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 Councilmember Debbie Long, serving as Chair, called the meeting to order at 8:34 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
   *Arrived after Roll Call

   **Subcommittee Members Absent:**
   None

   **Staff Present:**
   Hector de la Rosa, Assistant City Manager, Pinole
   Tamara Miller, Development Services Director, Pinole
   David Biggs, City Manager, Hercules
   Mike Roberts, Public Works Director, Hercules

   **Members of the Public:**
   Mike Warriner, Carollo Engineers
   James Tillman, Pinole Wastewater Advocate

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 MARCH 1, 2018**
Action: Motion by Hercules Vice Mayor Romero, seconded by Hercules Councilmember Esquivias to approve the minutes of the March 1, 2018 meeting, as submitted, carried by the following vote:

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

6. OPERATOR’S REPORT

Tamara Miller, Development Services Director, Pinole, speaking for Plant Operator Ron Tobey, highlighted the flow data from the newly installed meters in the influent sewers and clarified that initial concerns about the validity of the data from those meters had not resulted in any significant change. Currently, a historic linear regression model was being used to split the costs between Hercules and Pinole pending the continued verification of the data. She reported the plant had been operating as expected and all compliance items had been met. Given that the plant was short three operators, and with ongoing construction activities, she stated there would be overtime costs pending the recruitment of replacement operators.

Ms. Miller verified, when asked, that while salary was one factor in retaining and capturing qualified wastewater treatment plant operators, retirement was also a factor along with the need for skilled and trained wastewater treatment plant operators.

Comments from Subcommittee Members:

- Requested that the available wastewater treatment plant operator positions be posted on the scroll along with general qualifications, and that a training program or an internship be considered. It was verified that the City of Pinole had both an intern position and hired OITs (operators in training).

Jim Tillman, Pinole, described the difficulty he had experienced being able to secure information to identify the flow and number of connections separately between Hercules and Pinole to identify the average flow.

Mike Roberts, Public Works Director, Hercules, explained that he would work with Mr. Tillman with respect to a public information request for the Hercules information.

7. NEW CONNECTIONS
a. **PINOLE**  
Tamara Miller, Development Services Director, Pinole, reported that one single-family residential unit would be connecting to the system along with three commercial projects.

b. **HERCULES**  
Mike Roberts, Public Works Director, Hercules, reported that the City of Hercules had 21 new single-family home connections as part of the Muir Point residential subdivision.

Jim Tillman, Pinole, requested that the Subcommittee provide him with detailed connection information from Hercules, although a member from Hercules recommended that Mr. Tillman request that information directly from Hercules as opposed to through the Subcommittee.

8. **CAPITAL PROJECT – PH WPCP UPGRADE**

a. **LOAN STATUS**  
Andrea Miller, Finance Director, Pinole, reported that total disbursements from both Pinole and Hercules from the Wells Fargo Bank escrow accounts through May 31, 2018 totaled $28,565,823 ($14,282,911 from each escrow account). Total reimbursements received from the State Revolving Loan Fund was $29,075,804, ($14,537,902 each). Escrow balances were $2,957,917 and $2,957,965 for Pinole and Hercules respectively. Both cities received reimbursement checks on June 4, 2018 from the State Revolving Loan Fund in the amount of $626,455, which had been deposited into each account. Both cities had submitted Disbursement Request 11 dated June 6, 2018 in the amount of $1,792,208 per agency, which had been submitted and which was currently being processed.

Hector de la Rosa, Assistant City Manager, Pinole, clarified that there were more revenues than expenditures given that some engineering costs had been expended prior to, and a resolution had been passed to seek reimbursements of those expenditures, which made up the difference.

Jim Tillman, Pinole, requested that the information presented be submitted in sufficient time to allow the public to understand that information prior to the meeting.

b. **CONSTRUCTION STATUS**  
Mike Warriner, Carollo Engineers, provided a PowerPoint presentation on the status of the project.
Mr. Warriner reported on the electrical work in progress, the solids handling facilities were now operational, work continued on the new aeration basin extension, work continued on the new secondary clarifier, work had started on the primary clarifier 3, and the maintenance building had been completed. He also identified the new plant facilities that were now in operation, presented the progress/payments on work to date, identified some delays and tracking towards completion, and reported that as of April 2018 the total bill by the contractor was $26,300,408.

Speaking to the delays associated with PG&E’s gas service, Mr. Warriner reported the total impact to the contract at this point was a delay of 161 days, not all of which was associated with PG&E in that the contractor was responsible for some of the delays. He described what was being done to recover some of the time but noted that there would have to be a 161-day extension as a result of those delays. He also identified executed change orders to date and stated that only 2.7 percent of the work had been completed to date. The original substantial completion date of October 28, 2018 had now been extended to April 5, 2019, with a June 4, 2019 final completion.

Comments from Subcommittee Members:

- Verified that delays associated with PG&E were common;
- Requested the timeline and clarification of each of PG&E’s delays, including those involving code changes; and
- Urged a re-verification of PG&E’s scheduled transformer hookup in September to avoid further delays.

Mr. Warriner reported that the project had reached a milestone of 1,000 days of work with no safety incidents.

Jim Tillman, Pinole, verified that the upgraded plant would not increase capacity; asked if the plant was protected from a tsunami; and asked about medical waste.

Tamara Miller advised that she would research Mr. Tillman’s questions and return with a report to the full Wastewater Subcommittee.

9. CITY OF PINOLE FY 2018/19 PROPOSED BUDGET FOR UNIT 500-641

Andrea Miller, Finance Director, Pinole, presented the proposed 2018/19 Sewer Enterprise Operations Budget, and reported that the proposed Budget had been reviewed by the City Treasurer and by the Pinole City Council, and a copy of the Budget had been provided to the City of Hercules. The total revenue for
the sewer treatment plant was $6.9 million, and of that total $1.7 million had been estimated revenue for sewer charges back to the City of Hercules for sewer plant use.

The total expenditure proposed was $4,037,317, and of that amount $3,697,317 were operations costs, and $340,000 in equipment replacement was a Pinole only expense. The net increase overall for the operational budget was $141,155, primarily in the personnel salary and benefits category.

**Hercules Vice Mayor Romero** requested a breakdown of equipment maintenance, and parts and supplies of equipment service.

In response to the Subcommittee, **Tamara Miller** described PG&E’s reduced rate structure for the plant, and noted that because PG&E was moving towards time of use there were opportunities to focus on time of use and the possibility to see a drop in energy use given the energy upgraded equipment.

**Jim Tillman, Pinole**, questioned what Hercules was paying for administrative costs, such as City Manager and secretarial, and requested that the budget clearly identify the costs paid by Hercules and Pinole separately.

**Mr. de la Rosa** referred Mr. Tillman to the specific area of the Budget where those costs had been identified.

10. **ADJOURN TO THE NEXT REGULAR SUBCOMMITTEE MEETING**

   The meeting adjourned at 10:07 A.M. to a regular quarterly meeting date scheduled for Thursday, September 6, 2018 at 8:30 A.M. in Pinole.