4.0 Capital Cost Estimates

This chapter summarizes the estimated capital costs for the Locally Preferred Alternative, and presents information on the capital expenses and resources.

4.1 Capital Cost Estimates

The total cost of constructing the proposed Silver Line BRT project is estimated at $37 million in Year of Expenditure (YOE) dollars. These current cost figures are based on FTA Standard Cost Categories (SCC) worksheet and precede completion of PE plans. Major categories include construction costs, right-of-way (provisional), vehicles, professional services and contingency. Construction is proposed for 2013 with estimated costs summarized in Table 4-1.

Table 4-1 Capital Cost Estimates (Millions), YOE Dollars (2013)

Cost Type	2010	Total Cost
Construction	$16.84	$18.96
Right-of-Way Acquisition (provisional)	$0.65	$0.71
Vehicles (10)	$7.27	$8.20
Professional Services	$4.43	$4.80
Unallocated Contingency and Finance Charges	$3.89	$4.33
Total Cost	$33.08	$37.00

4.2 Capital Resources

4.2.1 Non-Federal Capital Resources

The State of Michigan has committed to supporting the project with a 20 percent local match. *The Rapid* relies on a dedicated property tax (or millage) as its primary local funding source for its operations as well as significant State Operating Assistance. The 20 percent state match is for project construction, as operating monies will be sourced from local funds.

4.2.2 Federal Capital Resources

The primary Federal funding for the Silver Line BRT project is Section 5309 New Starts/Very Small Starts Funds. Based on the FTA funding policy of 80 percent Federal and 20 percent local match, up to an estimated $37 million of Section 5309 New Starts/Very Small Starts funds is being requested for the Locally Preferred Alternative.

4.3 Implementation

Implementation of the funding plan depends on successfully obtaining the following: a) finalized cost estimates subsequent to further engineering analysis, coordination with stakeholders, and

completion of the Environmental Assessment, and b) a Full Funding Grant Agreement between *The Rapid* and the FTA, providing requested Section 5309 Very Small Starts funds.