempting the project from competitive bidding—when necessary for compatibility with existing systems, performance requirements, or to match other products in use. This is commonly applied to proprietary technologies or equipment that are only available from a single source.

[4] Click this link to see descriptions of all Construction Delivery Methods used by the City of San Diego.

For contractors, volatile market conditions increase financial risk. In response, firms often include contingency premiums in their bids to account for rising material costs, labor shortages, and delivery delays. Uncertainty may also lead contractors to pursue fewer projects, reducing competition and pushing bid prices higher. Without greater economic stability or more flexible procurement strategies, the City will likely face continued bid volatility, project delays, and reduced capacity to meet its infrastructure needs.

FISCAL AND POLICY DISCUSSION

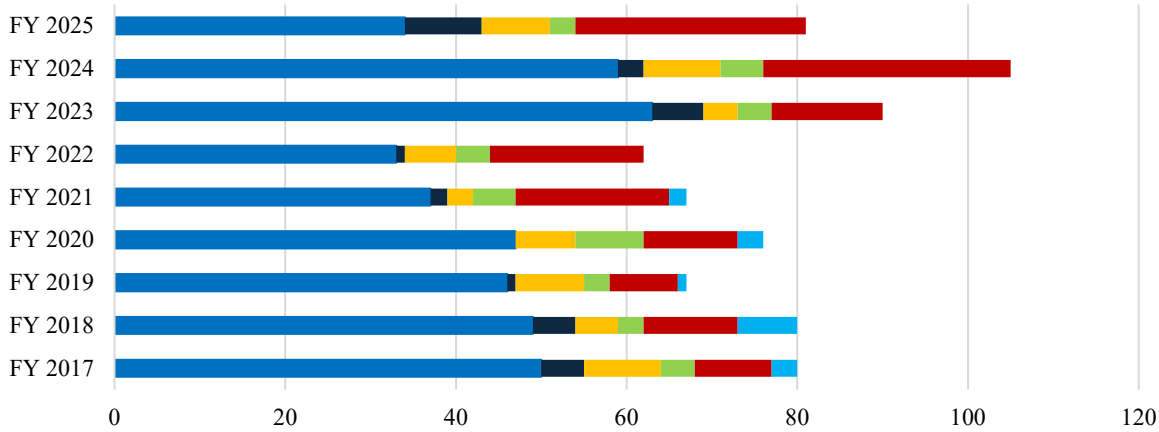
To better understand the challenges facing the City's construction bid environment, our Office conducted an analysis of contract award data from FY 2017 through FY 2025, including a review of internal procurement and project delivery processes, as well as benchmarking with peer agencies. Our findings are detailed in this section.

Construction Contract Trends

Number of Contracts Varied from Year to Year, but Total Dollar Value Increased Significantly

Between FY 2017 and FY 2025, the City awarded a total of 708 construction contracts, averaging approximately 79 contracts per year. The number of contracts awarded annually fluctuated based on the size of the CIP budget and the types of projects prioritized, as shown in the chart below. For example, FY 2024 saw a peak of 105 contracts awarded, coinciding with a CIP budget of $704.1 million, of which $635.4 million was allocated to construction. In contrast, the number of contracts dipped to 67 and 62 in FY 2021 and FY 2022, respectively, due to pandemic-related slowdowns.

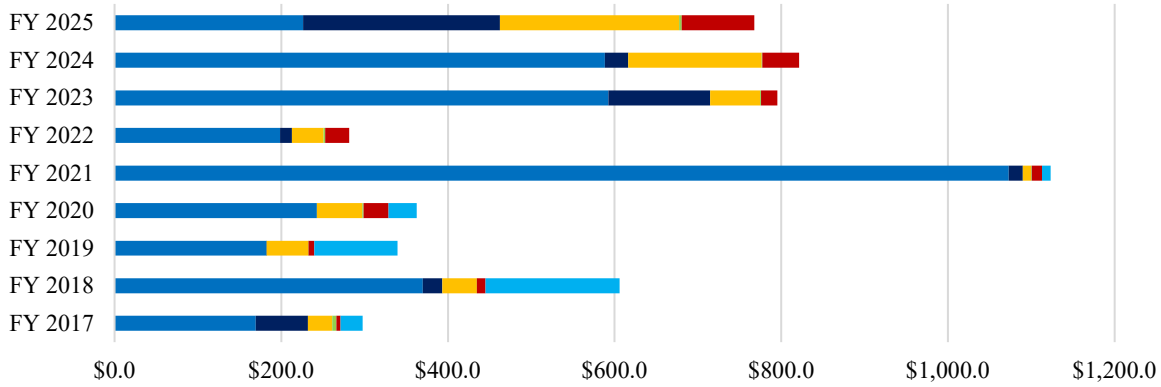
Total Number of Construction Contracts Awarded by Delivery Type, FY 2017 - FY 2025



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
DBB	50	49	46	47	37	33	63	59	34
DB	5	5	1	0	2	1	6	3	9
JOC	9	5	8	7	3	6	4	9	8
Sole Source	4	3	3	8	5	4	4	5	3
EMR	9	11	8	11	18	18	13	29	27
MAC	3	7	1	3	2	0	0	0	0
Total	80	80	67	76	67	62	90	105	81

While the number of contracts varied year to year, the total dollar value of construction contracts increased significantly – increasing by 157.9% from $297.7 million in FY 2017 to $767.8 million in FY 2025, as shown in the following chart. This growth outpaced the 125.7% increase in the overall CIP budget during the same period, reflecting both inflationary pressures and the rising cost of delivering capital projects. Over this same time period, the California Construction Cost Index (CCCI)[5] ratio (that shows how much construction costs have risen due to inflation) increased by 41.2%. This reflects a substantial rise in the City's contracting costs beyond inflation, with broader market and policy dynamics at play, such as reduced bidder participation and increased use of emergency contracts.[6]

Total Dollar Value of Contracts Awarded by Delivery Method,
FY 2017-2025
$ in Millions



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
DBB	$169.4	$369.8	$182.4	$242.9	$1,072.9	$198.6	$592.6	$588.1	$226.4
DB	$62.7	$23.4	$0.3	$0.0	$17.0	$14.3	$122.0	$28.4	$235.9
JOC	$29.0	$41.5	$50.0	$54.5	$10.0	$38.0	$60.0	$160.0	$215.0
Sole Source	$4.9	$0.2	$0.3	$1.3	$0.6	$2.1	$1.0	$0.7	$3.0
EMR	$5.3	$10.2	$6.7	$30.1	$12.4	$28.5	$19.7	$44.0	$87.5
MAC	$26.4	$161.0	$100.0	$33.8	$10.1	$0.0	$0.0	$0.0	$0.0
Total	$297.7	$606.1	$339.6	$362.6	$1,123.0	$281.4	$795.3	$821.2	$767.8

Note the spike in FY 2021 is due to the award of $992.8 million for 7 construction contracts for the City's Pure Water Program.

Design-Bid-Build is the Most Frequent Delivery Method

The above charts also show that Design-Bid-Build (DBB) remains the City's primary delivery method, accounting for 59.1% of all contracts (418 total) and $3.6 billion in total contract value over the nine-year period. DBB is preferred for its compatibility with the City's phased funding model which provides only enough funding to get through design or construction (given budgetary

[5] The CCCI is based on the Engineering News Record's Building Cost Index for San Francisco and Los Angeles.

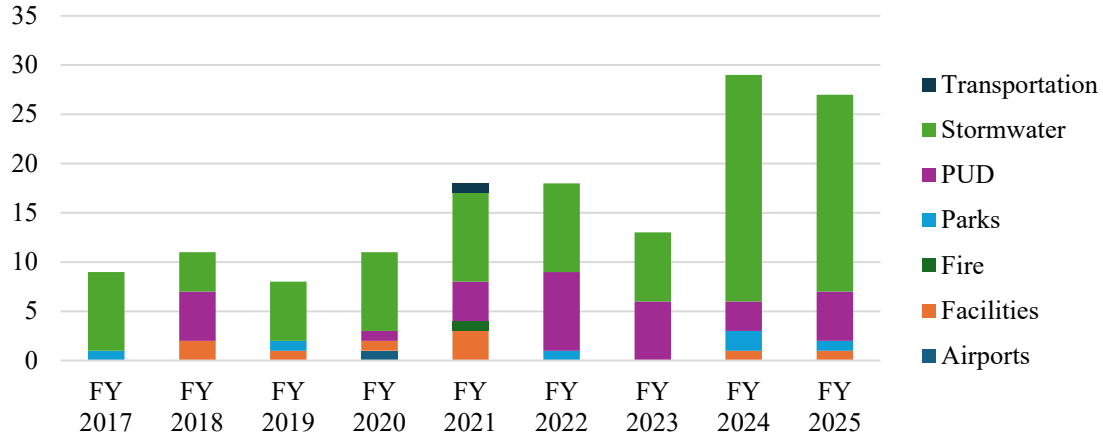
[6] Our data has not been adjusted for inflation given that E&CP includes a 3–6% annual inflation factor into the Engineer's Estimates (EEs), which forms the basis for many of the awarded contract values. We aim to avoid double adjustment, which could overstate the role of inflation as well as obscure other important drivers of cost growth over the period.

constraints) and is typically used for straightforward projects like pipeline replacements. Job Order Contracts (JOC) represented 8.3% of total contracts and were used primarily for single-trade or emergency work. Their use has increased in recent years due to a rise in urgent infrastructure needs. Multiple Award Construction (MAC) contracts are as needed contracts using pre-qualified design-construction teams that have been used for water, wastewater, and stormwater projects but have not been awarded since FY 2021 due to a decline in pipeline project volume. Emergency Contracts accounted for 20.3% of all contracts and 4.7% of total contract value. As discussed below, their use has grown significantly. We focus on DBB contracts in our comparison of bid amounts to the EEs in the *Trends in Bidder Participation and Pricing* section of this report since DBB is the delivery method that typically has an EE before construction is awarded.

Use of Emergency Contracts Has Significantly Increased

The chart below shows the number of emergency contracts awarded since 2017, with the most significant growth occurring in the past two years. This trend is primarily driven by a growing reliance on emergency contracting to address aging infrastructure, public utilities assets, and stormwater system failures.

Emergency Contracts by Asset Type - Total Number Awarded, FY 2017- FY 2025

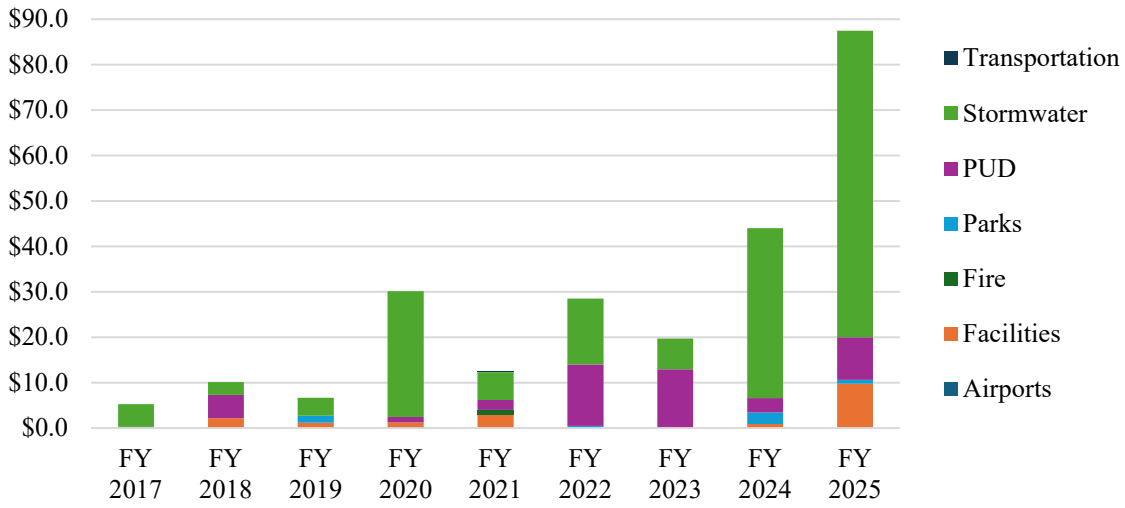


As shown in the following chart, the total dollar value of emergency contracts has increased dramatically over the nine-year period, rising from approximately $5.1 million in FY 2017 to nearly $84.5 million in FY 2025—an increase of over 1,550%. This growth reflects both a higher volume of emergency projects and the elevated costs associated with urgent work. Notably, Stormwater projects account for the largest share of emergency contract spending, with a sharp spike in FY 2024 and FY 2025. The data also shows that emergency contract spending has become more widespread across other departments, including Public Utilities, Parks, and Facilities, indicating broader infrastructure vulnerabilities. These trends underscore the City's growing reliance on emergency contracting to address aging infrastructure and system failures, often at a premium cost.

Emergency contracts often cost more than standard contracts due to the urgency, unpredictability, and resource demands involved. The total dollar value of emergency contracts awarded each fiscal year since 2017 reflects these elevated costs. Contributing factors include accelerated timelines that require immediate mobilization and premium rates for off-hour work; limited material

availability often requiring expedited shipping; risk premiums for unclear scopes due to urgency or hazardous conditions; and disruptions to staffing and resources, as contractors may need to divert crews or hire additional labor on short notice.

Emergency Contracts by Asset Type - Total Dollar Value Awarded,
FY 2017- FY 2025
$ in millions



The City uses a competitively advertised, pre-qualified rotation list—updated every three years—to select emergency contractors based on experience, capacity, and licensing. This allows for quick mobilization for urgent repairs. As a result, a small pool of firms is receiving a growing share of total construction contracts. See the *Market Share Concentration Among Key Contractors* section later in this report for further detail. While this approach helps the City respond quickly to infrastructure failures, it can also give the appearance of limited competition, even though the rotation list is developed through a transparent and publicly advertised solicitation process designed to provide fairness and broad eligibility.[7]

Trends in Bidder Participation and Pricing

A key indicator of the City's construction bid environment is the number of bids received per solicitation. Bid participation directly affects competition, pricing, and project delivery outcomes. This section analyzes trends in bid volume from FY 2017 through FY 2025, highlighting a steady decline in average bid counts and its correlation with rising award costs, rebid frequency, and reduced market participation. The data also identifies specific project types that consistently receive fewer bids or exhibit high cost-volatility, underscoring the need for targeted strategies to improve competitiveness and cost control.

[7] The City's pre-qualified rotation list for emergency contractors is competitively advertised and updated approximately every three years through a formal solicitation process. Qualified contractors are pre-approved based on experience, capacity, and licensing, allowing for timely mobilization when urgent repairs are needed.

Reduction in Bidder Participation in Recent Years Correlates with Increased Costs above Initial Engineer's Estimates (EE)

Between FY 2017 and FY 2025, the City awarded 525 construction contracts from 2,226 total bid submissions—an average of 4.2 bids per awarded contract, as shown in the following table.[8] This average remained steady up until FY 2024 and dropped to just 3.1 in FY 2024 and FY 2025, reflecting a concerning decline in competition. This is likely due to a number of both external market conditions and internal factors discussed in the *Various Factors Contribute to Fewer Bids and/or Bids Above the EE* section later in this report. This trend is closely tied to rising costs, rebid frequency, and reduced bidder participation—especially for certain project types, as discussed in the following sections.

Fiscal Year	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
Total Bids Submitted	301	263	260	279	210	219	313	223	158	**2,226**
Total Awarded Contracts	67	66	56	57	44	40	73	71	51	**525**
Average Number of Bids Submitted per Awarded Contract	4.5	4.0	4.6	4.9	4.8	5.5	4.3	3.1	3.1	**4.2**

To identify the extent to which bids are coming in above the EE, we looked at DBB contracts as other contract types generally do not have an EE when the solicitations are done for construction bids. While bids within 10% of an EE are generally considered acceptable, many recent awards have exceeded this threshold. The table below shows the proportion of DBB contracts awarded at more than 10% above the EE has increased significantly—from 28% in FY 2017 to 53% in FY 2025. For FY 2023 through FY 2025, more than 40% of the awarded contracts exceeded the EE by more than 10%. Project types such as water/sewer pipelines, stormwater repairs, and traffic signals consistently show high variance from EE, often due to limited bidder pools, emergency conditions, or specialized scopes, as discussed in the *Certain Project Types have Low Bidder Participation or Cost Variability* section later in this report.

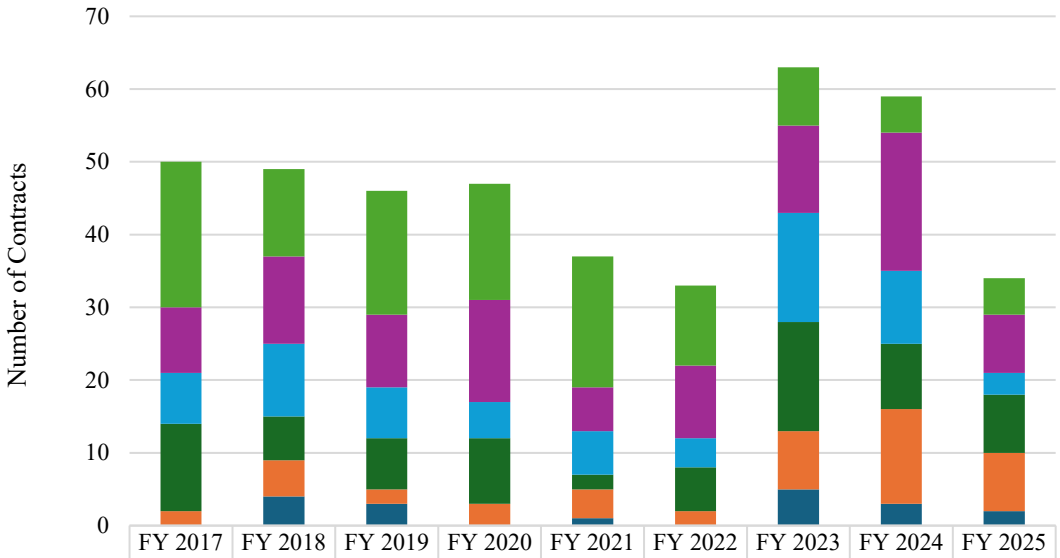
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total DBB Awards	50	49	46	47	37	33	63	59	34
# of DBB Awards >10% EE	14	15	12	12	7	8	28	25	18
% of DBB Awards >10% EE	28.0%	30.6%	26.1%	25.5%	18.9%	24.2%	44.4%	42.4%	52.9%

The specific percentages by which bids exceeded the EE are shown in the following chart, which illustrates a growing share of awarded contracts exceeding the EE by margins that are considered concerning, especially in FY 2023-25. These categories are between 10% and 25% above the EE (shown in dark green); between 25% and 50% greater than the EE (shown in orange); and 50% or

[8] The 525 includes total awarded contracts for DBB, DB, JOC, and MAC contracts and excludes Emergency and Sole Source contracts since these are not bid out and therefore are not able to be rebid.

more above the EE (shown in dark blue). The increasing frequency of awards, particularly in the 10% to above 50% ranges raises concerns about the reliability of EEs and the competitiveness of the bidding environment.

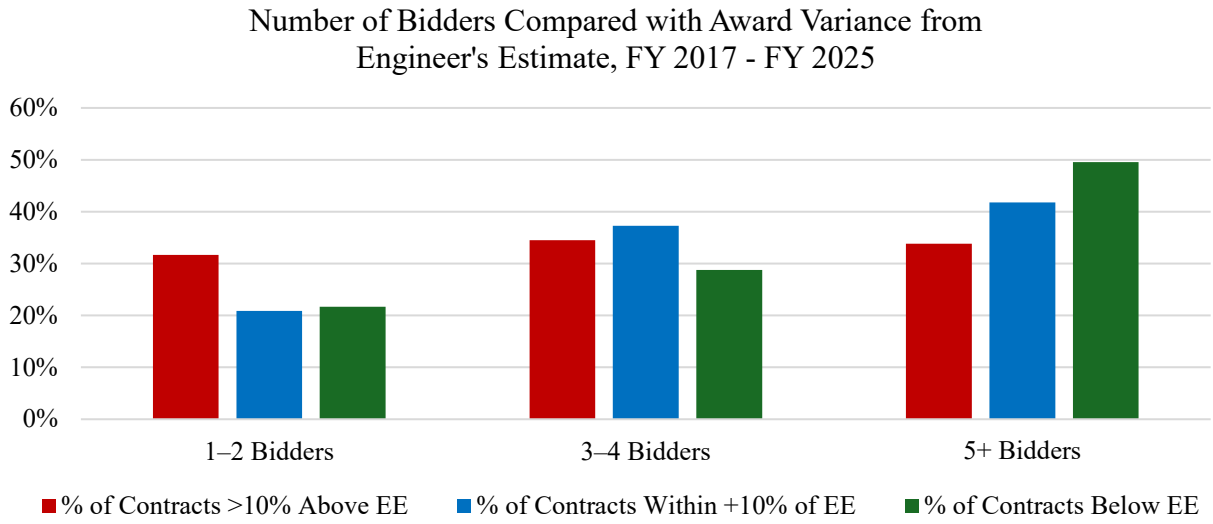
DBB Contract Awards Compared with the Engineer's Estimate,
FY 2017 - FY 2025



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
< -10%	20	12	17	16	18	11	8	5	5
0-10% Below Eng Est	9	12	10	14	6	10	12	19	8
0-10% Above Eng Est	7	10	7	5	6	4	15	10	3
> 10% and < 25%	12	6	7	9	2	6	15	9	8
> 25% and < 50%	2	5	2	3	4	2	8	13	8
> 50%	0	4	3	0	1	0	5	3	2

The City's EEs are developed either by E&CP staff or supporting consultants. E&CP makes a concerted effort to update EEs at key project milestones and has the technical expertise to review consultant-prepared estimates. Project Managers assess these estimates and provide feedback to ensure they reflect a project's scope and current market conditions. However, as noted earlier, ongoing economic uncertainty and other factors can still impact the accuracy of EEs despite these efforts.

Analysis of DBB contracts from FY 2017–2025 shows a strong correlation between the number of bidders and pricing. As shown in the following chart, contracts with 5+ bidders are more likely to be within 10% of the EE (41.8%) compared to those with 1–2 bidders (20.9%). Contracts with 5+ bidders also have a higher likelihood of being *below* the EE (49.5%) compared to those with 1–2 bidders (21.7%). Contracts with fewer bidders (1–2) tend to have a higher variance from the EE, indicating less competitive pricing and potentially higher risk premiums. This suggests that higher bidder participation generally leads to more competitive pricing and a greater likelihood of meeting or falling below the EE.



This trend is especially pronounced in FY 2024 and FY 2025, which correlates with the average number of bids per awarded contract dropping to 3.1 in both years—down from a 9-year average of 4.3. Fiscal years 2023-2025 also saw a spike in contracts awarded more than 10% above EE, reinforcing the impact of reduced competition on pricing. Cost escalation is especially pronounced when fewer than three bids are received. The data suggests that limited bidder participation is a key driver of cost escalation above the EEs.

Factors contributing to higher bids such as labor shortages, material cost volatility (especially for steel and asphalt), and market saturation are discussed in more detail in the *Factors Contributing to Fewer Bids and/or Bids Above the EE* section later in this report.

Certain Project Types have Low Bidder Participation or Cost Variability

Our analysis of DBB contracts from FY 2017–2025 reveals that certain project types consistently receive fewer bids—typically just 1 to 3 per solicitation—making them more vulnerable to cost escalation, rebids, and delays. These patterns suggest that project type, complexity, and perceived risk play a significant role in bidder interest and pricing. The following table summarizes these findings:

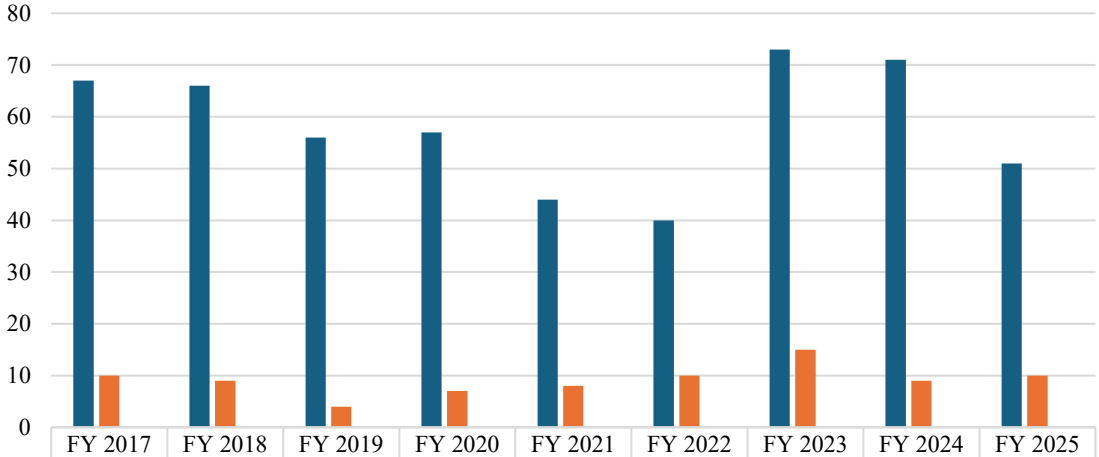
Project Type	Typical Bid Count	Cost Behavior	Key Observations
Slurry Seal	2–3	Within 5–10% of EE	Limited to 2-3 recurring firms (e.g., Pavement Coatings Co., VSS International); low competition increases risk if a bidder withdraws or is disqualified.
Water & Sewer Pipelines	1–3	Often 25–50% above EE	Complex trenching and bonding requirements deter smaller firms. Example: Group 965 (FY 2024) had only 2 bids – 26% and 56% above EE, highlighting the cost impact of limited participation.
Stormwater & Drainage Repairs	2–4	Variable; often urgent/emergency pricing	High-risk, time-sensitive projects limit qualified bidders. Emergency storm drain and slope stabilization projects often receive 2-4 bids due to their urgency and complexity.

Project Type	Typical Bid Count	Cost Behavior	Key Observations
Traffic Signals & Streetlights	2–3	Frequently 30-90% above EE	These projects are frequently rebid due to low participation and high costs. Example: FY 2024 project received 2 bids – 31% and 90% above EE.
Comfort Stations & Park Projects	4–6	10–30% above EE	Broader participation, but site-specific conditions and contractor availability drive cost variability.

Rebid Frequency Peaked in FY 2022 and FY 2023 Driven by Lack of Responsive Bidders and Flawed Solicitations

The City experiences a notable frequency of rebid and cancelled solicitations, driven by recurring challenges in the bidding and procurement process, as shown in the chart below. From FY 2017 to FY 2025, 82 solicitations were rebid—about 15.6% of all 525 awarded contracts.[9] The rebid rate peaked at 25.0% and 20.5% in FY 2022 and FY 2023, respectively. Note that all types of projects are impacted.

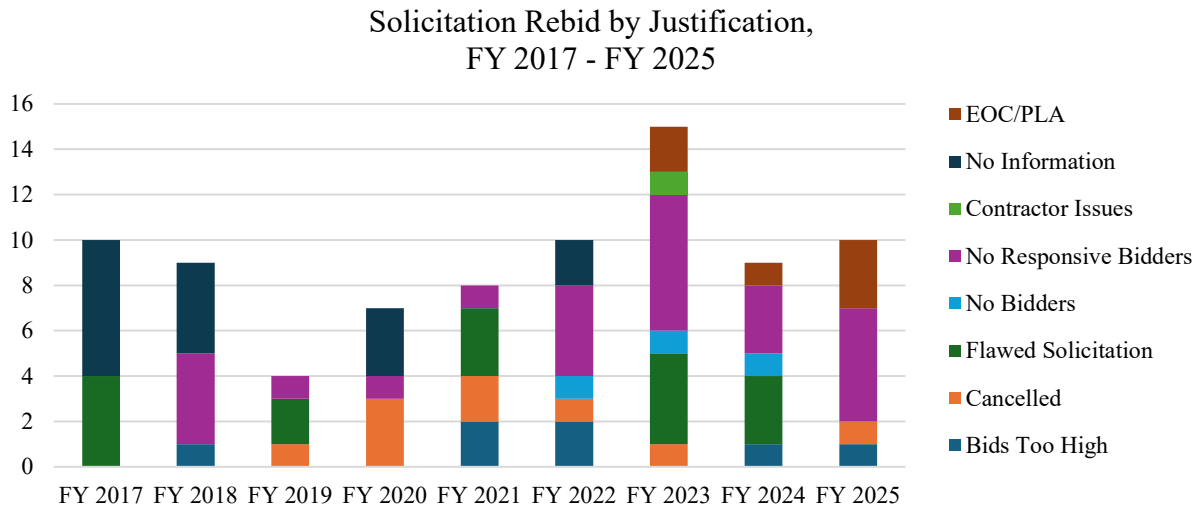
Rebid Rate by Fiscal Year, FY 2017-2025



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Total Awards	67	66	56	57	44	40	73	71	51
Rebid Count	10	9	4	7	8	10	15	9	10
% Rebid	14.9%	13.6%	7.1%	12.3%	18.2%	25.0%	20.5%	12.7%	19.6%

Common reasons for rebids between FY 2017 and FY 2025 are illustrated in the following chart. The most frequent cause, accounting for 30% of cases, was no responsive bidders—often due to disqualifications resulting from incomplete applications or missing documentation. Another 20% were attributed to flawed solicitations that required revisions to clarify the project scope or correct technical errors. Cancellations accounted for 11% of cases, typically resulting from bid protests, while 8% were due to non-compliance with SLBE/ELBE requirements or delays related to Project Labor Agreement (PLA) implementation. Additional contributing factors included no bids received, bids significantly exceeding the engineer's estimate, and contractor-related issues. Notably, in 19% of cases, staff could not identify a clear justification due to insufficient information.

[9] The 525 includes total awarded contracts for DBB, DB, JOC, and MAC contracts and excludes Emergency and Sole Source contracts since these are not bid out, and therefore are not able to be rebid.



These rebids and cancellations often result in project delays since the solicitation process can take several months, which can significantly impact delivery schedules for critical infrastructure improvements. The need to re-advertise, review, and re-evaluate bids increases the administrative burden on City staff and stretches limited procurement resources. In addition, repeated rebids can lead to higher project costs due to inflation in labor and material costs, and contractors including greater risk premiums in subsequent bids. The competitive tension that helps keep bids within reasonable cost ranges is often diminished when contractors perceive uncertainty or repeat solicitations.

Ultimately, these disruptions reduce the overall efficiency and effectiveness of the City's CIP, delaying needed infrastructure work and forcing difficult tradeoffs in how already limited funds are allocated. Addressing those causes of rebids that can be addressed by the City—such as better internal engagement, improving the development of a project's scope prior to going out to bid, and more realistic cost estimating—may allow for better responses, reduced rebids, and improved efficiency in project delivery.

Factors Contributing to Fewer Bids and/or Bids Above the EE

The data suggests that limited bidder participation is a key driver for bids coming in above the EE and project cost escalation. Based on a combination of data results and discussions with P&C and E&CP staff as well as discussions with benchmarking entities and the Association of General Contractors (AGC), we identified several interrelated external market conditions and internal factors that are contributing to the decline in bidder participation. These include:

- **Labor and Capacity Constraints –** Contractors across the region are facing workforce shortages, particularly in skilled trades. This limits their ability to take on new projects, especially those with tight timelines or complex scopes. As noted in a recent AGC presentation, the construction labor market in San Diego remains tight, and while some cost pressures may be stabilizing, capacity remains constrained given the abundance of available infrastructure work in the region.
- **Project Complexity and Risk –** Larger or bundled projects—especially those involving multiple asset types or restrictive work hours—can deter smaller firms or those with limited

bonding capacity.[10] Contractors may also price in risk premiums or opt not to bid at all if the scope is unclear, niche, or perceived as high-risk.

- **Administrative and Program Requirements –** Contractors have cited challenges with bid document clarity, SLBE/ELBE compliance requirements, and the recent implementation of PLAs as perceived deterrents.[11] For example, a recent SANDAG project with a Community Benefits Agreement (CBA) received only one responsive bid and was awarded 42% over the EE. These are discussed in more detail in the *Impacts of Contract and Labor Compliance Requirements* section later in this report.
- **Market Saturation and Timing Conflicts –** The City's bid schedule may overlap with other regional agencies (e.g., SANDAG, Carlsbad, Chula Vista), creating competition for the same pool of contractors. In addition, E&CP notes it has issued several solicitations at the same time for the same type of work in order to meet annual goals (i.e., for pipeline replacements). This can lead to market saturation with fewer responses per solicitation and higher bids, especially during peak construction seasons.
- **Perceived Administrative Delays –** Contractors may be discouraged by delays in award decisions, change order processing, or payment timelines (i.e., delays in receiving payments from the City). These factors increase the cost of doing business with the City and may lead some firms to prioritize private sector or other public agency work or increase pricing to offset perceived risks.

Market Share Concentration Among Key Contractors

An analysis of contract awards from FY 2017 to FY 2025 shows that a substantial portion of contracts were awarded to a small group of contractors, illustrated in the chart on the next page. Compared with all other contractors, the top 10 contractors received 40% of average annual bid awards and 35% of average annual dollars awarded. Their continued success reflects strong qualifications and a competitive edge but also raises concerns about limited competition in certain project types. Factors such as project complexity, bonding requirements, and specialized labor may discourage broader participation, particularly from smaller or newer firms.

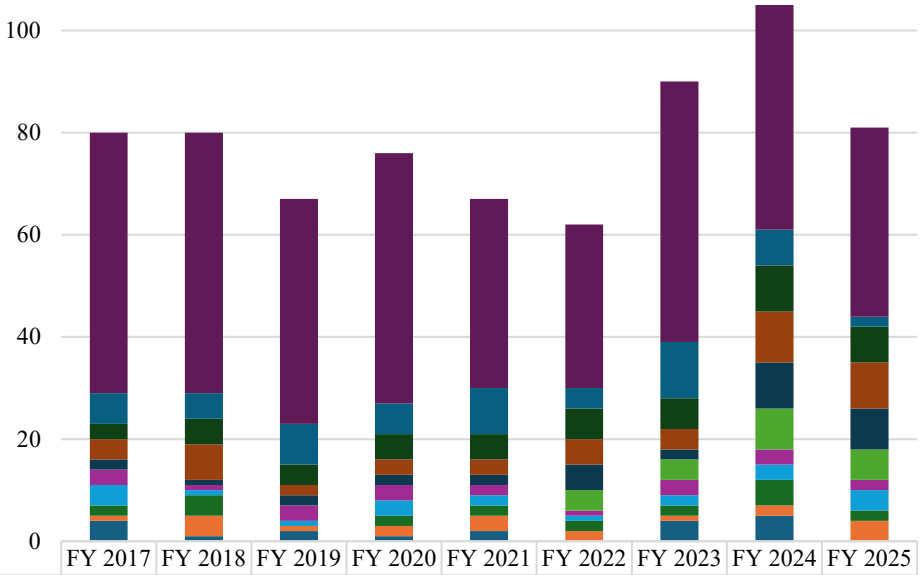
Additionally, 40% of the total contracts awarded to these top 10 firms were for emergency projects, further increasing their overall contract volume and reinforcing their market position. Notably, several of these firms receiving the highest number of bid awards—Burtech Pipeline, T.C. Construction, Orion Construction, and Cass Construction, were (and continue to be) on the City's pre-qualified emergency contractor rotation list. This allows them to receive time-sensitive awards outside of the standard competitive bid process. The concentration of emergency work among these firms is significant. Burtech Pipeline was awarded 58 contracts from FY 2017 to FY 2025, with 24% designated as emergency projects. T.C. Construction received 50 contracts, 46% of which were for emergency work. Similarly, 81% of Orion Construction's 47 awarded contracts

[10] Bonding requirements are financial guarantees that contractors must provide to ensure project completion and protect the City against default or nonperformance. These requirements help mitigate financial risk but can limit participation from smaller firms that may lack sufficient bonding capacity.

[11] PLAs and CBAs are both contractual agreements often used in construction and development projects to establish terms and conditions that benefit various stakeholders. Generally, PLAs concentrate on the labor aspects of a project to ensure stability and fair practices, while CBAs address a wider range of community needs and benefits.

and 88% of Cass Construction's 33 contracts were for emergency projects. This level of concentration may warrant policy review to expand competition and market access.

Annual Awards - Top 10 Contractors vs. All Other Contractors,
FY 2017 - FY 2025



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
All Other Contractors	51	51	44	49	37	32	51	44	37
Burtech Pipeline, Inc.	6	5	8	6	9	4	11	7	2
TC Construction Co., Inc.	3	5	4	5	5	6	6	9	7
Orion Construction Corp.	4	7	2	3	3	5	4	10	9
Cass Construction, Inc.	2	1	2	2	2	5	2	9	8
Pavement Coatings Co.	0	0	0	0	0	4	4	8	6
S.W. Pipeline & Trenchless Corp.	3	1	3	3	2	1	3	3	2
KTA Construction, Inc.	4	1	1	3	2	1	2	3	4
J.R. Filanc Construction Co., Inc.	2	4	0	2	2	2	2	5	2
Hazard Construction Co.	1	4	1	2	3	2	1	2	4
Dick Miller, Inc.	4	1	2	1	2	0	4	5	0

Impacts of Contract and Labor Compliance Requirements

As part of our assessment of the City's construction bid environment, our Office reviewed the fiscal and operational impacts of contract and labor compliance requirements—specifically the City's Small and Local Business Enterprise (SLBE/ELBE) Program and the recently implemented Project Labor Agreement (PLA). These policies are designed to promote equity, inclusion, and labor standards in public contracting. However, they also introduce additional administrative and compliance requirements that may influence contractor participation, bid competitiveness, and project delivery timelines.

This section explores how these requirements interact with broader market conditions and internal processes, and whether they may be contributing to the observed trends of reduced bidder participation, increased rebid frequency, and higher-than-expected award costs. While these

policies serve important public goals, understanding their practical implications is also important to ensure that they can be tailored to keep the City's contracting environment competitive, efficient, and fiscally sustainable.

Small Local Business Enterprise/Emerging Local Business Enterprise (SLBE/ELBE) Requirements

Bidders on City construction projects valued at over $1.5 million are required to either meet specific subcontracting goals with certified SLBE/ELBE firms or demonstrate a good faith effort to do so.[12] The SLBE program is intended to increase access to City contracts, diversify competition, and increase firms' capacity to compete for contracts. However, the program's compliance requirements may also introduce administrative complexity and risk for bidders.

According to the Fiscal Year 2024 Business Diversity Annual Report, four DBB construction projects were awarded to the second-lowest bidder because the apparent low bidder failed to commit to subcontracting a certain percentage of their bid to SLBE certified companies or show a good faith effort that they attempted to do so. This resulted in a cost increase of $13.1 million across the four contracts – one of which accounted for $8.9 million, or 68% of the increase.[13] Increased costs for failing to meet SLBE Program requirements were observed in prior years, though at a lower rate with increased costs of $4.9 million in FY 2023 and $1.5 million in FY 2022.

Reasons for noncompliance are not formally tracked but are understood to include a mix of factors: companies being unable, or not trying, to meet the SLBE subcontracting goal; lack of familiarity with the City's SLBE requirements; and clerical errors in submitted required paperwork.

To reduce disqualifications, the City recently shifted from a pass/fail approach when assessing good faith effort documentation to a points system so that bidders would not be deemed unresponsive but instead lose points if documentation requirements are not met. Bidders must still achieve a minimum number of points for a bid to be considered responsive. Although this new approach was already in place during FY 2024, it did not prevent $13.1 million in increased costs reflected in the Business Diversity Annual Report largely due to the respective bids not meeting the minimum number of points required for demonstrating a good faith effort. Continuing to track this information alongside the economic benefits of the program will allow Council to consider policy and financial tradeoffs.

The City's PLA

The City's PLA, adopted in 2023, applies to large-scale public works projects ($5.0 million or greater) and is intended to ensure fair wages, promote local hiring, and support workforce development goals.[14] Under the PLA, contractors must adhere to specific labor standards,

[12] Municipal Code Section 22.3608.

[13] This is a data point included in the Business Diversity Annual Report that responds to a recommendation in the *Performance Audit of the Purchasing and Contracting's Small Local Business Enterprise Program*, to assist Council in understanding the basic elements of SLBE program performance, such as program costs to the City, so that they may be weighed against the economic benefits of the program.

[14] From July 1, 2024, to June 30, 2026, the PLA covered projects with a construction value of at least $5 million. This two-year ramp-up period was designed to allow businesses time to adapt to the new requirements. The PLA will cover all projects greater than $1 million starting July 1, 2026.

including the use of union labor, compliance with apprenticeship requirements, and coordination with designated labor representatives. These provisions are designed to enhance job quality and workforce stability on City-funded projects. However, the PLA also introduces administrative requirements for contractors, such as pre-hire agreements, union dispatch procedures, and reporting obligations. These requirements may increase the complexity of bidding and project execution, particularly for non-union or smaller firms unfamiliar with PLA processes.

As the PLA was only recently adopted, it is too early to determine whether it has directly impacted the number of bidders or amounts of their bids. The policy is still in its early implementation phase, and many of the projects subject to the PLA are either in procurement or early construction. As such, there is limited data available to isolate the PLA's impact from other contributing factors such as inflation, labor shortages, or project complexity. We note some contractors have raised concerns to City staff regarding PLA requirements. E&CP indicated it will have preliminary indications of PLA-specific impacts by the end of FY 2026; however, it will be important to report on impacts as soon as possible given the PLA will cover far more projects (all projects greater than $1 million) starting July 1, 2026.

Benchmarking with peer agencies suggests that PLAs and similar labor agreements can have mixed effects. For example, SANDAG reported a temporary decline in bidder participation following the initial implementation of a Community Benefits Agreement (CBA), with some projects receiving only one or two bids. However, they also noted that bidder participation has since rebounded. This was also the case when the City passed an ordinance in 2014 requiring the payment of prevailing wages on capital projects. The number of bidders initially dipped but rebounded within a couple of years. The County of San Diego and the Port of San Diego have observed that labor compliance requirements can deter smaller firms or increase bid prices, particularly on specialized or smaller-scale projects.[15]

Benchmarking with Other Entities in San Diego County

To better understand whether the City's construction bid challenges are unique or part of a broader regional trend, our Office conducted benchmarking with peer agencies in the San Diego region, including SANDAG, the County of San Diego, the Port of San Diego, and the cities of Carlsbad, Chula Vista, and Oceanside.[16] Appendix 1 provides key themes, insights, and ideas for improvements based on our discussions with regional entities.

Most agencies reported similar issues—particularly declining bidder participation, bids exceeding the EE, and an increase in rebid frequency. These trends were often attributed to inflation, labor shortages, administrative delays, and the complexity of labor compliance requirements such as PLAs and small business participation goals which can reduce bidder interest (although unlike San Diego, many only have business participation goals when projects are federally funded).

Several agencies shared strategies they are using to address these challenges, including updating cost estimates at multiple design milestones, coordinating bid schedules regionally to avoid market

[15] The San Diego County Water Authority Board of Directors recently considered a wetland habitat rehabilitation project where staff sought to remove PLA provisions because it was their contention that the PLA was a reason for only receiving one single bid which was more than double the EE.

[16] We focused on the San Diego region which deals with the same construction market, which is very different than the Los Angeles market.

saturation, and simplifying bid documents to reduce disqualifications. Many also expressed a strong interest in improving program-level data tracking to better identify trends and inform procurement decisions.

Major Takeaways and Recommendations

Throughout this report, we note related external and internal factors that have led to fewer bidders and higher costs in the current construction bid environment. Some of these factors are outside of the City's control, such as inflation, labor shortages, tariff uncertainty, and supply chain disruptions, although the impacts of these should be understood to the extent possible. However, there are also internal administrative and policy challenges that the City can control. This section summarizes key findings from our assessment of the City's construction bid environment and pairs each with related recommendations that E&CP and P&C should consider to address factors that are within the City's control. Some of these steps have already been initiated by these departments to address current challenges; however, more should be done to strengthen competition, improve cost predictability, and enhance the City's ability to deliver capital projects efficiently.

1. **Declining Bid Participation and Rising Construction Costs** – The average number of bids awarded per contract has dropped from 4.5 in FY 2017 to 3.1 in FY 2025, with certain project types consistently receiving only 1–3 bids. This reduction in competition is correlated with higher award costs and increased rebid frequency. The number of DBB contracts awarded at more than 10% above the EE has increased from 28% in FY 2017 to 53% in FY 2025. Cost escalation is especially pronounced when fewer than three bids are received.

   Recommendation – Enhance strategies to improve market engagement, such as conducting outreach to contractors earlier and more proactively, developing clearer bid documents, and coordinating advertisement schedules to the best extent possible internally and externally to avoid market saturation, with a focus on project types that typically receive fewer bids.

   Consider market capacity, that is the ability of the local contractor pool to absorb and respond to project solicitations, when deciding whether to bundle or unbundle projects. Bundling can be beneficial when the market has sufficient capacity among larger firms to handle complex or multi-site projects, offering potential efficiencies, reduced administrative burden, and economies of scale. However, when market capacity is constrained—due to labor shortages, bonding limitations, or overlapping solicitations—unbundling projects into smaller, more targeted and manageable packages may improve bid responsiveness by enabling participation from small or emerging firms. This approach could help expand the contractor pool, increase bid responsiveness, and promote greater opportunities for SLBE/ELBE firms. The departments also should further assess market conditions, contractor availability, and project type when determining the optimal packaging strategy.

2. **Frequent Rebid and Cancelled Solicitations –** Approximately 15.8% of solicitations were rebid between FY 2017 and FY 2025, with rates peaking at 25.0% and 20.5% in FY 2022 and FY 2023 respectively. Common causes include unclear scopes, nonresponsive bids, and bids exceeding available funding.

   Recommendation – To improve procurement outcomes and reduce project delays, the City should adopt a structured process to analyze the root causes of rebid solicitations. This includes maintaining a centralized log of all rebids, cancellations, or no-bid responses, with documented reasons such as non-responsiveness, high pricing, or incomplete documents.

E&CP should improve internal cost estimating practices by continuing to update EEs at key design milestones, incorporate escalation factors, and use historical data (on bids and prices of materials, etc.) to analyze past trends to make the estimate as accurate as possible. When consultants are providing the EE, ensure it has been recently updated. P&C should complete a brief post-rebid assessment to document key issues and share findings with E&CP and Asset Managing Departments (AMDs) to support training, improve templates, and strengthen quality control practices.

3. **Contractor Concentration –** A small number of firms are receiving a disproportionate share of awards, particularly in core infrastructure categories. This trend is reinforced by the City's reliance on a prequalified emergency contractor list.

   Recommendation – To promote fair competition, more bidders, and reduce reliance on a small group of contractors, the City should regularly analyze award data to identify firms receiving a disproportionate share of contracts. Targeted outreach should be expanded to attract new, smaller, and out-of-region firms—especially for project types with low bid participation. Pre-bid meetings and informational sessions can help broaden the bidder pool. Additionally, P&C should provide regular updates to City Council on award trends and emergency contract usage to enhance transparency and informed decision-making.

4. **Impacts of Contract and Labor Compliance Requirements –** While the City's SLBE/ELBE program and PLA support equity and workforce goals, they also introduce administrative complexity. In FY 2024, four contracts were awarded to the second-lowest bidder due to SLBE noncompliance, resulting in $13.1 million in additional costs. The PLA is still in early implementation, and its full impact on bid participation and pricing is not yet clear.

   Recommendation – To ensure SLBE/ELBE and PLA policies support both equity and efficient project delivery, the City should regularly track their fiscal and operational impacts. This includes continuing to monitor bid participation, disqualifications, and project costs. P&C should evaluate whether recent changes—such as the shift to a points-based SLBE scoring system—are improving responsiveness and reducing disqualifications. The City should also assess how the new PLA affects competition on large projects as soon as possible, given the PLA will cover all projects above $1 million starting on July 1, 2026. To support compliance, targeted training and clear guidance should be offered to contractors, especially small or first-time bidders. Regular policy impact reviews should inform recommendations for adjustments or support mechanisms that can better align the City's equity goals with the need for efficient and competitive procurement practices.

5. **Internal Process and Data Gaps –** The City currently lacks a centralized system to track key procurement metrics such as bid-to-Engineer's Estimate variance, number of bidders per solicitation, award timelines, and rebid frequency. As a result, our Office had to compile and reconcile data manually from multiple sources (Planet Bids, bid tabulation forms, etc.), some of which are inconsistently logged or missing altogether. This fragmented approach limits the City's ability to identify program-level trends, conduct thorough analysis, and make data-informed decisions to improve procurement outcomes.

   Recommendation – The City should develop program-level dashboards and reporting tools to monitor key procurement metrics—such as bid response rates, award timelines, bid-to-

engineer's estimate variance, and frequency of rebids or disqualifications. These tools should be accessible to E&CP, P&C, and AMDs to support real-time performance tracking and improve coordination. Dashboards should also include filters by project type, delivery method, and department to support more targeted decision-making.

CONCLUSION

This report responds to growing concerns about the City's construction bid environment, including rising costs, reduced bidder participation, and an increasing frequency of rebids. These challenges are occurring alongside broader fiscal pressures—such as a $6.5 billion infrastructure funding gap—and economic uncertainty driven by inflation, labor shortages, and supply chain disruptions.

Our analysis shows that fewer bids per solicitation are correlated with higher award costs, and that rebids—often caused by unclear scopes or nonresponsive bids—are becoming more common. A small number of contractors are receiving a disproportionate share of awards, and internal administrative and policy requirements may be contributing to reduced competition.

Addressing these challenges will require coordinated efforts across departments. The recommendations outlined in this report are intended to support Council, as well as P&C and E&CP, in improving bid competitiveness, cost predictability, and project delivery. These include strengthening internal cost estimating, improving bid document quality, enhancing program-level data tracking, and evaluating the impacts of contracting policies.

Our Office appreciates the collaboration of City staff and regional partners in supporting this work and remains available to assist with further analysis or implementation of the recommendations.

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Appendix 1: Bid Environment Benchmarking of Other Entities in the San Diego County

Appendix 1: Bid Environment Benchmarking of Other Entities in the San Diego County

To supplement our analysis of the City's construction bid environment, we conducted benchmarking with peer agencies in the San Diego region, including SANDAG, the County of San Diego, the Port of San Diego, and the cities of Carlsbad, Chula Vista, and Oceanside. These discussions provided valuable insights into how other agencies are navigating similar challenges and adapting their procurement practices.

Most agencies reported a decline in bidder participation over the past few years, particularly for specialized or smaller projects. Bids exceeding the Engineer's Estimate (EE) were also common, often due to outdated estimates, inflation, or limited contractor availability. Several agencies noted that rebids were increasingly necessary due to nonresponsive bids, unclear scopes, or funding constraints (due to bids coming in higher than the EE). While some agencies have implemented Project Labor Agreements (PLAs) or Community Benefit Agreements (CBAs), others noted that such requirements can initially reduce bidder interest—particularly among smaller firms—but that participation often rebounds over time.

Agencies shared a range of strategies to address these issues, including bundling smaller projects to attract more bidders, using escalation factors and historical data to update the EEs at multiple design milestones, early procurement planning and advertisement, and coordinating bid schedules regionally to avoid market saturation. Agencies also suggested simplifying bid forms, clarifying requirements, using "or equal" substitutions in specs to allow for less expensive materials, and providing more time between advertisement and due dates. Most agencies emphasized the value of tracking program-level metrics—such as bid-to-estimate variance, reasons for rebidding, and award timelines—to identify trends and inform procurement decisions. While formal dashboards are rare, many agencies are compiling this data manually and expressed strong interest in developing more centralized, accessible tools to use data to inform policy and procurement timing.

The table on the following pages summarizes key themes and practices across agencies. These insights helped inform recommendations in this report and may offer additional ideas for improving the City's construction contracting environment.

Our Office appreciates the collaboration of regional partners in supporting this work.

Category	City of Carlsbad	City of Chula Vista	City of Oceanside	County of San Diego	SANDAG	Port of San Diego
FY 2026 Budget	$459.2M	$617.2M	$626.6M	$8.63B[a]	$1.33B	$429.0M
FY 2026 CIP Budget	$47.0M	$29.6M	$123.7M	$45.8M	$682.9M	$164.6M[b]
Approach to Contracting Construction Projects	Evaluates project needs and scale to determine the most efficient procurement path. Bundles projects for efficiency and economies of scale when feasible.	Bundles projects based on the scope of work to achieve economies of scale.	Bundles smaller projects to create larger projects that will attract more bidders.	Increased contractor outreach and bundling projects to entice larger firms and capture economies of scale.	Bundles smaller projects for efficiency and cost savings, especially for large-scale multimillion-dollar projects. However, federally or state-funded projects are generally not bundled due to accompanying requirements.	Generally, does not bundle projects but makes decisions based on capacity and efficiency.
Delivery Methods	Primarily uses Design-Bid-Build (DBB) and Job Order Contracting (JOC) for smaller projects.	Primarily uses DBB and plans to use JOC.	Prefers Design-Build (DB) for projects.	Uses alternative delivery methods for projects over $1M.	Primarily uses DBB and Construction Manager/General Contractor (CMGC) for large projects.	Primarily uses DBB.

Category	City of Carlsbad	City of Chula Vista	City of Oceanside	County of San Diego	SANDAG	Port of San Diego
Current Bid Environment	Stable competition with an acceptable number of bidders. Slightly higher costs for materials post-pandemic.	Healthy competition for pavement and traffic projects but limited bidders for sidewalk and specialized infrastructure projects.	Bid volume dropped post-pandemic with some projects receiving no bids but has rebounded since FY 2024. Some projects now receive 7–8 bids.	Reports a general decline in bidder participation over the past several years, particularly for smaller or specialized projects	Bidder participation dipped after implementing a Community Benefit Agreement (CBA) in 2022, with most projects receiving only 2–3 bids. Participation has since rebounded to 4–6 bids per project, depending on project type and market conditions.	Continues to struggle with limited bidder pools, especially for unique or specialized projects. Four to six bids is considered strong competition
Cost Trends (i.e., Bids Higher than the Engineer's Estimate - EE)	Saw higher bids in FY 2023–24, especially for transportation and utility projects. FY 2025 bids have been more consistent with EE.	Some bids exceed EE, particularly when unit costs are outdated. EE updates at 60/90/100% design milestones help mitigate this	Most bids are close to EE, but some exceed it by 30% or more due to economic uncertainties. Awards above EE are sometimes justified by funding deadlines (such as for ARPA) or project urgency.	Many projects exceed EE due to inflation, labor compliance costs, and contractor backlogs. Local material shortages also contribute	Bids have increasingly exceeded the EE, especially in the past two years. Inflation, long timelines between the EE and solicitation, market supply and demand, and labor/material costs are key drivers	Bids frequently exceed EE, which are often outdated. The Port is considering using consultants to improve EE accuracy.

Category	City of Carlsbad	City of Chula Vista	City of Oceanside	County of San Diego	SANDAG	Port of San Diego
Rebids/ Challenges	Rebid projects are rare and typically due to scope changes or specification issues. Some bids were rejected due to brand-specific requirements. Suggested including "or, as equal" in specifications for a less expensive, but acceptable alternative.	Rebid projects when bids exceed budget or unique project requirements (with narrow specifications). Adjustments are made to future solicitations based on lessons learned from failed bids.	Rebid rates have declined. Most projects are awarded on the first round, though some failed bids occurred due to vague specifications or lack of qualified bidders.	Rebid rates have increased, especially for smaller projects with poor bid package quality or specialized requirements.	Several rebids lately due to nonresponsive bids (i.e., missing forms), possibly due to contractor workload or turnover. Rebids also occur when bids come in too high without sufficient budget for construction, in which case, they may reduce scope and rebid.	Rebid is common for unique, specialized projects with limited local qualified contractors. Example: jet grouting project required multiple solicitations.
Labor Compliance Requirements – Project Labor Agreement (PLA)	No PLA or local labor goals.	PLA recently implemented for projects over $1M. Some contractors have indicated they will not bid on PLA-covered projects, but staff expect participation to rebound over time.	No PLA.	No PLA.	CBA in place since 2022. Some contractors cite increased costs due to union labor and required job coordinator roles. Impact on pricing is difficult to isolate from inflation.	PLA covers projects over $1.0 million. Initial concerns about reduced participation have diminished over time. SLBE and prevailing wage requirements are now standard.

Category	City of Carlsbad	City of Chula Vista	City of Oceanside	County of San Diego	SANDAG	Port of San Diego
Labor Compliance Requirements – Small and Emerging Businesses	Encourages support of small, minority, and women-owned firms. Disadvantaged Business Enterprise (DBE) and Good Faith Effort (GFE) requirements apply only to federally funded projects.	Encourages support of small businesses but no formal goals. DBE/GFE requirements apply only to federally funded projects.	No local requirements, only DBE/GFE requirements for federally funded projects that apply to all jurisdictions.	The County does not have a business requirement for small businesses' participation in construction projects. They do have requirements for veteran-owned business participation in county contracts (3% DVE subcontractor participation where the prime contractor intends to use subcontractors for projects over $1.0 million).	They do not have a specific DBE goal unless the project is federally funded and then DBE/GFE) is required. The Office of Diversity and Equity manages CBA and small business program.	Small business program with goals and outreach.
Tracking Program Level Metrics (i.e., bid-to-estimate variance and reasons for rebids)	Tracks bid data using PlanetBids and a highly customized Access database. Reporting is manual and typically done upon request. While anomalies are flagged internally, there is no formal dashboard shared with Council	Tracks bid data at the project level using spreadsheets. While not reported programmatically, the design team uses this data to evaluate trends and adjust future solicitations. Staff emphasized the importance of program-level tracking and are working toward that goal.	Tracks data manually using spreadsheets and reviews bid data at the project level when presenting to Council. Staff recognize the value of program-level tracking to better understand trends and improve decision-making but are limited by staffing capacity.	Does not currently track program-level metrics such as number of bids per solicitation or bid-to-estimate variance. Acknowledges the value of such data but lacks centralized systems to support it.	Tracks key metrics like EE variance, award timelines, and protest periods using a custom Excel spreadsheet developed by staff. While not currently reporting KPIs programmatically, the data is available and used internally to respond to leadership and management questions.	Currently compiles data manually and does not have formal program-level tracking. However, the Port is transitioning to a next-generation SAP system and plans to implement Power BI dashboards to support more granular, programmatic analysis in the near future

Category	City of Carlsbad	City of Chula Vista	City of Oceanside	County of San Diego	SANDAG	Port of San Diego
Systems for Bid Award and Contract Management	PlanetBids and internal Access databases.	PlanetBids and internal portal.	BidNet and spreadsheets.	Buynet and Oracle.	Compliance Information System (CIS) and BidNet.	PlanetBids and SAP.

[a] The County of San Diego operates on a biennial (two-year) budget cycle. Their budget reflects FY 2025 – FY 2027.
[b] Capital expenditures included in the FY 2026 Budget.