



**August 28, 2025**

**To:** Regional Transportation Planning Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Amendment to Cooperative Agreements with the Cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster for the Interstate 405 Improvement Project

### **Overview**

On March 14, 2016, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement nos. C-5-3612, C-5-3613, C-5-3614, and C-5-3615 with the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster, respectively, for city services required during design-build implementation of the Interstate 405 Improvement Project. On June 12, 2023, the Orange County Transportation Authority Board of Directors approved Cooperative Agreement No. C-3-2654 with the City of Huntington Beach, which superseded expired Agreement No. C-5-3614. These cooperative agreements need to be amended to provide final reimbursement for pavement mitigation and other costs for city streets used for signed, long-term detour routes during construction.

### **Recommendations**

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 7 to Cooperative Agreement No. C-5-3612 between the Orange County Transportation Authority and the City of Costa Mesa, in the amount of \$1,989,000, to provide final reimbursement for pavement mitigation and other costs on city streets used for signed, long-term detour routes during construction. This will increase the maximum obligation of the cooperative agreement to a total value of \$3,295,380.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 12 to Cooperative Agreement No. C-5-3613 between the Orange County Transportation Authority and the City of Fountain Valley, in the amount of \$2,039,000, to provide final reimbursement for pavement mitigation and other costs on city streets used for signed, long-term detour routes during construction. This will increase the maximum obligation of the cooperative agreement to a total value of \$7,478,658.

- C. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Cooperative Agreement No. C-3-2654 between the Orange County Transportation Authority and the City of Huntington Beach, in the amount of \$1,331,000, to provide final reimbursement for pavement mitigation and other costs on city streets used for signed, long-term detour routes during construction. This will increase the maximum obligation of the cooperative agreement to a total value of \$1,531,000.
- D. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 9 to Cooperative Agreement No. C-5-3615 between the Orange County Transportation Authority and the City of Westminster, in the amount of \$2,850,000, to provide final reimbursement for pavement mitigation and other costs on city streets used for signed, long-term detour routes during construction. This will increase the maximum obligation of the cooperative agreement to a total value of \$7,348,331.

### ***Discussion***

The Orange County Transportation Authority (OCTA), in cooperation with the California Department of Transportation, has implemented the Interstate 405 Improvement Project from State Route 73 (SR-73) to Interstate 605 (I-605) (Project). The Project added one general purpose lane from Euclid Street to I-605, consistent with Measure M2 (M2) Project K, and 405 Express Lanes between SR-73 and I-605.

On March 14, 2016, the OCTA Board of Directors (Board) approved cooperative agreements with the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster (corridor cities) to provide funding for city support services during the design-build implementation of the Project. The reimbursement to each corridor city includes costs for review and approval of plans, specifications, and reports, oversight of construction inspection services for each city's facilities, review and acceptance of the transportation management plan (TMP), traffic engineering, and police services during the design and construction of the Project. The cooperative agreements also provided for reimbursement for pavement mitigation on corridor city streets used for signed, long-term detour routes during construction. Specific dollar amounts were not included at the time because the TMP was not yet approved, and the pavement mitigation costs had not been quantified.

The TMP, which identifies city-approved signed, long-term detour routes, was approved on November 16, 2017. Subsequently, a pavement study based on the approved TMP and forecasted construction traffic was completed. The

study identified the pre-project pavement conditions and forecasted the project-related pavement impacts to the detour routes and the associated mitigation costs, which were mutually agreed to with the corridor cities.

On November 12, 2018, the Board approved Amendment No. 1 to the cooperative agreements with the corridor cities to provide reimbursement for pavement mitigation on city streets for signed, long-term detour routes during construction (Attachments A through D). The reimbursement for pavement mitigation was made to each city as a lump sum payment upon execution of the amendments to each city's cooperative agreement prior to the start of construction.

During negotiations to determine the pavement mitigation amounts included in these amendments, the corridor cities collectively expressed concern regarding the potential of signed, long-term detour routes experiencing pavement damage beyond the levels anticipated under these amendments post-construction. To address this concern, language was incorporated into these amendments to allow for a post-construction assessment of detour routes, on a case-by-case basis, to determine if unanticipated and excessive pavement damage has occurred, which requires repair above and beyond what was originally anticipated. Staff also reported that if excessive pavement damage is determined and verified after construction, that future amendments would be brought to the Board for approval to address additional pavement mitigation costs, as applicable and mutually agreed upon.

Consistent with the terms of the amendment to cooperative agreements approved by the Board, staff completed a post-construction final pavement study to evaluate the pavement impacts by the Project and worked with each city to negotiate the final mitigation costs. The increases were mainly due to post-detour pavement conditions beyond original estimates, increases in asphalt unit prices, additional detours not included in the original study, as well as other project elements beyond the scope of the design-build contract scope of work, but were necessary and more cost effective to be completed by the cities.

The amendments represent final compensation to the corridor cities for all impacts by the Project.

Attachments E through H depict the revised reimbursement amounts for each corridor city. The proposed amendments will be funded from the project contingency and will not increase the total project estimate of \$2.16 billion.

#### **Fiscal Impact**

Funding for these amendments to the cooperative agreements is included in the approved OCTA's Fiscal Year 2025-26 Budget, Capital Programs Division, account nos. 0017-9084-FK101-012 and 0037-9017-A9510-012, and will be funded with a combination of federal, state, and local M2 funds.

#### ***Summary***

Staff requests Board of Directors' approval for the Chief Executive Officer to negotiate and execute Amendment No. 7, Amendment No. 12, Amendment No. 4, and Amendment No. 9 to cooperative agreement nos. C-5-3612, C-5-3613, C-3-2654, and C-5-3615 with the cities of Costa Mesa, Fountain Valley, Huntington Beach, and Westminster, in the amounts of \$1,989,000, \$2,039,000, \$1,331,000, and \$2,850,000, respectively, to provide final reimbursement for pavement mitigation and other costs on city streets used for signed, long-term freeway detours during construction of the Interstate 405 Improvement Project.

***Attachments***

- A. City of Costa Mesa, Cooperative Agreement No. C-5-3612 Fact Sheet
- B. City of Fountain Valley, Cooperative Agreement No. C-5-3613 Fact Sheet
- C. City of Huntington Beach, Cooperative Agreement No. C-3-2654 Fact Sheet
- D. City of Westminster, Cooperative Agreement No. C-5-3615 Fact Sheet
- E. Revised City of Costa Mesa Maximum Reimbursement for City Services
- F. Revised City of Fountain Valley Maximum Reimbursement for City Services
- G. Revised City of Huntington Beach Maximum Reimbursement for City Services
- H. Revised City of Westminster Maximum Reimbursement for City Services

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