



July 8, 2021

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Order for Exploratory Potholing Allowance for the Construction of the OC Streetcar Project

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 for work to address exploratory potholing.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 56.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$1,100,000, for additional exploratory potholing allowance for the construction of the OC Streetcar project.

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 milestones having been achieved. Recent construction milestones include the substantial completion of the Santa Ana River and Westminster bridges, as well as the installation of embedded track on Santa Ana Boulevard from Raitt Street to Bristol Street, from Parton Street to Ross Street at the Broadway Street and Main Street intersections, and on Mortimer Street from Fourth Street to Sixth Street. Potholing is a construction method that uses small excavations for the purpose of obtaining visual confirmation of utilities and underground obstructions near the planned work. The intent of potholing is to test for utility conflicts before the actual contract excavation begins. While potholing is required in the contract, the extent to which it is needed was beyond what is contractually anticipated.

As previously discussed with the Board, Walsh continues to encounter many unknown utilities during the waterline, sewer, and storm drain work that are neither shown on the contract plans or on City of Santa Ana and private utility record maps. Additionally, Walsh continues to encounter underground utilities that are not in the locations reflected in utility records and contract plans. While Walsh has been compensated through previous CCOs approved by the Board for additional potholing to accommodate waterline, sewer, and storm drain relocations, the same exploratory potholing was needed in other Project elements, including track bed excavations. Within track beds, additional rounds of potholing were required at multiple locations to find clear solutions for avoiding utility obstructions. To advance the Project without further delay, it was prudent to proceed with interim Contract Change Order (CCO) No. 56, in the amount of \$200,000, to develop a mechanism to pay for field-directed exploratory potholing within the track beds in segments 2A and 3, as shown in Attachment A and currently in construction.

The additional rounds of exploratory potholing will exhaust the current allowance, requiring this CCO No. 56.1, in the amount of \$1,100,000, to continue utility exploratory potholing within the track beds for the current Segments 2A and 3, as well as the remaining Segments 2B, 4, and 5. An independent cost estimate has been determined by the construction management (CM) team to be \$1,100,000. This CCO will be paid on a time and expense basis to the contractor after labor and equipment quantities are confirmed through daily extra work reports prepared by Walsh and approved by the CM team. The CCO may need to be supplemented again if further rounds of potholing are required to resolve utility conflicts.

The cost of the work associated with CCO No. 56.1 will be funded from the Project supplemental contingency as approved by the Board on March 22, 2021.

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. 56.1, in the amount of \$1,100,000, will increase the cumulative value of the contract to \$244,151,051, as shown in Attachment B. Board approval is required for CCO No. 56.1, pursuant to the State of California Public Contracting Code Section 20142.

Fiscal Impact

The additional work for this Project is included in OCTA's Fiscal Year 2021-22 Budget, Capital Programs Division, Account No. 0051-9017-TS010-Z13, and is funded with Federal Transit Administration Section 5309 New Starts and local Measure M2 funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 56.1 to Agreement No. C-7-1904 between the Orange County Transportation Authority and Walsh Construction Company II, LLC, in the amount of \$1,100,000, for utility exploratory potholing.

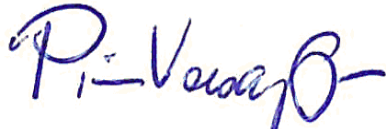
Attachment

- A. Project Map
- B. Walsh Construction Company II, LLC, Agreement No. C-7-1904, Contract Change Order (CCO) Log

Prepared by:



Ross Lew
Program Manager, Senior
(714) 560-5775



Pia Veasapen
Director, Contracts Administration and
Materials Management
(714) 560-5619

Approved by:



James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646