



# OPERATIONS COMMITTEE

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## Agenda Report

**File #:** 2025-4586

**Agenda Date:** 7/1/2026

**Agenda Item No:** 6.

**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Director of Engineering

**SUBJECT:**

**REDHILL RELIEF SEWER RELOCATION AT STATE ROUTE 55, PROJECT NO. FE18-13**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Second Amendment to Utility Agreement No. OCSD-1005, between the Orange County Sanitation District and the Orange County Transportation Authority, for final reimbursement amount of \$4,996,443 for Project No. FE18-13, Redhill Relief Sewer Relocation at State Route 55, in the City of Santa Ana.

**BACKGROUND**

The Orange County Transportation Authority (OCTA) is currently widening State Route 55 (SR-55) between Interstate 5 and Interstate 405. The Orange County Sanitation District (OC San) owns a sewer crossing beneath SR-55 immediately south of Warner Avenue in the City of Santa Ana.

OC San executed Project No. FE18-13, Redhill Relief Sewer Relocation at State Route 55, to extend the required protective casing for the sewer and relocated a manhole out of the widened right of way. OCTA first agreed to reimburse OC San for the cost of this work in a March 2020 Utility Agreement between the agencies.

**RELEVANT STANDARDS**

- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities
- Protect OC San assets

**PROBLEM**

In November 2022, OCTA paused the mobilization of OC San’s contractor due to Southern California Edison’s (SCE’s) design and construction procurement delays to relocate their interfering electrical utility line. SCE completed their construction, allowing OC San’s contractor to mobilize after July 2024. A few days after mobilizing in October 2024, OC San’s contractor discovered two utilities that were in direct conflict with the new sewer alignment. One was a Caltrans electrical line that was relocated quickly upon discovery and the second consisted of a Verizon fiber communication cable

that had to be relocated. Both were not anticipated to be in conflict based on existing utility information. OCTA agreed to reimburse OC San for associated costs.

### **PROPOSED SOLUTION**

Approve the Second and Final Amendment to the Utility Agreement increasing the Utility Agreement's reimbursable from \$2,840,000 to \$4,996,443. OCTA has accepted the final upper limit.

### **TIMING CONCERNS**

OC San needs to revise the Utility Agreement with OCTA in order to be compensated for the additional costs.

### **RAMIFICATIONS OF NOT TAKING ACTION**

OC San will not be reimbursed for the additional costs.

### **PRIOR COMMITTEE/BOARD ACTIONS**

March 2025 - Approved a construction contingency increase of \$531,120 (24%) to the existing Construction Contract with SRK Engineering, Inc. for Redhill Relief Sewer Relocation at State Route 55, Project No. FE18 13, for a total contract amount not to exceed \$2,213,000 and a new total construction contingency of \$1,327,800 (60%), with all costs to be reimbursed by the Orange County Transportation Authority.

July 2024 - Approved a construction contingency increase of \$464,730 (21%) to the existing construction contract with SRK Engineering, Inc. for Redhill Relief Sewer Relocation at State Route 55, Project FE18-13, for a total contract amount not to exceed \$2,213,000 and a total construction contingency of \$796,680 (36%), with all costs to be reimbursed by the Orange County Transportation Authority.

June 2022 - Received and filed Bid Tabulation and Recommendation for Redhill Relief Sewer Relocation at State Route 55, Project No. FE18-13; awarded a Construction Contract to SRK Engineering, Inc. for Redhill Relief Sewer Relocation at State Route 55, Project No. FE18-13 for an amount not to exceed \$2,213,000; and approved a contingency of \$331,950 (15%).

September 2021 - Approved the First Amendment to Utility Agreement No. OCSD-1005, between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to a funding increase for the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

March 2020 - Approved Utility Agreement No. OCSD-1005 between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to specific terms, conditions, and funding obligations regarding the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

**ADDITIONAL INFORMATION**

Utility Agreement No. OCSD-1005 cites Section 703 of the Streets and Highways Code declaring OC San's Redhill Relief Sewer Relocation at State Route 55 project qualifies for full reimbursement at OCTA's expense. The agreement obligates OC San to submit a final bill to OCTA within 360 days of the completion of the relocation for the remaining balance of OC San's relocation costs.

**CEQA**

The Caltrans/OCTA SR-55 Improvement Project includes the relocation and protection of the Redhill Relief Sewer in their Initial Study/Mitigated Negative Declaration/ Environmental Assessment. Unrelated to the Caltrans/OCTA Improvement Project is an OC San repair project, which is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations section 15301. A Notice of Exemption was filed in June 2022 with the OC Clerk-Recorder after the OC San's Board of Directors approval of the Construction Contract.

**FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update FY 2025-26, Page A-8, Small Construction Projects Program, Project No. M-FE) and the budget is sufficient for the recommended action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Second Amendment to Utility Agreement No. OCSD-1005
- First Amendment to Utility Agreement No. OCSD-1005
- Utility Agreement No. OCSD-1005

RD:lb