



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-741

Agenda Date: 5/21/2025

Agenda #: 14.

DATE: May 21, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

TITLE: PROFESSIONAL SERVICES AGREEMENT WITH N2W ENGINEERING, INC. FOR THE DESIGN OF THE NORTH VALLEY LIFT STATION REPLACEMENT PROJECT AND APPROPRIATION FROM SEWER FIXED ASSET REPLACEMENT FUND

RECOMMENDATION

Staff recommends that the City Council approve a Professional Services Agreement with N2W Engineering, Inc., in a not-to-exceed amount of \$2,167,872, to provide engineering and design services for the North Valley Lift Station Replacement project; appropriate \$1,300,000 from the Sewer Fixed Asset Replacement unrestricted fund balance; and authorize the City Manager, or designee, to execute the agreement upon receipt of all supporting documents.

BACKGROUND AND ANALYSIS

The North Valley Lift Station (NVLS), located adjacent to the Pilgrim Creek Channel and the San Luis Rey Water Reclamation Facility, at 3930 North River Road, is one of Oceanside's highest-flowing sewer lift stations. Sewer lift stations are an integral part of the City's wastewater collection system, conveying sewage from lower to higher elevations so it can reach the City's treatment facilities. The NVLS serves the North Valley neighborhood of Oceanside, as well as portions of the Guajome, Morro Hills and San Luis Rey neighborhoods.

Originally constructed in 1974, the NVLS is near the end of its useful life. The station is experiencing increased flows, aging infrastructure, and higher maintenance costs, all of which necessitate its replacement to ensure continued system reliability and performance.

The City issued a Request for Proposal (RFP) on February 18, 2025, seeking qualified engineering consultants to prepare a flow study, feasibility study, engineering design, and provide environmental services.

Three qualified consulting firms submitted proposals. These were reviewed and evaluated by a selection committee based on the criteria outlined in the RFP. Following the evaluation, N2W Engineering, Inc. was determined to be the most qualified consultant based on their expertise, relevant project experience, and approach to the scope of work.

Work is anticipated to commence in June 2025, with design completed within approximately one year, and construction to last two years.

The original project budget did not fully account for the expanded scope of work required for the NVLS replacement. Since initial budgeting, the estimated construction cost for the project increased due to the need to upsize the facility to accommodate higher flows from existing and anticipated development in the surrounding areas. This required additional flow monitoring to evaluate capacity needs and a feasibility study to identify a suitable new location for the lift station at the San Luis Rey Water Reclamation Facility property. This budget increase reflects updated flow projections, current construction market conditions, and additional technical requirements identified during preliminary planning. Therefore, additional funding is required to proceed with the project and ensure continued reliability of the City's wastewater system.

FISCAL IMPACT

The total amount of the proposed agreement with N2W Engineering, Inc. for professional engineering and design services is \$2,167,872.

North Valley Lift Station Project 909164124722.5305.10400	
Current Available Balance	\$ 600,000
Fiscal Year 2025-26 Proposed Budget	290,000
Requested Appropriation from Reserves	1,300,000
Professional Services Agreement (N2W Engineering, Inc.)	2,167,872
Remaining Balance	\$ 22,128

The Project will be charged to the North Valley Lift Station Project account 909164124722.5305.10400, which has a current available balance of \$600,000, with \$290,000 programmed in the FY 2025-26 proposed budget; resulting in a shortfall of \$1,277,872. To address this shortfall, staff is requesting to use reserves in the amount of \$1,300,000 and appropriate to account 909164124722.5305.10400. Funding source is Sewer Fixed Asset Replacement fund unrestricted fund balance account 722.3100.0002 which has a balance of over \$116 million, therefore, sufficient funds exist.

Funding for this project comes from Sewer Fixed Asset Replacement Fund 722.

COMMISSION OR COMMITTEE REPORT

The Utilities Commission will be apprised of Staff's recommendation at its regularly scheduled meeting on May 20, 2025.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Neil Irani, Senior Civil Engineer

Approved by: Michael Gossman, Assistant City Manager

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. N2W Engineering Agreement