

**PINOLE / HERCULES
Wastewater Subcommittee**

**Minutes prepared by: Anita L. Tucci-Smith
September 6, 2018
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 Pro Tem Peter Murray, serving as Chair, called the meeting to order at 8:38 A.M.

2. ROLL CALL

Subcommittee Members Present:

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

Subcommittee Members Absent:

None

Staff Present:

Michelle Fitzner, City Manager, Pinole
Andrea Miller, Finance Director, Pinole
Tamara Miller, Development Services Director, Pinole
Ron Tobey, Plant Manager, Pinole
David Biggs, City Manager, Hercules
Mike Roberts, Public Works Director, Hercules

Members of the Public:

Mike Warriner, Carollo Engineers

3. INTRODUCTIONS

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

There were no citizens to be heard.

5. APPROVAL OF MINUTES FROM JUNE 14, 2018

Action: Motion by Hercules Vice Mayor Romero, seconded by Pinole Councilmember Long to approve the minutes of the June 14, 2018 meeting, as submitted, carried by the following vote:

Ayes: Esquivias, Long, Romero, Murray
Noes: None
Abstain: None
Absent: None

6. OPERATOR'S REPORT

Ron Tobey, Plant Manager, Pinole, highlighted the revised Activity Report for the month of June, and reported that the numbers reflected data from the new inflow meters which had shown a significant decrease in flow from the City of Pinole at approximately 30 percent. Steps had been taken to ensure the new inflow meters had been installed correctly, although until the new effluent meters had been installed the accuracy could not be determined. The total flow for Pinole and Hercules for the month of June were similar during the month of July. No shallow water discharges had occurred during the months of June or July.

The process performance indicators were also highlighted for the month of June, were slightly elevated, and attributed to the new service to new aeration basins but well within the effluent limit. There had been improvement during the month of July when everything had been brought back into working order.

Comments from Subcommittee Members:

- Requested information on future flows from January 2017, with the average flows combined between Pinole and Hercules to show whether or not there had been an uptick, to be forwarded to the Hercules Public Works Director.
- Clarified that new effluent meters had yet to be installed.

Mr. Tobey explained that data would have to be retrieved from the flow meters themselves, and clarified the new meters had been installed in the last year and it took time to test for accuracy.

Tamara Miller, Development Services Director, Pinole, reported that when the flow meters had first been installed, staff had noticed the anomaly which was being presented, and since it was different from previous data, staff had taken months to vet the meters. During those months, staff had split the flow 50/50. Going further, the accuracy of all three meters would be analyzed with each other and the 50/50 split would be corrected to show the true allocation of costs for those months since the new flow meters had been installed.

7. NEW CONNECTIONS

a. PINOLE

Tamara Miller, Development Services Director, Pinole, reported that Pinole had one residential unit and three commercial units for the 2017/2018 connections, and there were none for the 2018/2019 period.

b. HERCULES

Mike Roberts, Public Works Director, Hercules, reported that Hercules had 34 residential connections to the sewer system for the 2017/18 Fiscal Year. There had been no connections to date for 2018/2019.

8. CAPITAL PROJECT – PH WPCP UPGRADE

a. LOAN STATUS

Andrea Miller, Finance Director, Pinole, reported that total disbursements from the Wells Fargo Bank escrow accounts through August 31, 2018 totaled \$33,250,301.76, approximately \$16,625,151 from each respective agency's escrow account. Total reimbursements received from the State Revolving Loan Fund were \$33,913,128 (or \$16,956,564 from each agency). Escrow balances as of August 31, 2018 totaled \$2,925,558.19 and \$2,925,600.56 for Pinole and Hercules respectively (with slightly different amounts related to interest earnings). Both cities received reimbursement checks on August 13, 2018 from the State Revolving Loan Fund in the amount of \$1,792,207, with Disbursement Request 12 pending and under process by the State dated August 8, 2018 in the amount of \$1,136,424 per agency.

Ms. Miller reported that Carollo Engineers, as the third party administrator, continued to be supportive, and both agencies had been supportive and cooperative.

b. CONSTRUCTION STATUS

Mike Warriner, Carollo Engineers, provided a PowerPoint presentation on the status of the project including converting the existing facilities to the new system and getting the new system on-line. The first of the two aeration basin extensions were now operational and the old basin had been removed from service, to be renovated; work continued on the second aeration basin extension with the hydro testing of the facility to occur in the next week; work continued on the new secondary clarifier, the first of two new secondary clarifiers to be installed; primary clarifier 3 continued with all walls constructed and formation of

the skirt and hydro testing to occur.

Work on the outfall pipeline modifications outside the plant boundary would begin in the next week with all roads to be fully opened by September 24, 2018. Aerial shots of the plant showing the new plant facilities under construction and those now in operation were displayed.

Mr. Warriner identified the projects to be completed in the next quarter and by the end of the year, which included the secondary clarifier 2, to be operational by the end of the year; primary clarifier 3 had been targeted to be operational allowing for the small clarifier to be demolished and take out two existing primary clarifiers adjacent to primary clarifier 3; and with the last facilities to be completed on the liquid train.

As to the delays associated with PG&E's gas service, **Mr. Warriner** reported the delays ended on March 19, 2018, at which time all electrical work and gas was functional. The overall delays and impacts to the jobs was detailed, had affected the schedule, and had prevented the project from working on the critical path of construction, equating to 161 days on the job. Not all of the impacts had costs associated since 93 of the days were considered to be concurrent delays as the contractor had not been ready to proceed due to its own delays. While the total project had been delayed 161 days, the contractor had been able to continue to function and not incur costs against the job for 93 of those days. There were 68 days of extended overhead necessary to keep the site operational in the day period and to allow equipment to be on-site longer, which had associated costs for various equipment and management staff. As a result, negotiations were in process with the contractor and Carollo had estimated the cost for the overextended costs at \$332,602, although the final value remained to be negotiated with the contractor.

Additional costs had been incurred for construction Project Management, and although the contractor had been delayed for only 68 days, the contractor had never stopped work and inspection and oversight had still been required for the full 161 days of delay. The additional cost for the construction management staff had been calculated at \$504,980; the additional costs were not required at this time for the design team but would continue to be monitored.

Another PG&E shut down had been scheduled in the next week, with an increase in contract pour size being sought for primary clarifier 3, with an agreement to increase sizes on the job. There were negotiations with the contractor on the credit back to the cities for the work and shortening the project close-out activities, and work with city staff on that effort prior to substantial completion.

Mr. Warriner highlighted the 42 change orders executed prior to this quarter for a total of \$696,772, 2.3 percent of the work completed to date. He highlighted the potential change order requests currently in review, and reported that the

estimated new final completion date was June 4, 2019.

In terms of safety on the job site, **Mr. Warriner** reported there had been 136,806 hours, over 840 consecutive days, with no Occupational Safety and Health Administration (OSHA) recordable injuries on-site.

Comments from Subcommittee Members:

- Verified the change orders and additional compensation for contracts to identify PG&E costs with the numbers to be broken out separately on the change order;
- Verified that Kiewit had a better than average safety record in the industry, and congratulated the safety component of the project;
- Verified again the executed change orders to date and the costs for the PG&E delays, with staff reporting the project was doing well with its contingency even with the PG&E delays;
- Recommended placard boards be utilized to inform commuters of the road closure due to the deep water outfall line along San Pablo Avenue, and that two lanes would remain open in both directions, with traffic control set up in the direction towards Oakland during the afternoon period;
- Expressed concern that with 161 days of delay, Carollo staff had remained on site when there had been reduced work, although there had been no reduction in Carollo staff costs;
- Concern expressed with the new estimated final completion date in relation to the number of lost days;
- Commended Kiewit for the cleanliness of the work site;
- Questioned whether or not Carollo's contract included a contingency for situations where there were construction problems out of the ordinary; and
- Verified the deep water outfall pipeline work as part of the original process.

Mr. Warriner advised that during the delay period, Carollo had reduced its staff with one resident engineer, one inspector, and one office person in the trailer one day a week, and while Carollo had been able to close down some of the work on the inspection side, it had incurred additional costs on the management side since it had to deal with PG&E. Carollo had mitigated the costs as much as possible.

Mike Roberts, Public Works Director, Hercules, reported that Carollo had also negotiated with Kiewit to find parallel items of work to limit the critical path and \$5,000 was being tracked for every delay that was charged.

Ms. Miller highlighted the steps taken by Carollo to ensure the safety of the project and clarified the safety record did not include Pinole employee safety at

the site, and while there had been a couple of injuries in the last couple of years none were construction related.

Mr. Warriner emphasized that even with the PG&E delays, Carollo had been able to absorb most of the delays within its original budget and was very close to meeting the original contract deadline with the original contract budget. While the PG&E delay and material testing had been excessive, the approach had been modified to mitigate that as much as possible.

Ms. Miller acknowledged there had been an air release valve malfunction in the outfall line, which was being repaired by the City of Pinole, to be conducted during the same outfall shutdown with a stop gap placed during the emergency.

c. STATUS OF PROFESSIONAL SERVICES CONTRACTS BY TAMARA MILLER

Ms. Miller reported the item had previously been discussed during Construction Status and it was recommended the Subcommittee recommend the City of Pinole authorize an amendment to the contract amount for professional services provided by Carollo, which had a contract in the amount of \$2,927,716 to provide construction management services for the Kiewit contract term of 900 days. Due to delays in construction, it was necessary for Carollo to extend its time at the PH WPCP through project completion, which was expected by June 2019. Carollo Engineers had reviewed its progress to date and projected needs through construction completion, and requested an amendment to its contract in the amount of \$504,980.

Staff had reached out to HDR to inquire whether or not it had a need for an increased scope as well, but due to the nature of the services provided HDR did not anticipate the need for additional scope.

Comments from Subcommittee Members:

- Clarified with staff the contract with Carollo, when amended, would include a termination date in the contract language; and
- Requested background information of past Subcommittee discussions related to another member of the Pinole Public Works staff to oversee the project, and requested more background information on the additional monies to be used for oversight of the PLA contract.

Ms. Miller acknowledged a summary of requested information could be made available to the Subcommittee.

Action: Motion by Hercules Vice Mayor Romero, seconded by Pinole

Councilmember Long to recommend that the City of Pinole authorize an amendment to the contract amount for professional services provided by Carollo, in an amount to be determined.

Ayes: Esquivias, Long, Romero, Murray
Noes: None
Abstain: None
Absent: None

9. DISCUSS MEETING LOCATION FOR LAST MEETING IN 2018 AND FOR 2019

Michelle Fitzer, City Manager, Pinole, reported the Subcommittee had agreed to meet in Pinole since meetings were unable to be broadcast live in Hercules. She understood Hercules now had the ability to live broadcast from the Hercules City Council Chambers. The Subcommittee was asked to discuss the meeting location.

Dan Romero, Hercules Vice Mayor, recommended the next meeting in December 2018 be held in Pinole to complete the year, and alternate the meeting locations between Pinole and Hercules in 2019.

Ms. Fitzer advised the December 2018 Subcommittee meeting would be held in Pinole and staff would verify live broadcast was available at both jurisdictions.

Hercules Vice Mayor Romero understood Pinole Councilmember Long would not be present for the December 2018 Subcommittee meeting. He took the opportunity to express his appreciation to, and commended the work of, Councilmember Long on the Pinole/Hercules Wastewater Subcommittee.

Debbie Long, Pinole Councilmember; expressed her hope to see the project through to completion as a private citizen.

Peter Murray, Pinole Mayor Pro Tem, also commended Pinole Councilmember Long for her work to benefit the citizens of Pinole, and as a member of the Pinole/Hercules Wastewater Subcommittee for many years.

10. ADJOURN TO THE NEXT REGULAR SUBCOMMITTEE MEETING

The meeting adjourned at 9:58 A.M. to a regular quarterly meeting date scheduled for Thursday, December 6, 2018 at 8:30 A.M. in Pinole.