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Committee Regional Transport
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Draft Regional Land Transport Programme Priorities

1. Purpose

The purpose of this report is to set out the draft policy for prioritisation of activities and the draft list of prioritised projects for inclusion in the Region's proposed Regional Land Transport Programme (RLTP) that will be consulted on in March/April 2009. The Committee will consider the full proposed programme at its next meeting.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The amended Land Transport Management Act 2003¹ (the Act) requires the Committee to prepare and consult on a RLTP every three years. In accordance with section 16 of the Act, the programme must contain all of the land transport activities proposed within the region over the next ten years. The programme will include a funding plan that will set out the expected expenditure of the Region's 10² agencies (some \$5 billion over 10 years) on transport operations, maintenance and developments for 3+3+4 year periods. The programme supports the Region's bid for funding assistance from the National Land Transport Programme.

The Act requires that the RLTP contain the "order of priority" for activities for the first three years of the programme (2009/10 – 2011/12) and a "statement of transport priorities" for the first six years of the programme (s16(1)(c) and s16(3)(a)). The following sections of this report focus on draft priorities.

¹ As amended by the Land Transport Management Act 2008.

² New Zealand Transport Agency (State Highways), Masterton, Carterton, South Wairarapa and Kapiti Coast District Councils, Hutt, Upper Hutt Porirua and Wellington City Councils (Local Roadings), and Greater Wellington Regional Council (Passenger Transport).

4. Comment

4.1 Prioritisation Methodology

The Technical Working Group (TWG), comprised of senior officers of all agencies with items in the programme and other organisations, has met on a number of occasions to develop a draft prioritisation policy to augment existing policy set out in the Regional Land Transport Strategy (RLTS) and a prioritisation method based on contribution to the outcomes sought by the RLTS.

The TWG then applied the draft policy and method to all activities and projects identified by approved organisations and developed a draft list of prioritised projects for recommendation to the Committee. A high level assessment has been completed for each project and is available on request. It will also be available on Greater Wellington's website during the consultation phase.

The Committee was briefed on the prioritisation method following its meeting on 11 December 2008 and on the draft policy and priorities at a workshop on 9 February.

4.2 Treatment of Transmission Gully Motorway

The proposed Transmission Gully Motorway is a special case generally outside the consideration of this process. This is because of its national significance, size, and funding issues. The RLTS is clear that Transmission Gully is the region's preferred long term solution to address accessibility and reliability issues for State Highway 1 between Kapiti and Wellington. When the previous Regional Land Transport Committee adopted Transmission Gully as the way forward, it was on the condition that funding would not be taken away from other regionally significant transport infrastructure improvements.

Special funding of \$80m was announced by the Government on 18 May 2006 for investigation and preliminary design work for this project. Additionally, \$405m has been committed for part of the construction cost. The remaining construction funding (at least \$620m) has yet to be identified.

The proposed RLTP assumes that Transmission Gully development work continues at the current fast pace and that the new route will be open by 2016, subject to consents being obtained and funding issues being resolved. The associated costs are included in the programme but construction funding will not be included in the region's funding plan.

4.3 Indicative regional funding

The Government Policy Statement on Transport Funding 2009/12-2018/19 (GPS) sets out targets that the National Land Transport Programme needs to achieve. It also sets out expected expenditure ranges for different activities at the national level. The New Zealand Transport Agency (the Agency) must give effect to the GPS. It will do this by determining which of the activities

identified in the 17 regional land transport programmes will be supported with national funding in the National Land Transport Programme.

In order to assist regions the Agency published indicative regional funding “allocations” in October 2008. We anticipate that these will be revised by the new Government and this may have some impact on the final recommended programme that the Committee will produce by 30 June 2009.

The total indicative funding for the next 10 years for Wellington Region is shown in the following table. The Agency expects that expenditure is generally planned close to the mid-point of the funding range.

		Indicative funding range (\$m)		
		2009/12	2012/15	2015/19
Wellington's total indicative "allocation"	Lower	685	550	775
	Upper	980	845	1080

The draft proposed programme is currently showing the following total funding request. It is clear that if we must cut the programme to meet the mid point indicated then many of the proposed improvements will not be able to proceed.

	Draft funding request (\$m)	
	2009/12 (3-years)	2009/19 (10-years)
Wellington's total request	1080	3000
Savings needed to meet Mid point	250	540
Savings needed to meet the Upper allocation	100	90

4.4 Draft prioritisation policy

The RLTS contains some policy on programme prioritisation and funding (see **Attachment 1**). However, further policy is now needed to assist this process. The Act specifies that the following activities must be included in the programme (without prioritisation):

- Committed activities (i.e. those activities already underway)
- Local road operations and maintenance
- Local road minor capital improvements
- Existing passenger transport services.

All other activities must be prioritised. The TWG has considered the activities that are subject to prioritisation and believe these fall into three groups. The TWG has grouped these as “first, second and third” priority activities. First

priority activities are required to maintain the existing level of service or are necessary to meet statutory obligations. Second priority activities are relatively low cost studies, demand management activities and improvement works that are expected to help us move quickly toward achieving RLTS outcomes. Third priority activities are the high cost new works or services that are subject to the detailed prioritisation methodology used by the TWG to help it develop recommendations for the Committee. Details of the make up of the first and second priority programmes will be contained in the detailed programme to be considered at the Committee's March meeting.

The following policy is recommended to the Committee:

First priority activities are:

- Operation of committed new passenger transport projects
- Passenger transport maintenance and renewals
- State Highway maintenance and renewals
- Statutory transport planning.

Second priority activities are:

- Transport planning studies
- Walking and cycling projects costing less than \$4.5m
- Travel Demand Management
- State Highway safety projects costing less than \$4.5m.

Third priority activities (subject to an order of priority) are:

- Large new projects costing more than \$4.5m.

Particular regard should be given to safety issues when considering priorities.

4.5 Draft third priority activities

Having taken account of all proposals submitted to this process the TWG has identified 30 large projects that fall into the third priority activity category. A brief summary of the projects is included in **Attachment 2**. The TWG has examined each of these proposals against the seriousness and urgency of the problem, for their contribution to the outcomes sought by the RLTS and their respective economic efficiency as indicated by a benefit cost ratio.

19 of the proposals (some combined into packages where this was sensible to do so) could reasonably be expected to proceed to at least the detailed design stage over the next three years. It is these 19 proposals that must be put into priority order in terms of the requirements of s16(1)(c) of the Act. The urgency of the problem, significance of safety issues, readiness to proceed and indicative funding were matters given particular regard to in developing the proposed priority list. The following third priority activities are now recommended for inclusion in the proposed RLTP for commencement (and therefore funding approval) in the first three years:

Third priority activities – prioritised list		
Priority	Project/Package	Comment
1	Western Link Road Stage 1 (Waikanae to Paraparaumu) and Ihakara St extension package	Relieves SH1 capacity and safety issues and provides vital local connections (Western Corridor Plan).
2	SH1 Basin Reserve upgrade and bus lanes improvement package	Provides for enhanced passenger transport spine between Wellington Railway Station and Newtown, relieves SH1 (Ngauranga to Wellington Airport Corridor Plan).
3	Rail Scenario 1 package	Improves capacity and reliability of the urban passenger rail network to meet RLTS targets (Regional Rail Plan).
4	SH2 Melling Interchange and Melling Bridge package	Addresses safety and capacity issues at Melling and improves access to Hutt City Centre (Hutt Corridor Plan).
5	Western Link Road stage 3 (Paraparaumu to Raumati) and Southern Connection package	Relieves SH1 and provides vital local connections (Western Corridor Plan).
6	Paraparaumu and Waikanae Station Upgrades	Vital to support the electrification and double tracking to Waikanae project which is currently underway.
7	SH1 MacKay's-Paekakariki Median Barrier	Reduces safety risk on SH1.
8	SH2 Moonshine-Silverstream Median Barrier	Reduces safety risk on SH2.
9	SH1 Mt Victoria Tunnel Fire Safety	Reduces safety risk on SH1.
10	SH1 Terrace Tunnel Fire Safety	Reduces safety risk on SH1.
11	SH2 Rimutaka Hill Road Upgrade (Muldoon's Corner)	Reduces safety risk on SH2 (Wairarapa Corridor Plan). Note that this project is part of the Government's Jobs and Growth Plan announced on 11 February 2009 and will be funded outside the programme. Construction will commence in October 2009.
12	SH1 Waikanae Grade Separation	Addresses capacity and safety issues at Waikanae (Western Corridor Plan).
13	Bus Service Improvements	Provides for ongoing increases in bus services to meet demand (Passenger Transport Plan).
14	SH1 Ngauranga-Aotea peak period tidal flow lanes and Hutt Road bus lanes package	Matches network capacity on SH1 and provides for faster bus journey times on Hutt Road (Ngauranga to Wellington Airport Corridor Plan).
15	SH2/SH58 Grade Separation	Addresses safety and capacity issues at the Haywards intersection (Hutt Corridor Plan).
16	Waterloo Quay capacity improvements	Improves access to CentrePort and the ferry terminals.
17	Rail Electronic Ticketing	First step toward full integrated ticketing (Passenger Transport Plan).
18	Westchester to Glenside link	Improves local access between SH1 and Churton Park development areas.
19	Masterton Eastern Bypass	Provides relief for the Masterton town centre and nearby commercial and residential areas by providing an alternative route for heavy traffic, primarily driven by increasing logging truck traffic from large maturing forests to the north east of Masterton (Wairarapa Corridor Plan).

Those third priority activities that are expected to proceed beyond the 3-year programme will still need to be identified in the 10-year forecast, but are not required to be prioritised. The 10-year list of projects with their anticipated timing is shown in **Attachment 3**.

The timing shown is a best estimate at the time of writing and reflects each project's readiness to proceed, subject to gaining approvals, consents and funding. The region will work with the Government on initiatives that seek to advance the timing of both national and local infrastructure projects.

4.6 Draft third priority activities beyond the first 3-years

Project/Package	Comment
SH2 Kennedy Good Interchange	Addresses safety and capacity issues in the vicinity of Kelson and improves access to Hutt City (Hutt Corridor Plan).
Bus Service Improvements (continuing service increases year on year)	Provides for ongoing increases in bus services to meet demand (Passenger Transport Plan).
Grenada-Gracefield Stage 1	Provides a vital east – west link between the Western and Hutt Corridors. Relieves SH1 and SH2 capacity issues and provides new local connections to development areas (Western and Hutt Corridor Plans).
Adelaide Road capacity improvements	Reconstruction of Adelaide Rd between the Basin Reserve and John St to provide for a high quality passenger transport spine in conjunction with planned mixed use development (WCC).
Grenada-Gracefield Stage 2	Continues the east – west link between the Western and Hutt Corridors providing high quality access to the Seaview/Gracefield commercial area. Relieves congestion issues on The Esplanade (Hutt Corridor Plan).
SH58 safety upgrades	Safety upgrades (western Corridor Plan).
SH2 Rimutaka Hill Rd ongoing upgrades	Ongoing upgrades to improve the alignment of the Rimutaka Hill Rd to achieve a target design speed of 55kph (Wairarapa Corridor Plan).
SH2 Upper Hutt bypass upgrade	Capacity improvements to address potential growth issues.
Johnsonville Road capacity improvements	Capacity improvements to address issues around the Johnsonville town centre (WCC).
Ventnor Drive	New local road link in the vicinity of Lindale (KCDC).

4.7 Other matters

There are a number of other matters that the Committee has been discussing. These are:

- SH2 Rimutaka Hill Rd upgrade (Muldoon's Corner) – this is now planned to start in October 2009 as part of the Governments Jobs and Growth Plan announced on 11 February
- SH58 ongoing upgrades – now identified in the 4 to 10-year programme

- SH2 Rimutaka Hill Rd ongoing upgrades – now identified in the 4 to 10-year programme
- SH2 upper Hutt bypass upgrade - now identified in the 4 to 10-year programme
- SH53 Waihenga Bridge improvement – under review by NZTA as part of a national programme
- Johnsonville Rail Station upgrade– there is some allowance in the RS1 programme for station upgrades.

These will be reflected in the final draft programme the Committee will approve in March.

5. Next Steps

The final Regional Land Transport Programme 2009/12 must be adopted by 30 June 2009. This report deals with the determination of proposed priorities. Reports for the next meeting of the Committee on 5 March will cover funding, consultation and the adoption of a proposed RLTP for consultation. Consultation must follow the Special Consultative Procedure. The key steps for the process are set out in the following table.

Key step	RTC decision	Timing
Prioritisation	Determine proposed priorities	19 February
Funding plan ³	Adopt draft funding plan	5 March
Proposed RLTP	Adopt proposed RLTP for consultation	5 March
Consultation plan	Adopt consultation plan	5 March
Hearing subcommittee	Appoint Hearing Subcommittee	5 March or 8 April
Consultation in parallel with GW's LTCCP		Monday 23 March – Friday 24 April
Hear submissions (Hearing Subcommittee)		May/June?
Approval	Recommendation from RTC to GW	23 June
	Adoption by GW	30 June (last possible day)

6. Communication

A media statement will be prepared for the Chairperson following the Committee's consideration of this report.

The Committee will consider the full proposed RLTP (and a summary document) for consultation at its meeting on 3 March. It is expected that the

³ S 16(3)(g) of the Act requires the preparation of a 10 year financial forecast. Agency guidelines recommend the development of a high-level funding plan.

proposed RLTP will then be published for consultation alongside Greater Wellington's LTCCP in March.

7. Voting

Section 107 (1) of the Land Transport Management Act (2003) states that objective and interest representatives have full speaking rights, but are not entitled to vote on matters related to regional land transport programmes. As the subject matter of this report relates to the regional land transport programme, objective and interest representatives **may not** vote on the resolutions.

8. Recommendations

That the Committee:

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Agrees to the treatment of Transmission Gully as set out in section 4.2 of this report.*
4. *Notes the Government's announcement on 11 February 2009 to proceed with the construction of Muldoon's Corner in October 2009, with additional funding from the Jobs and Growth Plan.*
5. *Agrees that the following policy be used to assist priority setting:*

First priority activities are:

- *Operation of committed new passenger transport projects*
- *Passenger transport maintenance and renewals*
- *State Highway maintenance and renewals*
- *Statutory transport planning.*

Second priority activities are:

- *Transport planning studies*
- *Walking and cycling projects costing less than \$4.5m*
- *Travel Demand Management*
- *State Highway safety projects costing less than \$4.5m.*

Third priority activities (subject to an order of priority) are:

- *Large new projects costing more than \$4.5m.*

Particular regard should be given to safety issues when considering priorities.

6. *Agrees that the following activities in priority order be included in the draft RLTP for the first 3-years:*

Priority		Project/Package
High	1	Western Link Road Stage 1 (Waikanae to Paraparaumu) and Ihakara St extension package
High	2	SH1 Basin Reserve upgrade and bus lanes improvement package
High	3	Rail Scenario 1 package
High	4	SH2 Melling Interchange and Melling Bridge package
High	5	Western Link Road stage 3 (Paraparaumu to Raumati) and Southern Connection package
High	6	Paraparaumu and Waikanae Station Upgrades
High	7	SH1 MacKay's-Paekakariki Median Barrier
High	8	SH2 Moonshine-Silverstream Median Barrier
High	9	SH1 Mt Victoria Tunnel Fire Safety
High	10	SH1 Terrace Tunnel Fire Safety
High	11	SH2 Rimutaka Hill Road Upgrade (Muldoon's Corner)
Medium	12	SH1 Waikanae Grade Separation
Medium	13	Bus Service Improvements (first year of service increases)
Medium	14	SH1 Ngauranga-Aotea peak period tidal flow lanes and Hutt Road bus lanes package
Medium	15	SH2/SH58 Grade Separation
Medium	16	Waterloo Quay capacity improvements
Low	17	Rail Electronic Ticketing
Low	18	Westchester to Glenside link
Low	19	Masterton Eastern Bypass

7. *Agrees that the following list of priority activities be included in the draft RLTP forecast for years 4 to 10:*

Project/Package
SH2 Kennedy Good Interchange
Bus Service Improvements (continuing service increases year on year)
Grenada-Gracefield Stage 1
Adelaide Road capacity improvements
Grenada-Gracefield Stage 2
SH58 safety upgrades
SH2 Rimutaka Hill Rd ongoing upgrades

SH2 Upper Hutt bypass upgrade
Johnsonville Road capacity improvements
Ventnor Drive

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Attachment 1: RLTS programme prioritisation and funding policies.

Attachment 2: Summary project descriptions.

Attachment 3: Indicative 3-year and 4 to 10-year project timings.