LIVERMORE
CALIFORNIA

CITY COUNCIL STAFF REPORT **ITEM NO. 6.2**

DATE: October 12, 2026

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Resolution authorizing acceptance for permanent maintenance, release of security, and execution of Notice of Completion for the Livermore Village Parking Garage Construction, Phase 2 Project DR586003

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution authorizing acceptance for permanent maintenance, release of security, and authorizing the City Manager to sign the Notice of Completion for the Livermore Village Parking Garage Construction, Phase 2 Project DR586003.

SUMMARY

On November 28, 2022, City Council awarded a construction contract for the Livermore Village Parking Garage Construction, Phase 2 Project DR586003 to Zovich Construction. The contract was substantially completed on December 24, 2025. Certain punch list items and final closeout submittals remain outstanding. Despite these outstanding items, the Project can now be accepted for permanent maintenance while the City withholds amounts otherwise due under the Contract, as permitted by the Contract Documents and applicable law. The process to release the contractor's bonds can begin.

DISCUSSION

On January 30, 2018, the City Council approved the locations for open space, housing, parking and circulation systems, cultural facilities, commercial uses, and a hotel for the downtown catalyst sites. The approved plan includes additional parking on the northwest side of the existing Livermore Valley Parking Garage located at I Street and Railroad Avenue (I Street Garage) and additional parking at the southwest corner of the Livermore Village Site (L Street Garage). City Council directed staff to maintain the existing parking supply during all phases of downtown development and to provide adequate parking for all existing and new development.

The Livermore Village (L Street) Parking Garage Project was constructed in 2 phases and is located at the southwest corner of the Livermore Village site, as shown on Attachment 1. Phase 1 consisted of reconfiguring the surface parking lot south of Veterans Way and constructing a trash enclosure and electrical infrastructure for future electric vehicle charging stations east of the future garage. Phase 1 of

the Project was completed and accepted by the City Council on January 8, 2024. Phase 2 constructed a 4-level, 452-space parking garage and a 40-space surface parking lot, along with an access road south of the garage, landscaping and crosswalk improvements along Veterans Way and S L Street, a historic brick arch, and architecturally enhanced pedestrian paseos connecting First Street to the garage and serving as welcoming gateways to surrounding downtown businesses. The Project also included electric vehicle charging spaces, a parking monitoring system, security cameras, and infrastructure for future rooftop solar panels.

The Project incorporated construction of a joint utility trench for AT&T and PG&E gas and electric facilities between L Street and K Street, generally along the pathway north of Veterans Way. The work included new utility infrastructure to serve the L Street Garage, Veterans Way, Stockmen's Park, Veterans Park, the trash enclosure, and the remediation system. The joint trench also provides infrastructure for future extensions serving the SPARC Theater and electric vehicle fast chargers. This work was necessary to replace existing electrical service associated with the former shopping center site, which was removed to accommodate future development. Additional project work involved removing soil containing trace amounts of the dry-cleaning solvent tetrachloroethylene (PCE) and installing soil vapor extraction wells and piping that connects to the soil vapor extraction system that is currently under operation.

The Project was substantially completed on December 24, 2025. Certain punch list items were not completed within the period specified by Section 5.2 of the Contract, and certain final submittals required by Specification Section 017700, Project Closeout, remain outstanding. Despite the outstanding items, staff recommends that the City accept the Project and record a Notice of Completion under Section 16.1.4 of the General Conditions to the Contract. California Public Contract Code section 7107 permits a public entity, when a dispute exists, to withhold from final payment an amount not exceeding 150% of the disputed amount. The proposed resolution authorizes acceptance and recordation while preserving the City's right to require completion of all remaining work and closeout obligations and to withhold, deduct, or offset amounts permitted by the Contract Documents and applicable law.

Certain financial and legal matters remain unresolved. The City will withhold amounts due under the Contract, as permitted by the Contract Documents and applicable law, for incomplete work, liquidated damages, stop payment notices, and other disputed City costs. Staff may return to the City Council if further action is needed to resolve these matters and release remaining retention.

At time of award, the contractor provided a faithful performance bond guaranteeing completion of the Project, and that bond must now be released. Six months after the date of the resolution accepting the Project, the labor and materials bond guaranteeing the improvements should be reduced to an amount equal to any claims filed and of which notice has been given. The balance of the bond will be released upon the settlement of all claims and obligations for which the security was given (there are 12 known claims at this time). The security for the guarantee and warranty of the work shall remain in effect for one year from the date of the recordation of the Notice of Completion.

FISCAL AND ADMINISTRATIVE IMPACTS

The original construction contract amount was $30,090,000. The contingency budget for change orders is 10% of the contract amount or $200,000, whichever is greater, per Municipal Code Section 2.68.590B. The final contract amount, including 76 change orders, was $31,569,159. The total value of change orders was $1,479,159 (4.9%), which consisted primarily of incorporating the Livermore Village Joint

Trench, adding the median on South L Street, and adding cooling and humidity control for the elevator room.

The budget for Livermore Village Parking Garage Project DR586003 Project is provided in the 2025-2030 Capital Improvement Plan. Funding is from 2022 COP Construction Fund 540. The project budget covers construction, change orders, design, construction management, materials testing, inspection, and administration. No additional appropriations are required at this time.

Annual operations and maintenance costs for the new garage are estimated at $130,000 per year for routine operation and servicing. Annual replacement costs for major equipment and facility components are estimated at $160,000 per year, for a total estimated annual cost of $290,000. These costs will be funded through the operating budget using Facilities Rehabilitation Program Fees (Fund 740). For the joint utility trench improvements incorporated into the Project, PG&E will maintain the transformers and meters. Separate from the estimated costs to operate and maintain the garage, the annual cost to maintain the City-owned panels and secondary services serving City facilities is estimated at $2,000 per year.

COMMUNITY PILLAR

4: Inclusive & Inviting Spaces and Places

ATTACHMENTS

1. Location Map
2. Resolution
3. Exhibit A - Notice of Completion

Prepared by: Dennis Aberion
Construction Inspection Manager

Approved by:

Marianna A. Burch
City Manager

Fiscal Review by:

Dustin Claussen
Administrative Services Director