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City Manager's Report

April 14, 2026, City Council Meeting

Prepared by: Melissa Savage, City Engineer

Item #: 7.9

Subject: Consider ratifying construction Contract Change Orders No. 1 through No. 11 in the total aggregate amount of \$16,459.20 with Doug Veerkamp General Engineering, Inc., for the Placerville Drive Pedestrian Connectivity project (CIP #42337), and authorizing the City Engineer to execute a Notice of Completion and release retention for the same.

Recommendation: Adopt a Resolution:

1. Ratifying Contract Change Orders (CCOs) No. 1 through No. 11 in the total aggregate amount of \$16,459.20 with Doug Veerkamp General Engineering, Inc. for the Placerville Drive Pedestrian Connectivity project (CIP #42337); and
2. Authorizing the City Engineer to execute and record a Notice of Completion with the El Dorado County Recorder's Office for the Project; and
3. Authorizing the Interim Director of Finance to release all remaining retention being held for construction security for the Project, not more than sixty (60) days after filing the Notice of Completion, per Public Contract Code 7170(c).

Purpose: The purpose of this item is to ratify the final construction CCOs and issue an NOC for the construction of the Placerville Drive Pedestrian Connectivity project (CIP #42337).

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

Background: The Placerville Drive Pedestrian Connectivity project constructed sidewalk on one side of the street on Placerville Drive from the Fair Lane and US Highway 50 intersection to Armory Drive. The project also contains other safety features such as the installation of a Rectangular Rapid Flashing Beacon system with other safety features at the Fairgrounds crosswalk. This project is considered to be an interim project that addresses the immediate need for pedestrian safety improvements until the construction of the future Phase 3 of the Western Placerville Interchanges (WPI) Project. WPI Phase 3 will fully reconstruct the Fairgrounds Interchange, including ramp realignment work, and significant roadway widening on this segment of Placerville Drive to Armory Drive.

On January 24, 2023, the City Council approved a Consulting Services Agreement with R.E.Y. Engineers, Inc., in the amount of \$529,154 for PA/ED, PS&E, Right-of-Way, and Construction

Engineering support. On March 26, 2024, the City Council approved Amendment No. 1 in the amount of -\$59,210 reducing the overall contract amount from \$529,154 to \$470,034.

On September 9, 2025, the City Council approved an Agreement for Engineering Services with Dewberry for the construction management and inspection services in the negotiated amount of \$362,390.72. At that same time, the City Council approved a construction contract with Doug Veerkamp General Engineering, Inc. in the amount of \$1,570,798.78.

Construction of the project began on September 17, 2025.

Discussion: As construction progressed, 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 for the project to be ratified this evening:

- CCO No. 1 – Specification Changes (\$0.00): As determined necessary by the engineer, Special Provisions Section 39-2.01B(1), which describes the specifications to be followed by the contractor when working with and applying polymer-modified cationic micro surfacing emulsion (MSE), was removed due to deletion of that scope of work. There shall be no cost or credit to the City by reason of this change.
- CCO No. 2 – DBE Program Suspension (\$0.00): In accordance with Section 4-1.05, “Changes and Extra Work,” of the Standard Specifications, and as a result of the U.S. Department of Transportation’s Interim Final Rule (IFR), effective October 3, 2025, modifying the Disadvantaged Business Enterprise (DBE) program (49 CFR 26), revisions to the contract were required. As part of this change, Section 2-1.12, “Disadvantaged Business Enterprises,” was suspended, and Section 5-1.13B, “Disadvantaged Business Enterprises,” was suspended with the exception of Section 5-1.13B(2)(c), “Termination.” There shall be no cost or credit to the City by reason of this change.
- CCO No. 3 – Minor Sewer Modifications and Embankment (-\$1,589.75): At the direction of the engineer, this change order was issued to modify the scope of work and eliminate an eccentric manhole cone and add an existing manhole to be adjusted to grade. The work also included additional embankment. This work was paid and a Decrease or Increase in Bid Items at Bid Item Prices.
- CCO No. 4 – Add Traffic Loops (\$20,259.93): As determined necessary by the engineer, additional traffic signal detection loops were required for completeness of the project and to improve traffic signal timing at the Placerville Drive/Fair Lane intersection. The contractor was directed to install a total of eight (8) traffic loops, consisting of two (2) Type D loops and six (6) Type A loops. This extra work, performed and paid at an agreed lump sum, also included the provision of flagging and light plants required for night work.
- CCO No. 5 – Install Additional Roadside Sign (\$715.00): As determined necessary by the engineer, an additional roadside sign was required to be installed at Armory Drive to improve traffic control and roadway information within the project limits. This work was paid as an Increase in Bid Items at Bid Item Prices.
- CCO No. 6 – Drainage Modifications (\$22,255.00): As determined by the engineer, drainage modifications were necessary due to finished grades determined in the field. This work involved

the installation of a new drainage inlet, drainage inlet marker and 12” storm drain pipe. The work was paid as an Increase in Bid Items at Bid Item Prices.

- CCO No. 7 – Pavement Rehab Modifications (\$16,132.46): As directed by the City Engineer, the proposed pavement rehabilitation was modified from a 2” grind and overlay to a 3” grind and overlay. This work resulted in an increase in cold planning and a decrease in pavement digouts. The work was paid as an Increase and Decrease in Bid Items at Bid Item Prices.
- CCO No. 8 – Additional Force Account Work (\$8,769.98): As determined by the engineer, additional work was necessary to deliver a more complete project. This included additional vegetation clearing for drainage, additional utility potholing, and removal of items found to be in conflict with the work. This work was paid at Force Account.
- CCO No. 9 – Oil Price Fluctuation (-\$592.28): In accordance with the project specifications, the payment can be increased or decreased for fluctuations in the California Paving Asphalt Price Index. This item was paid as Payment Adjustment at Agreed Unit Price and resulted in a deduction in the price.
- CCO No. 10 – Bid Item Balancing (-\$53,504.81): 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.
- CCO No. 11 – Culvert Outfall (\$4,013.67): As determined by the engineer, additional work was necessary to deliver a more complete project. The work included rock slope protection at the culvert outfall and additional erosion control measures surrounding the outfall. This work was paid at Force Account.

Construction of the project concluded on March 6, 2026 and the contractor accepted the payment in full and signed a Waiver and Release Upon Final Payment on March 23, 2026. 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.

Environmental: On September 10, 2024, the City Council found the project to be Categorically Exempt according to CEQA Guidelines Section 15301 because the project involves the rehabilitation and replacement of existing facilities. A Notice of Exemption was filed with the El Dorado County Recorder’s Office on August 27, 2024.

Cost: The cost of construction Contract Change Orders No. 1 through No. 11 with Doug Veerkamp General Engineering, Inc. for the Placerville Drive Pedestrian Connectivity Project is in the combined amount of \$16,459.20.

Budget Impact: On January 24, 2023, the City Council approved budget appropriations totaling \$368,452 for the Placerville Drive Pedestrian Connectivity project (CIP #42337). On September 10, 2024, the City Council approved an additional \$141,648 budget appropriation. On September 9, 2025, the City Council budget appropriations totaling \$2,203,376 for a total project budget of \$2,713,476, as shown below.

Appropriated Funds	Revised Budget
Congestion Mitigation and Air Quality Improvement Program	\$ 2,213,250
Road Maintenance and Rehabilitation Account Funds	67,450
Measure L Fund	429,400
El Dorado Irrigation District	1,736
AT&T	1,640
Total	\$ 2,713,476.00

To date, the project has encumbered the following costs:

Doug Veerkamp General Engineering, Inc. (Contract)	\$ 1,570,799
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #1)	-
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #2)	-
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #3)	(1,590)
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #4)	20,260
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #5)	715
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #6)	22,255
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #7)	16,132
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #8)	8,770
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #9)	(592)
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #10)	(53,505)
Doug Veerkamp General Engineering, Inc. (Proposed Change Order #11)	4,014
R.E.Y. Engineers, Inc. (Notice to Proceed No. 1)	269,048
R.E.Y. Engineers, Inc. (Notice to Proceed No. 2)	164,073
R.E.Y. Engineers, Inc. (Notice to Proceed No. 3)	36,913
Dewberry Engineers Inc. (Agreement)	362,391
El Dorado County Recorder/Clerk	53
Kroncik Moskovitz Tiedemann & Girard	454
PG&E	3,000
360 Pipe Networks	2,938
Mountain Democrat	292
Engineering Staff	57,911
Total	\$ 2,484,331

As you can see, the \$2,484,331 in total project encumbrances, including proposed CCOs No. 1 through 11 with Dough Veerkamp General Engineering, Inc. in the amount of \$16,459.20 is within the \$2,713,476 project budget.



Dave Warren, City Manager



Melissa Savage, City Engineer

Attachments
A: Resolution