



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 26-1290

Agenda Date: 4/8/2026

Agenda #: 23.

DATE: April 8, 2026

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

TITLE: AWARD A CONSTRUCTION CONTRACT TO MATCON GENERAL ENGINEERING INC.; AWARD A PROFESSIONAL SERVICES AGREEMENT TO PROJECT PROFESSIONALS CORPORATION FOR CONSTRUCTION MANAGEMENT, INSPECTION, AND ENVIRONMENTAL SERVICES; APPROVE AMENDMENT 6 TO THE PROFESSIONAL SERVICES AGREEMENT WITH ENVIRONMENTAL SCIENCE ASSOCIATES, AND ACCEPT GRANT FUNDS FROM THE STATE COASTAL CONSERVANCY AND THE NATIONAL FISH AND WILDLIFE FOUNDATION FOR THE LOMA ALTA SLOUGH WETLANDS ENHANCEMENT PROJECT

RECOMMENDATION

Staff recommends that the City Council:

- Award a contract to Matcon General Engineering Inc. in the amount of \$3,191,130 for the construction of the Loma Alta Slough Wetlands Enhancement Project;
- Authorize the City Engineer to execute change orders up to a total of 15 percent of the contract value for any unforeseen conditions for a total not to exceed amount of \$478,670;
- Approve a Professional Services Agreement with Project Professionals Corporation in a not to exceed amount of \$732,103 for Construction Management, Inspection, and Environmental services;
- Approve Amendment 6 to the Professional Services Agreement with Environmental Science Associates for construction services in the amount not to exceed \$204,610 for a total contract amount not to exceed \$615,936;
- Accept grant funds from the State Coastal Conservancy and National Fish and Wildlife Foundation; and,
- Appropriate funds to the Water Utilities Department; and authorize the City Manager, or designee, to act as signatory to accept grant funds and execute the amendment for the Loma Alta Slough Wetlands Enhancement Project.

BACKGROUND AND ANALYSIS

The Loma Alta Slough Wetlands Enhancement Project (Project) is a planned wetland restoration effort on City-owned property in South Oceanside. The Project site is located west of South Coast

Highway adjacent to Buccaneer Beach Park and Pacific Street. The Project involves a phased restoration of the Loma Alta Slough's habitat across seven vacant City-owned lots, totaling approximately 5.8 acres. The Project will expand coastal wildlife habitat and improve water quality while connecting new trails to the coast and future improvements including the Coastal Rail Trail extension.

To date, the project planning, design, and permitting have been funded through multiple State and Federal grant awards to the City's Water Utilities Department. Grant funds originating from the U.S. Fish and Wildlife Service, National Fish and Wildlife Foundation (NFWF), State Coastal Conservancy (SCC), and the State Ocean Protection Council (OPC) total approximately \$3 million for project construction.

On February 19, 2025, City Council approved a resolution to accept grant funds in the amount of \$1,643,344 from the SCC for project construction. To secure additional funding for construction, staff submitted an amendment and was awarded \$1,500,000 at the February 19, 2026, SCC board meeting for a total amount of \$3,143,344. Work funded through this grant includes project and grant management, community engagement, construction, and post-monitoring requirements. On May 22, 2024, City Council approved acceptance of grant funds in the amount of \$500,000 from the National Fish and Wildlife Foundation for project construction. To secure additional funding for construction, staff submitted an amendment and was awarded \$1,500,000 on March 3, 2026, for a total amount of \$2,000,000. Work funded through this grant includes project and grant management, construction, and post-monitoring requirements.

On January 13, 2026, the Project was advertised for construction bids and on February 24, 2026, six bids were received and formally opened. The apparent low bidder is Matcon General Engineering Inc. with a total bid in the amount of \$3,191,130. Attachment A includes the list of bidders and bid amounts.

On January 16, 2026, the City issued a Request for Proposals (RFP) seeking qualified consultants to provide construction management, inspection, and environmental services for the Project. Two qualified firms submitted proposals before the deadline on February 24, 2026. Project Professionals Corporation (PPC) was determined the most qualified based on the criteria outlined in the RFP in a not to exceed amount of \$732,103.

Construction is anticipated to commence in June 2026, with both the construction contract and professional services agreement (PSA) for construction management services anticipated to last five months.

On April 10, 2017, City Council approved a PSA with Environmental Science Associates (ESA) under the SCC Proposition 1 grant award in the amount not to exceed \$399,983 for the planning, design, environmental documentation, and environmental permitting services for the Project. City Council approved Amendment 1, in the amount not to exceed \$410,143 on May 6, 2020; and Amendment 2, in the amount not to exceed \$459,143, was approved on February 3, 2021.

On March 24, 2021, City Council approved a PSA with ESA under the NFWF 2020 grant award in the

amount not to exceed \$175,000 to complete final design and permitting of the Project.

On September 14, 2022, City Council approved a PSA with ESA under the OPC grant award in the amount not to exceed \$138,630 for entitlement, final design, and construction bid support. City Council approved Amendment 1, in the amount not to exceed \$208,630 on February 14, 2024; and Amendment 2 in the amount not to exceed \$36,182 on May 22, 2024. Amendment 3 was administratively executed on August 15, 2024, to reallocate existing budget between project tasks. City Council approved Amendment 4 on February 19, 2025, which is funded through the State Coastal Conservancy grant in the amount not to exceed \$166,514; and Amendment 5 was administratively executed on December 16, 2025. Additional funds are needed to continue moving the Project to construction which is scheduled for summer 2026. The work completed under Amendment 6 in the amount not to exceed \$204,610 would be funded by the SCC grant, as noted below in the Fiscal Impact section.

FISCAL IMPACT

The Project will be charged to Ocean Protection Council (836181022272.5305), State Coastal Conservancy (822196024274.5305), and National Fish and Wildlife Foundation (822193723274.5305) grant accounts, each respectively have current available balances included in the fiscal impact table below.

The amount of the construction contract with Matcon General Engineering Inc. is \$3,191,130. The amount of the proposed agreement for construction management, inspection, and environmental services is \$732,103.

All work completed under Amendment 6 with ESA would continue to be funded by the SCC award. The funding provided to the city operates on a reimbursable basis; the Water Utilities funds must cover Project costs between the time expenses are incurred and when it is paid by SCC.

Loma Alta Slough Wetlands Enhancement Project	
Construction Costs	
Ocean Protection Council (836181022272.5305)	\$ 847,266
State Coastal Conservancy (822196024274.5305)	1,419,077
National Fish and Wildlife Foundation (822193723274.5305)	465,840
Total Available Grant Funding	\$ 2,732,183
Additional Grant Funding to be approved by City Council on 4/8/2026 - SCC and NFWF	3,000,000
Total Available for Construction Activities	\$ 5,732,183
Construction Contract - Matcon General Engineering Inc.	3,191,130
Construction Contract Contingency (15%)	478,670
Professional Services Agreement - PPC CM&I	732,103
ESA Amendment 6	204,610
Total Construction Costs:	\$ 4,606,513
Total Remaining Balance:	\$ 1,125,670

COMMISSION OR COMMITTEE REPORT

The Utilities Commission approved staff's recommendation at its regularly scheduled meeting on March 17, 2026.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form. The construction contract must be awarded to the lowest responsible bidder whose bid is responsive to the request for bids. The Public Contract Code defines "responsible bidder" as a bidder who has demonstrated the attributes of trustworthiness as well as quality, fitness, capacity and experience to satisfactorily perform a public works contract.

Prepared by: Bronti Cash, Watershed Protection Program Manager

Reviewed by: Frederick Mayo, Water Utilities Director

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Loma Alta Slough Wetlands Bid Tab Sheet
3. Public Works Agreement
4. Professional Services Agreement
5. Amendment 6
6. State Coastal Conservancy Grant Award Letter

7. NFWF Funding Change Award Notification
8. Site Map