



March 2, 2020

To: Regional Planning and Highways Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Cooperative Agreement with the City of Fountain Valley for the Interstate 405 Improvement Project

Overview

On March 14, 2016, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement No. C-5-3613 with the City of Fountain Valley for city services required during the design-build implementation of the Interstate 405 Improvement Project. An amendment to the cooperative agreement is needed to design and construct an eight-inch waterline along the freeway between Mount Baldy Circle and Euclid Street in the City of Fountain Valley.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Cooperative Agreement No. C-5-3613 between the Orange County Transportation Authority and the City of Fountain Valley, in the amount of \$282,000, for the design and construction of an eight-inch waterline along the freeway between Mount Baldy Circle and Euclid Street, as part of the Interstate 405 Improvement Project. This will increase the maximum obligation of the cooperative agreement to a total value of \$4,649,708.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation and the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster, 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 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. The Project includes improvements to city-owned and operated streets, city traffic facilities, and city utilities impacted by the Project.

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On March 14, 2016, the OCTA Board of Directors approved a cooperative agreement with the City of Fountain Valley (City) for city services to be provided during the design-build (DB) implementation of the Project. The reimbursement to the City includes costs for review and approval of plans, specifications, and reports, oversight of construction inspection services for City facilities, review and acceptance of the transportation management plan, traffic engineering, police services during design and construction of the Project, and funding for Project construction-related City street pavement repairs (Attachment A).

During construction to widen the freeway over the Santa Ana River, OCTA's DB contractor encountered an existing City waterline adjacent to the freeway between Mount Baldy Circle and Euclid Street. Due to the waterline's close proximity to the embankment fills required for the freeway widening and the associated additional loading on the waterline, the City raised concerns related to protecting this waterline in place. OCTA reviewed and concurred with the City's concerns, and agreed to replace a portion of the waterline to avoid a design change of the freeway widening and potential associated schedule delays.

OCTA is 100 percent liable for the cost of this waterline replacement. Although OCTA could have had the DB contractor perform the work, it was determined to be more cost effective to have the City perform the work. An amendment to the cooperative agreement is needed at this time to address this waterline replacement.

The key terms in the proposed amendment to the cooperative agreement include the following:

OCTA agrees to:

- Fund the design and construction management cost, in an amount not to exceed \$60,000, for the waterline.
- Reimburse the City for 50 percent of the costs of the actual construction bid amount upon contract award, 40 percent after the installation of the new waterline, and the remaining ten percent at City acceptance of the work after submittal of acceptable invoices by the City with proper supporting documentation.
- Fund construction change orders, as needed, not to exceed ten percent of the original construction bid amount. Costs exceeding ten percent of the original construction bid amount shall receive prior approval from OCTA.
- Contribute a maximum amount of \$282,000 to the total final costs for the design, construction management, and construction of the waterline.

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City agrees to:

- Serve as the lead agency for the design, construction management, and construction of the waterline.
- Design the waterline to meet existing City standards.
- Construct the waterline within the existing City waterline easement without purchase of any additional property or property rights.
- Return any net savings, if applicable, for all waterline costs to OCTA upon completion of work.

OCTA and the City agree that the waterline work shall not commence until a mutually acceptable date has been determined by both parties which shall not interfere with the Project. Both parties further agree that construction of the waterline shall be completed no later than April 30, 2023, which is the expiration date of the amendment.

Attachment B to this report depicts the revised reimbursement amount for the City. The proposed amendment will be funded from the Project contingency and is not anticipated to increase the total Project estimate of \$1.9 billion.

Fiscal Impact

Funding for this amendment is included in OCTA's Fiscal Year 2019-20 Budget, Capital Programs Division, accounts 0017-9084-FK101-012 and 0037-9017-A9510-012, and is funded with local funds.

Summary

Staff requests Board of Directors' approval for the Chief Executive Officer to negotiate and execute Amendment No. 4 to Cooperative Agreement No. C-5-3613 with the City of Fountain Valley, in the amount of \$282,000, for the design and construction of an eight-inch waterline along the freeway between Mount Baldy Circle and Euclid Street in the City of Fountain Valley, as part of the Interstate 405 Improvement Project.

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Attachments

- A. City of Fountain Valley, Cooperative Agreement No. C-5-3613 Fact Sheet
- B. Revised Schedule A – Reimbursement/Contribution Schedule for Combined City Services for the City of Fountain Valley

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