



October 5, 2020

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 at this time to compensate OC 405 Partners for additional design and construction efforts related to additional extra maintenance work, United States Postal Service parking lot improvements, extension of a westbound Talbert Avenue third lane, and to provide a temporary bypass waterline at the Goldenwest Street overcrossing bridge.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 3.2 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$2,200,000, to provide additional extra maintenance work.
- B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 78 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$537,436, to provide parking lot improvements at the United States Postal Service property.
- C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 79 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$270,528, to provide an extension of the third westbound lane on Talbert Avenue to Cashew Street.

- D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 80 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$579,604, to provide a temporary bypass waterline for the Goldenwest Street overcrossing bridge.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans), is implementing the Interstate 405 (I-405) Improvement Project from State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project will add one general purpose lane 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.

Extra Maintenance Work

Under the Project's cooperative agreement between OCTA and Caltrans, OCTA is responsible for maintenance of the freeway facilities within the Project limits while OCTA is administering the Project. In accordance with the contract documents and in compliance with the encroachment permit issued by Caltrans, OC405 is required to perform extra maintenance work as directed by OCTA. The contract provides that OC405 is responsible for all freeway maintenance from NTP No. 2 until final project acceptance. The contract distinguishes between routine maintenance work that is covered by the lump sum contract, and extra maintenance work beyond the control of OC405 that is paid by OCTA through a contract change order (CCO).

Routine maintenance work that is covered by the lump sum contract includes sweeping, weed abatement, trash/litter removal, maintaining existing pavement markings, right-of-way fencing, lighting, signals, landscaping, and irrigation systems. The extra maintenance work that will be paid by OCTA includes repairs and replacements due to damage from crashes and other actions caused by the traveling public and/or third parties. Examples of extra maintenance work

include: maintaining existing pavement and structures, repairing shoulder drop-offs, replacing and repairing existing asphalt shoulders, repairing and replacing existing overhead and roadside signs, replacing damaged guardrails and barriers, repairing and replacing impact attenuators and crash cushions, removing graffiti, repairing crash damage to permanent structures, repairing crash damage to lighting and lighting standards, performing extraordinary and emergency maintenance, and repairing damage due to force majeure events such as earthquakes.

CCO Nos. 3 and 3.1, in the amounts of \$200,000 and \$1,300,000 respectively, were previously issued for the extra maintenance work. Since then, costs for extra maintenance work have exceeded the original estimates, particularly for graffiti removal and the repair of guardrails and crash cushions damaged by traffic accidents. OCTA staff developed an independent cost estimate for the anticipated extra maintenance work, in the amount of \$2,200,000, based on the level of extra maintenance required over the last 24 months. Therefore, staff is now requesting Board approval of supplemental CCO No. 3.2, in the amount of \$2,200,000, which brings the total for CCO No. 3 to \$3,700,000. Costs and expenses for extra maintenance will be tracked, reviewed, and paid on a time-and-materials basis.

United States Postal Service (USPS) Parking Lot Improvements

In accordance with the contract documents, OC405 is required to widen the freeway in the northbound direction adjacent to the USPS property (California Department of Transportation Parcel No. 103126) near Bolsa Avenue in the City of Westminster. A partial property acquisition is required from USPS, which caused parking and circulation impacts to the property. OCTA and USPS agreed to mitigations to provide additional parking, which requires additional paving, lighting, striping, and fencing at the property. These mitigations resulted in OCTA obtaining possession of the needed property, which enabled OC405 to maintain the schedule on construction activities adjacent to the USPS property. This CCO includes the design and construction of the USPS parking lot improvements agreed to as mitigation.

The additional improvements were not anticipated in the original scope of work (SOW) and a CCO is now needed, in the amount of \$537,436, for OC405 to comply with this directive.

Talbert Avenue Third Lane Extension

In accordance with the contract documents, OC405 is required to extend a third westbound lane on Talbert Avenue through the intersection with Brookhurst Avenue. The City of Fountain Valley expressed concerns regarding traffic safety during the design review of the roadway plans. OCTA agreed with

the concerns, and, as a result, OC405 was directed to develop a design to extend the lane approximately 200 feet to the Cashew Street intersection.

The additional lane extension was not anticipated in the original SOW and a CCO is now needed, in the amount of \$270,528, for OC405 to comply with this directive.

Temporary Bypass Waterline at Goldenwest Street Overcrossing Bridge

In accordance with the contract documents, OC405 is required to reconstruct the Goldenwest Street overcrossing bridge and relocate an existing waterline that previously resided in the old bridge into the new bridge. OC405 is also required to reconstruct the Bolsa Avenue overcrossing bridge and relocate an existing waterline that previously went under the freeway into the new bridge. OC405 is further required to maintain service in at least one of these two waterlines at all times. Each bridge is being constructed in two phases and both are under construction at the same time. The underground waterline at the Bolsa Avenue overcrossing bridge is currently out of service while the first half of the new bridge is being constructed. The Bolsa Avenue overcrossing bridge has encountered several delays related to unforeseen conditions during construction. In order to eliminate any schedule impacts on the Goldenwest Street overcrossing bridge, OC405 was directed to develop a design to incorporate a temporary bypass waterline allowing the second half of Goldenwest Street overcrossing bridge to be demolished on schedule and prior to completion of the first half of Bolsa Avenue overcrossing bridge. This allows construction at Goldenwest Street to continue without pause and eliminates several months of Project delay.

The temporary waterline was not anticipated in the original SOW and a CCO is now needed, in the amount of \$579,604, for OC405 to comply with this directive.

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.

Proposed supplemental CCO No. 3.2, in combination with the previously approved CCO Nos. 3 and 3.1, in the amount of \$1,500,000, for a total of \$3,700,000, will give OCTA staff the ability to timely direct extra maintenance work on an as-needed basis without impacting the Project schedule.

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Proposed CCO No. 78, in the amount of \$537,436, will provide compensation to OC405 for the additional design and construction necessary to mitigate impacts to the USPS property.

Proposed CCO No. 79, in the amount of \$270,528, will provide compensation to OC405 for the additional design and construction necessary to extend the third through-lane on Talbert Avenue.

Proposed CCO No. 80, in the amount of \$579,604, will provide compensation to OC405 for the additional design and construction to install a temporary bypass waterline at Goldenwest Street overcrossing bridge.

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

Fiscal Impact

Funding for this work was approved in OCTA's Fiscal Year 2020-21 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. 3.2, 78, 79, and 80 are funded from the Project contingency and are not anticipated to increase the total Project estimate of \$1.9 billion.

Summary

Staff recommends Board authorization for the Chief Executive Officer to negotiate and execute with OC405, to Agreement No. C-5-3843, CCO No. 3.2, in the amount of \$2,200,000; CCO No. 78, in the amount of \$537,436; CCO No. 79, in the amount of \$270,528; and CCO No. 80, in the amount of \$579,604.

Attachment

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

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