



January 29, 2025

Mr. Dante Hall, City Manager  
City of Hercules  
111 Civic Drive  
Hercules, CA 94547

Dear Mr. Hall:

Gray-Bowen-Scott (GBS) appreciates the opportunity to continue assisting the City of Hercules with the Hercules Hub Project. Based on our discussions with you regarding the City's current needs, we have included a proposed scope and budget for continuation of project management services and continuation of our work to help the City secure the necessary project funding.

Significant milestones over the course of 2024 are as follows:

- The GBS team has been serving as the City's Project Manager, overseeing the design delivery of the project. We have initiated regular coordination with CCJPA Planning and CCJPA Engineering to put forth a coordinated effort towards working with UPRR.
- The GBS team, with support from Zell & Associates, helped the City secure \$850,000 in earmark funding for the Hercules Hub project in March.
- The GBS team continues to maintain the Funding Plan, which is used as a basis for monitoring and applying for future grant funding. The Plan continues to be managed and refined as new funding opportunities arise.
- The GBS team met with Kevin Rodin to discuss the potential of working with his Oakland transit-oriented community project to secure Affordable Housing and Sustainable Communities (AHSC) funds for the time loss mitigation analysis.
- The GBS team identified and developed a promising grant application for the Federal Rail Administration (FRA)'s Federal-State Partnership for Intercity Passenger Rail – National (FSP-National) program in 2023. Although the project was not selected, the team learned during the grant debrief that the project would be eligible for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program.
- The GBS team developed a promising near-term grant application for FRA's Consolidated Rail Infrastructure and Safety Improvements (CRISI) program in early 2024. Unfortunately, it was announced in October 2024 that the project was not selected.
- Capitol Corridors Joint Powers Authority reached out to the GBS team in July regarding an opportunity to participate in the Corridor ID program. Since the CCJPA corridor is officially recognized by the FRA, CCJPA can submit a service development plan for the Hercules Hub and two other projects that are eligible for "third stage" project development funding. This would mean federal funding for up to 30% design and NEPA clearance without undergoing a competitive grant process.
- The GBS team met with CCTA, who emphasized the importance of establishing local match funds for future federal funding.

- To broaden the potential scope for funding and to update data in support of the Hercules Hub, the GBS team applied for the Sustainable Transportation Planning Grant (STPG) to study the feasibility of additional modes such as ferry and passenger drones.

The GBS team has completed the scope of work under our current contract. At your request, GBS is pleased to furnish you with the attached amendment request to continue our Project Management and Funding Plan advancement services through the end of 2026 while the City awaits STPG and Corridor ID grant award notifications. To build upon the progress thus far, we propose work continue on four tasks as summarized in the table below. Attached is a detailed scope of work and budget for your consideration.

| <b>Task Title</b>                       | <b>Activities by Dec. 31, 2026</b>  | <b>Budget</b>    |
|---|---|------------------|
| Task 5: Project Management and Controls | <ul style="list-style-type: none"> <li>• Manage and monitor the Construction Cost Estimate and Project Schedule.</li> <li>• Produce and Review Cost Monitoring Reports.</li> <li>• Manage the Risk Register and implement mitigation strategies.</li> <li>• Estimate the Final Design and Construction Phase</li> <li>• Oversee Design Consultant.</li> <li>• Manage the close-out of the Refugio Creek EIR / EIS</li> <li>• Manage transfer of Refugio Creek to John Muir Land Trust</li> <li>• Manage the BioRad Coordination and ROW Engineering for future land transfer to UPRR</li> </ul> | \$199,500        |
| Task 6: Funding Plan Advancement        | <ul style="list-style-type: none"> <li>• Advocate for the project and strategically coordinate with key funding partners.</li> <li>• Coordinate with CCJPA and FRA to support Corridor ID funding.</li> <li>• Coordinate with CalSTA on TIRCP award conditions.</li> <li>• Initiate federal Earmark Funding reimbursement with Caltrans.</li> <li>• Evaluate new funding opportunities.</li> <li>• Manage the Funding Plan showing target fund sources compatible with the Project delivery schedule.</li> <li>• Manage the Project Study Report Equivalent for STIP Funds.</li> </ul>          | \$206,500        |
| Task 7: Project Development             | <ul style="list-style-type: none"> <li>• Manage coordination of UPRR Capacity Analysis.</li> <li>• Manage Time-loss Mitigation study.</li> <li>• Coordinate Design Review with UPRR.</li> <li>• Manage the 30% PS&amp;E and Environment Revalidation/Track design.</li> </ul>   | \$96,000         |
| *Task 8: STPG Funds                     | <ul style="list-style-type: none"> <li>• Manage the Ferry &amp; Vertiport Scoping Phase.</li> </ul>   | \$60,500         |
|   |   |                  |
| <b>Totals</b>                           |   | <b>\$562,500</b> |

\* If the grant opportunity is appropriate based upon the work conducted in Task 8 The City Manager would be authorized by City Council to initiate the work of Task 8.

GBS is prepared to make a commitment of time and treat this project as a priority. We appreciate the opportunity to continue assisting the City of Hercules in the effort to secure full funding to construct the Hub and bring new intercity rail service to Hercules. If you have any questions or would like any additional information, please do not hesitate to call me.

Very truly yours,



Leo S. Scott  
President

Attachment: Scope of Work  
Proposed Budget

cc: Kevin Byrd

## **EXHIBIT A**

CITY OF HERCULES  
HERCULES HUB  
GRAY-BOWEN-SCOTT  
AMENDMENT #3

### ***SCOPE OF WORK***

The Gray-Bowen-Scott Team (Consultant) shall continue to provide the City with the following services to support the delivery of the Hercules Hub Project for the remainder of the 2025 and 2026 calendar year (approximately 2 year). Services are defined in four tasks:

- Task 5 – Project Management & Controls
- Task 6 – Funding Plan Advancement
- Task 7 – Project Development
- Task 8 – STPG Funds

#### **Task 5 - Project Management and Controls**

This task is focused on leadership of the project's delivery. Consultant will serve as the City's Deputy Project Manager providing direct management of the City's design consultant contract scope, cost, and schedule. Consultant will serve as the City's extension of staff for project delivery issues with the City's partners, stakeholders, and consultants as required and will keep the City's Project Manager apprised of, and involved in, project progress and issues on a regular basis. The specific subtask include:

##### **Contract Management**

- Prepare monthly invoices and progress reports.
- Manage the design consultant contracts including review and approval of invoices and processing amendments as needed.

##### **Project Meetings and Communication**

- Attend bi-weekly meetings with design consultants to provide guidance and oversight.
- Prepare for and attend bi-weekly meetings with the City to provide updates on project delivery and funding status.
- Prepare for and attend monthly meetings with CCJPA to discuss engineering and funding issues and opportunities.
- Arrange and facilitate meetings as needed to address project issues.
- Lead and/or attend various project-specific meetings, including meeting preparation.
- Report regularly to City on progress, issues, and resource needs.
- Provide as-needed project status reports and funding reports.
- Serve as the liaison between the project team and the City.
- Serve as the primary liaison between the City and key stakeholders.
- Work with the City to ensure public questions and concerns are addressed.

#### Project Execution and Issue Resolution

- Provide leadership to the Project Team, including project vision, delivery goals and team decision-making protocols.
- Develop strategies to guide various project issues to resolution.
- Manage the close-out of the EIR/EIS Refugio Creek commitments.
- Initiate the transfer of Refugio Creek to John Muir Land Trust.
- Manage the future transfer of BioRad property to UPRR.

#### Project Controls

- Regularly update the project risk register to identify, manage, and communicate project risks and mitigation strategies; implement selected mitigation measures.
- Monitor and manage the Project Cost Estimate including escalation and risk contingency.
- Estimate project costs for the Final Design and Construction phases.
- Compile and monitor all project expenditures against approved funded project budget.
- Monitor and manage the detailed project schedule. Document assumptions with respect to project schedule.

#### Task 5 Deliverables

- Project Cost Estimate
- Project Risk register
- Project Schedule
- Cost monitoring report
- Agreement with John Muir Land Trust to take over the management of Refugio Creek restoration area.
- Parcel transfer from BioRad to UPRR

#### **Task 6 – Funding Plan Advancement**

This task is focused on management of the project's Funding Plan to position for identified funding programs and evaluate new funding opportunities as they arise. It includes strategic stakeholder coordination and advocacy to establish and reinforce stakeholder support for potential funding opportunities. The specific subtask include:

#### Strategic Guidance and Stakeholder Coordination (with Zell & Associates)

- The Consultant team will conduct ongoing coordination with key stakeholders to brief them on the findings and recommendations resulting from past and current planning, technical, and engineering studies to foster and secure support for grant funding. As appropriate, Consultant will strategize with stakeholders to pursue grant funding opportunities consistent with the Funding Plan. Stakeholders will include groups such as community, business, and advocacy organizations as well as agency partners such as MTC, CCTA, WCCTAC, WestCAT, and WETA.
- This subtask includes regular meetings with City management staff to continually refine and strategize our ongoing work program and coordinate the implementation of our advocacy efforts. Eric Zell, Zell & Associates, will lead all government relations and public affairs strategies and stakeholder engagement for the team.

#### Monitor and Update Funding Plan

- Arrange periodic meetings with executive management of funding agencies and the City to facilitate joint decisions on policy-level issues such as funding strategies and programming options.
- Facilitate or participate in meetings with City's funding partners to achieve consensus on funding opportunities.
- Evaluate new funding opportunities for project eligibility, competitiveness, and timelines.
- Monitor and revise the project's Funding Plan as new opportunities become available.
- Manage funding agreement with FRA for the Corridor ID program.
- Coordinate with CalSTA on award conditions in respect to TIRCP.
- Coordinate appropriation and allocation of Earmark funds.
- Manage the Project Study Report equivalent for STIP funds.

#### Contract Management

- Manage the new consultant contracts including review and approval of invoices and processing amendments as needed for the Project Study for STIP funds.
- Prepare monthly invoices and progress reports.

#### Task 6 Deliverables

- Secure E-76 for the federal earmark funding.
- Project Study Report for STIP funds if necessary.

#### **Task 7 – Project Development**

This task is focused on leadership of the project's delivery. GBS will serve as the City's Deputy Project Manager providing direct management of consultant's contract scope, cost, and schedule for coordination with UPRR regarding the Capacity Analysis and Design review plus any new consultants regarding the time-loss mitigation study and the 30% PS&E. Consultants will serve as the City's extension of staff for project delivery issues with the City's partners, stakeholders, and consultants as required and will keep the City's Project Manager apprised of, and involved in, project progress and issues on a regular basis. The specific subtask include:

- Coordinate with UPRR to initiate capacity analysis, including development of associated reimbursement agreement.
- Manage new design consultant for the completion of time-loss mitigation study.
- Initiate and manage design review with UPRR in preparation for final design phase.
- Initiate and manage 30% PS&E with new design consultant.

#### Task 7 Deliverables

- UPRR capacity analysis
- Time-loss mitigation study
- Design review with UPRR
- 30% PS&E

## **Task 8 – STPG Funds**

If STPG funds are awarded and funded, GBS will perform the following:

### **Contract Management**

- Manage the new consultant contracts, including review and approval of invoices and processing amendments as needed.
- Prepare monthly invoices and progress reports.

### **Project Meetings and Communication**

- Arrange and facilitate meetings as needed to address project issues.
- Lead and/or attend various project-specific meetings, including meeting preparation.
- Report to City on progress, issues, and resource needs regularly.
- Provide as-needed project status reports and funding reports.
- Serve as the liaison between the project team and the City.
- Serve as the primary liaison between the City and key stakeholders.
- Work with the City to ensure public questions and concerns are addressed.

### **Project Execution and Issue Resolution**

- Monitor the Ferry & Vertiport scoping phase
- Develop strategies to guide various project issues to resolution.

### **Task 8 Deliverables**

- Ferry & Vertiport Feasibility Study

**EXHIBIT B**

CITY OF HERCULES  
HERCULES HUB  
GRAY-BOWEN-SCOTT  
AMENDMENT #3 - BUDGET

| <b>Task No.</b> | <b>Description of Task</b>      | <b>Budget</b>    |
|-----------------|---------------------------------|------------------|
| Task 5          | Project Management and Controls | \$199,500        |
| Task 6          | Funding Plan Advancement        | \$206,500        |
| Task 7          | Project Development             | \$96,000         |
| Task 8          | STPG Funds*                     | \$60,500         |
|                 | <b>Totals</b>                   | <b>\$562,500</b> |

\* If the grant opportunity is appropriate based upon the work conducted in Task 8 The City Manager would be authorized by City Council to initiate the work of Task 8.

| Project Task  | Total Cost       |
|---|------------------|
| <b>Task 5 - Ongoing Project Management and Controls</b>                 | <b>\$199,399</b> |
| Project Management - invoice management, meetings                       | \$147,551        |
| Re-estimate the Project Development Phase                               | \$20,465         |
| Design Consultant Procurement   | \$12,913         |
| Refugio Creek Closeout - EIR/ EIS - GBS                                 | \$7,304          |
| Refugio Creek - John Muir Land Trust                                    | \$3,862          |
| BioRad Coordination & ROW Engineering for future transfer to UPRR - GBS | \$7,304          |
| <b>Task 6 - Grant Application</b>                                       | <b>\$206,550</b> |
| Project Funding Administration  | \$65,992         |
| Corridor ID supplements & FRA Agreements                                | \$41,776         |
| TIRCP Allocation & Pgm. Supplement                                      | \$56,597         |
| STPG application  | \$9,259          |
| Fed Earmark Appropriation & Allocation                                  | \$22,191         |
| Project Study Report Equivalent for STP Funds - GBS                     | \$10,734         |
| <b>Task 7 - Project Development</b>                                     | <b>\$96,250</b>  |
| UP Capacity Analysis  | \$27,562         |
| Time-loss Mitigation study  | \$27,562         |
| UPRR Design Reviews   | \$20,563         |
| 30% PS&E & Env Revalidation/ Track Design                               | \$20,563         |
| <b>Task 8 - Scoping Phase - Ferry &amp; Vertiport Study</b>             | <b>\$60,375</b>  |
| Project Management  | \$9,848          |
| Consultant Procurement  | \$32,333         |
| Conceptual Plan   | \$4,815          |
| Public Outreach   | \$7,122          |
| Advisory Meetings   | \$4,815          |
| Draft and Final Feasibility Plan  | \$1,442          |
| <b>Subtotal Task Name</b>   | <b>\$562,574</b> |
| <b>Subtotal Optional Task Name</b>                                      | <b>\$0</b>       |
| <b>Total Hours</b>  | <b>2,023</b>     |
| <b>Total Direct Labor (L)</b>   | <b>\$562,574</b> |
| <b>Fringe + Overhead (F+O)</b>  | <b>\$0</b>       |
| <b>Total Labor + Fringe + Overhead</b>                                  | <b>\$562,574</b> |
| <b>Facilities Cost of Capital (FCC)</b>                                 | <b>\$0</b>       |
| <b>Fee (%*L+F+O)</b>  | <b>\$0</b>       |
| <b>Total Labor Cost</b>   | <b>\$562,574</b> |
| <b>TOTAL CONTRACT COST</b>  | <b>\$562,574</b> |

\*Rounded down to \$562,500