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City Manager's Report
April 22, 2025, City Council Meeting
Prepared by: Melissa Savage, City Engineer
Item #: 7.7

Subject: Consider approval of a Reservation Agreement with Westervelt Ecological Services, LLC in the amount of \$24,000 for the Purchase and Sale of Mitigation Credits from Johnson Consumnes Mitigation Bank to satisfy mitigation requirements for the Upper Broadway Bike Lanes-Schnell School Road to Point View Drive project (CIP #41508).

Recommendation: Adopt a Resolution approving a Reservation Agreement with Westervelt Ecological Services, LLC for the Purchase and Sale of Mitigation Credits from Johnson Consumnes Mitigation Bank in the amount of \$24,000 for the Upper Broadway Bike Lanes-Schnell School Road to Point View Drive project (CIP #41508) and authorizing the City Manager to execute the same.

Purpose: The Engineering Department is in the process of finalizing all outstanding environmental permitting requirements of the project prior to final close out.

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

Background: The Upper Broadway Bike Lanes project increased the safety and connectivity by constructing bicycle and pedestrian facilities, along with associated roadway repairs and improvements, on Broadway between Schnell School Road and Point View Drive. Construction of the Upper Broadway Bike Lanes project concluded in April 2021.

Discussion: Staff has been coordinating with the permitting agencies since 2023 to complete the requirements of all outstanding environmental permits as it relates to the final impacts of the project. In accordance with the project's Streambed Alteration Agreement issued by the California Department of Fish and Wildlife (CDFW) in 2020, the project is required to provide compensatory mitigation for the authorized permanent impact to 0.03 acres riparian habitat. According to the Notification, the mitigation obligation can be satisfied by purchasing 0.08 floodplain riparian credits (2.5 times the impact area) from an approved mitigation bank.

Westervelt Ecological Services, LLC has been in the process of obtaining resource agency (e.g. CDFW) approvals for the Johnson Cosumnes Mitigation Bank and is expecting to gain approval in June 2025. Currently, there are no other mitigation bank options available to Placerville and many other surrounding jurisdictions, leaving many local agencies unable to fulfill their project-related mitigation obligations. Recognizing the high demand, Westervelt is allowing local agencies to enter into a Reservation Agreement for the Purchase and Sale of Mitigation Credits from the Johnson Consumnes Mitigation Bank. Under the proposed Agreement, the buyer will pay a deposit and Westervelt will reserve credits for the buyer for up to six months. If the mitigation bank does not get CDFW approval after six months, the funds will be returned to the buyer, and the Agreement will be terminated.

This is the last task that needs to be completed before the project can be closed out.

Options:

1. Approve the Reservation Agreement and payment, as recommended by staff.
2. Direct staff to take other actions.

Environmental: Tonight's action is not applicable.

Cost: The cost of the credit purchase with Westervelt Ecological Services, LLC is in the amount of \$24,000.

Budget: At its meeting held on August 26, 2014, the City Council approved a \$350,000 budget appropriation for the Upper Broadway Bike Lanes-Schnell School Road to Point View Drive project (CIP #41508). At its meeting held on May 26, 2015, the Council approved an additional \$225,000 budget appropriation. At its meeting held on April 10, 2018, the Council approved budget appropriations totaling \$38,855. At its meeting held on May 22, 2018, the City Council approved an additional \$595,858 budget appropriation. At its August 28, 2018 meeting, the City Council approved an additional \$100,000 budget appropriation. The City Council approved an additional \$234,000 budget appropriation at its meeting held on April 9, 2019. At its meeting held on September 24, 2019, the City Council approved \$4,926,366 in additional budget appropriations. The City Council approved an additional \$425,000 budget appropriation at its meeting held on December 10, 2019. At its meeting its meeting held on September 22, 2020, the City Council approved an additional \$140,000 budget appropriation for a total project budget of \$7,035,079 as shown below:

Funding Source	Revised Project Budget
State ATP Augmentation	\$ 1,886,000
Federal ATP	1,792,000
CMAQ	1,637,360
State Transit Assistance	356,864
Measure L Fund	840,000
TDA Article 3	234,000
STBGP Exchange	200,000
Measure H Fund	50,000
Sewer Enterprise Fund	19,500
Water Enterprise Fund	19,355
Total	<u><u>\$7,035,079</u></u>

To date, the project has encumbered the following costs presented below and on the following pages:


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Doug Veerkamp General Engineering, Inc. (Original Agreement)	\$ 4,491,800
Doug Veerkamp General Engineering, Inc. (Change Order No. 1)	10,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 2)	5,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 3)	40,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 4)	(17,000)
Doug Veerkamp General Engineering, Inc. (Change Order No. 5)	10,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 6)	10,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 7)	1,400
Doug Veerkamp General Engineering, Inc. (Change Order No. 8)	(399,470)
Doug Veerkamp General Engineering, Inc. (Change Order No. 9)	(457,414)
Doug Veerkamp General Engineering, Inc. (Change Order No. 10)	5,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 11)	19,472
Doug Veerkamp General Engineering, Inc. (Change Order No. 12)	294,103
Doug Veerkamp General Engineering, Inc. (Change Order No. 14)	49,315
Doug Veerkamp General Engineering, Inc. (Change Order No. 15)	23,561
Doug Veerkamp General Engineering, Inc. (Change Order No. 16)	23,200
Doug Veerkamp General Engineering, Inc. (Change Order No. 17)	2,500
Doug Veerkamp General Engineering, Inc. (Change Order No. 18)	15,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 19)	129,599
Doug Veerkamp General Engineering, Inc. (Change Order No. 20)	24,872
Doug Veerkamp General Engineering, Inc. (Change Order No. 21)	170,692
Doug Veerkamp General Engineering, Inc. (Change Order No. 22)	(1)
Doug Veerkamp General Engineering, Inc. (Change Order No. 23)	(1,132)
Doug Veerkamp General Engineering, Inc. (Change Order No. 24)	24,972
Doug Veerkamp General Engineering, Inc. (Change Order No. 25)	5,650
Doug Veerkamp General Engineering, Inc. (Change Order No. 26)	20,000
Doug Veerkamp General Engineering, Inc. (Change Order No. 27)	4,540
Doug Veerkamp General Engineering, Inc. (Change Order No. 28)	(23,073)
Doug Veerkamp General Engineering, Inc. (Change Order No. 29)	-
Doug Veerkamp General Engineering, Inc. (Change Order No. 30)	5,300
Doug Veerkamp General Engineering, Inc. (Change Order No. 31)	(44,861)
Doug Veerkamp General Engineering, Inc. (Change Order No. 32)	(158,517)
Doug Veerkamp General Engineering, Inc. (Change Order No. 33)	5,025
Doug Veerkamp General Engineering, Inc. (Change Order No. 34)	(26,306)
Doug Veerkamp General Engineering, Inc. (Change Order No. 35)	15,194
Doug Veerkamp General Engineering, Inc. (Revised Change Order No. 12)	-
Doug Veerkamp General Engineering, Inc. (Revised Change Order No. 14)	-
Drake Haglan and Associates (Original Agreement)	610,031
R.E.Y. Engineers, Inc. (Notice to Proceed No. 1)	320,347

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R.E.Y. Engineers, Inc. (Notice to Proceed No. 2)	145,519
R.E.Y. Engineers, Inc. (Notice to Proceed No. 3)	79,607
R.E.Y. Engineers, Inc. (Notice to Proceed No. 4)	38,855
R.E.Y. Engineers, Inc. (Notice to Proceed No. 5)	409,716
R.E.Y. Engineers, Inc. (Notice to Proceed No. 6)	30,554
R.E.Y. Engineers, Inc. (Notice to Proceed No. 7)	244,572
R.E.Y. Engineers, Inc. (Notice to Proceed No. 8)	-
R.E.Y. Engineers, Inc. (Notice to Proceed No. 9)	260,358
R.E.Y. Engineers, Inc. (Amendment No. 7)	139,421
AT&T	2,487
B & B Locating	11,400
C.E. Cox Engineering, Inc.	2,400
Aureliano and Lorena Ceja	1,000
John Driscoll, City Attorney	6,051
El Dorado County Recorder-Clerk	2,419
El Dorado Disposal	303
Kapre Properties, Inc.	17,793
Mountain Democrat	234
National Fish and Wildlife Foundation (Proposed)	61,640
Rebecca Neves (Reimbursement)	84
Meyers Nave	806
Northern CA Conference of Seventh Day Adventists	500
Omni Means - Interim City Engineer	1,430
Remy Thomas Moose & Manley LLP	13,033
Shingle Springs Band of Miwok Indians	1,073
State Department of Fish and Wildlife	7,901
SWRCB	6,280
Vinod K., Kusumben, Minesh B., & Kavita K. Patel	13,375
Westervelt Ecological Services LLC (Proposed)	24,000
City Personnel	215,461
Total	\$ 6,947,071

As you can see, the \$6,947,071 in project encumbrances, including the proposed \$24,000 Reservation Agreement with Westervelt Ecological Services, is within the project budget of \$7,035,079.



M. Cleve Morris, City Manager



Melissa Savage, City Engineer

Attachments:

- A. Resolution
- B. Reservation Agreement