

MEMO TO COUNCILLORS, CEO AND TRANSPORT DIVISION

From Cr. Glen Evans

Investing in the Best Options

BUSES OR TRAINS?

Objective: To ensure that before GWRC finally commits itself to a sustained and heavy capital investment on rail infrastructure on the Johnsonville and Melling lines, the best long term option as between rail and buses is determined. Although there are special factors that apply in the present situation, GWRC should manage the process to ensure the wisest long term investment.

1. Special Factors

1.1 In arguing that we need to consider dispassionately, and support, whichever mode of public transport, train or bus, is the optimum solution in each case, I acknowledge that there are special factors that have to be considered. These may affect what we do in the short term, but should not, if possible, constrain or prevent the implementation of the optimum solution in the long term. We should not settle for a short term expedient as a practical measure, without being clear that it is that, if such is the case, or disguise the fact that it is less than the best choice.

1.2 The special factors that currently apply are:-

- The urgency of the need to improve the standard of the rail rolling stock, for example the English Electric units, which are in a seriously run-down condition;
- The need to move swiftly and decisively in settling the contract for the rail commuter services so as to maintain continuity and public confidence;
- The nature and extent of funding available may constrain choices- particularly short term
- Public opinion tends to be conservative and value the status quo – the case for change takes time to present.

2. Best Use of Resources Vital

2.1 The fact is that the projected capital expenditure on public transport, and operating expenditure too, is very high. It will be a sensitive issue to all ratepayers but particularly those, the majority, who rarely, if ever, use public transport. In some cases, and I will argue particularly the Johnsonville and Melling lines, the expenditure is high in relation to the number of people carried. To the extent that we spend substantial capital on rail we should aim to concentrate on the lines where the patronage justifies that i.e. the Kapiti and Wairarapa to Wellington lines. Considerable expenditure on the sidings may not only be a sub-optimum investment but also inhibit needed investment on the main lines.

- 2.2 In the past we have had no choice as to how the rail corridors could be used. On an earlier occasion when buses were considered seriously as an option on the Johnsonville line, I understand the use of the corridor for that purpose was effectively blocked by TranzRail. The transfer of the rail corridors to public ownership, however, may present us for the first time with a real opportunity to consider the best use of these corridors. Just incidentally, it may be that the air space can be used to accommodate road widening e.g. an extra lane from Dowse to the Petone overbridge. While the Government would have to approve, and their use for general passenger transport purposes would also have to be negotiated through TranzRail, we may have a chance, which is not to be wasted, to plan for the use of the Johnsonville and Melling rail corridors as public transport corridors.
- 2.3 I do not see that there is an argument concerning the two main Kapiti and Wairarapa lines – where large numbers of people are carried considerable distances quickly on dedicated rail corridors. This is where trains come into their own. The principal feature of buses is their relative flexibility, thus enhancing the ability to pick up locally and take passengers to selected designations outside dedicated transport corridors – providing convenience and in many cases also avoiding a mode change. Not even light rail, which has some physical limitations anyway, offers the possibility of such convenience.
- 2.4 In addition to the new alternative possibilities which are offered by the dedicated corridors for the Melling and Johnsonville sidings, there are a number of other recent developments which provide new or different service options i.e.
- The successful development of bus lanes through Wellington CBD and their possible increase;
 - The proposed High Occupancy Toll (HOT) additional lane between Petone overbridge and Ngauranga interchange;
 - The new bus–rail interchange at Wellington station;
 - Improved bus routes and connections already introduced in the Hutt, and soon to be introduced elsewhere.
- 2.5 All of these developments might greatly accentuate the flexibility and utility of bus services using the dedicated rail corridors. For example, buses serving localities in the Western Hills of the Hutt might use the Melling line corridor, the proposed HOT lane on SH2, then go under the Ngauranga interchange and along the old Hutt Road to the Wellington bus/station interchange, there connecting with trains and other buses, and thence proceed along the dedicated Wellington bus lanes to Courtenay Place. Similarly, buses serving various locations in Wellington’s northern suburbs could access the Wellington station /bus interchange by means of the Johnsonville line and the Hutt Road and then go on to Courtenay Place. Some capital expenditure on connecting the rail corridors to the roads would, of course, be necessary.
- 2.6 Referring specifically to the Melling line, the best public transport connection to the Hutt CBD also needs to be considered. A light rail option has already been considered (Sinclair Knight Merz report). The Hutt Corridor Plan, adopted by the RLTC and Hutt and Wellington cities, as well as the GWRC, says the following relevant things:-

- “Investigate increasing Melling link frequency at peak and interpeak periods, especially extending the evening peak service”; and
- Investigate in connection with Hutt City Council, the public transport improvements, related to the current Melling line, that best suit the future development and transport connections of the Hutt CBD and implement as soon as funds and development permits. This will involve a consideration of the timing of, and nature of, any improvements to the existing bridge at Melling, or any replacement of that bridge, relative to the possible use of the Ewen bridge or an addition thereto.
- Allow additional direct bus services from the Hutt Valley to Wellington CBD where these services are commercial and can be shown to attract more car users than former train users.”

Interestingly, the best option for a light rail connection to the Hutt CBD, selected in the Sinclair Knight Merz report, was by means of an attachment to the southern side of the Melling bridge. This may be compromised by the proposed Harvey Norman development at Melling, which is supported by HCC, and was conditionally supported by GWRC, although it is now being reconsidered by Harvey Norman. In any case, I suggest that a rapid bus system using the rail corridor, and either Melling or Ewen bridges to access the CBD, and then go on to Waterloo Station, may be easier and cheaper than light rail and should certainly be investigated.

- 2.7 In the fourth section I refer to an analysis by Tony Randle, and various earlier reports, from which I suggest it is very evident that the optimum use of the Johnsonville and Melling sidings in relation to bus or train needs to be carefully evaluated. There are substantial grounds for believing that a rapid bus service, using the rail sidings as public transport corridors, would be both cheaper and better. In order to give effect to this improved investment, however, we will need to:
- Advocate that as far as possible funding from Transfund should be neutral as between the two options, but if it is not, take that into account;
 - That we manage the political and short term considerations so as not to preclude, or render unduly difficult to implement, the best long term transport solutions and investment.

3. Political and Short Term Considerations

- 3.1 I do not doubt that there will be a political reaction to any proposal to change either of the sidings from trains to a rapid bus system. Apart from anything else, it will take time, and quite some effort, to get the information and reasoning behind any such substantial change to the users and to the wider public. They deserve this and need this, but I make two observations.
- Firstly, that dealing with public reaction is the responsibility of the politicians; from our officers and any advisors we can expect a dispassionate consideration of the options. Secondly, it may be easier to persuade the public than it may seem at first sight. Our LTCCP proposes to spend a lot of money on these two sidings and there are not a lot of users who benefit. I also believe that the amount required is likely to rise. Ratepayers are prone to understand the advantages of cheaper and more efficient options.

Furthermore, surveys of potential users tend to indicate that they do have strong preferences for maximising convenience in the commencement and termination of their journeys, and do not like having to make a change from one transport mode to another during the journey.

- 3.2 There are serious transitional and/or short term issues to consider. There needs to be a smooth change of operator and the retention of confidence by users, as I mentioned. These matters need to be worked through, however, so as not to lock us into an inferior investment. We could seek proposals for the provision of temporary bus services, while the rail corridor infrastructure and new bus services are made ready. We need to prepare for the earliest practicable identification and implementation of the best long term option, on the Johnsonville and Melling sidings, bus or rail, while doing only what is necessary in the short term to maintain continuity and public confidence.

4. Earlier Reports and Submissions

- 4.1 To keep this reasonably brief, I shall summarise only what seem to me to be salient points – enough to make what I think is a strong case for an urgent evaluation of the relative merits and costs of trains v buses using the Johnsonville and Melling sidings. It also needs to be considered as to how we can best achieve the optimum solution and wisest investments in our present situation.

- 4.2 In 1995, my last year as Hutt Mayor, a survey was conducted for the HCC on transport preferences for people living in the Western Hills of Lower Hutt. This indicated many more people would use public transport, if buses could be caught more conveniently and they did not have to make a change to rail at Melling station. On enquiry I also found that Melling was an unprofitable line for TranzRail, and I then first started to consider whether using the Melling line reservation for buses might be a good solution.

- 4.3 A substantial submission on the Melling rail corridor, and its possible future, was made by Tony Randle, a Business Analyst with NZ Post, to the Hutt Corridor Plan hearing. He made the following points, amongst others:

- Total passengers on the Melling line, based on reports in 1992 and 1996 were under 450 /day ;
- In terms of public transport effectiveness, 37% of Lower Hutt commuters generally took public transport, but only 30% from the Western Hills, in comparison, for example, with 50% from Woburn;
- A May 1992 report “Melling Rail Line Implications for Closure”, page 1, said that “a direct bus service from Western Hills would totally offset any disbenefits to users with 86% of Melling and Western Hutt rail passengers likely to use the bus instead of the Hutt Valley Main Line”.
- A May 1996 WRC report “SH2 Strategic Study – Melling Branch Railway Line” said that “closing the Melling Rail Line” would “result in a net benefit to society, if replacement bus services are instituted.”

- Mr Randle concluded in a summary of WRC reports that “All these reports, including the Corridor Study state most Melling Line commuters would rather take the bus.”

4.4 Notwithstanding his impressive submission, the recommendation of the Hutt Corridor Plan hearing committee – see para 2.6 – was that, while the Melling line operated, we should investigate increasing its frequency. At least we might discover what potential it may have.

4.5 In relation to the Johnsonville line, Tony Randle has done an analysis based on the Travers Morgan report for the Regional Council of August 1993 entitled “Study of Public Transport Options: Johnsonville-Wellington CBD Corridor”. He has also referred to the GWRC LTCCP and to our Public Transport Division’s public information to Council and on the internet. He has updated the 1993 report to incorporate 2003 information.

4.6 Principal points he makes, arising from the analysis, are:

- The total number of rail commuters per day (morning and evening) is between 1000 and 1500 – based on 2001 Census Journey to Work figures presented by John Row to the RLTC on 8/8/02.
- The 10 year proposed rail expenditure on the Johnsonville line is \$77.8m of which \$57.8m is capital, which compares to a total for all rail of \$230.4m on capital expenditure.
- The bus service from Johnsonville and surrounds is increasing but rail patronage is not.
- The benefit /cost ratio of the refurbished units on the Johnsonville line is at best only half of the b.c.r. for a new guided busway. In the Travers Morgan 1993 report the b.c.r’s were closer at 1.16 for the 20 year EMU refurbishment and 1.72 for the guided busway.
- The train to Wellington is faster in the morning, taking about 21 minutes compared to 26 for the bus, but the bus takes 18 mins in the evening, compared to the 21 mins for the train.

The total cost to the Council of funding through loans the 10 year capital expenditure on rail, Mr Randle has calculated at \$51.68m. This allows for a 60% contribution by Transfund. By 2012/2013 the annual cost to Council will be \$9.2 million and to Transfund will be \$13.8 million.

4.7 The Travers Morgan 1993 report, at para 4.7.2 on page 79, gave the busway a positive net present value of \$15m, compared to bus-on-street at \$7m, then EMU’s at \$1m to \$6m, and refurbished EMU’s at 0 -\$1m, although the 20 year refurbished EMU’s are shown in Table 4.6 at an NPV of \$1.5m. Table 4.3 costed the 20 year refurbishment of the EMU’s at \$19.73m compared to a capital cost for a busway at \$17.05m.

4.8 Detailed calculations and analysis by Tony Randle has been provided to the Chief Executive, Mr Barry Harris. He has met with Mr Randle together with Dr Watson and Crs McDavitt, Turver and myself. A useful discussion took place at which I made it clear it was my intention to seek that this paper be considered by

the Passenger Transport Committee on 30th March. It is my understanding that, if there are any important differences on issues of fact, these will be sorted out.

- 4.9 As a final comment, I note from a note on 18th July from Karen Richardson of our Transport division that answers from a recent questionnaire found that “those who use train services other (ie Hutt Valley and Paraparaumu train lines) than the Johnsonville train are significantly more likely than Johnsonville users to be satisfied with the train service overall.”

5. Summary

- 5.1 I believe there is a very convincing case for a further evaluation in today’s circumstances of the best options on the Melling and Johnsonville lines, as between bus and rail. So far as possible we should seek to invest our money in the best option. The options we can now consider have new elements, such as new dedicated CBD bus lanes (see para 2.4), that we must sensibly take into account.
- 5.2 While there will be real political, transitional and short term considerations to be dealt with, we should set out to invest ratepayers’ money wisely in the best investment. We have to manage the process accordingly.
- 5.3 It is my understanding that funding of the future Passenger Transport capital expenditure requirements involved in any agreement with TranzRail will require the presentation of an acceptable long term business plan to Transfund. This must appropriately and adequately deal with the bus options as well as the rail options, for the long term, on each of the two sidings.

6. Recommendations for Consideration:

- (a) That the Passenger Transport Committee receives this paper;
- (b) That this paper and the process leading to the determination of the best long term option for each of the sidings, as well as the implementation of such shorter term measures as may be needed to ensure continuity of service and retention of public confidence, be considered by the officers, and reported to a later meeting of this Committee;
- (c) That such consideration should take into account the new or different service options referred to in paragraph 2.4 hereof and any other relevant matters in today’s circumstances;
- (d) That the Council advocates that the 60% Transfund subsidy be available to the best option whether it be rail or bus, so as to lead to the soundest public investment.
- (e) That appropriate input on the options be sought from bus operators as well as TranzRail.

7

- (f) That any negotiations with TranzRail take into account and allow for the Council to select and implement, at the appropriate time, the best public transport option for the use of each of the Johnsonville and Melling sidings.

Glen Evans
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