

**PINOLE / HERCULES
Wastewater Subcommittee**

**Minutes prepared by: Anita Tucci-Smith
April 15, 2015
8:30 A.M.**

The special meeting was hosted by the City of Pinole in the Council Chambers of City Hall.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Debbie Long, Pinole Councilmember serving as Chair, called the meeting to order at 8:35 A.M. and led the Pledge of Allegiance.

2. ROLL CALL

Subcommittee Members Present:

Debbie Long, Councilmember, City of Pinole
Tim Banuelos, Councilmember, City of Pinole
Sherry McCoy, Mayor, City of Hercules
Dan Romero, Vice Mayor, City of Hercules

Subcommittee Members Absent:

None

Staff Present:

Belinda Espinosa, City Manager, Pinole
Hector de la Rosa, Assistant City Manager, Pinole
Dean Allison, Public Works Director/City Engineer, Pinole
David Biggs, City Manager, Hercules
Mike Roberts, Public Works Director/City Engineer, Hercules

Members of the Public:

Anthony Gutierrez, Pinole
David Kangas, Hercules
Jim Tillman, Wastewater Advocate, Pinole

3. CITIZENS TO BE HEARD – FOR ITEMS NOT ON THE AGENDA

There was no one to speak to items not on the agenda.

4. CONTINUED DISCUSSION OF POTENTIAL DEAL POINTS FOR A PROJECT LABOR AGREEMENT (PLA)

Pinole Chair Long advised that the discussion had been continued from the prior special meeting of the Wastewater Subcommittee to allow the Hercules and Pinole City Councils to weigh in on deal points for a PLA.

David Biggs, City Manager, Hercules, explained that at the last meeting there had been a discussion of asking each City Council to review a high level list of typical deal points in a PLA, to be personalized subject to negotiation to determine whether a consensus could be reached. The Pinole City Council discussed the item on April 7; the Hercules City Council discussed the item on April 14.

Belinda Espinosa, City Manager, Pinole, advised that the Pinole City Council had offered some responses to the deal points, copies of which were made available to the Subcommittee and to the public.

On the discussion, there appeared to be agreement on the following deal points:

- *Prevailing wage;*
- *Financial contributions to union programs for training or education;*
- *Desired parameters on wages; and*
- *Provide for off-site parts and materials fabrications, as necessary.*

With respect to the *benefit package and contribution requirements and parameters*; **Hercules Mayor McCoy** noted the consensus of the Hercules Council that there be no double payment of any benefits into the union benefit plan.

Pinole Chair Long spoke to benefits related to not just insurance but 401k contributions and other types of benefits, and recommended a definition of what benefits included prior to making a determination that there would be double payments, with a more in-depth discussion and more information on the benefit package and how it was, or was not, applied at the union level.

Hercules Vice Mayor Romero sought a breakdown on the state prevailing wage, including benefits, to identify the benefit hour for each specialty. He did not want to pay double benefits.

With respect to *core worker provisions*, **Hercules Mayor McCoy** referenced the definition provided by Hercules staff as a worker on active payroll for 60 of the 100 working days immediately before commencing work on the project, while **Pinole Chair Long** noted that the Pinole Council had determined that a core worker was above foreman (not foreman and above), in that a foreman was not necessarily management.

Pinole Councilmember Banuelos stated that those who ran a project, those workers above foreman, should be identified as the core workers; and the kind of experience a core worker should have could be defined.

Hercules Mayor McCoy advised that the Hercules Council wanted the latitude to allow a contractor or subcontractor to be able to retain workers they had worked

with for some time in the below management level.

Hercules Vice Mayor Romero suggested there was an impasse in that the Hercules Council identified core employees, not including management, while the Pinole Council wanted to define core employees as management employees. He suggested that issue would still have to be discussed by the City Councils.

Pinole Chair Long spoke to the *local hire requirements and goals* and suggested starting with Hercules and Pinole, then out to Contra Costa County, and then to Alameda and Solano counties, if needed. If all employees were then not captured, there would need to be a definition for another band.

Hercules Mayor McCoy stated the Hercules Council wanted a specific, realistic goal of 15 to 20 percent from Pinole and Hercules first.

A discussion followed on the difficulties of establishing a goal that once met might not then be pursued to go beyond the goal, along with a concern that a percentage of local hire could not be defined without knowing the specific trades needed.

Hercules Vice Mayor Romero explained that the Hercules Council wanted the hiring sequence to be Pinole, Hercules, West County, Contra Costa County, and then Alameda and Solano counties, and if the positions were then not filled another band would have to be considered. He suggested the local hire should stand alone for each given trade and did not want the numbers to be stacked with laborers.

The Subcommittee sought a discussion of the need to specify that provision.

With respect to *clarifying provisions for non-union worker access for employment through the union hiring halls*, **Hercules Mayor McCoy** noted that core workers shall be eligible for dispatch through hiring halls associated with the Contra Costa Building Trades. She asked if that was legally required.

Pinole Chair Long sought more information on how that would occur, to be spelled out in the criteria. It was noted that would relate to non-core workers. With respect to skilled workers, whether union or non-union, there would need to be a way to evaluate skill.

Depending on the skill, **Pinole Councilmember Banuelos** suggested that would be included in the project specifications, usually measured by years of experience.

Hercules Mayor McCoy explained that the Hercules Council did not want the double benefits nor the requirement to pay the initiation fee if workers were only for the project, which would need to be discussed. As to defining *eligible*

apprentice programs, the Hercules Council wanted any state approved program.

Pinole Chair Long stated that the Pinole Council wanted to allow flexibility to whoever was negotiating and she wanted more information on the state level.

Hercules Mayor McCoy referred to *establishing monitoring requirements and components*, and timely reports on the status of local hire, and *defining labor management protocols*, and suggested the Project Manager, Carrollo Engineers, would perform that function as part of its oversight.

Hercules Vice Mayor Romero had no other comments. He suggested that the PLA return to the City Councils. He thanked everyone for the special meeting.

Anthony Gutierrez, Pinole, acknowledged the need to fabricate parts off-site but understood the potential that off-site materials were products that had to be made off-site by union shops. He urged further evaluation since that could raise pricing. He also asked whether the use of Carrollo Engineers for oversight management would increase the current contract; and whether prevailing wage included hourly rate, medical benefits, retirement, profit sharing, and stock options.

Pinole Chair Long stated that prevailing wage would include all medical, dental, vision, and retirement, although stock options were not typically included.

Jim Tillman, Pinole, expressed concern for the continued delays and commented that as the lead agency Pinole had the right to make and execute contracts since it had all legal obligations. As such, the current discussions were outside the contract and could jeopardize the contract and the project.

Pinole Chair Long advised that the Subcommittee had expanded its role to be accountable for the decisions and ensure that everything had been fully discussed. She referred to Mr. Gutierrez' question as to whether the contract could exclude products outsourced out of the country and then sent back in for assembly, and asked for a response to that question as well.

In response to the question as to whether the work to be performed by Carrollo Engineers would increase the cost, **Mike Roberts, Public Works Director/City Engineer, Hercules** advised that he would report back at the next meeting.

The item would be agendaized for the next Pinole City Council meeting on April 21.

Pinole Chair Long requested a discussion on the next meeting agenda to explore the possibility of some evening meetings to better accommodate the public.

5. ADDITIONAL COMMENTS AND REQUESTS FROM THE SUBCOMMITTEE

There were no comments.

6. ADJOURNMENT

The meeting adjourned at 9:59 A.M. to a regular meeting scheduled for Thursday, May 14, 2015 at 8:30 A.M. in the City of Hercules.