



**September 2, 2021**

**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 the removal of an encroaching building overhang adjacent to the Magnolia Street northbound on-ramp, to provide bridge lighting on seven overcrossing bridges, to provide electrical conduit extensions and pull boxes at nine overcrossing bridges for future bridge lighting, and for pavement reconstruction at the Harbor Boulevard northbound on-ramp.

**Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 101 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$230,838, to remove an encroaching building overhang adjacent to the Magnolia Street northbound on-ramp.
- B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 106 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$925,000, to provide bridge lighting on seven overcrossing bridges.
- C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 107 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$420,000, to provide conduit extensions and pull boxes for future bridge lighting on nine overcrossing bridges.

- D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 109 to Agreement No. C-5-3843 between the Orange County Transportation Authority and OC 405 Partners, a joint venture, in the amount of \$410,000, to provide full pavement reconstruction to part of the Harbor Boulevard northbound on-ramp.

### ***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. On July 27, 2017, NTP No. 2 was issued to OC405 for the full design and construction of the Project.

The recommended contract change orders (CCO) are described in more detail below.

#### **Encroaching Building Overhang at Magnolia Street Northbound On-Ramp**

In accordance with the contract documents, OC405 is required to reconstruct the Magnolia Street on-ramp to northbound I-405. The on-ramp is directly adjacent to a building located at 16575-16595 Magnolia Street, referred to as the "Sit n' Sleep" property in the City of Westminster. As part of the Project, OCTA acquired the surface rights to this property, including the building. A small portion of the building's roof and overhang encroaches into the area where the new on-ramp has been constructed. The overhang directly conflicts with improvements to the noted on-ramp and must be removed to safely operate the new on-ramp. OCTA directed OC405 to remove the conflicting overhang and dispose of the waste, including asbestos-containing hazardous materials. The additional work was not anticipated in the original scope of work and a CCO is now needed, in the amount of \$230,838, for OC405 to comply with this directive.

#### Overcrossing Bridge Lighting

In accordance with the contract documents, OC405 is required to reconstruct seven overcrossing bridges in the City of Fountain Valley (City) over the I-405 freeway. OC405 is also required to install conduit and pedestals for future lighting on the bridges. As part of significant schedule mitigations that were implemented in the City, the City requested OCTA to install the lighting systems onto the bridges as part of the Project. The noted schedule mitigations agreed to by the City saved significant time on the overall Project schedule. OCTA agreed with the request to install the lighting systems and issued a directive letter to OC405 to design and install lighting systems on each of the seven bridges. A CCO is now needed, in the amount of \$925,000, for OC405 to comply with this directive.

#### Electrical Conduit Extensions

In accordance with the contract documents, OC405 is required to reconstruct several overcrossing bridges in the cities of Huntington Beach and Westminster. Each bridge is to include conduit and pedestals for future lighting systems. The design of nine bridges and approaches included retaining walls and barriers immediately adjacent to the bridge abutments that would have required significant reconstruction at a later date to install future conduit to connect the bridge lighting systems to a power source. The agreement did not require extension of the conduits beyond the bridge. To avoid future reconstruction of the retaining walls and barriers, OCTA issued a directive to OC405 to include conduit extensions and pull boxes along the approach to the overcrossings. A CCO is now needed, in the amount of \$420,000, for OC405 to comply with this directive.

#### Harbor Boulevard Northbound On-Ramp Pavement

In accordance with the contract documents, OC405 is required to design and reconstruct the Harbor Boulevard northbound I-405 on-ramp to a specific location where the newly built ramp would join the existing ramp pavement. OC405 designed the ramp alignment to join the existing pavement approximately 200 feet from the on-ramp bridge. This design, although compliant with the contract documents, would have resulted in leaving a segment of old pavement in poor condition. The agreement did not require OC405 to reconstruct this segment of the ramp pavement, and OCTA issued a directive letter to design and reconstruct this remaining piece of the ramp to be consistent with the remainder of the ramp. A CCO is now needed, in the amount of \$410,000, 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, the Board authorized Agreement No. C-5-3843 with OC405, in the amount of \$1,217,065,000, for the design and construction of the Project through a DB contract.

Proposed CCO No. 101, in the amount of \$230,838, will provide compensation to OC405 for additional efforts to remove an encroaching building overhang adjacent to the Magnolia Street northbound on-ramp.

Proposed CCO No. 106, in the amount of \$925,000, will provide compensation to OC405 for additional design and construction necessary to provide bridge lighting on seven overcrossing bridges.

Proposed CCO No. 107, in the amount of \$420,000, will provide compensation to OC405 for additional design and construction necessary to provide conduit extensions and pull boxes for future bridge lighting on nine overcrossing bridges.

Proposed CCO No. 109, in the amount of \$410,000, will provide compensation to OC405 for additional design and construction necessary to provide full pavement reconstruction to part of the Harbor Boulevard northbound on-ramp.

The four CCOs will increase the cumulative value of the contract by a total of \$ 1,985,838. 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 2021-22 Budget, Capital Programs Division, account nos. 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. 101, 106, 107, and 109 are funded from the project contingency and are not anticipated to increase the total project estimate of \$2.08 billion.

***Summary***

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute CCO No. 101 to Agreement No. C-5-3843 with OC405, in the amount of \$230,838, CCO No. 106 to Agreement No. C-5-3843 with OC405, in the amount of \$925,000, CCO No. 107 to Agreement No. C-5-3843 with OC405, in the amount of \$420,000, and CCO No. 109 to Agreement No. C-5-3843 with OC405, in the amount of \$410,000, for additional design and construction efforts.

***Attachment***

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

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