



November 4, 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 and 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 between State Route 73 and 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 needed to provide additional funding for construction management support services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-8-1969 between the Orange County Transportation Authority and Arcadis U.S., Incorporated, in the amount of \$1,355,275, for additional construction management support services for the Interstate 5 Improvement Project between State Route 73 and Oso Parkway. This will increase the maximum cumulative obligation of the agreement to a total contract value of \$14,541,252.

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 2023 Updated Next 10 Delivery Plan approved by the OCTA Board of Directors (Board) in November 2023.

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Support Services for the Interstate 5 Improvement Project
Between State Route 73 and Oso Parkway**

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- 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 (CM) support services are required due to a variety of issues that have been encountered within the limits of Segment 1, including extending the construction contract due to time impact delays. These issues include third-party impacts and delays to redesign and subsequently construct Retaining Wall 748, which has added an additional 112 working days. There are also claims under negotiation and additional construction change orders that are being processed for items such as the presence of excessive ground water at sign foundations and median settlement that could add up to 50 working days to the construction contract.

The level of CM support services needed has also risen due to the need to process the contractor's claims, resolve and negotiate these claims, and process construction change orders, when appropriate. Additional CM support services also include the associated collection, processing, maintenance of project communications and records, and management of contractor progress payments.

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

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become necessary to amend the existing agreement to add funds for additional CM support services.

OCTA staff negotiated the required level of effort with Arcadis to provide additional CM support services. Staff found Arcadis' cost proposal, in the amount of \$1,355,275, 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. 7 to Agreement No. C-8-1969 will increase the total contract value to \$14,541,252.

Fiscal Impact

The additional funding for the Project is local M2 funds and is included in OCTA's Fiscal Year 2024-25 Budget, Capital Programs Division, Account No. 0017-9085-FC102-06W.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Agreement No. C-8-1969 between the Orange County Transportation Authority and Arcadis U.S., Incorporated, in the amount of \$1,355,275, for additional construction management support services for the Interstate 5 Improvement Project between State Route 73 and Oso Parkway. This will increase the maximum obligation of the contract to \$14,541,252.

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Attachment

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

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