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City Manager's Report
March 25, 2025, City Council Meeting
Prepared by: Melissa Savage, City Engineer
Item #: 12.6

Subject: Consider ratifying construction Contract Change Orders No. 22 through No. 28 in the total aggregate amount of -\$385,855.30 with Doug Veerkamp General Engineering, Inc. for the Broadway Maintenance Project-From Mosquito Road to Schnell School Road (CIP #42003), approving Amendment No. 1 to Agreement for Engineering Services in the amount of \$173,096.52 with Dewberry Engineers Inc. and authorizing the City Manager to execute the same, authorizing the City Engineer to execute a Notice of Completion, and authorizing the Assistant City Manager/Director of Finance to release remaining retention for the said project.

Recommendation: Adopt a Resolution

1. Ratifying Contract Change Orders (CCOs) No. 22 through No. 28 in the total aggregate amount of -\$385,855.30 with Doug Veerkamp General Engineering, Inc. for the Broadway Maintenance Project-From Mosquito Road to Schnell School Road (CIP #42003); and
2. Approving Amendment No. 1 to the Agreement for Engineering Services in the amount of \$173,096.52 with Dewberry Engineers Inc. for the said project and authorizing the City Manager to execute the same; and
3. Authorizing the City Engineer to execute a Notice of Completion (NOC) and instructing the City Clerk to record the NOC with the El Dorado County Recorder's Office for the said project; and
4. Authorizing the Assistant City Manager/Director of Finance to release all remaining retention being held for construction security, not more than sixty (60) days after the Notice of Completion filing for the said project, per Public Contract Code 7107(c) for the said project.

Purpose: The purpose of this item to ratify the final construction Contract Change Orders, approve an Amendment, and take the final steps to close the project.

Strategic Plan Strategy: Strategy 4 - Update and Maintain City-Owned Infrastructure.

Background: The Broadway Maintenance Project improvements were identified as a critical need during the final design of the federally funded Broadway Sidewalks project, which is located within the same project limits, on Broadway from Mosquito Road/Main Street to Schnell School Road. The project includes roadway pavement rehabilitation, storm drain improvements, waterline improvements, and sewer repairs and the construction of an 18-inch sewer main in Broadway between

Mosquito Road and Carson Road. The project also includes underground infrastructure to support the City's future broadband services.

On March 28, 2023, the City Council approved an Agreement for Engineering Services with Dewberry Engineers Inc. in the amount of \$254,107.30 for construction management and inspection services.

The City Council approved a construction contract in the amount of \$4,926,039.80 with Doug Veerkamp General Engineering, Inc. (DVGE) and approved construction Contract Change Order No. 1 at its meeting held on January 23, 2024. On June 25, 2024, the City Council approved and ratified construction Contract Change Orders No. 2 through No. 6. On August 27, 2024, the City Council approved and ratified Contract Change Orders No. 7 through No. 15. On October 8, 2024, the City Council approved and ratified Contract Change Orders No. 16 through 21.

Discussion:

Construction Management: There were assumptions in the construction management scope of work that would provide cost savings due to the overlap with the Broadway Sidewalks project. However, as construction progressed, a significant number of additional services were required of Dewberry Engineers Inc. The original Agreement assumed that the same inspector could work on both projects. However, the contractor ended up performing most of the Broadway Maintenance project work at night, requiring two separate Dewberry inspectors for day and night work. Additionally, the original Agreement did not include any construction management or inspection services for the City's broadband installation work. In addition to adding broadband to the project, there were many project meetings and extensive construction management assistance needed during the broadband redesign during construction. The construction management team also provided the as-built broadband information that the City will use to build our GIS mapping of the broadband project. And lastly, in addition to everything listed above, the project included 27 contract change orders which involved preparation, coordination, and processing from the construction management team – including additional work related to sewer main construction delays (in the amount of 20 additional days) resulting from unforeseen rock excavation.

As such, staff is recommending approval of Amendment No. 1 to the Agreement with Dewberry in the amount of \$173,096.52 to cover these significant additional services.

Change Orders: As construction progressed, additional Contract Change Orders (CCOs) were necessary to address differing and unforeseen site conditions, as well as engaging in opportunities to deliver a more complete project for the community. Below is a summary of the final CCOs to be ratified this evening:

- CCO No. 22 – Additional Slurry Seal and Striping (\$10,100.00): This change order included additional parking lot slurry sealing to restore the pavement to original conditions due to project impacts and restriping the affected parking lot. This work was done as Extra Work for an Agreed Lump Sum.
- CCO No. 23 – Drainage Modifications (\$18,160.00): This change ordered included modifications to the proposed storm drain system on Schnell School Road and modifications to a drainage junction structure. This work included a Decrease in Bid Items at Bid Item Prices and Extra Work at Force Account.

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- CCO No. 24 – Delete Electric Bid Items (-\$10,921.00): A streetlight was determined to not be in conflict with the project improvements and did not need to be relocated. This change order resulted in a Decrease in Bid Items at Bid Item Prices.
- CCO No. 25 – Wiltse Road Pavement (\$3,664.46): The grind and overlay limits were slightly expanded on to Wiltse Road to capture additional pavement repair adjacent to the project. This work was done as Extra Work at Force Account.
- CCO No. 26 – Storm Drain Pipe Lining (\$39,092.03): CCO No. 14 was approved to perform lining of the 36” storm drain pipe from Broadway down to the creek at Wiltse Road. At Broadway, a PG&E grounding rod was found to be located through the 36” storm drain pipe and needed to be relocated before the pipe could be lined. On the night that PG&E was to perform the relocation, the work was not completed and resulted in delays to the City’s project. When the subcontractor returned to perform the work, it required additional mobilization and traffic control. This work was performed as Extra Work at Force Account.
- CCO No. 27 – Oil Index Adjustment (-\$9,699.42): This change order accounts for a Payment Adjustment at Agreed Unit Price for the price of oil in accordance with the project specifications.
- CCO No. 28 – Bid Item Balancing (-\$436,251.37): The final change order is issued to reconcile the Bid Items which increased or decreased by more than 25 percent and were not accounted for in a prior change order. This change order balances the final contract amount.

Construction of the project concluded on December 31, 2024, and the contractor accepted the payment in full and signed a Waiver and Release Upon Final Payment on March 13, 2025. Staff now recommends executing a Notice of Completion and recording the Notice of the Completion with the El Dorado County Office of the Recorder.

Options:

1. Approve the recommendations by staff.
2. Provide other direction to staff on the project.

Environmental: The project was determined to be Categorical Exempt according to CEQA Guidelines Section 15301 and 15303 because the project involves the rehabilitation and replacement of existing facilities and negligible expansion of use of the public roadway and utilities. A Notice of Exemption was filed with the El Dorado County Recorder’s Office on March 17, 2021.

Cost: The cost of the construction Contract Change Orders No. 22 through 28 with Doug Veerkamp General Engineering, Inc. is in the total combined amount of -\$385,855.30 and the proposed Amendment No. 1 to the Agreement with Dewberry is in the amount of \$173,096.52.

Budget Impact: The City Council adopted the Fiscal Year 2019/2020 Capital Improvement Program Budget which appropriated \$680,000 for the Broadway Maintenance Project – from Mosquito Road to Schnell School Road (CIP #42003). At its meeting held on December 10, 2019, the City Council liquidated \$525,000 from the Measure L Fund for the Broadway Maintenance Project – From Mosquito Road to Schnell School Road (CIP #42003), a \$425,000 budget appropriation from the Measure L Fund for the Upper Broadway Bike Lanes Project-Schnell School Road to Point View Drive project (CIP #41508), and a \$100,000 budget appropriation from the Measure L Fund for the

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Storm Drain Replacement at the Intersection of Broadway and Schnell School Road (CIP #42004) leaving a remaining project budget of \$155,000. At its meeting held on April 26, 2022, the City Council approved an additional \$700,000 budget appropriation for the Broadway Maintenance project-From Mosquito Road to Schnell School Road (CIP #42003). On August 22, 2023, the City Council approved an additional \$1,600,000 in budget appropriations for the project. On January 23, 2024, the City Council approved \$3,212,175 in additional budget appropriations for the project. On August 27, 2024, the City Council approved \$228,720 in budget appropriations for a total project budget of \$5,895,895.

Funding Source	Project Budget
Measure H Fund	\$ 1,600,000
Measure L Fund	3,454,412
STBGP Funds	429,308
ARPA Fund	412,175
Total	\$ 5,895,895

To date, the project has encumbered the following costs:

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Doug Veerkamp General Engineering, Inc. (Original Contract)	\$4,926,040
Doug Veerkamp General Engineering, Inc. (Change Order No. 1)	(914,415)
Doug Veerkamp General Engineering, Inc. (Change Order No. 2)	(27,121)
Doug Veerkamp General Engineering, Inc. (Change Order No. 3)	(288,727)
Doug Veerkamp General Engineering, Inc. (Change Order No. 4)	21,060
Doug Veerkamp General Engineering, Inc. (Change Order No. 5)	38,086
Doug Veerkamp General Engineering, Inc. (Change Order No. 6)	47,526
Doug Veerkamp General Engineering, Inc. (Change Order No. 7)	20,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 8)	29,043
Doug Veerkamp General Engineering, Inc. (Change Order No. 9)	14,787
Doug Veerkamp General Engineering, Inc. (Change Order No. 10)	13,876
Doug Veerkamp General Engineering, Inc. (Change Order No. 11)	138
Doug Veerkamp General Engineering, Inc. (Change Order No. 12)	40,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 13)	20,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 14)	444,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 15)	73,100
Doug Veerkamp General Engineering, Inc. (Change Order No. 16)	(27,284)
Doug Veerkamp General Engineering, Inc. (Change Order No. 17)	(45,146)
Doug Veerkamp General Engineering, Inc. (Change Order No. 18)	24,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 19)	(38,086)
Doug Veerkamp General Engineering, Inc. (Change Order No. 20)	100,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 21)	75,000
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 22)	10,100
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 23)	18,160
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 24)	(10,921)
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 25)	3,664
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 26)	39,092
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 27)	(9,699)
Doug Veerkamp General Engineering, Inc. (Proposed Change Order No. 28)	(436,251)
R.E.Y. Engineers, Inc. (Original Agreement)	136,907
R.E.Y. Engineers, Inc. (Amendment No. 1)	179,660
R.E.Y. Engineers, Inc. (Amendment No. 2)	95,732
R.E.Y. Engineers, Inc. (Amendment No. 3)	149,972
Dewberry Engineers Inc. (Agreement)	254,107
Dewberry Engineers Inc. (Proposed Amendment No. 1)	173,097
B&B Locating, Inc.	900
Blain Stumpf Trucking	917
El Dorado County	103
Ferguson Enterprises, Inc.	23,395
Kronick Moskovitz Tiedemann & Girard	3,790
Mountain Democrat	302
PG&E	19,836
Placer Title Company	400
360 Pipe Networks	11,260
United Rentals	1,690
City Staff Time	109,881
Total	<u>\$ 5,321,971</u>

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As you can see, the \$5,321,971 in project encumbrances, including proposed CCOs No. 22 through 28 with Doug Veerkamp General Engineering, Inc. in the amount of -\$385,855.30 and the proposed Amendment No. 1 with Dewberry Engineers Inc. in the amount of \$173,096.52, is within the \$5,895,895 project budget.



M. Cleve Morris, City Manager



Melissa Savage, City Engineer

Attachments:

Attachment A: Resolution