



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of October 14, 2025

TO: Mayor and Members of the City Council

VIA: Dante Hall, City Manager

SUBMITTED BY: Glenn Dombeck, Public Works Director/City Engineer

SUBJECT: Agreement with the Contra Costa Transportation Authority (CCTA)
Governing Administration of Federal Funding for the Hercules Hub
Project

RECOMMENDED ACTION:

Adopt a resolution accepting Congressional Earmark grant funds of up to \$850,000, approving an Agreement with the Contra Costa Transportation Authority (CCTA) Governing Administration of Federal Funding for the Hercules Hub Project (Hub), and authorizing the City Manager to execute the Agreement on behalf of the City.

BACKGROUND:

The City was awarded a Fiscal Year 2024 Congressional Earmark transit infrastructure grant of \$850,000 from the Federal Transportation Administration (FTA) for use for the Hercules Hub – Multi-modal Transportation Station (the “earmark” grant).

The City is not eligible to be a direct recipient of the earmark pursuant to federal legislation. Due to this restriction, the City must receive the earmark via a designated public agency recipient, such as the CCTA. CCTA has offered to serve as the intermediary for funding requests in return for the City reimbursing CCTA’s actual costs incurred in administering the earmark.

The Agreement establishes the obligations of the City for preparation of quarterly reimbursement requests and satisfying all FTA requirements of the earmark. The City will be responsible for any disallowed costs for reimbursements, cost increases on the project and any match required for the earmark. Generally speaking, the non-federal cost share for FTA funding is 20 percent. The Agreement will commence on November

1, 2025 and continue until the earmark is fully expended.

CCTA is Contra Costa's designated Congestion Management Agency (CMA), responsible for putting programs in place to keep traffic levels manageable. CCTA funds, plans and delivers a wide variety of projects and programs to help manage traffic congestion and improve quality of life for commuters and residents.

The Hub will create a regional, state-of-the-art housing and transportation community on the waterfront overlooking the San Pablo Bay. The Hub will connect thousands of housing units with a new train stop along the Capitol Corridor, bicycle and pedestrian pathways, bus routes, carpool options, and ferry service. To date \$46 million in capital improvements has been constructed for this facility and the City is fully engaged in securing the remaining funding needed to complete the design and construct the remaining infrastructure that will allow the Capitol Corridor train to serve the Hub.

ANALYSIS:

The total earmark funding of \$850,000 can be used to advance the design and construction but must be spent on federally approved costs. Services awarded following a federally-approved procurement process are typically eligible for reimbursement. Of the current array of contracts working on the Hub, only the contract with Union Pacific Railroad would likely be eligible for reimbursement under the earmark. Additional federally approved costs are likely to occur as the project moves beyond the 30 percent design level and into construction.

FISCAL IMPACT:

The \$850,000 in earmark funding will provide additional financial resources to advance the Hub, including design and construction. The funds earmarked have been allocated in the approved budget for the fiscal year 2024-25 specifically for the Hercules Hub.

ATTACHMENTS:

1. Resolution
2. Agreement