



December 11, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Orders for 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. Contract change orders are required for the storage of traction power substations, additional traffic control, and to complete finishes in various areas at the maintenance and storage facility.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 83.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$400,000, for the storage of traction power substations.
- B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 157.2 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$150,000, for additional traffic control.
- C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 260.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of \$120,000, to complete finishes in various areas in the maintenance and storage facility.

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. The construction of the Project is approximately 95 percent complete. The project alignment is referenced in Attachment A.

Staff is requesting Board authorization of the following contract change orders (CCO):

Storage of Traction Power Substations

Traction Power Substations (TPSS) are critical electrical systems that convert and distribute power to operate the streetcar system. The TPSS units were manufactured; however, there were risks related to installing the units prior to power being available at the locations of installation. To protect the TPSS in a secure controlled location and mitigate project risks, the project team directed Walsh that the four TPSS units remain stored at the manufacturer's facility until the installation sites were ready for placement. Storing the TPSS units at the manufacturer's facility ensured they remained in a secure, climate-controlled environment, protecting sensitive components, including switchgear, auxiliary systems, and bus ducts from moisture, contamination, and physical damage from vandalism.

CCO No. 83, in the amount of \$208,000, was issued for the initial storage to allow discussions to continue for longer term storage. Following review of supporting documentation recently provided by Walsh, the project team has agreed to CCO No. 83.1 in the amount of \$400,000.

Additional Traffic Control

During construction, the Project coordinated closely with the City of Santa Ana and provided all necessary traffic control as needed throughout the Project. This included temporary traffic measures, maintaining safe access for vehicles, pedestrians, and cyclists, and ensuring public access and safety during construction. CCO nos. 157 and 157.1, in the amounts of \$208,000 and \$300,000, respectively, were initiated for the work. During the reconstruction of intersections on Santa Ana Boulevard and Fourth Street, the existing traffic signal poles were kept in place to reopen the intersections quickly for public use. Once the new poles were delivered, the existing poles were replaced. This replacement required temporary intersection closures and detours for traffic

control. Following extensive discussions and review of supporting documentation provided by Walsh, the project team has reached an agreement on the merit of these costs. CCO No. 157.2, in the amount of \$150,000, is required to compensate Walsh for traffic control at the intersection of Santa Ana Boulevard and Fourth Street and for remaining traffic control, as needed, throughout the Project.

Maintenance and Storage Facility Finish Work

To achieve final occupancy of the maintenance and storage facility (MSF), the contractor was directed to complete additional miscellaneous finish work beyond the original contract scope. This work included dropped ceiling and soffit modifications, additional drywall, painting, trim, flooring, furnishings, fixtures, closures, and wayfinding signage. CCO No. 260, in the amount of \$200,000, was previously issued to compensate Walsh for these modifications to begin work and avoid delays to the Project. However, Walsh has since provided additional supporting documentation for additional labor that was not accounted for in the previously negotiated amount. The costs were reviewed and found to have merit. CCO No. 260.1, in the amount of \$120,000, is needed to fully compensate Walsh for the completion of finishes in various areas of the MSF.

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 nos. 83.1, 157.2 and 260.1 in the amount of \$670,000, will increase the cumulative value of the contract to \$360,936,102 as shown in Attachment B. Board approval is required for CCO nos. 83.1, 157.2, and 260.1 pursuant to the State of California Public Contracting Code Section 20142. The CCOs will be issued with a reservation of rights to advance the Project, pending resolution of disputes between OCTA and Walsh. The statements in this report are made in the context of, and subject to, OCTA's reservation of rights.

Fiscal Impact

Funding for these changes was included in the revised Federal Transit Administration full funding grant agreement approved by the Board on February 24, 2025, and is included in OCTA's Fiscal Year 2025-26 Budget, Capital Programs Division, account nos. 0051-TS010-9017-Z53 (CCO No. 83.1), 0051-TS010-9017-Z48 (CCO No. 157.2), 0051-TS010-9017-Z32 (CCO No. 260.1), and is funded with Federal Transit Administration Section 5309 New Starts grant funds and local Measure M2 funds.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute CCO No. 83.1, in the amount of \$400,000, for storage of TPSS, CCO No. 157.2, in the amount of \$150,000, for additional traffic control, and CCO No. 260.1, in the amount of \$120,000, to complete finishes in various areas at the MSF, to Agreement No. C-7-1904 between OCTA and Walsh for the construction of the Project.

Attachments

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

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