




February 5, 2024

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendment to Agreement for Construction Management Support Services for the Interstate 5 Improvement Project Between State Route 73 to Oso Parkway

Overview

On April 8, 2019, the Orange County Transportation Authority Board of Directors approved a contract with Arcadis U.S., Incorporated, to provide construction management support services for the Interstate 5 Improvement Project from State Route 73 to Oso Parkway as part of the Interstate 5 Improvement Project between State Route 73 and El Toro Road. An amendment to the existing agreement is required to provide additional funding for construction management support services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-8-1969 between the Orange County Transportation Authority and Arcadis U.S., Incorporated, in the amount of \$2,230,587, for additional construction management support services for the Interstate 5 Improvement Project between State Route 73 to Oso Parkway, and extend the agreement term through December 1, 2025. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$13,205,510.

Discussion

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation (Caltrans), is implementing the Interstate 5 (I-5) Improvement Project between State Route 73 (SR-73) and El Toro Road (Project). The Project is part of projects C and D in the Measure M2 (M2) freeway program and is being advanced through the updated Next 10 Delivery Plan approved by the OCTA Board of Directors (Board) in November 2022.

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The Project adds improvements in each direction on I-5 between Avery Parkway and Alicia Parkway, extends the second high-occupancy vehicle lane from El Toro Road to Alicia Parkway, re-establishes auxiliary lanes, and constructs new auxiliary lanes at various locations. In addition, the Project will reconstruct the Avery Parkway and La Paz Road interchanges, reconstruct the Los Alisos Boulevard overcrossing, improve several existing on-ramps and off-ramps, and convert existing and proposed carpool lanes to continuous access.

Construction is underway in three segments with the following Project limits:

- Segment 1 extends from SR-73 to south of Oso Parkway
- Segment 2 extends from south of Oso Parkway to south of Alicia Parkway
- Segment 3 extends from south of Alicia Parkway to El Toro Road

On April 8, 2019, the Board authorized Agreement No. C-8-1969 with Arcadis U.S., Incorporated, (Arcadis) to provide construction management support services for Segment 1, between SR-73 and Oso Parkway.

Additional construction management support services are required at this time due to a variety of issues that have been encountered within the limits of Segment 1 of the Project, including challenges such as third-party utility relocations, buried objects, incorrect as-builts of existing facilities, and installation and removal of shoring required to protect third-party utility facilities. These issues have impacted and delayed the construction contractor's progress and are being monitored and managed with the intent to minimize further delays to the construction completion date. In addition, different site conditions encountered during construction of two large retaining walls, such as high-water tables due to an unusually rainy season, along with overall weather delays, have impacted the construction contractor's progress.

The level of construction management support services needed has also risen due to an increase in the construction scope of work. The additional work associated with coordinating with third-party utilities and the installation and removal of shoring required to protect third-party utility facilities have required additional construction management support and extended the duration of the construction contract by up to 45 working days. Additional construction management support services include the associated collection, processing, and maintenance of project communications and records, management of contractor progress payments, and processing of contract change orders and claims.

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Procurement Approach

The original procurement was handled in accordance with OCTA's Board-approved procedures for architectural and engineering services, which conform to both state and federal laws. The original time-and-expense agreement was issued on December 1, 2019, in the amount of \$10,974,923. This agreement has been previously amended as shown in Attachment A. It has become necessary to amend the existing agreement to add funds for additional construction management support services.

OCTA staff negotiated the required level of effort with Arcadis to provide the additional construction management support services. Staff found Arcadis' cost proposal, in the amount of \$2,230,587, to be fair and reasonable relative to the negotiated level of effort and the independent cost estimate prepared by the OCTA project manager. Proposed Amendment No. 5 to Agreement No. C-8-1969 will increase the total contract value to \$13,205,510 and extend the term of the agreement through December 1, 2025.

Fiscal Impact

The additional funding for the Project is included in OCTA's Fiscal Year 2023-24 Budget, Capital Programs Division, Account No. 0017-9085-FC102-06W. The source of additional funding is M2.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 5 to Agreement No. C-8-1969 between the Orange County Transportation Authority and Arcadis U.S., Incorporated, in the amount of \$2,230,587, and extend the agreement term through December 1, 2025, for additional construction management support services for the Interstate 5 Improvement Project between State Route 73 and El Toro Road. This will increase the maximum obligation of the contract to \$13,205,510.

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Attachment

A. Arcadis U.S., Incorporated, Agreement No. C-8-1969 Fact Sheet

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