



**March 4, 2019**

**To:** Regional Planning and Highways Committee

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

**Subject:** Amendment to Cooperative Agreement with the Orange County Flood Control District for the Interstate 405 Improvement Project

### **Overview**

On May 9, 2016, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement No. C-5-3617 with the Orange County Flood Control District for project support services for the Interstate 405 Improvement Project. An amendment to the cooperative agreement is required to include a cost share increase resulting from additional costs for design and construction of improvements at Ocean View Channel, and to authorize the design and construction of freeway mainline pavement settlement repairs at the Edinger Channel, to be funded by the Orange County Flood Control District, as part of the project.

### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-5-3617 to include a cost share increase, in the amount of \$1,031,160, for additional costs associated with design and construction of improvements at Ocean View Channel under the Interstate 405 Improvement Project's design-build contract, bringing the Orange County Transportation Authority's total maximum cost share to \$4,140,000.
- B. Authorize the design and construction of freeway mainline pavement settlement repairs at the Edinger Channel, in cooperation with the Orange County Flood Control District, under the Interstate 405 Improvement Project's design-build contract. The Orange County Transportation Authority will be reimbursed for 100 percent of the work, in the amount of \$400,000, by the Orange County Flood Control District.

***Discussion***

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans) and the Orange County Flood Control District (OCFCD), is implementing the Interstate 405 (I-405) Improvement Project between State Route 73 (SR-73) and Interstate 605 (I-605) (Project). The Project will add one general purpose lane from Euclid Street to I-605, consistent with Measure M2 Project K, and will add an additional lane in each direction that will combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605, otherwise known as the 405 Express Lanes. The Project includes improvements to numerous OCFCD-owned and maintained flood channels and storm drains throughout the Project limits.

On May 9, 2016, the OCTA Board of Directors (Board) approved Cooperative Agreement No. C-5-3617 with the OCFCD for project support services for the Project and cost share responsibilities for the Ocean View Channel improvements, which were established at 30 percent OCTA and 70 percent OCFCD.

**Ocean View Channel**

As part of the original cooperative agreement, OCTA agreed to improve a segment of the Ocean View Channel system, located in the City of Fountain Valley, by adding new culvert crossings underneath I-405. OCTA and OCFCD had mutually agreed to construct the improvement under the Project's design-build (DB) contract through a cost-sharing arrangement.

During design of the Ocean View Channel improvement, OCTA's design-builder, OC405 Partners (OC405), provided a proposed change order notice asserting that the subject channel cannot be constructed using the jack and bore method as required in the contract due to existing shallow pavement over the area of the proposed channel. OC405 proposed an alternative cut and cover method, which requires closing freeway lanes to excavate the existing pavement to install the channel. OC405 asserts that the cut and cover method will require additional design efforts and has additional construction costs and risks. Staff is currently negotiating with OC405 the costs associated with the additional design and construction risks. A contract change order for these costs is planned to be brought to the Board for approval.

An amendment to the cooperative agreement is requested to include a cost share increase to address the estimated costs and risk associated with design and construction of improvements at Ocean View Channel using the cut and

cover construction method under the Project's DB contract. OCTA's original cost share was \$3,108,840, the equivalent of 30 percent of the total estimated cost, and OCFCD's original cost share was \$7,253,960, the equivalent of 70 percent of the estimated cost, based on the construction method included in the DB contract. With the additional design and construction risks, OCTA's maximum cost share increase will be an additional \$1,031,160, for a total of \$4,140,000, and OCFCD's maximum cost share increase will be an additional \$2,406,040, for a total of \$9,660,000. OCTA's increase in costs is funded from the Project contingency and will not increase the total Project estimate of \$1.9 billion.

#### **Edinger Channel**

The OCFCD, through a prior permit with Caltrans, installed the Edinger Channel improvements under the I-405 freeway. After the channel improvement was completed in 2015, the freeway mainline pavement over the channel settled, requiring repair. The area of the pavement settlement is within the limits of the Project. OCFCD has requested OCTA to complete the pavement repairs as part of the Project. OCTA has agreed to design and construct the freeway mainline pavement settlement repairs at the Edinger Channel under the Project's DB contract. OCTA will be reimbursed for 100 percent of the work, in the amount of \$400,000, by the OCFCD.

#### **Fiscal Impact**

Funding for the Project is included in OCTA's Fiscal Year 2018-19 Budget, Capital Programs Division, accounts 0017-9084-FK101-012 and 0037-9017-A9510-012, and is funded with a combination of federal, state, and local funds.

#### **Summary**

Staff requests Board of Directors' approval for the Chief Executive Officer to negotiate and execute Amendment No. 1 to Cooperative Agreement No. C-5-3617 with the Orange County Flood Control District for the Interstate 405 Improvement Project. An amendment to the cooperative agreement is required to include a cost share increase resulting from the additional costs and risk associated with design and construction of improvements at Ocean View Channel, and to authorize the design and construction of freeway mainline pavement settlement repairs at the Edinger Channel, to be funded by the Orange County Flood Control District, as part of the project, bringing the total agreement value to \$15,700,000.

***Attachment***

- A. Amendment No. 1 to Cooperative Agreement No. C-5-3617, Orange County Flood Control District, Revised Maximum Reimbursement/Contribution/Cost Share Schedule for Project Services, Improvements to Ocean View Channel, and Pavement Settlement Repairs to Edinger Channel

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