

**PINOLE / HERCULES  
Wastewater Subcommittee**

**Draft Minutes prepared by: Anita Tucci-Smith  
May 27, 2014  
8:30 A.M.**

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

**Tim Banuelos, Mayor of Pinole, called the meeting to order at 8:39 A.M.**

**1. CALL TO ORDER**

**Subcommittee Members Present:**

Tim Banuelos, Mayor, City of Pinole  
Debbie Long, Councilmember, City of Pinole  
Sherry McCoy, Vice Mayor, City of Hercules  
Dan Romero, Councilmember, 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  
Ron Tobey, Plant Manager, Pinole  
Phil Batchelor, Interim City Manager, Hercules  
Jeff Brown, Public Works Manager, Hercules

**Member(s) of the Public:**

Anthony Gutierrez, Pinole  
James Tillman, Pinole  
Andre Gharagozian, Process and Operations, Carollo Engineers  
Michael Warriner, Construction Manager, Carollo Engineers  
Mark Wing, Resident Project Representative, Carollo Engineers

**2. FLAG SALUTE**

**Pinole Mayor Banuelos** led the Pledge of Allegiance.

**3. INTRODUCTION OF PARTICIPANTS**

**4. PUBLIC COMMENTS**

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**Jim Tillman, Pinole**, referred to documents he had discussed at the last meeting relative to a Joint Powers Authority (JPA), and resubmitted those documents directly to the Subcommittee at this time. While he had been advised that the Subcommittee was not a JPA, he commented that the reference to a JPA continued. He also referred to the Rodeo Sanitary District and the outfall that would have to be constructed, and sought more information on the cost to repair the system and the cost that the cities of Pinole and Hercules would have to contribute. In addition, he requested the bylaws of the Subcommittee.

**Dean Allison, Public Works Director/City Engineer, Pinole**, suggested that staff be asked to bring back a report on the studies that had been done related to the referenced outfall. He was aware of no major project that needed to take place on that facility. He asked the Chair to ask Mr. Tillman if he had information to share it with the Subcommittee at its next meeting.

**Anthony Gutierrez, Pinole**, noted his understanding that the City of Pinole was the legal owner of the Wastewater Treatment Facility and responsible for all permits mandated by the State Water Board, and that the cities of Pinole and Hercules owned the assets of the facility in an equal 50 percent ownership, and that the Subcommittee did not form a JPA. He asked if the Subcommittee had constituted a JPA at the time the 2006 Wastewater Bond had been issued, whether the citizenry had voted to approve that bond, and if not why the bond had not been approved by ballot.

**Belinda Espinosa, Pinole City Manager**, advised that she would meet with Mr. Gutierrez to clarify that information.

**5. APPROVAL OF THE APRIL 17, 2014 MINUTES**

The minutes were not acted upon at this time.

**6. CONSTRUCTION MANAGEMENT SERVICES**

**Dean Allison, Public Works Director/City Engineer, Pinole**, advised that the Pinole City Council was to award and execute a Construction Management Services Contract for an amount not to exceed \$2,154,548 with Carollo Engineers for services related to the Wastewater Treatment Plant Upgrades, to be considered by the City Council at its June 3, 2014 meeting. He emphasized the urgency of the matter to get construction management services in place with the completion of the 65 percent plans. He described the process, the proposals received from four firms after a Request for Proposal (RFP) had been issued, the interview process, and reported that Carollo Engineers, which was both a design and construction firm, had offered the best people for the project, a more competitive price, and in the negotiations Carollo had agreed to reduce its proposal and add an equivalent amount of time.

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**Jeff Brown, Public Works Manager, Hercules**, stated he had been involved in the interviews and concurred that staff all felt very strongly about working with the Carollo firm given that one of the requirements would be to keep the plant running during the construction of the upgrades. He stated that Carollo Engineers had also brought ideas to the table that may save time and money.

**Ron Tobey, Plant Manager, Pinole**, commented as had earlier been noted that the interview process had been revealing and productive, and it had been good to communicate with those who would be in the plant during construction.

**Andre Gharagozian**, Process and Operations, Constructability Review, Carollo Engineers, offered a PowerPoint presentation and introduced Carollo's team of Michael Warriner, Construction Manager; Mark Wing, Resident Project Representative; Robert Carlon, Civil Mechanical Inspector; and Mike DeLuna, Electrical/Instrumentation and Control Inspection, and explained that most would work full time during the detailed process of constructability review, managing the sequencing and procurement challenges during construction, keeping the project on schedule, maintaining robust communication with all stakeholders, and supporting the cities through the process.

**Michael Warriner, Construction Manager, Carollo Engineers**, described the details of the submittals and procurement process and areas where money and time could be saved in the schedule. He responded to questions from the Subcommittee with respect to the State Revolving Loan Fund forms, a secondary staging area, quarterly meetings at the discretion of the Subcommittee that had been built into the proposal, and the established criteria for extending working hours given impacts to the community.

**Mr. Allison** responded to questions from the Subcommittee with respect to the 65 percent versus 90 percent plans, the full time equivalent staffing, the equipment costs, and the fact that equipment costs would be submitted to the state for reimbursement and replenishment of funds through the State Revolving Loan Fund.

Members of the Subcommittee made the following comments and requests:

- Requested the profit margin of the hourly rates for the engineers; stressed the need for outreach to neighborhoods during construction through the use of mailers, automatic calls, with notification to all neighbors along Tenant, and with the Carollo Construction Manager to walk that neighborhood to introduce himself (Romero);
- Concerned with the number of people and the hours involved; sought a commitment from Carollo to maintain the individuals identified for the project without reassigning them without City approval; and that they take on some of the fiscal responsibility in the field (McCoy);

- Tasks to include the conclusion of construction; concerned that mileage and clerical costs were being called out and suggested those were the costs of doing business; emphasized the importance of local hire and the use of local businesses and recommended a comparison of Pinole/Hercules language regarding local hire; concerned with staging and stated if the park was used it would have to be returned to a condition better than it had been found; asked if there were properties in Hercules that could be used for staging; recommended an initial public hearing outreach regarding the staging area, particularly if it was the park; and when told that the contractor would be responsible for the security of the staging area asked for that in writing; emphasized that time is of the essence, that contractors and subcontractors were responsible for their time; and that fines would be associated with any negligence on the part of the contractor(s) (Long);
- Asked how substitutions would be controlled; whether there would be flexibility with sole sourcing; and emphasized the need to keep track of time change orders (Banuelos).

With respect to the staging area, **Ms. Espinosa** stated the only two local sites would be the use of the park, and more than likely the renting of property in the recreation storage yard for the staging.

**Mr. Brown** commented that they were looking at properties in Hercules to see if the staging area could be accommodated in Hercules.

**Anthony Gutierrez, Pinole**, congratulated Carollo Engineers on winning the bid; was pleased to read that materials inspection was a big part of its construction management philosophy; noted the costs associated with Phase II and III and asked how that would impact the earlier cash flow analysis; asked about the change order process with inclusion of design changes and who would be required to approve that process; whether an updated project schedule would be available on line for stakeholders on a monthly basis; and at what point the Gantt Chart would have sufficient granularity to see on a weekly basis.

**Ms. Espinosa** stated once a final bid had been accepted the cash flow would be updated based on a dollar amount, to be repeated on an updated basis; the change order process would also be discussed in the future; Carollo would be the first to look at change orders and make a recommendation to both cities, and there would be a structure to administratively approve change orders of a certain dollar amount by the city managers and beyond that by the Subcommittee and the City Councils. She emphasized they would be constructing and operating at the same time and the charges would be submitted to the State Revolving Loan Fund for reimbursement. A newsletter snippet would likely be provided as opposed to a Gantt schedule.

**Jim Tillman, Pinole**, expressed concern with staging and with the railroad property; suggested the use of the park property and suggested consideration of several other properties City staff explained would not work; if there was a spill he asked who would be responsible; and expressed concern with potential overtime costs.

**Ms. Espinosa** clarified that the only overtime associated with the project could be with City staff.

On the question, **Mr. Allison** emphasized that Carollo was not taking over any responsibility the City had with the State Revolving Loan Fund.

The Subcommittee took no official action at this time.

## 7. COMMENTS FROM BOARDMEMBERS AND STAFF

**Pinole Councilmember Long** clarified that the continual references to JPA were to the Joint Powers Agreement and not to a Joint Powers Authority, which had led to confusion. She supported an addendum to spell out the Joint Powers Agreement, that it was not a legal document to be interpreted as authority, and that the power referred to was that the plant was operated collectively by the two cities.

**Hercules Councilmember Romero** suggested that recommendation be returned as an agenda item for further discussion, to include the attorneys from both cities.

## 8. APPROVAL OF THE APRIL 17, 2014 MINUTES

When asked By **Hercules Vice Mayor McCoy**, **Mr. Allison** reported that 65 percent plans were expected to be submitted in the next two weeks.

**Action: Motion by Hercules Councilmember McCoy, seconded by Pinole Councilmember Long to approve the minutes of the April 17, 2014 meeting, as submitted, carried by the following vote:**

Ayes:	Long, McCoy, Romero, Banuelos
Noes:	None
Abstain:	None
Absent:	None

## 9. ADJOURNMENT

The meeting was adjourned at 11:00 A.M. to a regular meeting on June 19, 2014 at 8:30 A.M. in the City of Hercules.

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