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Light-rail line's cost rises to \$462.7M

Charlotte Business Journal - by [David Mildenberg](#) Staff Writer

Charlotte's first light-rail line is now expected to cost \$462.7 million, about \$36 million above the most recent estimates.

The 9.6-mile line was initially projected to cost \$227 million when city officials proposed the project eight years ago.

Ron Tober, chief executive of the **Charlotte Area Transit System**, outlined the higher cost estimate to City Council members Monday night. He alerted the council to the increase last month, blaming much of the problem on design mistakes by **Parsons Transportation Group**, CATS' main consultant on the project.

Tober said the project now has an 80 percent probability of meeting the current budget -- raising the possibility of further increases.

CATS faces a Dec. 31, 2007, deadline for completing the line or it risks losing \$199 million in federal funding.

The state of North Carolina is providing \$106 million for the project, while CATS is paying for the balance, or about \$156 million.

Under earlier estimates, CATS was to be responsible for 25 percent of the project's costs, or \$106 million, when the total price was estimated at \$412 million. But the local portion has risen about 34 percent because of the cost overruns.

CATS is funded through a half-cent sales tax in Mecklenburg County that produces about \$60 million annually.

CATS estimates it will complete the project in November 2007, a month ahead of the federal deadline.

In addition to the problems with Parsons, Tober also cited higher-than-expected increases in labor, steel and cement costs. And he criticized **Norfolk Southern Corp.** for failing to provide enough safety officers, which delayed the project and boosted costs.

Mayor Pat McCrory and City Council members have been critical of Tober and his boss, City Manager Pam Syfert, for not being more forthcoming with information about the cost overruns. Syfert and Tober knew about the higher costs for several weeks before disclosing the information to the council.

Both officials have pledged to provide more detailed information about the project.

The south-corridor line is the first of several major transit projects proposed by CATS. But tighter federal funding and problems with the initial light-rail line have prompted doubts about the viability of those plans.

County Commissioner Jim Puckett is asking local leaders to hold another referendum on the half-cent transit tax to gauge public support for CATS' plans. But that proposal is opposed by McCrory, who is a Republican, and the Democrats who control City Council and the Mecklenburg Board of County Commissioners.

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