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City Manager's Report
September 23, 2025, City Council Meeting
Prepared by: Cory Schiestel, Senior Civil Engineer
Item #: 7.5

Subject: Consider ratifying construction Contract Change Orders No. 1 through No. 6 in the total aggregate amount of \$75,734 with C.E. Cox General Engineering, Inc. for the Thompson Way Repaving project (CIP #42206).

Recommendation: Adopt a Resolution

ratifying Contract Change Orders (CCOs) No. 1 through No. 6 in the total aggregate amount of \$75,734 with C.E. Cox General Engineering, Inc. for the Thompson Way Repaving project (CIP #42206)

Purpose: The purpose of this item is to ratify the final construction Contract Change Orders.

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

Background: Thompson Way, which provides access to Sierra Elementary School, is currently in poor condition. The Public Works Department receives regular complaints about Thompson Way, and they spend a significant amount of time cold patching the pavement. The City Council adopted the Fiscal Year 2021/2022 Capital Improvement Program Budget which included the Thompson Way Repaving project (CIP #42206) and the Sherman Street Repaving project (CIP #42208). The City Council adopted the Fiscal Year 2022/2023 Capital Improvement Program budget, which included the Sheridan Street Paving project (CIP #42324). All three of these streets are contiguous from Cedar Ravine Road to Washington Street. The City's 2014 Pavement Management Program Report scored the Pavement Condition Index (PCI) for these roads as follows:

- Thompson Way: 15 (Very Poor/Failed)
- Sheridan Street: 12 (Very Poor/Failed)
- Sherman Street: 46 (Poor)

The projects will rehabilitate the roadway pavement through a variety pavement repairs or replacement. The projects also include the repair and replacement of City sewer mains, water system maintenance/improvements, and storm drain system repair/replacement, all of which have been determined to be in poor condition.

The projects are locally funded with Measures H and L funds.

On May 28, 2024, the City Council approved a Consulting Services Agreement with Rick Engineering for engineering design services for all three projects (for CIP #42206 in an amount not to exceed \$120,500, for CIP #42208 in an amount not to exceed \$38,800, and for CIP #42324 in an amount not to exceed \$68,400).

At its March 25, 2025 meeting, the Council authorized the advertisement of bid documents for Phase 1 of the project, the underground utility work. Phase 1 of the project includes the Thompson Way Repaving project (CIP #42206) and the Sherman Street Repaving project (CIP #42208), but not the Sheridan Street Paving project (CIP #42324), since no utility improvements are needed there.

On May 13, 2025, the City Council approved a construction contract in the amount of \$528,340 with C.E. Cox General Engineering, Inc for the Thompson Way Repaving project (CIP #42206).

Construction started on June 2, 2025.

Discussion:

As construction progressed, 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. 1 – Construct New Water Connection to Sierra Elementary School (\$17,800.00): This change order moved the school and district offices service connection from an old 4-inch steel main to the newer 8-inch C900 main, and included 20 LF of 6-inch C900 water main pipe, an 8” x 6” tee, new 6-inch valve, and a 6” x 4” reducer. This work was done as Extra Work for an Agreed Lump Sum.
- CCO No. 2 – Drainage Modifications (\$13,940.00): This change ordered included modifications to the proposed storm drain system on Thompson Way adjacent to Sierra Elementary School. An additional drain inlet was added with 14 LF of additional 12-inch SD pipe and 4 LF of curb & gutter. This work resulted in an Increase in Bid Items at Bid Item Prices.
- CCO No. 3 – Storm Drain Pipe Replacement and Additional Trench Paving (\$17,780.00): This change order combined the replacement of 20 LF of 12-inch storm drainage pipe which was in conflict with a proposed sewer manhole, with additional sewer trench paving on Cedar Ravine and Thompson Way. This change order resulted in an Increase in Bid Items at Bid Item Prices and Extra Work at Agreed Lump Sum Prices.
- CCO No. 4 – Storm Drain Manhole and Sinkhole Excavation (\$8,714.00): This change order combines storm drain, roadway, and additional water work. A new storm drain manhole was added to a 12-inch SD pipe that was discovered, and a sinkhole was excavated, tree stump removed, and backfilled with compacted AB. Conversely, less grading, grinding, and overlay in the regrade area was necessary when compared to the plans, and ½ of a new poly service was agreed to be deducted. This change order resulted in both a Decrease in Bid Items at Bid Item Prices and Extra Work at Agreed Lump Sum Prices.
- CCO No. 5 – Hard Rock Excavation and Excessively Deep Sewer Construction (\$14,500.00): CCO No. 5 was approved to compensate the contractor for trenching through hard rock and making a connection to an excessively deep existing sewer lateral. The existing lateral from the school was expected to have approximately 5’ of cover, but turned out to be under almost 12’ of

cover, requiring additional excavation and shoring. This CCO also deducted 10 LF of 6-inch sewer pipe, final balancing the last bid item deduction. This change order resulted in a Decrease in Bid Items at Bid Item Prices and Extra Work at Agreed Lump Sum Prices.

- CCO No. 6 – Pipe Abandonments (\$3,000.00): The final change order was issued to compensate the contractor for 6 additional pipe abandonments that were required at conflicts with new facilities. This change order resulted in an Increase in Bid Items at Bid Items Prices and it balances the final contract amount.

Construction of the Thompson Way Paving Project concluded on August 8, 2025 and is substantially complete. However, the walk-through and generation of the punchlist is being delayed until the substantial completion of Phase 1 of the Sherman Street Paving Project (CIP #42208), which is still currently under construction. Substantial completion of the Sherman Street Paving Project is anticipated by September 19, at which time both Sherman Street and Thompson Street walk-throughs will be performed and punchlists for both projects will be generated. Staff will return to Council to request authorization to execute the Notice of Completion upon completion of these punchlists by the contractor.

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 November 3, 2021.

Cost: The cost of construction Contract Change Orders No. 1 through 6 with C.E. Cox General Engineering, Inc. is in the total combined amount of \$75,734.

Budget Impact:

The City Council adopted the Fiscal Year 2021/2022 Capital Improvement Program Budget which appropriated \$150,000 for the Thompson Way Repaving project (CIP #42206). At its meeting held on May 13, 2025, the City Council approved budget appropriations totaling \$700,000, for a total project budget of \$850,000, as shown in the table below:

Funding Source	Revised Project Budget
Measure L Fund	\$ 450,000
Measure H Fund	400,000
Total	\$ 850,000

To date, the project has encumbered the following costs:

C.E. Cox Engineering (Original Contract)	\$ 528,340
C.E. Cox (Proposed Contract Change Order #1)	17,800
C.E. Cox (Proposed Contract Change Order #2)	13,940
C.E. Cox (Proposed Contract Change Order #3)	17,780
C.E. Cox (Proposed Contract Change Order #4)	8,714
C.E. Cox (Proposed Contract Change Order #5)	14,500
C.E. Cox (Proposed Contract Change Order #6)	3,000
Rick Engineering	120,500
El Dorado Counter Recorder-Clerk	50
Mountain Democrat	110
360 Pipeline Inspection	2,568
City Staff Time	57,148
Total	\$ 784,450

As you can see, the \$784,450 in project encumbrances, including proposed CCOs No. 1 through 6 with C.E. Cox General Engineering, Inc. in a total amount of \$75,734 is within the \$850,000 project budget.



M. Cleve Morris, City Manager



Melissa Savage, City Engineer

Attachments:

Attachment A: Resolution