



**October 10, 2024**

**To:** Transit Committee

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

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

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

**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 to modify pumps in the wheel truing and service and inspection pit at the maintenance and storage facility.

**Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 250 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$325,000, to modify pumps in the wheel truing and service and inspection pit at the maintenance and storage facility.

**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. The construction of the Project is nearing 90 percent complete. The project alignment is referenced in Attachment A.

Staff is requesting Board authorization of the following contract change order (CCO) which would benefit the Project and mitigate potential delays.

The streetcar wheel truing system located in the service and inspection pit at the maintenance and storage facility (MSF) requires a network of pumps to operate. The original design called for the use of electric pumps. During review of the contractor's parts submittals, it was determined that the electric pumps were not Buy America compliant as required by the Federal Transit Administration (FTA).

It was determined that equivalent electric pumps that would meet Buy America requirements were not available. To mitigate potential delays to construction, the design was modified from electric to pneumatic pumps, as there were Buy America compliant options that would have the appropriate capacity to perform at the original specification. Proposed CCO No. 250, in the amount of \$325,000, will modify the contract with the appropriate pneumatic pumps that are FTA Buy America compliant.

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. 250, in the amount of \$325,000, will increase the cumulative value of the contract to \$304,657,672, as shown in Attachment B. Board approval is required for CCO No. 250 pursuant to the State of California Public Contracting Code Section 20142. The 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 2024-25 Budget, Capital Programs Division, Account No. 0051-TS010-9017-Z32, and is funded with FTA Section 5309 New Starts grant funds and local Measure M2 funds.

***Summary***

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute CCO No. 250, in the amount of \$325,000, to modify pumps in the wheel truing and service and inspection pit at the MSF, to Agreement No. C-7-1904 between OCTA and Walsh for the construction of the Project.

***Attachments***

- A. Project Alignment – Status of Track Installation
- B. Walsh Construction Company II, LLC, Agreement No. C-7-1904, Contract Change Order (CCO) Log

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