



**May 4, 2020**

**To:** Regional Planning and Highways 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 – Utility Work at Almond Avenue

**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 to provide additional utility work to support Southern California Edison and Frontier Communications relocation efforts on Almond Avenue in the City of Seal Beach.

**Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 72 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$1,843,329, to provide additional utility work to support Southern California Edison and Frontier Communications relocation efforts on Almond Avenue.

**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 between State Route 73 (SR-73) and 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.

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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 for the full design and construction of the Project was issued to OC405.

As part of the Project, the I-405 freeway will be widened in the area of the westbound State Route 22 connector to northbound I-405 along Almond Avenue, which in turn requires reconstruction of portions of the Almond Avenue soundwall and Almond Avenue. This reconstruction requires the installation of new curb and gutter, and the relocation of various utilities along Almond Avenue. For those utilities owned by Southern California Edison (SCE) and Frontier Communications (Frontier), electrical relocation work is included as part of each utility company's responsibilities in the executed utility agreements for the Project.

In an effort to facilitate the timely relocation of these utilities to avoid Project schedule delays, OCTA directed OC405 to implement the necessary civil infrastructure work in support of the electrical utility relocation efforts by SCE and Frontier. Such infrastructure work includes trenching, conduit installation, vault installation, and street restoration. The additional utility support was not anticipated in OC405's original contract scope of work, as this work would typically be done by SCE and Frontier. OCTA is responsible for the cost liability of the work regardless of the entity that performs the work.

A contract change order (CCO) is now needed, in the amount of \$1,843,329, for OC405 to comply with this directive. The executed utility agreements with SCE and Frontier will be renegotiated and amended to deduct each company's respective share of the cost of the civil infrastructure work.

***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, OCTA approved Agreement No. C-5-3843 with OC405 for the design and construction of the Project through a DB contract.

Proposed CCO No. 72, in the amount of \$1,843,329, will provide compensation to OC405 for the additional utility work to support SCE and Frontier relocation efforts on Almond Avenue.

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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 2019-20 Budget, Capital Programs Division, accounts 0017-9084-FK101-0GM and 0037-9017-A9510-0GM, and is funded with a combination of federal, state, and local funds. M2 funds will be used for improvements specific to M2 Project K, and non-M2 funds will be used for improvements specific to the 405 Express Lanes. The cost of CCO No. 72 is funded from the Project contingency and is not anticipated to increase the total Project estimate of \$1.9 billion.

**Summary**

Staff recommends Board authorization for the Chief Executive Officer to negotiate and execute CCO No. 72 to Agreement No. C-5-3843 with OC405, a joint venture, in the amount of \$1,843,329, to provide additional utility work to support SCE and Frontier relocation efforts on Almond Avenue in the City of Seal Beach.

**Attachment**

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

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