



February 8, 2024

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Order for Construction of the OC Streetcar Project

Overview

On September 24, 2018, the Orange County Transportation Authority Board of Directors authorized Agreement No. C-7-1904 with Walsh Construction Company II, LLC, for construction of the OC Streetcar project. A contract change order is required for work to address schedule impacts associated with Time Impact Evaluation No. 07.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 28.3 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$1,425,000, for schedule impacts associated with time impact evaluation no. 07 for the OC Streetcar project.

Discussion

On September 24, 2018, the Orange County Transportation Authority (OCTA) Board of Directors (Board) awarded the contract to construct the OC Streetcar project (Project) to Walsh Construction Company II, LLC (Walsh). The Notice to Proceed with construction was issued to Walsh on March 4, 2019. Since then, the Project has progressed with several construction activities continuing to advance in all segments, as shown in Attachment A.

Construction is approximately 84 percent complete. Construction milestones include the completion of the Santa Ana River and Westminster bridges with the placement of handrails, installation of all tracks and overhead contact system (OCS) poles, placement of approximately 80 percent of the roadway final pavement and striping work, and the reopening of the Santa Ana Boulevard and Santiago Street intersection.

In the Pacific Electric Right-of-Way (PEROW) portion of the alignment, ballasted rail installation was completed, and fence installation is ongoing. The at-grade crossings at Fairview Street, Fifth Street, and Raitt Street are completed with train warning and gate systems installation efforts ongoing. At the maintenance and storage facility (MSF), key activities near completion include installation of exterior walls, conduit and piping, roofing material and skylights, interior painting, heating, ventilation, air conditioning, and bi-fold doors and windows. Given the significance of the MSF to vehicle testing, staff is continuing to coordinate with Walsh to ensure significant completion of the MSF for vehicle storage at the earliest possible date.

Other ongoing construction activities include preparation for the final pavement and striping work at the Santa Ana Boulevard and Ross Street intersection, and Segments 4 and 5, placement of new traffic signal poles at various street intersections, placement of decorative pavers and concrete at Sasscer Park, installation of OCS hardware and overhead wires, service connections for the four traction power substations, installation of canopy and equipment at all 16 stations, parking lot construction at the Harbor Boulevard and Santa Ana Regional Transportation Center stations, and preparation for tree installation along Fourth Street.

For the benefit of the Project and to mitigate potential damages from delays, staff is requesting Board authorization of the following contract change order (CCO).

Schedule Impacts Associated with Time Impact Evaluation (TIE) No. 07

On December 8, 2020, CCO No. 28 was executed to extend the contract completion by 186 days due to redesign of the Sycamore storm drain, and right-of-way contaminated and hazardous soils removal. At that time, it was determined that the compensation related to the days will be evaluated and confirmed at a later date. Staff completed an initial evaluation and determined that most of the delays were concurrent with delays caused by Walsh; however, there was merited compensation for 55 days associated with right-of-way contaminated and hazardous soils removal. Walsh was compensated \$1,300,000 through CCO nos. 28.1 and 28.2. Recently, staff completed another evaluation of TIE 07 based on additional information provided by Walsh and determined that there is additional compensation for 70 days due to delays related to contaminated and hazardous soils removal. CCO No. 28.3, in the amount of \$1,425,000, is needed to provide merited compensation related to various bid items. It is expected that Walsh will not concur with staff's evaluation of merited compensable days.

The CCO will be paid as a combination of a lump sum and time-and-expense basis to the contractor after labor and equipment quantities are confirmed through daily extra work reports prepared by Walsh and approved by the construction management team. The cost of the work associated with this CCO will be funded from the project budget as previously approved by the Board on April 24, 2023.

Procurement Approach

The initial procurement was handled in accordance with OCTA's Board-approved procedures for public works projects. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process. On September 24, 2018, the Board authorized Agreement No. C-7-1904 with Walsh, in the amount of \$220,538,649, for construction of the Project.

Proposed CCO No. 28.3, in the amount of \$1,425,000, will increase the cumulative value of the contract to \$295,288,698, as shown in Attachment B. Board approval is required for CCO No. 28.3 pursuant to the State of California Public Contracting Code Section 20142. This CCO will be issued with a reservation of rights to advance the Project pending resolution of disputes between OCTA and Walsh. The statements in this report are made in the context of, and subject to, OCTA's reservation of rights.

Fiscal Impact

The additional work for this Project is included in OCTA's Fiscal Year 2023-24 Budget, Capital Programs Division, Account No. 0051-TS010-9017-Z48, and is funded with Federal Transit Administration Section 5309 New Starts grant funds and local Measure M2 funds.

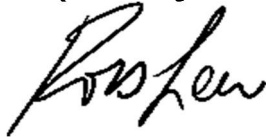
Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute CCO No. 28.3, in the amount of \$1,425,000, for schedule impacts associated with TIE 07 to Agreement No. C-7-1904 between the Orange County Transportation Authority and Walsh Construction Company II, LLC for the construction of the Project.

Attachments

- A. Project Map
- B. Walsh Construction Company II, LLC, Agreement No. C-7-1904, Contract Change Order (CCO) Log

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