




November 4, 2019

To: Regional Planning and Highways Committee 
From: Darrell E. Johnson, Chief Executive Officer
Subject: Contract Change Orders 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. Contract change orders are needed to design and construct additional improvements to support the installation of a permanent traffic signal at the intersection of Warner Avenue and Greenleaf Street, provide additional utility work to support Southern California Edison relocations on Milton Avenue, extend water lines at the Talbert Avenue and Brookhurst Street overcrossing bridges, and install additional water valves at the Talbert Avenue, Warner Avenue, and Brookhurst Street overcrossing bridges in the City of Fountain Valley.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute supplemental Contract Change Order No. 13.1 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$460,327, to design and construct additional improvements to support the installation of a permanent traffic signal at the intersection of Warner Avenue and Greenleaf Street in the City of Fountain Valley.
- B. Authorize the Chief Executive Officer to negotiate and execute supplemental Contract Change Order No. 27.1 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$353,106, to provide additional utility work to support Southern California Edison relocations on Milton Avenue in the City of Westminster.

- C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 46 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$389,978, to extend water lines adjacent to the Talbert Avenue and Brookhurst Street overcrossing bridges in the City of Fountain Valley.

- D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 47 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$266,828, to install additional water valves at the Talbert Avenue, Warner Avenue, and Brookhurst Street overcrossing bridges in the City of Fountain Valley.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation, 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 in each direction 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. NTP No. 2, for the full design and construction of the Project, was issued to OC405 on July 27, 2017.

Warner Avenue and Greenleaf Street Signal Improvements

The Transportation Management Plan for the Project required a temporary traffic signal to be placed for several years at the intersection of Warner Avenue and Greenleaf Street in front of the Urbain H. Plavan Elementary School in the City of Fountain Valley. The cost of the temporary traffic signal was included in the lump sum contract price. However, due to safety concerns with operating a temporary traffic signal in front of a school and also with removing the temporary signal after several years of operation, the City of Fountain Valley requested, and OCTA agreed to, the installation of a permanent traffic signal at this location.

The installation of a permanent traffic signal resulted in additional scope of work (SOW), including street restoration, concrete curb and gutter, sidewalk, Americans with Disabilities Act ramps, irrigation system in the median, electrical, signage, and striping. These additional improvements beyond a temporary traffic signal were not anticipated in the original SOW nor in the lump sum contract price. This contract change order (CCO) is for the additional improvements beyond a temporary traffic signal.

Utility Work to Support Southern California Edison Relocations on Milton Avenue

As part of the Project, the Westminster Boulevard overcrossing bridge will be reconstructed, which in turn requires the reconstruction of the on-ramp to northbound I-405. The on-ramp reconstruction requires the installation of a new drainage system and the relocation of various utilities on an adjacent street, Milton Avenue, in the City of Westminster. In an effort to facilitate the timely relocation of these utilities to avoid Project schedule delays, OCTA directed OC405 to provide the necessary civil infrastructure work to support electrical utility relocations for Southern California Edison (SCE), such as shoring, trenching, SCE conduit installation, SCE vault installation, and street restoration. The additional utility support was not anticipated in the original SOW as this work would typically be done by SCE. OCTA is responsible for the cost liability of the work regardless of the entity that performs the work.

OC405 tracked the work on a time and materials basis. The amount of the CCO is based on staff review of the supporting documents provided by OC405. Some of OC405's claimed costs are unsupported, and OC405 was unable to provide supporting documentation when requested. OC405 has not agreed to the proposed lower CCO amount and may pursue the disputed amount at a later time. The purpose of this unilateral CCO is to compensate OC405 for entitled costs that have been reviewed and verified through documentation.

Talbert Avenue and Brookhurst Street Waterline Extensions

At Talbert Avenue, the City of Fountain Valley requested, and OCTA agreed to, the extension of the new waterline by approximately 375 feet to a new tie-in point in order to eliminate angle points in the waterline, which would better maintain appropriate water pressure in the water system. The City of Fountain Valley also requested, and OCTA agreed to, the relocation of an existing waterline lateral at Talbert Avenue to reduce the impacts of additional fill material on the waterline lateral, and to eliminate a conflict with a proposed retaining wall.

At Brookhurst Street, the City of Fountain Valley requested, and OCTA agreed to, the extension of the new waterline by about 150 feet to a new tie-in point in order to eliminate angle points in the waterline, which would better maintain appropriate water pressure in the water system.

These additional waterline utility conflicts and improvements were not anticipated in the original SOW.

Water Line Valves at Warner Avenue, Talbert Avenue, and Brookhurst Street

As part of the Project, City of Fountain Valley waterlines will be relocated into the new bridge overcrossings at Warner Avenue, Talbert Avenue, and Brookhurst Street. The City of Fountain Valley requested, and OCTA agreed to, the installation of additional water valves on each end of the overcrossing bridges to isolate the portion of the waterlines through the bridges. This would allow the City of Fountain Valley to shut off the portion of the line within the bridge in the event of a leak or breakage, minimizing potential flooding and damage within the bridge cells which could compromise the structural integrity of the bridge. The additional valves were not anticipated in the original SOW.

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, OCTA approved Agreement No. C-5-3843 with OC405 for the design and construction of the Project through a DB contract.

Board approval is required for proposed CCO Nos. 13.1, 27.1, 46, and 47.

Proposed CCO No. 13.1, in the amount of \$460,327, will provide compensation to OC405 for the design and construction of the additional improvements to support the installation of a permanent traffic signal at the intersection of Warner Avenue and Greenleaf Street in the City of Fountain Valley. This cost will be borne by OCTA.

Proposed CCO No. 27.1, in the amount of \$353,106, will provide compensation to OC405 for the additional utility work to support SCE relocations on Milton Avenue in the City of Westminster. SCE's share of the cost of the work will be deducted from the utility agreement.

Proposed CCO No. 46, in the amount of \$389,978, will provide compensation to OC405 for the extension of water lines adjacent to the Talbert Avenue and Brookhurst Street overcrossing bridges in the City of Fountain Valley. This cost will be borne by OCTA.

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Proposed CCO No. 47, in the amount of \$266,828, will provide compensation to OC405 for the installation of additional water valves at the Talbert Avenue, Warner Avenue, and Brookhurst Street overcrossing bridges in the City of Fountain Valley. This cost will be borne by OCTA.

Attachment A lists the CCOs that have been executed to date, and the CCOs that are pending execution with OC405.

Fiscal Impact

The funding for this work was approved in OCTA's Fiscal Year 2019-20 Budget, Capital Programs Division, accounts 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 Nos. 13.1, 27.1, 46, and 47 are funded from the Project contingency and will not increase the total Project estimate of \$1.9 billion.

Summary

Staff recommends Board authorization for the Chief Executive Officer to negotiate and execute four contract change orders to Agreement No. C-5-3843 with OC405, a joint venture: CCO No. 13.1, in the amount of \$460,327, CCO No. 27.1, in the amount of \$353,106, CCO No. 46, in the amount of \$389,978, and CCO No. 47, in the amount of \$266,828.

Attachment

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

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