



November 6, 2018

Mr. Michael Roberts, Public Works Director/City Engineer
City of Hercules
111 Civic Drive
Hercules, CA 94547

Dear Mr. Roberts:

Gray-Bowen-Scott appreciates the opportunity to continue assisting the City of Hercules advance the state of readiness of and position the Regional Intermodal Transit Center (RITC) in Hercules for grant funding. At your request, Gray-Bowen-Scott is requesting additional budget so our team may continue as an on-call resource to the City.

The RITC in Hercules recently celebrated another milestone with the opening of Bay Trail West. Completion of the project is dependent on full funding for the remaining phases of the project (Relocation of utilities in the railroad right of way, construction of the third track, train platforms, etc.). Based on the City's current project estimates, the construction cost of the next phase is \$17m and roughly \$50m is needed to construct the infrastructure needed for a train to stop.

We, together with the City, concluded that to be more competitive for grant funding, the City needs to stress the significance of the RITC in a regional context, better document the regional benefits of the RITC and advance the state of readiness of this project by securing a commitment from agencies/entities such as Capitol Corridor Joint Powers Authority (CCJPA) and San Joaquin Joint Powers Authority (SJJPA) to bring intercity rail service to Hercules.

Over the past year, the Gray-Bowen-Scott team has done and accomplished the following:

- *Continued to raise the visibility of the RITC with CCJPA Board:* Utilizing our Bay Area and Northern California relationships, numerous members of the CCJPA Board toured the site. Individuals include a member representing the South Bay and the current Chair of CCTA who is also a member of MTC. As a result, they have an appreciation of the RITC and its' relationship to CCJPA's short and long term goals. At a CCJPA Board member's request, the City has made two presentations to the CCJPA Board. Our work, in part, spurred the CCJPA Board to form an ad hoc committee to review and make recommendations on updating CCJPA's Train Station Policy. We are cautiously optimistic that CCJPA will conclude their process by the end of March 2019.
- *Continued to work with CCJPA staff:* As a result of the work of our team, CCJPA staff and Hercules have reached general consensus on quantifying dwell time specific to a stop in Hercules. CCJPA staff is now quantifying ridership forecasts using their protocols. Our team is working with CCJPA and their modeling consultant to develop realistic ridership forecasts. Level of ridership is a factor in CCJPA's Train Station Policy. Recently, as a result of HDR's work with CCJPA, Caltrans and Amtrak, ridership forecasts for a station in Hercules have been validated. HDR's work is significant because results from Amtrak's initial model run results were low.
- *Identified Federal, State, Regional/Local funding programs this project could pursue:* While the

list is extensive, the viability of a couple key programs are in a state of flux. If statewide voters support Prop. 6 this November, SB 1 is repealed. MTC is in the process of establishing their Strategic Plan for RM3. That said, a project's high state of readiness has always been a factor in attracting grant funds.

The scope of work the City approved with Amendment 7 assumed CCJPA's process would conclude in six months by June 2018. Instead, due to CCJPA's competing priorities, their process on their Train Station Policy has extended. We prudently stretched our six month budget by an additional eight months. As a result, we have depleted our budget. Our work plan is focused on fostering an environment that allows rail service in Hercules, actively participating in CCJPA's process to update their Train Station Policy and continue partnering with Contra Costa Transportation Authority. At the conclusion of CCJPA's process, we can propose a scope for continuation of our services.

I will continue to be Gray-Bowen-Scott's primary lead with the City. We have assembled a team with specialized expertise in rail and deep local and regional relationships with transportation agencies and their policy officials. Individuals listed below will assist as follows:

- Eric Zell, Principal, Zell and Associates: Eric, relying on his extensive regional relationships and background in transportation issues, will continue to provide strategic guidance and liaison with key stakeholders to bring intercity rail service to Hercules.
- Wayne Short, HDR, Rail Specialist: Wayne's relationships with UPRR and his expertise in rail systems and operations are instrumental in developing the City's requests for rail service.
- Matt Todd, Vice President, Gray-Bowen-Scott: Matt will help evaluate, monitor and advise the City on potential federal, state, regional and local grant opportunities.

Due to the dynamic nature and complexity of issues encountered on this project, our level of effort can vary depending on the level of support requested from the City, task at hand and the depth of the City's resources. Based on the tasks identified to date, we request a budget of \$75,000 through the end of March 2019, distributed as follows: \$25,000 for GBS, \$30,000 for Zell and Associates, and \$20,000 for HDR. Per the terms of our contract, compensation is based on a time and materials basis.

Thank you for the opportunity to present this proposal. The GBS team appreciates the opportunity to be of service on a project that is a priority for Hercules. I am prepared to make a commitment of time and treat this project as a priority. If you have any questions or would like any additional information, please do not hesitate to call me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Teresa K.Q. Bowen", with a stylized flourish at the end.

Teresa K.Q. Bowen
Senior Vice President

TKQB/ejm

Attachment: Scope of Work
Budget

cc: Leo Scott, Gray-Bowen-Scott

EXHIBIT A

CITY OF HERCULES

REGIONAL INTERMODAL TRANSIT CENTER (RITC)

GRAY-BOWEN-SCOTT

SCOPE OF WORK: AMENDMENT 8

Gray-Bowen-Scott team (Consultant), shall provide on-call project support as requested by the Client's Project Manager. In this role, Consultant's duties shall include but not be limited to facilitating interagency and stakeholder communications and supporting the Client in garnering countywide and regional support for positioning the project for grant funding.

SCOPE OF WORK

1. Intercity Rail Service Initiative

This task is focused on gaining approval from CCJPA to serve Hercules at the RITC. Our approach is to raise awareness with key decisions makers and frame the RITC as one of the solutions to address severe congestion on Interstate 80. I-80 has been identified by MTC as the most congested corridor in the San Francisco Bay Area.

A. Agency and Stakeholder Coordination

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 and educate stakeholders on how serving Hercules supports the agency's Vision and Business Plan. Stakeholder coordination includes working closely with members of the CCJPA Board as well as executive staff.

Consultant shall work with agencies (CCJPA, SJJPA, CCTA, MTC, UPRR, etc.) to participate in development of policies regarding new train stops. Included, but not limited to, with this task are:

- Facilitating agency review and decision making process
- Structuring periodic meetings between executive management staff of CCJPA and funding agencies and Client to facilitate joint decisions on policy level issues such as funding strategies and programming options

Scope includes developing and compiling a request to the CCJPA for service consideration based on CCJPA's final Train Station Policy. Scope includes providing project information and/or providing context and framing issues for key decision makers. The request to CCJPA will be consistent with criteria outlined in CCJPA's Policy on Train Stations. Using existing documentation, the request will address issues such as:

- How the new stop affects service for the system as a whole
- Parking (near and long term plans)

- Document and quantify mode shift from drive alone trips on I-80 to transit and train service
- Track improvements such as the project's proposed 8,000 feet of third track and grade separated access to the passenger platforms. Such improvements will improve speed and reliability for both passenger and freight traffic.
- Sustainability (climate change)
- Underserved communities

B. Strategic Guidance

Consultant shall provide ongoing strategic guidance to City staff to establish and implement our goal of intercity rail serving Hercules. Our strategy will evolve based on what is learned from Task 1. This task includes periodic meetings or conference calls as needed to collaborate on strategies, anticipate and address issues in a timely manner.

C. Team Management/Oversight and Contract Administration:

In lieu of charging a markup on subconsultant invoices, GBS will manage and provide oversight of our sub-consultants, HDR, and Zell and Associates as well as administer their contracts.

Assumptions: CCJPA's process concludes by the end of March 2019, no need to activate I-80 Coalition, and CCJPA's relationship with City is collaborative.

2. **Funding Plan: Strategic Guidance and Support**

Perform ongoing strategic analysis of funding programs including consideration of funding source(s) eligibility and procedural requirements and recommend adjustments to scope or scalability that would improve competitiveness for funding grants. As needed, support the City in positioning the project for grant funding and development of proposed funding plan. Proactively monitor grant opportunities, identify and notify Client of grant opportunities as they occur.