




**August 1, 2022**

**To:** Regional Planning and Highways Committee

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

**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 additional landscaping at various bridges in the City of Westminster.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 133 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$509,431, to provide additional landscaping at various bridges in the City of Westminster.

### **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.

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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.

**Additional Landscaping at Various Bridges in the City of Westminster (City)**

In accordance with the contract documents, OC405 is required to install landscaping according to the Project aesthetics and landscaping master plan. In addition, the Project shall comply with Caltrans standards for work within Caltrans right-of-way (ROW) and apply City standards for work outside Caltrans ROW. As the Project progressed and the City provided its review of the landscaping plans, some landscaping was identified by the City within the City's ROW that did not meet City requirements at Beach Boulevard, Bolsa Avenue, Newland Street, Edinger Avenue, McFadden Street, and Goldenwest Street. The planting material was changed, by the City, in these City areas to succulent type ground cover to meet City requirements for low maintenance and drought tolerance, which increased the density and number of plants to be installed. In addition, hardscape was incorporated into the design, including the use of large boulders, mow strips and decomposed granite areas to accommodate City maintenance requirements. To implement the above described changes, additional costs were required to design the plans and to incorporate additional traffic control during construction. OCTA issued OC405 a directive letter to incorporate these requirements. A CCO is now needed, in the amount of \$509,431, 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 and believes its costs will be slightly higher than OCTA agreed to. 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 compensate OC405 for costs that have been received by OCTA and 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.

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Proposed CCO No. 133, in the amount of \$509,431, will provide compensation to OC405 for additional landscaping at various bridges in the City. The CCO will increase the cumulative value of the contract by \$509,431.

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. 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 costs of CCO 133 are funded from the Project contingency and are not anticipated to increase the total Project estimate of \$2.08 billion.

***Summary***

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 133 to Agreement No. C-5-3843 with OC405 Partners, in the amount of \$509,431, to provide additional landscaping at various bridges in the City of Westminster.

***Attachment***

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

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