

West Orange County Water Board

General Manager, Engineer, Secretary, Fiscal Agent

City of Huntington Beach
19001 Huntington Street
Huntington Beach, California 92648
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Bowie, Arneson, & Wiles

4920 Campus Drive, Suite A
Newport Beach, California 92660

November 6, 2017

Mr. Joe Gallardo
Manager, Real Property
Orange County Transportation Authority
550 S. Main Street
Orange, CA 92868

Subject: Request for Amendment to Reimbursement Agreement No. U-2017-151087

Mr. Gallardo,

OCTA's I-405 Freeway Widening Project requires the West Orange County Water Board (WOCWB) to relocate approximately 2,400 feet of its existing 33-inch OC-35 pipeline where it traverses the freeway immediately to the south of Westminster Boulevard. As WOCWB does not have prior rights to the pipeline crossing, WOCWB has signed Utility Agreement No. UK151001 (Utility Agreement) with OCTA, agreeing that WOCWB will pay the costs of this relocation. These costs were estimated to be \$4.7 million.

Due to the financial hardship presented by such the relocation cost, the WOCWB worked with OCTA staff in the development of Reimbursement Agreement No. U-2017-151087 (Reimbursement Agreement), which has been signed by OCTA and WOCWB in the amount of \$4.7M.

On October 31, 2017 the pipeline relocation bids for the WOCWB OC-35 Pipeline Relocation Project were publically opened. Unfortunately, the apparent low bid submitted by CCL Contracting, Inc., out of a total of six submitted bids, was in an amount of \$5,129,705, well above the Engineers Opinion of Construction Cost (see attached Bid Summary). With a 22 percent allocation for construction management, inspection, materials testing and potential project change orders, the total project cost is now estimated to be \$6.26M.

The City of Garden Grove, who owns 4.2 percent of the WOCWB, will be paying their portion of the total project cost, approximately \$263,000, at the beginning of the project construction to the WOCWB. This will result in an estimated amount of \$1.3M, in addition to the already approved loan amount of \$4.7M that will be required in order to complete the project.

The WOCWB has considered the possibility of internally financing the \$1.3M but funds are not available within the current WOCWB budget or reserves. Due to the unexpected project cost increase, the WOCWB wishes to request an amendment of \$1.3M to the current \$4.7M authorized amount as set out in the Reimbursement Agreement. This proposed amendment would only be to change the total reimbursement amount and not to change any other terms of the Reimbursement Agreement.

As agreed to under the terms of the Reimbursement Agreement, all funds advanced under the Reimbursement Agreement and the proposed Amendment shall be exclusively used by the WOCWB for the relocation project, and any remaining funds at the end of the project will be returned to OCTA.

In addition, WOCWB has the present and future ability to repay all funds advanced under the terms and conditions set forth in the Reimbursement Agreement and that the WOCWB will take any and all actions required, including, if necessary, raising contributions from its member agencies to pay off the loan in a timely manner.

Although the WOCWB member cities are not co-signers of the Reimbursement Agreement, separate participation agreements between the member agencies and the WOCWB have been prepared to ensure that the loan payments will be made over the ten year term of the Reimbursement Agreement.

We appreciate OCTA's immediate consideration of our request set out in this letter. The pipeline materials for the WOCWB project have long lead times requiring up to four months and it is our understanding that the Project must be completed by September of 2018 in order for the OCTA freeway widening project to remain on schedule.

If you have any questions, please don't hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Brian A. Ragland".

Brian A. Ragland, P.E.
General Manager
West Orange County Water Board

cc: WOCWB Board Members
Supervisor Andrew Do, Orange County Supervisor, 1st District
Supervisor Michelle Steel, Orange County Supervisor, 2nd District
Mayor Barbara Delgleize, City of Huntington Beach, OCTA City Member,
2nd District
Mayor Steve Jones, City of Garden Grove, OCTA City Member, 1st District
Travis K. Hopkins, P.E., Director of Public Works, City of Huntington Beach
Chuck Adams, Chief Financial Officer, City of Huntington Beach
Sunny Han, Project Manager, City of Huntington Beach

Att.: OC-35 Bid Summary Sheets

WEST ORANGE COUNTY WATER BOARD FEEDER NO.2 RELOCATION PROJECT from WILLOW LANE AND WESTMINSTER BLVD. TO SPRINGDALE ST. AND MAHOGANY AVE. IN THE CITY OF WESTMINSTER																
Owner: City of Huntington Beach																
Bid Opening: 10/31/17		* marks an allowance		CCL Contracting Inc 1938 Don Lee Place Escondido, CA 92029 US Bidder Status: Valid		Vidmar Inc. A JV 11155 rush street south el monte, CA 91733 US Bidder Status: Valid		Contractors 12775 Westview Drive 12775 Westview Drive Dallas, OR 97338 US Bidder Status: Valid		Colich & Sons 547 W 140th Street Gardena, CA 90248 US Bidder Status: Valid		W.A. Rasic Construction 4150 Long Beach Blvd Long Beach, CA 90807 US Bidder Status: Valid		Company, Inc. 1500 W 9th Street Upland, CA 91786 US Bidder Status: Valid		
SCH A	Item #	Item Description	Quantity	Unit of Measure	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total
	1	1 MOBILIZATION/DEMOMOBILIZATION	1	LS	\$294,000.00	\$294,000.00	\$300,000.00	\$890,000.00	\$300,000.00	\$700,000.00	\$15,000.00	\$75,000.00	\$15,000.00	\$75,000.00	\$200,000.00	\$200,000.00
	2	2 PREPARE WPCP	1	LS	\$4,000.00	\$4,000.00	\$5,000.00	\$2,500.00	\$7,500.00	\$25,000.00	\$125,000.00	\$625,000.00	\$25,000.00	\$125,000.00	\$300,000.00	\$300,000.00
	3	3 INSTALL & MAINTAIN CONSTRUCTION	1	LS	\$37,000.00	\$37,000.00	\$5,000.00	\$40,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$180,000.00	\$180,000.00
	4	4 NIGHT WORK ALLOWANCE	1	LS	\$23,000.00	\$23,000.00	\$50,000.00	\$30,000.00	\$25,000.00	\$25,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$30,000.00	\$30,000.00
	5	5 PERMITTING	1	LS	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$15,000.00	\$15,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$35,000.00	\$35,000.00
	6	6 SHEETING, SHORING AND BRACING	1	LS	\$11,500.00	\$11,500.00	\$300,000.00	\$100,000.00	\$950,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$600,000.00	\$600,000.00
	7	7 TRAFFIC CONTROL	1	LS	\$86,000.00	\$86,000.00	\$150,000.00	\$440,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$265,000.00	\$265,000.00
	8	8 REPLACE TRAFFIC STRIPING AND	1	LS	\$23,000.00	\$23,000.00	\$15,000.00	\$50,000.00	\$15,000.00	\$15,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$15,000.00	\$15,000.00
	9	9 POTHOLES AND UTILITY LOCATING	1	LS	\$28,000.00	\$28,000.00	\$75,000.00	\$20,000.00	\$45,000.00	\$45,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$50,000.00	\$50,000.00
	10	10 33 INCH WATER ABANDONMENT	1710	LF	\$32.00	\$54,720.00	\$50.00	\$85,500.00	\$20,000.00	\$34,000.00	\$60.00	\$102,600.00	\$60.00	\$102,600.00	\$30.00	\$51,300.00
	11	11 30 INCH WELDED STEEL PIPE (CML&TC)	2425	LF	\$799.00	\$1,937,575.00	\$1,073.00	\$2,602,025.00	\$1,350.00	\$3,273,750.00	\$1,200.00	\$2,910,000.00	\$1,200.00	\$2,910,000.00	\$1,575.00	\$3,819,375.00
	12	12 DEWATERING AND DESILTING OF	1	LS	\$115,000.00	\$115,000.00	\$360,000.00	\$500,000.00	\$300,000.00	\$300,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$1,220,000.00	\$1,220,000.00
	13	13 42 INCH STEEL CASING BY	345	LF	\$2,510.00	\$866,950.00	\$2,175.00	\$750,375.00	\$4,000.00	\$1,380,000.00	\$2,600.00	\$907,000.00	\$2,600.00	\$907,000.00	\$8,450.00	\$2,915,250.00
	14	14 MICROTUNNELING SENDING AND	1	LS	\$354,000.00	\$354,000.00	\$150,000.00	\$85,000.00	\$200,000.00	\$200,000.00	\$1,000,550.00	\$1,000,550.00	\$1,000,550.00	\$1,000,550.00	\$800,000.00	\$800,000.00
	15	15 REMOVE AND RECONSTRUCT EXISTING	65	LF	\$1,100.00	\$71,500.00	\$540.00	\$35,100.00	\$265.00	\$17,225.00	\$200.00	\$13,000.00	\$175.00	\$11,250.00	\$700.00	\$4,550.00
	16	16 REMOVE AND RECONSTRUCT EXISTING	355	LF	\$394.00	\$139,870.00	\$300.00	\$106,500.00	\$265.00	\$94,875.00	\$225.00	\$79,875.00	\$400.00	\$142,750.00	\$350.00	\$124,250.00
	17	17 12 INCH TEMPORARY WATER SERVICE	1	EA	\$5,750.00	\$5,750.00	\$8,000.00	\$30,000.00	\$10,000.00	\$10,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00	\$13,000.00	\$13,000.00
	18	18 27 INCH PIPELINE CONNECTION WITH	1	EA	\$95,000.00	\$95,000.00	\$75,000.00	\$115,000.00	\$20,000.00	\$20,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$85,000.00	\$85,000.00
	19	19 33 INCH PIPELINE CONNECTION WITH	1	EA	\$99,475.00	\$99,475.00	\$75,000.00	\$136,000.00	\$20,000.00	\$20,000.00	\$55,000.00	\$55,000.00	\$55,000.00	\$55,000.00	\$50,000.00	\$50,000.00
	20	20 33 INCH 1/4 INCH PIPELINE	1	EA	\$107,000.00	\$107,000.00	\$30,000.00	\$58,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$70,000.00	\$70,000.00
	21	21 VAULT MODIFICATION-DETAILS 1 & 2/ C-	1	LS	\$62,000.00	\$62,000.00	\$25,000.00	\$130,000.00	\$16,500.00	\$16,500.00	\$82,500.00	\$82,500.00	\$82,500.00	\$82,500.00	\$100,000.00	\$100,000.00
	22	22 30 INCH BUTTERFLY VALVE	5	EA	\$13,600.00	\$68,000.00	\$25,000.00	\$4,000.00	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$15,000.00	\$15,000.00
	23	23 8 INCH GATE VALVE	1	EA	\$2,875.00	\$2,875.00	\$4,000.00	\$4,000.00	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$3,000.00	\$3,000.00
	24	24 12 INCH GATE VALVE	3	EA	\$3,850.00	\$11,550.00	\$5,000.00	\$15,000.00	\$6,000.00	\$18,000.00	\$5,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$5,000.00	\$15,000.00
	25	25 4 INCH AIR RELEASE VALVE ASSEMBLY-	2	EA	\$24,250.00	\$48,500.00	\$12,000.00	\$24,000.00	\$17,000.00	\$34,000.00	\$10,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$40,000.00	\$40,000.00
	26	26 4 INCH COMBINATION AR AND WQTS-	2	EA	\$24,250.00	\$48,500.00	\$12,000.00	\$24,000.00	\$19,000.00	\$38,000.00	\$10,000.00	\$20,000.00	\$25,000.00	\$25,000.00	\$30,000.00	\$60,000.00
	27	27 CATHODIC PROTECTION	1	LS	\$31,000.00	\$31,000.00	\$50,000.00	\$33,000.00	\$33,000.00	\$45,000.00	\$105,000.00	\$105,000.00	\$105,000.00	\$105,000.00	\$56,000.00	\$56,000.00
	28	28 GROUNDWATER MONITORING WELL	2	EA	\$5,000.00	\$10,000.00	\$5,000.00	\$19,500.00	\$7,500.00	\$15,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$36,000.00	\$36,000.00
	29	29 SETTLEMENT MONITORING AND	1	LS	\$80,000.00	\$80,000.00	\$50,000.00	\$79,000.00	\$45,000.00	\$160,000.00	\$160,000.00	\$160,000.00	\$160,000.00	\$160,000.00	\$90,000.00	\$90,000.00
	30	30 8 INCH PUMP OUT	2	EA	\$25,000.00	\$50,000.00	\$20,000.00	\$40,000.00	\$10,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$30,000.00	\$60,000.00
	31	31 ROADWAY EXCAVATION	840	CY	\$109.00	\$91,560.00	\$70.00	\$58,800.00	\$100.00	\$84,000.00	\$60.00	\$50,400.00	\$60.00	\$50,400.00	\$50,000.00	\$50,000.00
	32	32 AGGREGATE BASE	560	CY	\$32.00	\$17,920.00	\$65.00	\$36,400.00	\$155.00	\$86,800.00	\$68.00	\$38,080.00	\$75.00	\$42,000.00	\$40.00	\$22,400.00
	33	33 HMA 4 INCH LAYER FOR FULL	370	TN	\$98.00	\$36,260.00	\$100.00	\$37,000.00	\$150.00	\$55,500.00	\$105.00	\$38,850.00	\$120.00	\$44,400.00	\$150.00	\$55,500.00
	34	34 2 INCH HMA GRIND AND OVERLAY	7900	SY	\$13.00	\$102,700.00	\$11.00	\$86,900.00	\$20.00	\$158,000.00	\$11.70	\$92,430.00	\$13.00	\$102,700.00	\$15.00	\$118,500.00
	35	35 ADJUST MANHOLE COVER TO GRADE	14	EA	\$750.00	\$10,500.00	\$750.00	\$10,500.00	\$800.00	\$11,200.00	\$500.00	\$7,000.00	\$1,000.00	\$14,000.00	\$1,000.00	\$14,000.00
	36	36 ADJUST WATER VALVE, GAS VALVE,	9	EA	\$750.00	\$6,750.00	\$600.00	\$5,400.00	\$1,200.00	\$10,800.00	\$400.00	\$3,600.00	\$750.00	\$6,750.00	\$1,000.00	\$9,000.00
	37	37 REMOVE AND RECONSTRUCT TRAFFIC	4	EA	\$1,500.00	\$6,000.00	\$750.00	\$3,000.00	\$1,700.00	\$6,800.00	\$1,000.00	\$4,000.00	\$1,000.00	\$4,000.00	\$1,000.00	\$4,000.00
	38	38 REMOVE AND RECONSTRUCT	900	SF	\$29.00	\$26,100.00	\$20.00	\$18,000.00	\$40.00	\$36,000.00	\$20.00	\$18,000.00	\$30.00	\$27,000.00	\$50.00	\$45,000.00
	39	39 SURVEY MONUMENT REPLACEMENT	8	EA	\$2,300.00	\$18,400.00	\$500.00	\$4,000.00	\$3,000.00	\$24,000.00	\$2,000.00	\$16,000.00	\$1,000.00	\$8,000.00	\$1,000.00	\$8,000.00
	40	40 DEFERRING SITE CONDITION	50	LF	\$575.00	\$28,750.00	\$1,000.00	\$50,000.00	\$600.00	\$30,000.00	\$300.00	\$15,000.00	\$600.00	\$30,000.00	\$2,800.00	\$140,000.00
Bid						\$5,129,705.00		\$6,156,095.00		\$6,725,185.00		\$8,435,000.00		\$9,435,000.00		\$11,548,475.00
Total Bid Amount						\$5,129,705.00		\$6,156,095.00		\$6,725,185.00		\$8,435,000.00		\$9,435,000.00		\$11,548,475.00