



MEMORANDUM

April 12, 2018

To: Members of the Board of Directors
From: Darrell E. Johnson, Chief Executive Officer
Subject: **OC Streetcar Construction Schedule**

A handwritten signature in blue ink, appearing to be "DJ", is written over the "From:" line of the memorandum.

On December 11, 2017, the Orange County Transportation Authority (OCTA) released the invitation for bids (IFB) for construction of the OC Streetcar project (Project). Five firms were previously prequalified to prepare and submit bids. OCTA anticipated opening bids on April 27, 2018; however, feedback from the construction industry is that additional time is needed to prepare responsive bids given both the complexity of the Project, as well as limited availability of contractor estimating and bidding resources to respond to the IFB. This feedback has prompted staff to perform a detailed review of procurement dates to extend the construction bid opening to June 19, 2018, and bring to the Board of Directors (Board) a recommendation for contract award in August 2018. The planned Notice to Proceed on October 1, 2018 remains unchanged. This bidding schedule adjustment will allow for better pricing as it provides additional time for bidders to assess the IFB, as well as ensure more availability of contractor and subcontractor construction resources.

Additionally, given the recent approval of the 2018 Omnibus appropriations bill, which provides for \$1.5 billion for New Starts Projects within the Federal Transit Administration's (FTA) Capital Investment Grant Program, extending the construction contract award will allow for the additional time needed by the FTA to process the Full Funding Grant Agreement (FFGA). OCTA is anticipating an executed FFGA by the end of July 2018. This is an approximate seven-month delay from when the FFGA was originally anticipated. While FTA allows for construction bid opening and awarding a contract prior to an executed FFGA, OCTA cannot incur any construction costs until the FFGA is executed.

Based upon the revised contract award date, as well as adjustments to the construction schedule in response to feedback received from the construction industry regarding the construction milestone durations, the anticipated revenue service date is August 2021.

Staff will continue to keep the Board apprised of Project status as it relates to Project schedule and federal funding. If you have any additional questions, please contact Jim Beil, Executive Director, Capital Programs, at (714) 560-5646.

DJ:kh

c: Executive Staff