



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-986

Agenda Date: 10/1/2025

Agenda #: 7.

DATE: October 1, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

TITLE: AWARD OF PUBLIC WORKS AGREEMENT FOR THE MCNEIL STREET IMPROVEMENTS PROJECT

RECOMMENDATION

Staff recommends that the City Council award a Public Works Agreement (PWA) to RAC Construction & Engineering, Inc., in the amount of \$766,351, for the proposed McNeil Street Improvements project; authorize the City Engineer to execute Contract Change Orders up to the amount of \$200,000 as may be necessary; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

BACKGROUND AND ANALYSIS

McNeil Street is located within Oceanside's Eastside community and is only partially paved. The proposed McNeil Street Improvements Project ("Project") is a Capital Improvement Program (CIP) project that would complete the westerly portion of McNeil Street, and include construction of new asphalt pavement, curb and gutter, vegetated swale parkways (green street initiative), and sidewalk. The Project would also rehabilitate the existing easterly improvements of McNeill Street, including sidewalk, curb ramps, curb and gutter, and cross gutters to meet current standards (see Attachment 2 for construction plan).

On June 22, 2022, the City Council approved the spending plan for the American Rescue Plan Act (ARPA) Coronavirus and Local Fiscal Recovery Funds, which provided financing for the Project design.

In January 2024, the City Engineer approved a Professional Services Agreement Task Order with REC Consultants, Inc. for engineering consulting and design services.

In June 2025, the City Council adopted a resolution to appropriate Road Maintenance and Rehabilitation (RMRA) funds provided by Senate Bill 1, in the amount of \$1,516,500, for Project construction.

On July 17, 2025, staff formally advertised the Project for construction in accordance with the City's standard formal bidding procedures, notifying known local contractors of the project advertisement, and providing a longer bid advertisement period. Bids were publicly opened on September 4, 2025

(Attachment 3). Staff analyzed the bids and determined RAC Construction & Engineering, Inc. ("Contractor") had the lowest responsive and responsible bid.

Pending City Council's approval to award the PWA to the Contractor, construction is anticipated to begin by Winter 2025/26 and be completed in approximately five months. The Project is not anticipated to impact operations at Laurel Elementary School. Following Project construction, McNeil Street would result in a complete green street that benefits the community with more walkable areas and improve community health and prosperity.

FISCAL IMPACT

Construction costs for the proposed Project, including staff time, inspection, and project contingency, are estimated to be \$1,041,351. A contingency of \$200,000 is requested to address potential site conditions that might require field change orders, avoiding construction schedule days and ensuring McNeil Street is re-opened within the expected timeline. Available funding to complete the proposed project is shown in the table below.

DESCRIPTION	McNeil Street Construction
	902191324265.5703.10600
PWA	\$ 766,351
Contingency	\$ 200,000
City Staff	\$ 30,000
Inspections	\$ 45,000
Total Costs	\$ 1,041,351
Available FY25-26 Funds	\$ 1,493,067

Therefore, sufficient funding is available for the proposed project.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The bid documents were previously reviewed by the City Attorney and approved as to form. The contract must be awarded to the lowest responsible bidder whose bid is responsive to the call for bids. "Responsible bidder" means a bidder who has demonstrated the attributes of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract. City Council also has authority to reject all bids and re-advertise.

Prepared by: Luis Cardenas, Associate Engineer

Reviewed by: Darlene Nicandro, Development Services Director

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Construction Site Plan
3. Bid Results