



## **CITY COUNCIL STAFF REPORT**

**ITEM NO. 6.7**

**DATE:** July 27, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Brent Smith, Community Development Director

**SUBJECT:** Resolution awarding a construction contract to Grade Tech, Inc., in the amount of \$266,523, for the Water Reclamation Plant (WRP) Recycled Water Fill Station Project WW202527

### **RECOMMENDED ACTION**

Staff recommends the City Council adopt a resolution for the Water Reclamation Plant (WRP) Recycled Water Fill Station Project WW202527:

1. Awarding and authorizing the City Manager to execute a construction contract with Grade Tech, Inc., in the amount of \$266,523, pursuant to Livermore Municipal Code section 2.68.570 (C);
2. Rejecting all other bids or proposals; and
3. Authorizing the City Manager to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution.

### **SUMMARY**

The City of Livermore (City) was awarded grant funds toward the design and construction of an automated self-service recycled water fill station. This fill station will allow residents to access recycled water for irrigation and other non-potable uses and provide a year-round recycled water source for residents. The availability of the fill station is expected to increase recycled water use locally by approximately 18 acre-feet (5,865,300 gallons) per year. The grant requires the project to be completed by December 31, 2026.

Seven (7) bids were received for this project before the due date of June 23, 2026. Grade Tech, Inc., was the lowest responsible and responsive bidder. Section 2.68.570(C) of the Livermore Municipal Code (LMC) requires that the award of contracts subject to formal bidding be awarded to the lowest responsive and responsible bidder. The bid submitted by Grade Tech, Inc., meets this requirement and therefore, City staff recommends the City Council approve the award of a construction contract with Grade Tech, Inc.

### **DISCUSSION**

This WRP Project will construct an automated self-service recycled water fill station that will allow residential customers to access recycled water for irrigation and other non-potable uses. The automated fill station will provide a permanent, year-round recycled water source for many residents. This project will increase recycled water use locally by approximately 18 acre-feet (5,865,300 gallons) per year. Attachment 1 shows the location of the fill station.

The WRP Recycled Water Fill Station is Project 3 of the State of California Department of Water Resources Urban Community Drought Relief Grant Agreement Number 4600015378 of which Zone 7 Water Agency is the grantee and the City is an implementing agency. The grant will reimburse up to \$300,000 for the construction and implementation of the project with a required \$100,000 cost share from the City. The grant requires the project to be completed by December 31, 2026.

Staff advertised the project on May 26, 2026. On June 23, 2026, seven (7) bids for this project were received and opened. The following is a list of the bids received and the Engineer's Estimate for the Project:

| <b>Contractor Name</b>         | <b>Location</b>   | <b>Bid Amount</b> |
|--------------------------------|-------------------|-------------------|
| Grade Tech, Inc.               | Livermore, CA     | \$266,523.00      |
| Ace-High Engineering           | Brentwood, CA     | \$294,688.00      |
| GSW Construction, Inc.         | San Francisco, CA | \$332,980.00      |
| Westrock Engineering, Inc.     | San Francisco, CA | \$368,000.00      |
| GSE Construction Company, Inc. | Livermore, CA     | \$421,500.00      |
| Pacific Infrastructure         | Pleasanton, CA    | \$471,700.00      |
| Nico Engineering, Inc.         | San Pablo, CA     | \$498,500.00      |
| Engineer's Estimate            |                   | \$300,000.00      |

Grade Tech, Inc., operating out of Livermore, California, is the apparent lowest bidder. The company has worked on various similar public projects, including some for the City. Staff has checked references for Grade Tech, Inc. and has found them satisfactory. Therefore, City staff recommends award of the construction contract in an amount of \$266,523 to Grade Tech, Inc. In accordance with Livermore Municipal Code Section 2.68.590(B), the City Manager or their designee may authorize change orders up to a cumulative amount not exceeding \$200,000 or 10 percent of the construction contract, whichever is greater.

Construction is anticipated to begin in August 2026, and be completed by December 31, 2026, as required by the grant funding.

### **FISCAL AND ADMINISTRATIVE IMPACTS**

The project is included in the FY 2025-30 Capital Improvement Plan. A total of \$400,000 is budgeted in the FY 2025-30 Capital Improvement Plan from the Urban Community Drought Relief Grant Agreement Number 4600015378 and the Wastewater Replacement Fund.

The lowest responsive and responsible bidder was within the Engineer's Estimate and the project's budget. No additional appropriations are required. The existing budget for the project in the 2025-30 Capital Improvement Plan covers this construction contract, change orders, construction management, material testing, inspection, and administration.

Operation and Maintenance costs for these improvements will be approximately \$3,000 per year and will be funded from the Wastewater Operations Budget.

### **COMMUNITY PILLAR**

1: A Safe Community That Thrives

### **GOAL:**

11: Operate and maintain municipal water systems that provide safe, efficient delivery of potable and recycled water, collect and treat wastewater, and comply with all federal, state, and local regulations

### **GUIDING DOCUMENT**

5-Year Capital Improvement Plan Fiscal Years 2025-2030

### **ATTACHMENTS**

1. [Location Map](#)
2. [Resolution](#)
3. [Exhibit A - Grade Tech, Inc. Contract](#)

Prepared by: Li-Teck Lau  
Assistant Engineer

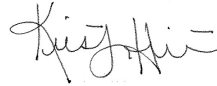
Approved by:



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Marianna A. Burch  
City Manager

Fiscal Review by:



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Kristen Hilton  
Acting Administrative Services Director