SAN DIEGO INTERNATIONAL AIRPORT REACHES MORE LOCAL VENDORS, MEETS DEI GOALS WITH PLANETBIDS

HOW PLANETBIDS HELPED

Efficiency
Digital RFP creation, release, and bid submission streamlined procurement operations and improved reporting.

Local Vendor Network
PlanetBids' vendor network increased local participation and boosted competition.

Diversity Tracking
Business certifications were automated and centralized for easier tracking and reporting.

OVERVIEW

The San Diego International Airport (SAN) is the busiest single-runway commercial airport in the United States and the third-busiest airport in California, serving about 20 million passengers each year. Built in 1927, the airport spans 663 acres in Central San Diego and features non-stop flights to 76 domestic and 11 international destinations in 7 countries, operated by 23 airlines.

As the airport neared its 100-year anniversary, the San Diego County Regional Airport Authority, the independent agency in charge of managing day-to-day operations for the airport, began plans to update the airport's aging terminals.

First, the airport added 10 gates to Terminal 2 in 2013, plus a two-level roadway, and a larger concession area for food, drink, and shopping. This "Green Build" project created 1,000 jobs at peak construction and earned a Leadership in Energy and Environmental Design (LEED) Platinum Certification.

The second phase of construction started in 2021 with a brand-new Terminal 1, a $3.8 Billion project featuring a 13-lane security checkpoint, 26 restaurants and retail stores, 30 gates, 185 electric vehicle charging stations, and 5,2000 parking spaces.

The new "T1" will include a new, on-airport access road that allows travelers to bypass local traffic, plus new bicycle lanes and a pedestrian path to connect the airport to San Diego's surrounding communities. Six public artists were commissioned to design spaces in the outdoor plazas, ticketing lobby, and a family play area, as well.

The first phase – including 19 new gates and the complete Parking Plaza – is scheduled to open in late summer 2025, with Phase 1B's final 11 gates scheduled to open in early 2028.

THE CHALLENGE

Planning for the Green Build, the initial $1 Billion T2 renovation project, which began in 2006, was focused on meeting the airport's current and future demand for travel while improving customer services and serving as an economic stimulus for the region. But the San Diego County Regional Airport Authority's purchasing processes at that time were all manual.

"The airport was mailing out RFP postcards to vendors," said Jana Vargas, the Airport Authority's Director of Procurement.

Sustainability was clearly a focus of the airport, hence the title of The Green Build and the LEED Platinum certification, and so was diversity in hiring, as the project created 1,000 jobs at peak construction.

Vargas, who had previous experience using PlanetBids end-to-end procurement platform in previous positions at other agencies, suggested contracting with the California-based public procurement software specialist to help automate purchasing for the ambitious and expensive new terminals. The Airport Authority purchasing group implemented PlanetBids in 2007, ditching post-cards and paper-intensive processes.

With a new procurement system in place, the Airport Authority began the process of planning for the new T1 project, including a new glass-walled ticketing hall named the "Luminous Wave," designed by internationally acclaimed artist James Carpenter, and artfully designed pedestrian pathways. But as the new project was estimated to create between 15,000 and 20,000 construction-related jobs, the Airport Authority faced a new challenge: with a priority of workforce diversity, equity, and inclusion and a vast array of vendors, how would they track DEI compliance?

THE SOLUTION

The answer was already in hand, with PlanetBids' automation. The system's Bid and Vendor Management capabilities yielded higher response rates to featured RFPs, increased competition and better pricing from responding bidders, and better vendor participation for all solicitations. PlanetBids also increased the airports pool of available and eligible vendors and suppliers by giving the Airport Authority the ability to advertise to every registered vendor in the system – more than 26,500 in the San Diego area alone.

The Airport Authority's design/build prime contractors use PlanetBids to manage subcontracting opportunities, increasing their outreach and meeting DEI participation goals for Small Business Enterprise, Disadvantaged Business Enterprise, women- and veteran-owned businesses, and local businesses.

"Our focus has been on DEI, and we wanted the airport experience to offer a local feel," Vargas said. "Customers can see that in the food offerings. We did a lot of outreach to local businesses to create a regional flavor."

Vargas said the City of San Diego and all San Diego agencies require proof of local office for vendors to be certified with the city. PlanetBids' Business Certification capabilities make this simple and streamlined by digitalizing certifications, notifying the Airport Authority of missing or expiring documentation, and aggregating them all in the same system they use to manage the bid and contract.

Because the airport project receives federal funding, the Airport Authority must frequently report on certification and compliance, often with little notice. Vargas said PlanetBids' customizable reports are easy to generate on demand, helping them stay audit-ready and transparent.

THE RESULTS: IMPROVED VENDOR MANAGEMENT

The Airport Authority awarded 22% of the T1 projects contracts to local businesses in 2023, with an additional 16% going to certified small businesses. Minority and women-owned businesses made up another 11% each, and veteran-owned businesses were awarded 3% of contracts that year. The veteran businesses are key for the area, as San Diego is home to five different military bases.

"San Diego International Airport has the largest USO in the United States," Vargas said. "It is important for us that we help transition people who were in the service into the workforce."

In 2022, the San Diego County Regional Airport Authority awarded $138 million in contracts through a formal competitive solicitation, via the Contract Management module in PlanetBids. The system allows the Airport Authority to look at similar solicitations from other area agencies that have been awarded through PlanetBids and similar scope of work samples to help build their own solicitations, speeding up the process and ensuring comprehensive RFPs.

In fact, the Airport Authority has awarded PlanetBids four consecutive contracts for public procurement software, which benefits other California agencies by allowing them to piggyback off the Airport's contract, saving time and public resources.

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BID MANAGEMENT

Simplifying Bid Creation and Solicitation

- **Challenge:** Complicated RFPs and solicitations and in-depth compliance requirements were made more difficult with paper-based and manual solicitation creation and bid acceptance.

- **Solution:** PlanetBids allows the San Diego County Regional Airport Authority to build unlimited bid and RFP templates and select specifications and scope of work from a library of other agency specifications for quick, comprehensive solicitation creation.

VENDOR MANAGEMENT

Encouraging Local Vendor Participation

- **Challenge:** The Airport Authority requires proof of local office for vendors to be qualified for bidding, but the local vendor pool was limited and responses to bids were hard to track.

- **Solution:** PlanetBids' vendor portal allows the Airport Authority to reach a wider audience of local and qualified vendors and suppliers and allows them to submit bid responses digitally, yielding higher response rates and increased competition.

BUSINESS CERTIFICATION

Improving Compliance Tracking and Reporting

- **Challenge:** Disadvantaged and local business inclusion were key initiatives for the Airport Authority, but paper trails and emailed certifications were difficult to track and report on.

- **Solution:** All certification documentation is aggregated and tracked digitally, with custom reporting and improved transparency. Continuous compliance is automated, and audits are easy to perform.

PROJECT EVALUATION

Streamlining Bid Scoring and Awarding

- **Challenge:** The Airport Authority's bid evaluators had to manually convert raw scores to weighted formulas, and there was little to no collaboration and clarity in scoring metrics.

- **Solution:** PlanetBids provides clear and consistent metrics for evaluators to score against and automatically performs advanced calculations to adjust raw scores to weighted formulations. Evaluators can collaborate and leave notes to explain their reasoning or adjust scoring until the evaluation is closed.

CONTRACT MANAGEMENT

Simplifying Contract Tracking and Reporting

- **Challenge:** The $3.8 Billion T1 project included dozens of contracts operating simultaneously. Manual tracking and reporting were almost impossible with paper, filing cabinets, and emails.

- **Solution:** PlanetBids allows the Airport Authority to automate contract management processes, centralize documentation and reporting, and track performance across the entire project.

RESULTS AND IMPACT

PlanetBids has helped the San Diego County Regional Airport Authority completely automate its procurement processes, helping to more effectively manage more than $4 Billion in updates to the San Diego International Airport, while expanding the available local vendor pool and meeting diversity initiatives.

Streamlined Bid Creation and Release

Moving from manual and paper-based processes to digital bid creation and solicitation release helped the Airport Authority create more comprehensive solicitations and manage responses more efficiently.

Increased Vendor Pool

An online vendor portal allows the Airport Authority to reach more local vendors, communicate with them directly, and receive complete bid submissions digitally, eliminating time-consuming manual back-and-forth and paper-intensive in-person bid submissions.

Improved Disadvantaged Business Tracking

Digital compliance and certification management allows the Airport Authority to ensure they are meeting local requirements for small and disadvantaged business participation, with quick, customizable reporting and notifications for expiring documentation.

Efficient Contract Management

PlanetBids allows the Airport Authority to more efficiently and effectively track multiple, high-priority contracts and projects at once, with simple and customizable reporting for easy auditing and improved transparency.

WHY PLANETBIDS?

PlanetBids' end-to-end procurement platform helps procurement professionals in the public, private, education, and non-profit sectors streamline their purchasing operations and improve vendor and supplier relationships for better budget and resource management.

- Built and supported by procurement experts, for procurement professionals.
- Created to be feature-rich and powerful, while also easy to use.
- Designed to support sustainability and community empowerment.

ABOUT SAN DIEGO REGIONAL AIRPORT AUTHORITY

The San Diego International Airport (SAN) is the primary international airport serving the San Diego metropolitan area. With two terminals, it is the third-busiest airport in California in terms of passenger traffic and the busiest single-runway airport in the Western Hemisphere. SAN has non-stop passenger flights scheduled to 76 domestic and 11 international destinations in 7 countries, operated by 23 airlines, and became the world's first LEED Platinum certified commercial airport terminal in 2013.

The airport is owned and operated by the San Diego County Regional Airport Authority, which was created on January 1, 2003, as an independent agency to manage the day-to-day operations of the airport and address the region's long-term air transportation needs. The Airport Authority is governed by a nine-member board, with three additional members serving ex officio, for three-year terms. The airport and its governing board receive zero tax funding.