



October 7, 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 605/Katella Avenue Interchange Project

A handwritten signature in blue ink, appearing to read "Darrell E. Johnson", is written over the "To:" and "From:" fields of the memo.

Overview

On April 10, 2023, the Orange County Transportation Authority Board of Directors approved a cooperative agreement between the Orange County Transportation Authority and the California Department of Transportation for construction capital and construction management support for the Interstate 605/Katella Avenue Interchange Project. Board of Directors' approval is requested to amend the cooperative agreement for additional funding.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-3-2384 between the Orange County Transportation Authority and the California Department of Transportation, in an amount of \$3,340,000, for additional construction capital and construction management support, for the Interstate 605/Katella Avenue Interchange Project. This will increase the maximum cumulative obligation of the cooperative agreement to a total contract value of \$30,460,000.
- B. Authorize the use of an additional \$3,340,000 in Measure M2 funds for additional construction capital and construction management support for the Interstate 605/Katella Avenue Interchange Project.
- C. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

Discussion

The Orange County Transportation Authority (OCTA), in partnership with the California Department of Transportation (Caltrans), is implementing the Interstate 605/Katella Avenue Interchange Project (Project). The Project is Project M in the Measure M2 (M2) freeway program and is being advanced through the updated Next 10 Delivery Plan adopted by the OCTA Board of Directors (Board) in November 2023. The Project will modify interchange ramps and provide operational improvements along Katella Avenue between Coyote Creek Channel and Civic Center Drive.

On April 10, 2023, the Board authorized Cooperative Agreement No. C-3-2384 with Caltrans to define the specific roles and funding responsibilities for each agency to provide the construction capital and construction management support services for the Project. The total construction funding identified for the Project was \$27,120,000, comprised of \$17,800,000 in Surface Transportation Block Grant (STBG) funds and \$9,320,000 in M2 funds.

Bid documents for the Project are being finalized for the construction contract which is expected to be advertised by late 2024. Due to recent pricing pressures in the construction industry, the final engineer's estimate reflects higher costs for several elements of the Project. Additionally, the amounts for construction support services to be performed by Caltrans and OCTA's consultant were also adjusted, respectively.

This amendment will increase the total cooperative agreement value to \$30,460,000 (Attachment A), comprised of \$17,800,000 in federal STBG funds and \$12,660,000 in M2 funds. The use of additional M2 funds is consistent with the Board-approved Capital Programming Policies to support Next 10 Delivery Plan projects. The Capital Funding Program Report includes a summary of how OCTA's capital projects are currently funded along with the proposed changes in this item and is provided as Attachment B.

As the implementing agency for construction of the Project, Caltrans will be responsible for advertisement, award, approval, and administration of the construction contract. Caltrans and OCTA have also agreed to share in the construction management support services for the Project. Additionally, through separate contracts, OCTA will serve as lead agency on the public outreach and freeway service patrol efforts.

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Fiscal Impact

The Project will be included in OCTA's Fiscal Year (FY) 2023-24 Budget and subsequent FY budgets, Capital Programs Division, account nos. 0017-9084-FM003-1O5 and 0017-9085-FM003-1O5 and will be funded with a combination of federal and local funds.

Summary

Staff requests Board of Directors' approval for the Chief Executive Officer to negotiate and execute an amendment to Cooperative Agreement No. C-3-2384 with the California Department of Transportation in the amount of \$3,340,000, for additional construction capital and construction management support for the Interstate 605/Katella Avenue Interchange Project. This will increase the maximum obligation of the cooperative agreement to a total contract value of \$30,460,000.

Attachments

- A. California Department of Transportation, Cooperative Agreement No. C-3-2384 Fact Sheet
- B. Capital Funding Program Report

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