



February 6, 2023

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is written over the top right portion of the document.

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Order for the Interstate 405 Improvement Project from State Route 73 to Interstate 605

Overview

On November 14, 2016, the Orange County Transportation Authority Board of Directors approved Agreement No. C-5-3843 with OC 405 Partners, a joint venture, for the design and construction of the Interstate 405 Improvement Project from State Route 73 to Interstate 605. A contract change order is needed at this time to compensate OC 405 Partners for the removal of existing overlapping soundwalls.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 145 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$278,249, to remove existing overlapping soundwalls for the Interstate 405 Improvement Project from State Route 73 to Interstate 605.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans), is implementing the Interstate 405 (I-405) Improvement Project from State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project will add one general purpose lane from Euclid Street to I-605, consistent with Measure M2 (M2) Project K, and will add an additional lane in each direction that would combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction on I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes.

On November 14, 2016, the OCTA Board of Directors (Board) approved Agreement No. C-5-3843 with OC 405 Partners (OC405), a joint venture, for the design and construction of the Project. The contract was executed and Notice to Proceed (NTP) No. 1 was issued to OC405 on January 31, 2017.

On July 27, 2017, NTP No. 2 was issued to OC405 for the full design and construction of the Project.

The recommended contract change order (CCO) is described in more detail below.

Removal of Existing Soundwalls

As part of the Project, new soundwalls were constructed as required by the Project's Noise Study Report and approved Environmental Document. At a few locations along the Project, the new soundwalls were taller than and overlapped the existing soundwalls. Caltrans required the removal of the existing overlapping soundwalls due to challenges and issues with maintenance of areas between two soundwalls. The additional work to remove the existing soundwalls and install chainlink fences to secure private properties was not anticipated in the original scope of work for the Project.

OCTA issued OC405 a directive letter to incorporate the additional scope of work to remove the existing soundwalls and install chainlink fencing. A CCO is now needed, in the amount of \$278,249, for OC405 to comply with this directive.

OC405 did not agree to execute this CCO and prefers to defer analysis of time impacts for this additional work to a later date. The amount of the CCO is based on staff review of the supporting documents provided by OC405 and an independent cost estimate of the scope of work. The purpose of this unilateral CCO is to fairly compensate OC405 for costs submitted to OCTA by OC405, for this additional scope of work, that were verified through appropriate documentation.

Procurement Approach

The procurement was handled in accordance with the best-value selection process authorized by AB 401 (Chapter 586, Statutes of 2013) for design-build (DB) projects and with OCTA's Board-approved procedures for public works projects, which conform to both federal and state requirements. On November 14, 2016, the Board authorized Agreement No. C-5-3843 with OC405, in the amount of \$1,217,065,000, for the design and construction of the Project through a DB contract.

Proposed CCO No. 145, in the amount of \$278,249, will provide compensation to OC405 for removal of existing overlapping soundwalls. The CCO will increase the cumulative value of the agreement by \$278,249.

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Attachment A lists the CCOs that have been executed to date, and the CCOs that are pending execution with OC405.

Fiscal Impact

Funding for this work was approved in OCTA's Fiscal Year 2022-23 Budget, Capital Programs Division, Account Nos. 0017-9084-FK101-0GM and 0037-9017-A9510-0GM, and is funded with a combination of federal, state, and local funds. The cost of CCO No. 145 is funded from the Project contingency and is not anticipated to increase the total Project estimate of \$2.08 billion.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 145 to Agreement No. C-5-3843 with OC405 Partners, a joint venture, in the amount of \$278,249, to remove existing overlapping soundwalls.

Attachment

- A. OC 405 Partners, Agreement No. C-5-3843, Contract Change Order Log

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