



**PINOLE/HERCULES WASTEWATER
SUBCOMMITTEE
AGENDA**



**SEPTEMBER 7, 2017 8:30 A.M.
HERCULES CITY HALL, COUNCIL CHAMBER
111 CIVIC DRIVE
HERCULES, CA 94547**

- 1. CALL TO ORDER-PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**
- 3. INTRODUCTIONS**
- 4. CITIZENS TO BE HEARD-FOR ITEMS NOT ON THE AGENDA**
- 5. APPROVAL OF MINUTES FROM MARCH 2, 2017 AND JUNE 1, 2017**
- 6. OPERATOR'S REPORT BY TAMARA MILLER**
- 7. CAPITAL PROJECT - PH WPCP UPGRADE**
 - a. LOAN STATUS (VERBAL) BY ANDREA MILLER**
 - b. CONSTRUCTION STATUS (POWERPOINT) BY MIKE WARRINER**
- 8. DEPRECIATION OF ASSETS (CITY MANAGERS TO DISCUSS AND REPORT BACK)**
- 9. ADJOURN TO THE NEXT REGULAR SUBCOMMITTEE MEETING IN PINOLE, DECEMBER 7, 2017 AT 8:30 AM.**

**PINOLE / HERCULES
Wastewater Subcommittee**

**Minutes prepared by: Anita Tucci-Smith
March 2, 2016
8:30 A.M.**

The regular meeting was hosted by the City of Hercules in the Council Chambers of City Hall.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Hercules Councilmember Dan Romero, serving as Chair, called the meeting to order at 8:35 A.M.

2. ROLL CALL

Subcommittee Members Present:

Dan Romero, Councilmember, City of Hercules
Roland Esquivias, Councilmember, City of Hercules
Debbie Long, Mayor, City of Pinole
Tim Banuelos, Mayor Pro Tem, City of Pinole

Subcommittee Members Absent:

None

Staff Present:

David Biggs, City Manager, Hercules
Mike Roberts, Public Works Director/City Engineer, Hercules
Michelle Fitzer, City Manager, Pinole
Hector de la Rosa, Assistant City Manager, Pinole
Tamara Miller, Public Works Director/City Engineer, Pinole
Andrea Miller, Finance Director, Pinole
Ron Tobey, Plant Operations Manager, Pinole

Members of the Public:

None

3. INTRODUCTIONS

4. APPROVAL OF MINUTES FROM DECEMBER 1, 2016 MEETING

Action: Motion by Pinole Mayor Long, seconded by Pinole Mayor Pro Tem Banuelos to approve the minutes of the December 1, 2016 meeting, as submitted, carried by the following vote:

Ayes: Banuelos, Long, Romero
Noes: None

Abstain: Esquivias
Absent: None

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

There were no citizens to be heard.

6. OPERATOR’S REPORT

Ron Tobey, Plant Operations Manager, Pinole, presented the monthly flow data and adjusted some of the numbers in the flow chart. He explained that the significant rainfall during the months of January and February had increased the flows at the plant and the near shore outfall had been used several times, the plant had operated well, and no effluent limits had been exceeded. He also presented a new chart to identify toxic pollutants including mercury, copper, and cyanide in response to a citizen request, and explained that there was no issue with respect to those pollutants. The toxic pollutants had been tested on the combined effluent and not by the individual cities.

7. CAPITAL PROJECT – PH WPCP UPGRADE

a. LOAN STATUS

Andrea Miller, Finance Director, Pinole, reported that the State loan agreements for both Hercules and Pinole had been approved at \$26,635,666 for Pinole and \$26,500,000 million for Hercules, for a total of \$ 53,135,666. Each agency had received disbursements for design and construction costs of \$1.5 million each, payment through project invoices through the escrow accounts at Wells Fargo Bank were going well after a difficult start, and estimated escrow balances through February 28, 2017 was approximately \$3.5 million each.

b. CONSTRUCTION STATUS

Tamara Miller, Public Works Director/City Engineer, Pinole, presented a PowerPoint to identify the March update to the Plant Upgrade and described the progress to date on the fairly size-constrained site. Construction remained on track to project completion by October 2018, with final completion by December 2018. She noted that weather had been a contributor to progress. She identified the change orders executed to date along with potential change orders, and while construction was behind 12 days because of weather and a PG&E transformer issue, that time was expected to be made up.

Comments from Subcommittee Members:

- Questioned some of the change orders, particularly related to asbestos, and suggested some change orders should have been anticipated earlier as a potential cost. (Long)

- Expressed concern that some subcontractors might be taking advantage of the change order process after offering a low bid. (Romero)

8. ADJOURN TO THE NEXT REGULAR SUBCOMMITTEE MEETING ON JUNE 1, 2017 IN PINOLE

The meeting adjourned at approximately 9:45 A.M. to a regular quarterly meeting scheduled for Thursday, June 1, 2017 at 8:30 A.M. in the City of Pinole.

**PINOLE / HERCULES
Wastewater Subcommittee**

**Minutes prepared by: Anita Tucci-Smith
June 1, 2017
8:30 A.M.**

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

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pinole Mayor Debbie Long, serving as Chair, called the meeting to order at 8:35 A.M.

2. ROLL CALL

Subcommittee Members Present:

Debbie Long, Mayor, City of Pinole
Peter Murray, Councilmember, City of Pinole
Dan Romero, Councilmember, City of Hercules
Roland Esquivias, Councilmember, City of Hercules

Subcommittee Members Absent:

None

Staff Present:

Michelle Fitzner, City Manager, Pinole
Hector de la Rosa, Assistant City Manager, Pinole
Tamara Miller, Public Works Director/City Engineer, Pinole
Andrea Miller, Finance Director, Pinole
Ron Tobey, Plant Operations Manager, Pinole
David Biggs, City Manager, Hercules
Jeff Brown, Public Works Superintendent, Hercules

Members of the Public:

Jim Tillman, Pinole Wastewater Advocate
Mike Warriner, Carollo Engineers

3. INTRODUCTIONS

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

Jim Tillman, Pinole, sought public notification to identify Pinole wastewater rates consistent with Prop 218, and asked that the public be provided information on how to protest the rates.

Michelle Fitzer, City Manager, Pinole, reported that the City followed all Prop 218 requirements, which included public noticing.

5. OPERATOR'S REPORT

Ron Tobey, Plant Operations Manager, Pinole, presented the activity report on wastewater flows and reported the flows had currently subsided to normal dry level flows, and in spite of all the construction activities at the plant, the plant continued to perform at a high level well within effluent limits, and the removal rate remained in the high 90 percent. He explained the numbers were a direct reflection of the good job the operations and lab staff had been doing during difficult times at the plant. When asked, he advised that the deep water line had been used only once in March during the heavy rain flows.

Comments from Subcommittee Members:

- Expressed concern of the potential for saltwater intrusion. (Long)
- Reported that Hercules had all its main laterals photographed to check the entire system for leaks, which could be considered in Pinole. (Romero)

In response to comments, **Mr. Tobey** reported that studies had been done in the recent past and most of the increased flows were due to rapid flow infiltration due to breaks in lines close to the surface, not from groundwater but from rainwater. If there was a rise in groundwater it would occur during the summer months as well as during the winter months. There was currently little difference in flows between Pinole and Hercules.

PUBLIC COMMENTS

Jim Tillman, Pinole, verified with staff that new more reliable meters would shortly be installed at the plant; expressed concern that laterals were not being checked for breaks when homes were sold, there appeared to be a break in his neighborhood, and he expressed concern for water loss where ratepayers were being charged.

The Subcommittee advised that Mr. Tillman's questions would be addressed by Public Works staff.

6. STATUS UPDATE OF RODEO SANITARY DISTRICT OUTFALL TESTING

Tamara Miller, Public Works Director/City Engineer, Pinole, reported the City had recently received notification from Rodeo which showed unfavorable results of the testing and there would have to be some improvements to the cathartic protection at the outfall. She advised that a cost of a capital improvement project would be identified and presented to the City of Pinole. The cost was not expected to be significant.

PUBLIC COMMENTS

Jim Tillman, Pinole, asked if there would be a future expansion of the Rodeo Sanitary District Outfall, and at 30 inches in size whether it would have sufficient capacity for the expected growth in Hercules. He stated any increase in capacity due to Hercules growth should be paid by Hercules and not Pinole ratepayers.

It was noted that any expansion as a result of Hercules growth had been reviewed as part of HDR's contract, and clarified that the plant was not an expansion but an upgrade that was part of the current process.

7. CAPITAL PROJECT – PH WPCP UPGRADE

a. LOAN STATUS

Andrea Miller, Finance Director, Pinole, reported that loan disbursements had been going well, the third disbursement request had been submitted to the State in May and each city had received \$1,682,682, bringing the total amount of disbursement each city had received to \$6.8 million. The estimated escrow balance to May 31 was \$3.2 million each without interest. The fourth disbursement request would be submitted to the State by the end of next week. The payments through Wells Fargo escrow accounts had been going well and the bank had assigned a new Project Manager. Payments would continue with no delay.

b. CONSTRUCTION STATUS

Tamara Miller, Public Works Director/City Engineer, Pinole, explained that Carollo Engineers was doing a good job at the plant.

Mike Warriner, Carollo Engineers, presented a PowerPoint to update the construction of the upgrade project, which he reported had been running smoothly. With respect to the expenditures of the project, he noted the area where work had slowed because of wet weather although since that time a re-sequencing of tasks had occurred which had gained back most of the time lost with no additional cost to the project. By shifting the work, the work remained on schedule to complete the site, with slightly more than 25 percent spent on the job. At this point the project was nine days ahead of schedule even after 21 rain days this winter. He identified upcoming events and reported that change orders issued to date represented 1.5 percent of the work completed to date.

Comments from Subcommittee Members:

- Verified that since the upgrade project was ahead of schedule other areas of the project could be accelerated; and that the restroom at the park was expected to be brought on line early, and if that was done there could be a credit for the unused portion of the temporary restroom. (Murray)

- Expressed pleasure that so much work had been done given the loss of 21 work days during the winter; and verified that a recent train accident had made access to the plant difficult although it had not stopped work at the plant. (Romero)
- Expressed concern for odors emanating from the plant during the month of April. (Long)

Mr. Tobey advised that he had received no complaints related to odors from the plant although anyone who had concerns should contact the plant to report those concerns.

PUBLIC COMMENTS

Jim Tillman, Pinole, asked about the outfall wall and whether it was used by Rodeo, Hercules, and Pinole; and whether there would be any upgrade to the sea wall

Ms. Miller affirmed that the outfall was used by all three communities, was a static asset but did not require an operations component; the costs were shared, those costs generally being one-time costs related to annual testing, maintenance upgrades to the cathartic protection, or potentially capital projects. The outfall was not part of the upgrade.

With respect to the sea wall, Mr. Tobey reported that there was nothing that had to be done to that component in the 20-year outlook.

8. PINOLE DRAFT 2017/18 BUDGET FOR WPCP OPERATIONS (DEPT 648)

Andrea Miller, Finance Director, Pinole, presented the FY 2017/18 Sewer Enterprise Operations Budget, stated the Pinole Finance Committee had reviewed the proposed budget on May 24, the Pinole City Council had also reviewed the proposed budget on May 30, and the budget was being submitted to the Wastewater Subcommittee for review and comment. The budget was described as status quo, revenues continued to exceed expenditures, a positive fund balance had been projected at FY ending June 30, 2018 of \$10.3 million, with \$7.2 million in projected revenues of which \$4.9 million had been estimated as Pinole only sewer usage fees and \$2.3 million as sewage charges for services to the City of Hercules. Annual revenues were expected to continue to fund operations. She identified a summary of the expenditures and stated expenses for the sewer funds included plant operations, collection system and equipment, and debt service. The operational budget had been projected at \$3,645,855 for FY 2017/18, and of that amount the City of Pinole share varied monthly between 47 and 51 percent while the City of Hercules was billed for its share of actual costs.

Questions from the Subcommittee:

- Asked about various charges in the Operations Budget related to holiday pay, information system, Rodeo Sanitary District for the outfall, water use, depreciation where the City of Hercules should have received 50 percent of that depreciation, and allocation costs related to the Pinole City Manager which had previously been removed from the budget. (Romero)

Ms. Miller clarified that from an accounting standpoint only one agency could record an asset and the City of Pinole owned the asset, although the City of Hercules had been granted a 50 percent undivided share of the asset. Given the asset had been owned by Pinole for some time it had been fully depreciated as discussed with the Pinole City Attorney and Pinole auditors.

In response to the concern for water usage, Mr. Tobey explained that the water usage in the proposed budget should be lower in that the plant was using 20 percent of the East Bay Municipal Utility District (EBMUD) water it previously used, representing a 75 to 80 percent reduction in usage.

Ms. Fitzer stated the allocation of Pinole City Manager costs had been discussed and the concerns had been expressed with the Pinole City Council, which had agreed there should be an allocation of her time given that the City ran the plant and it was her responsibility to oversee that operation. She added that the allocation of 5 percent of her salary had been allocated to the budget; 2.5 percent to each city.

- Emphasized the Pinole City Manager was responsible for every employee in the City of Pinole, including those at the Wastewater Treatment Plant, and while the 5 percent allocation had previously been removed from the budget because Pinole had felt bullied, the contract specifically called out administrative operations and 5 percent, of which the City of Hercules was only responsible for half, was not out of the ordinary. (Long)
- Expressed support for the budget with the exception of the City Manager allocation, and could not support the budget with that portion included. (Romero)
- Verified that there had been a change in title of the Water Pollution Control Plant Supervisor position to a Water Pollution Control Plant Operations Supervisor; requested clarification of the professional services funded by the budget and acknowledged the amount on that line would be reduced; and clarified the applicable permit fees. (Esquivias)
- Referred to PG&E costs and asked if there were any alternative plans related to energy; did not want to hold up the budget on the City Manager's allocation since city managers ran cities and their time was allocated to all of the operations they were responsible to perform. (Murray)

- Noted that the increase in salary costs was modest although the PG&E costs could increase. (Long)
- Asked for a public discussion on the issue of depreciation. (Romero)

It was recommended that the Pinole and Hercules City Managers discuss the issue of depreciation and return that discussion to the next quarterly meeting.

PUBLIC COMMENTS

Jim Tillman, Pinole, offered some background on the City of Hercules 50 percent ownership discussion, and suggested the actual amount of time the City Manager spent on the sewer treatment plant should be billed.

Ms. Fitzer stated a new cost allocation model was anticipated by August 2018. She clarified that 5 percent allocation of her time in the budget was a fair representation of the time she spent on the plant.

The Wastewater Subcommittee offered kudos to Mike Warriner and staff on the construction process to date.

9. **ADJOURN TO THE NEXT REGULAR SUBCOMMITTEE MEETING IN HERCULES ON SEPTEMBER 7, 2017.**

The meeting adjourned at 10:25 A.M. to a regular quarterly meeting scheduled for Thursday, September 7, 2017 at 8:30 A.M. in the City of Hercules.



AGENDA ITEM #6

TO: PINOLE HERCULES WASTEWATER SUBCOMMITTEE

FROM: RON TOBEY; PLANT MANAGER

DATE: SEPTEMBER 7, 2017

SUBJECT: OPERATIONS REPORT

Receive a verbal report from the Plant Manager.

Topics will include:

1. Monthly Flow Data
2. Monthly PPI's
3. Plant Construction Activities

Wastewater Treatment Plant
ACTIVITY REPORT

June 2017

PINOLE FLOW DATA	GALLONS
TOTAL FLOW	36,590,000
HIGH DAILY FLOW	1,330,000
LOW DAILY FLOW	1,007,000
AVERAGE DAILY FLOW	1,220,000
HERCULES FLOW DATA	GALLONS
TOTAL FLOW	33,560,000
HIGH DAILY FLOW	1,270,000
LOW DAILY FLOW	1,040,000
AVERAGE DAILY FLOW	1,120,000

RAINFALL Inches

MONTH **0.10**

FISCAL YEAR **32.27**

Wastewater Treatment Plant
ACTIVITY REPORT

July 2017

PINOLE FLOW DATA	GALLONS
TOTAL FLOW	36,150,000
HIGH DAILY FLOW	1,250,000
LOW DAILY FLOW	970,000
AVERAGE DAILY FLOW	1,170,000

HERCULES FLOW DATA	GALLONS
TOTAL FLOW	34,670,000
HIGH DAILY FLOW	1,220,000
LOW DAILY FLOW	1,050,000
AVERAGE DAILY FLOW	1,120,000

RAINFALL Inches

MONTH 0.00

FISCAL YEAR 0.00

June 2017 Process Performance Indicators

PARAMETER	UNIT	MONTHLY EFF LIMIT	INFLUENT Mo/AVG	EFFLUENT Mo/AVG	% REMOVAL
cBOD ₅	Mg/L	25	279	6.32	98
TSS	Mg/L	30	339	5.68	98
Coliform	MPN	240	N/A	3	N/A
Enterococcus	MPN	35	N/A	1	N/A
NH ₃	Mg/L	110	-	N/A	N/A

July 2017 Process Performance Indicators

PARAMETER	UNIT	MONTHLY EFF LIMIT	INFLUENT Mo/AVG	EFFLUENT Mo/AVG	% REMOVAL
cBOD ₅	Mg/L	25	313	5.7	98
TSS	Mg/L	30	359	6.33	98
Coliform	MPN	240	N/A	2	N/A
Enterococcus	MPN	35	N/A	1	N/A
NH ₃	Mg/L	110	-	15	N/A

Update to
Pinole-Hercules Wastewater Subcommittee
September 7, 2017

**Pinole-Hercules
Water Pollution Control Plant
Upgrade Project**

Headworks and Grit Removal

- The interior walls are being spark-tested and top formwork being placed
- The grit structure walls are being finished and readied for placement of equipment.
- Work for these structures is 90% complete



Electrical Work in Progress

- The Electrical building is now sealed. Secondary panels are now being moved into building and wiring ductbank sections are being placed to connect the new building to the plant.



The solids handling facilities are progressing

- Equipment is being placed in the building and the steel sections for the top floor have been erected.



Work has started on the new aeration basin extension and secondary clarifier

- These are re-sequenced activities that were moved up to recover time lost to winter storms.



The treatment plant site prior to start of construction



The treatment plant site in August 2017



New Phase 1 Facilities in construction



Existing clarifiers in May 2017



New secondary clarifier in construction



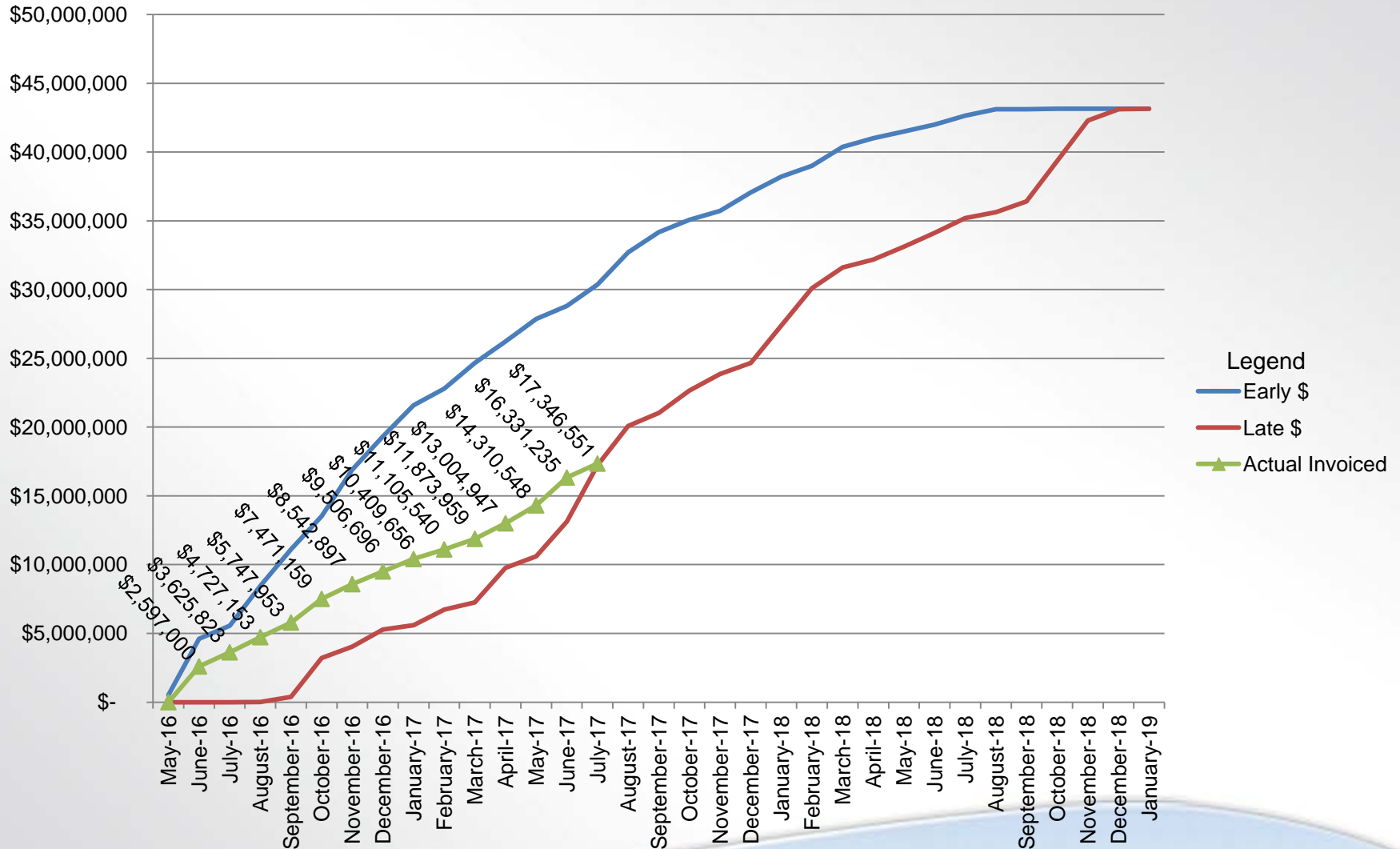
Plant north end in May 2017



Plant north end in August 2017

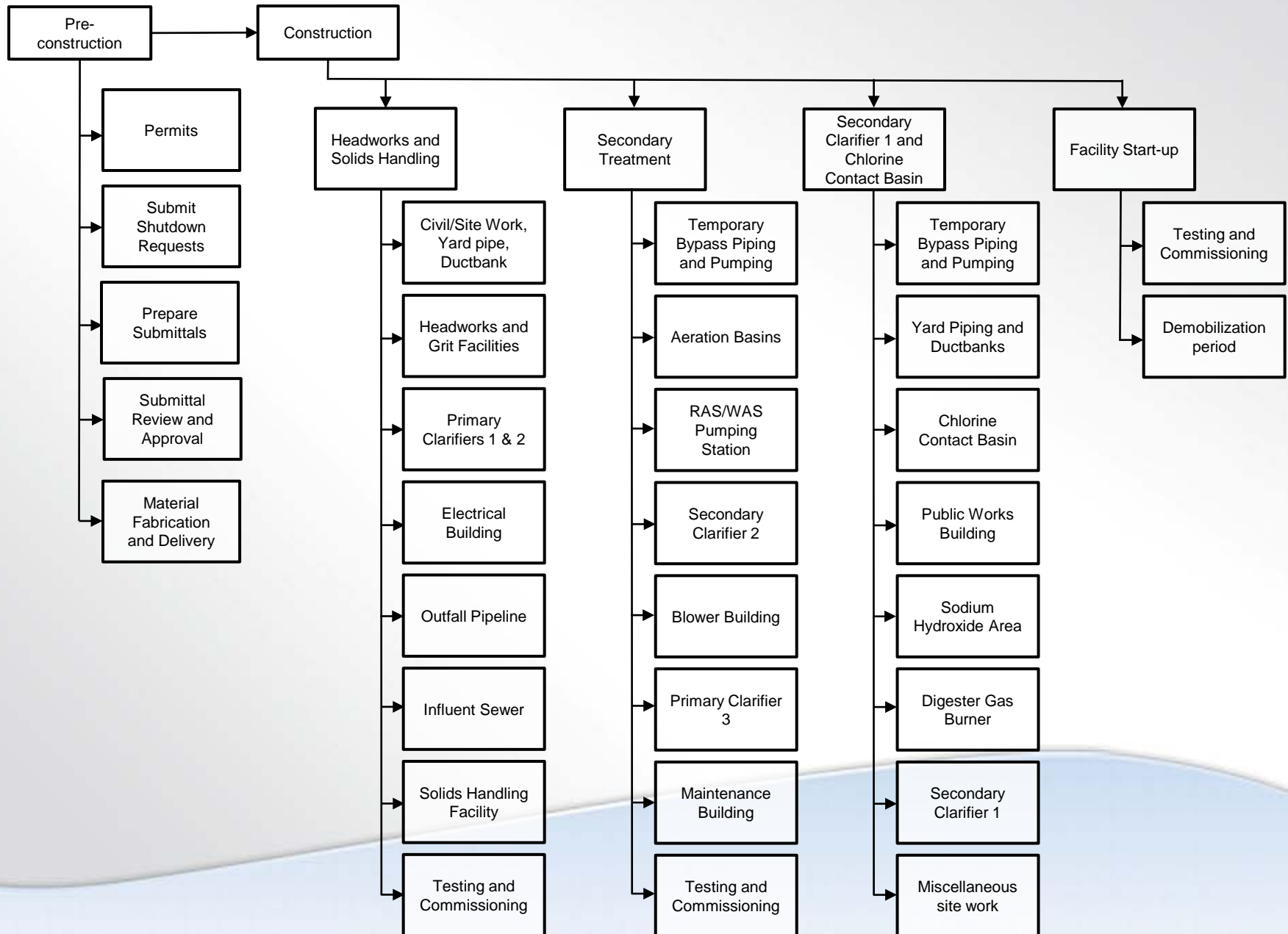


Progress/payments on work to date

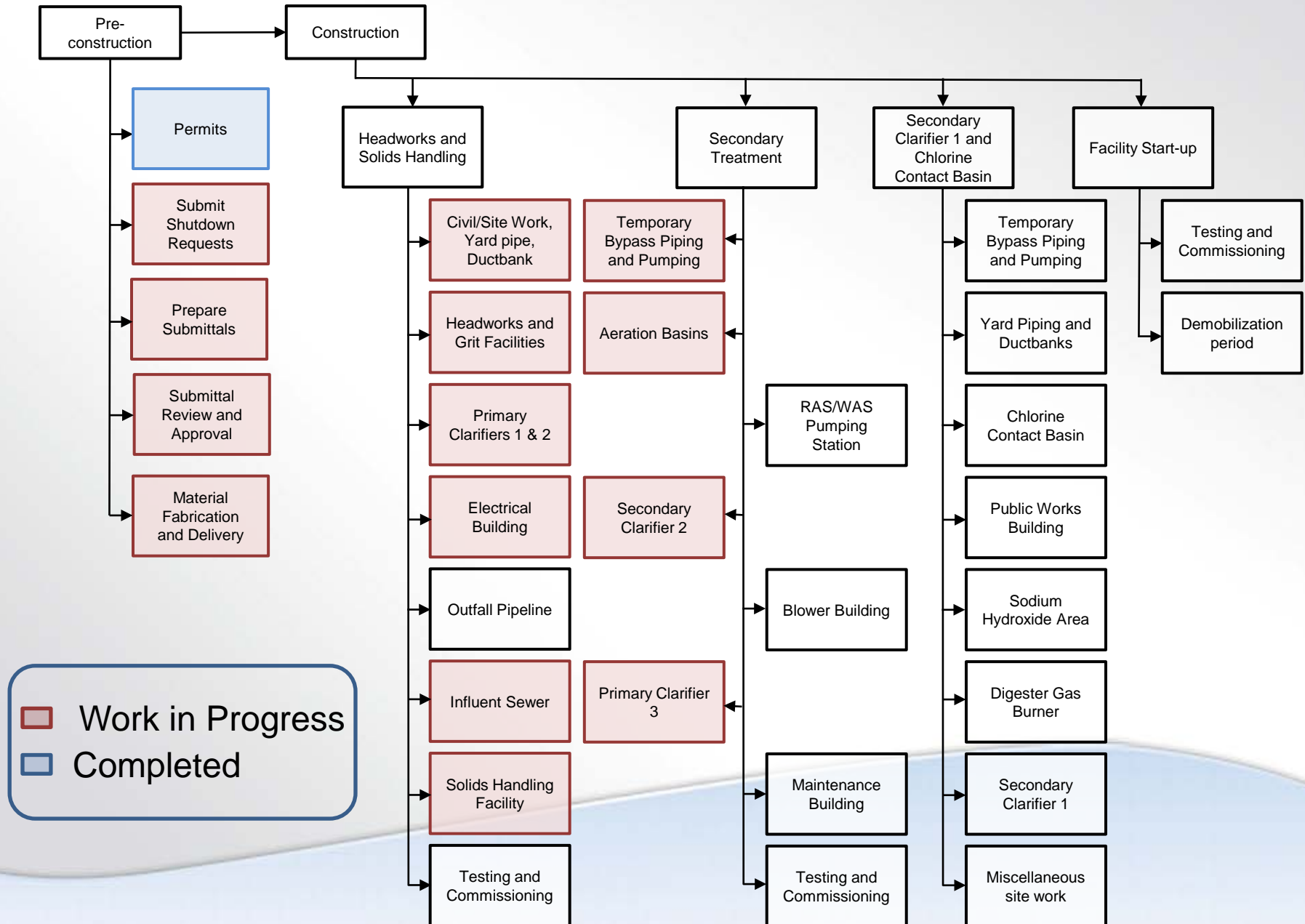


Billings for Work through July 2017 total \$17,346,551

Baseline Overview of Schedule Work Activities



Activities underway to date



Upcoming Notable Activities

- Start-up of new Headworks
 - September 8, 2017
- Start-up of new Grit Handling facility
 - September 13, 2017
- Outfall line work moved to next spring to keep immediate focus on startup of Headworks and Grit Handling facilities

Start-up of Headworks and Grit facility were moved to September after installation of new PG&E service

Change Orders Executed To Date

Number	Subject	Cost
1	Temporary Public Restrooms and Wash Station during construction	\$ 21,271.00
2	New AC Road along the Northeast Side of the Plant for Continued County Access	\$ 32,363.00
3	Credit for Deleting Two Duck Bill Check Valves at Aeration Basins	\$ (12,018.00)
4	Revised Davis Bacon wage determination	\$ 0.00
5	Concrete Scanning for Existing Primary Clarifiers	\$ 2,320.00
6	Headworks - Concrete Fillets and Fills Modifications	\$ 22,893.60
7	RTU Modifications to Control Plant Instrumentation	\$ 21,621.00
8	Replace Carbon Steel Low Pressure Air Piping with Stainless Steel	\$ 77,431.00
9	Install Polymer System Progressive Cavity Pumps in-Lieu of Specified Peristaltic Pumps	\$ 3,299.00
10	Relocate Headworks and Ferric Chloride Storage Facilities	\$ 0.00
11	Re-route natural gas line around MH-1	\$ (1,705.00)
12	Change masonry block from normal weight to medium weight	\$ (1,401.00)
13	Remove and dispose of asbestos cement pipe at mixed liquor box	\$ 2,154.00
14	Pump discharge piping changes at headworks	\$ 35,036.00
15	Influent sewer grade and size change	\$ 34,062.00
16	Deletion of water stop and influent pump pads at headworks	\$ (5,094.00)
17	SCADA system and RTU communication changes	\$ 24,744.00
18	Tree removal along new PG&E power conveyance line	\$ 2,034.00
19	Additional site demolition for unknown field conditions	\$ 2,436.00
20	Adding red dye to concrete for electrical ductbanks	\$ 3,332.00
TOTAL Change Orders		\$ 264,778

Executed change orders total 1.5 percent of work completed to date

Potential Change Order Requests Currently In Review

Number	Subject
1	Demolish and replace approximately 50 feet of existing asbestos cement 24-inch effluent line
2	Reroute existing utilities at surge tank
3	Add electric hoist at influent pumps
4	Headworks hatch modifications
5	Guard rail modifications at headworks and aeration basin
6	Electrical conduit and wire modifications
7	Credit for reduced strength concrete for fill walls at headworks
8	Lead paint abatement at existing polymer building
9	Aeration basin modifications for contact stabilization
10	Paving and grading modifications at Solids building
11	Composite sampler modifications
12	Re-coating existing centrifuge
13	Modifications to primary flow distribution box
14	Providing power to park restroom
15	Submersible pump hoist bracket changes
16	RTU/Instrumentation changes
17	Low pressure air piping realignment

Schedule

- Actual Notice to Proceed
 - May 11, 2016
- Substantial Completion Date
 - October 28, 2018
- Final Completion Date
 - December 26, 2018

There has been no extension of the project completion deadlines

QUESTIONS?

