



**April 1, 2024**

**To:** Regional Transportation Planning Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605

### **Overview**

On April 27, 2015, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation to provide reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. Board of Directors' approval is requested to amend the cooperative agreement for additional funding for reimbursed construction inspection services and enhanced oversight to complete project closeout activities.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 between the Orange County Transportation Authority and the California Department of Transportation, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight for the Interstate 405 Improvement Project between State Route 73 to Interstate 605. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$58,106,500.

### **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) to Interstate 605 (I-605) (Project). The Project includes one general purpose lane from Euclid Street to I-605, consistent with Measure M2 (M2) Project K, and an additional lane in each direction that combines with the existing high-occupancy

**Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605** *Page 2*

---

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 April 27, 2015, the Board authorized Cooperative Agreement No. C-4-1847 with Caltrans to provide reimbursed construction inspection services and enhanced oversight to implement the Project.

Reimbursed construction inspection services, also referred to as “Reimbursed Direct Work” in the design-build (DB) cooperative agreement, is required by AB 401 (Chapter 586, Statutes of 2013) which became effective on January 1, 2014. It enabled OCTA to construct the Project via a DB contract. One of the requirements outlined in AB 401 is for Caltrans to perform certain construction inspection oversight services. Caltrans continues to perform those construction inspection oversight services, and OCTA is reimbursing those services as a direct project cost.

Enhanced oversight is for specific key Caltrans staff committed to the Project as requested by OCTA to provide priority oversight services, assist in meeting the fast-track project schedule, and provide cooperation, expertise, and input towards the successful delivery of the Project. Caltrans continues to perform the enhanced oversight services and OCTA is reimbursing those services as a direct project cost.

Additional Caltrans support is needed above the original estimated level of effort to ensure compliance with the Project’s contract requirements, Construction Quality Management Plan, and various agency standards and permits, including Caltrans, the corridor cities, and environmental resource agencies. The following describes the specific efforts needed:

- Additional support to perform punch list walks with the DB contractor, OC 405 Partners (OC405), complete the required field safety reviews, and to ensure resolution of all punch list items by OC405.
- Additional support to review the large volume of required construction quality close-out documentation for materials installed on the Project and as-built plans submitted by OC405.
- Additional support for the plant establishment period.

State furnished materials such as traffic signal controller equipment and changeable message signs are preapproved by the Federal Highway Administration for use on federal-aid projects. State furnished materials are paid for by Caltrans and provided to OCTA’s contractor for use on the Project. Caltrans is reimbursed by OCTA through this cooperative agreement. Although the costs of state furnished materials were shown in the original cooperative

**Amendment to Cooperative Agreement with the California Department of Transportation for the Interstate 405 Improvement Project Between State Route 73 to Interstate 605** *Page 3*

---

agreement, the costs were not included in the original total agreement amount, and now must be included as part of the proposed total amendment amount.

**Fiscal Impact**

Funding for this amendment is included in the OCTA's Fiscal Year 2024-25 Budget, Capital Programs Division, account nos. 0017-9085-FM003-0KM and 0037-9018-A9510-0KM, and is funded with a combination of federal, state, and local funds.

**Summary**

Staff requests Board approval for the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-4-1847 with Caltrans, in the amount of \$2,706,500, for reimbursed construction inspection services and enhanced oversight, for the Project. This will increase the maximum obligation to a total contract value of \$58,106,500.

**Attachment**

- A. California Department of Transportation, Cooperative Agreement No. C-4-1847 Fact Sheet

**Prepared by:**



Jeff Mills, P.E.  
Director, Alternative Project Delivery and  
Construction  
(714) 560-5925

**Approved by:**



James G. Beil, P.E.  
Executive Director, Capital Programs  
(714) 560-5646