

METROLINK

SENT VIA EMAIL

TO: Orange County Public Works
DATE: March 16, 2026

SUBJECT: Documentation of Project Cost Escalation – Cooperative Agreement No. MA-080-25011369 (San Juan Creek Project, SCRRRA Project No. 861068), [Revised April 09, 2026](#)

TO WHOM IT MAY CONCERN,

This memorandum consolidates prior discussions and communications between the County and the Southern California Regional Rail Authority (SCRRRA) regarding the escalation in project costs and documents the basis for the updated cost considerations associated with **Cooperative Agreement No. MA-080-25011369**. SCRRRA has determined that the cost estimate outlined in **Exhibit D-2** of the Cooperative Agreement, developed in November 2024, no longer reflects current market conditions and construction requirements. This is primarily due to notable shifts in material pricing and construction requirements during the elapsed period.

[All revisions made on April 09, 2026 to the memorandum dated March 16, 2026, are shown in blue font. These revisions summarize critical status changes for the project.](#)

Original Cost Estimate

Since the development of the original cost estimate in 2024, domestic and foreign markets have experienced substantial increases in the cost for steel sheet pile fabrication and milling. The **original unit price** estimated to furnish and install sheet pile was **\$113 per square foot**. SCRRRA assumed that applying OCTA's unit bid price to the County's cost estimate would yield a representative cost estimate due to the similarity of the work. Assumptions associated with this unit price included that all material would be procured before the second dry season and the equipment required for installation would be for the shallower sheet pile depth of the original design.

Cause for Change

In December 2025, the Contractor provided SCRRRA with new cost data associated with the change-in-character proposal of the sheet pile work for OCTA, which reflects updated construction requirements and current fabrication pricing; this data has been shared with the County. The change-in-character resulted from design modifications to the OCTA sheet pile that were implemented to accommodate Orange County Public Works' (OCPW) ultimate channel configuration for the future County rehabilitation project. Furthermore, the County's sheet pile will be designed similarly. As such, it is anticipated that the County's sheet pile work may experience a similar increase in unit cost.

Cost Impacts

Based on current contractor pricing and fabrication market conditions, a **revised unit price of \$226 per square foot** reflects a more accurate cost and is based on the Contractor's most



recent cost proposal in accordance with the change-in-character for OCTA's sheet pile work currently under review. The sheet pile redesign triggered resequencing construction resulting in additional costs for furnishing and driving the sheet pile, excavation for sheet pile installation, pile cap construction, concrete lining repair, and demolition. Additionally, installation costs will be subject to "Year 3" contract rates as sheet pile installation was deferred until completion of the redesign. The "Year 3" rates were not included in the Contractor's original bid pricing.

The revised engineers' estimate of the \$226 unit cost was based on the latest cost proposal in review; however, impacts from recent international conflicts and broader global implications cannot be accurately forecasted and may result in cost increases, schedule delays, or overall project disruption as indicated in the attached Letter No. 90 from the Contractor. The County suggested the amount of budget that should be reserved for potential cost increases. This contingency amount of \$717,825.23 is roughly 35% of the project costs, and takes the current project estimated costs up to \$2,800,000.

Critical Target Dates

The updated unit price of \$226 per square foot estimate is applicable if the County's sheet pile is ordered **by the May 17, 2026 mill order date** and **installation begins July 10, 2026**. To support this schedule, [Metrolink requested](#) the County's acknowledgment and agreement to the revised unit price by **April 4, 2026** to allow the Contractor sufficient time to revise agreements with their subcontractors. This procurement timing is necessary to maintain fabrication lead times and support installation within the planned dry season work window. Delays to these critical activities may impact the project schedule and could result in additional costs for the County. Additionally, based on Contractor pricing data the estimated cost for the mill order is approximately \$610,000.

On March 26, 2026, the Contractor submitted Letter No. 89 (attached) to request work authorization on the material cost by April 3, 2026. A timely work authorization to order the material was needed to maintain the pre-negotiated not-to-exceed \$610,000 pricing; otherwise, the not-to-exceed pricing could not be guaranteed. Orange County Public Works had no objections with providing the Work Authorization Change Notice (WACN) to the Contractor by April 3, 2026, and the WACN was successfully executed.

This information was requested by Orange County Public Works to support authorization of the sheet pile procurement and to inform the Board's evaluation of potential delivery approaches, including whether SCRRA's Contractor would construct the wall or whether the work would be delivered using an alternative method. Steel prices for the County's order remain subject to raw material and manufacturing price escalation resulting from trade market fluctuations, international conflicts, and increased local demand of materials. Accordingly, final material pricing will be confirmed at the time of procurement based on prevailing market conditions and vendor quotations.



Lastly, to maintain alignment with the project's critical path schedule, an increased level of effort is anticipated for professional services required to support the project, including Design Services, Design Support During Construction, and Construction Management. Collectively, the increased level of support services, material costs, and installation-related factors necessitate revising the project cost estimate to reflect current market conditions and construction requirements. The revised cost estimate is attached.

Regards,

Julina Corona P.E.,
Project Manager, SCRRA

Cc: Silvio Molina, Principal Engineer, SCRRA
Aaron Azevedo, Director of State of Good Repair, SCRRA
Stephen Fordham, Resident Engineer, AECOM

Attachment(s):
[Exhibit D-2 OCPW SJCB Cost Estimate Live-2026.04.06](#)
[Contractor Letter No. 89](#)
[Contractor Letter No. 90](#)



Exhibit D-2
OCPW SJCBC Cost Estimate Live-2026.04.06

SCRAA COST ESTIMATE OF PROJECT & WORK

Project Name: SJCB COUNTY SHEET PILE WALL

Cost Updates

Last Updated: 4/6/2026

HIGH LEVEL CONSTRUCTION BREAKDOWN						
ITEM	DESCRIPTION			QUANTITY		TOTAL COST
DIVISION 01	GENERAL REQUIREMENTS			LS	1	\$ 67,560.18
DIVISION 31	EARTHWORK			LS	1	\$ 1,446,133.52
SCHEDULE - BID OPTIONS				LS	1	\$ -
SUB-TOTAL: CONSTRUCTION COST						\$ 1,513,693.71
PROJECT SUPPORT SERVICES / OVERHEAD COST BREAKDOWN						
S.1	CONSTRUCTION CONTINGENCY					\$ -
S.3	DSDC REDESIGN FOR SHEET PILE WALL ALIGNMENT					\$ 131,480.62
S.4	DESIGN SUPPORT DURING CONSTRUCTION					\$ 59,766.28
S.5	PROJECT MANAGEMENT					\$ 54,769.44
S.6	CONSTRUCTION MANAGEMENT					\$ 241,194.72
S.7	FLAGGING					\$ 26,350.00
S.8	AGENCY COSTS					\$ 54,920.00
S.9	MAINTENANCE OF WAY	N/A				
S.10	TRACK/STRUCT. MAINTENANCE SUPPORT	N/A				
S.11	S&C MAINTENANCE SUPPORT	N/A				
S.12	MATERIAL PROCUREMENT LIST (From DPM -17)	N/A				
S.13	RIGHT-OF-WAY ACQUISITION	N/A				
S.14	RAILROAD WORK ORDERS	N/A				
S.15	OTHERS (PERMITS, FEES, LEGAL)	N/A		LS		
SUB-TOTAL: PROJECT RELATED OVERHEAD COSTS						\$ 568,481.06
SUB-TOTAL: PROJECT COSTS						\$ 2,082,174.77
S.16	PROJECT CONTINGENCY	N/A			34.475%	\$ 717,825.23
S.17	INFLATION FOR CONSTRUCTION ONLY		Rate:	0%	# Years: 1	
TOTAL PROJECT COST:						\$ 2,800,000.00

DETAILED CONSTRUCTION COST						
ITEM	DESCRIPTION	UNIT	QTY	UNIT COST		COST
DIVISION 01 GENERAL REQUIREMENTS						
01 55 26.01	Traffic Control	LS	1			\$ 15,262.09
01 71 13.01	Mobilization, Demobilization, and Controls	LS	1			\$ 52,298.09
DIVISION 31 EARTHWORK						
31 16 62.01	Sheet Pile Wall- <i>Furnish and Drive</i> Sheet Pile (Including Pile Caps, Liner Repair, and Excavation for Pile Caps) (<i>Material cost anticipated for ~\$610,000</i>)	SF	6300	\$ 226.00		\$ 1,423,800.00
31 11 00.01	Site Clearing	LS	1	\$ 20,349.45		\$ 20,349.45
31 50 00.01	Trench Excavation to Locate Utilities and Restoration	LS	1	\$ 1,984.07		\$ 1,984.07
OPTIONS						
31 16 62.02	Bracing Sheet Piles	LS	0	\$ 360,000.00		\$ -
CONSTRUCTION TOTAL						\$ 1,513,693.71
CONSTRUCTION WITH OPTION TOTAL						\$ 1,513,693.71
ANTICIPATED FUNDS DEPOSIT NEEDED THRU APRIL 15 2026 - TOTAL						\$ 1,097,211.06

ASSUMPTIONS:

1. Metrolink assumes that the work will not cause any changes for environmental clearance and permitting, any changes to environmental clearance and/or permitting will be led by OCPW.
2. Metrolink assumes that this effort will not affect the current project schedule.
3. Where there are utilities interacting with the sheet pile wall, OCPW will accept that Metrolink will leave gaps around those utilities so the connection between the sheet pile wall and the utility lines will be addressed at a later time by OCPW.
4. Metrolink will be indemnified of any unknown soil conditions, unknown buried conditions, and unknown utilities.
5. Metrolink assumes that if this construction is completed concurrently with the Sheet Pile Wall construction within the OCTA R.O.W then the mobilization/demobilization cost will be of lesser value. Unused cost will be returned to OCPW.
6. All work is anticipated to remain within OCTA and OCPW R.O.W. and coordination with external agencies is not included in this estimate.
7. Metrolink assumes inefficiencies due to the inability to perform the OCPW and Metrolink designs concurrently. Work cannot be done simultaneously because the cooperative agreement has not been finalized.
8. The sheet pile material cost is subject to increase substantially if the order is not placed at a time perscribed by the fabricator which is roughly 7 months and or if the tie back installation work plan is not approved 2 weeks prior to the start of the dry season.
9. The tie back installation is assuming no deadmen is necessary and that all work remains in the COUNTY ROW. Cost associated with tie backs is subject to increase if the tie back length is constricted by the ROW limit lines.
10. Cost is subject to changes due to market trends outside of the control of SCRRRA and OCPW.

Contractor Letter No. 89



March 26, 2026
(Via Email)
Stephen Fordham < Stephen.Fordham@aecom.com >

Flatiron Dragados
C3153-24 San Juan Creek Bridge
12121 Scripps Summit Drive. Suite 400
San Diego, CA 92131
760.916.9100
www.fdcorp.com

Southern California Regional Rail Authority
900 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017

Letter No. 089

Attention: Steven Fordham P.E.
Resident Engineer
Reference: San Juan Creek Bridge Replacement
IFB No. C3153-24
Subject: Follow Up OCPW Sheet Pile Walls Changes

Dear Mr. Fordham,

Flatiron Dragados (FD) has not received the requested additional information and drawings referenced in FD Letter No. 84, which are necessary to develop meaningful cost and time estimates associated with the additional OCPW sheet pile walls.

FD previously requested the final OCPW sheet pile wall drawing set, including specified tip elevations, no later than March 15, 2026. In the absence of these plans and direction, FD and its sheet pile subcontractor, Forefront Deep Foundations, have not proceeded with ordering the additional OCPW sheet piles.

With the March 15 deadline now passed, the project is rapidly approaching the critical date of Friday, April 3, 2026, to execute a Work Authorization Change Notice (WACN) in order for Forefront to secure Nucor's May production (roll) date for the additional OCPW sheet piles. Failure to meet this date will likely result in significant cost impacts and poses a substantial risk of not completing the in-channel shoring work during the 2026 dry season.

FD remains available to assist in explaining the current OCPW sheet pile wall work plan to support Metrolink in finalizing the design (including tip elevations and pre-drilling requirements), permits, repair plans, and working restrictions, including considerations for continuing sheet pile installation into the 2026/2027 wet season.

We appreciate your prompt attention to this matter and look forward to your direction. If you have any questions or require additional information, please feel free to contact me directly at (760) 445-8167.

Sincerely,

A handwritten signature in black ink, appearing to read 'Abraham Aceves'.

Abraham Aceves
Project Manager
Flatiron Dragados Western Region

Contractor Letter No. 90



March 30, 2026
(Via Email)
Stephen Fordham < Stephen.Fordham@aecom.com >

Southern California Regional Rail Authority
900 Wilshire Boulevard, Suite 1500
Los Angeles, CA 90017

Flatiron Dragados
C3153-24 San Juan Creek Bridge
12121 Scripps Summit Drive. Suite 400
San Diego, CA 92131
760.916.9100
www.fdcorp.com

Letter No. 090

Attention: Steven Fordham P.E.
Resident Engineer
Reference: San Juan Creek Bridge Replacement
IFB No. C3153-24
Subject: Iran Conflict – Potential Impacts

Dear Mr. Fordham,

This letter serves to notify Metrolink that Flatiron Dragados (FD) on the San Juan Creek Bridge Replacement Project, may experience cost impacts, delays, and/or general disruption due to the occurrence of the Iran conflict and its broader implications throughout the Middle East.

Please be advised that should such impacts occur, FD and its stakeholders may seek an adjustment in the Contract time and/or price to the extent allowable under the Contract, the law, or equity. While the costs impacts and delays as a result of this matter are not yet known, FD will provide further information and detailed backup regarding these costs and impacts in accordance with contract requirements at a time when their extent can be more fully quantified.

FD reserves its right per contract to seek compensation and time adjustment for all costs and impacts due to this event. We will continue to coordinate with you and seek the best available solutions as potential impacts unfold.

If you have any questions or require additional information, please feel free to contact me directly at (760) 445-8167.

Sincerely,

A handwritten signature in black ink, appearing to read 'Abraham Aceves'.

Abraham Aceves
Project Manager
Flatiron Dragados Western Region