Marija Bakulich

From: Angus Gabara <Angus.Gabara@gw.govt.nz>

Sent: Friday, 12 June 2015 1:58 p.m.

To: Wayne Heerdegen

Subject: FW: WL modernisation budgetary estimates **Attachments:** WL Modernisation Budget 12 06 2015.pdf

This will scare you

Can we have a talk about the best way to present this?

Angus Gabara | Manager Rail Operations | Director Matangi Project GREATER WELLINGTON REGIONAL COUNCIL

Te Pane Matua Taiao

Shed 39, 2 Fryatt Quay, Pipitea, Wellington 6011 PO Box 11646, Manners St, Wellington 6142

T: 04 830 4170 | M:

www.gw.govt.nz | www.metlink.org.nz

From: @kiwirail.co.nz]

Sent: Friday, 12 June 2015 1:44 p.m.

To: Angus Gabara

Subject: RE: WL modernisation budgetary estimates

Angus,

Your email system blocked this with Excel attached.

M

From:

Sent: Friday, 12 June 2015 1:35 p.m.

To: Angus Gabara

Subject: WL modernisation budgetary estimates

Angus,

Simply unable to prepare anything serious, given short notice and fragmented state of the data I have to collate. We have lots of data but no simple worked out schemes, as most working has been about what we defer to fit into a financial cap, not scheduling for delivery and scheduling. I cannot make this good in two hours.

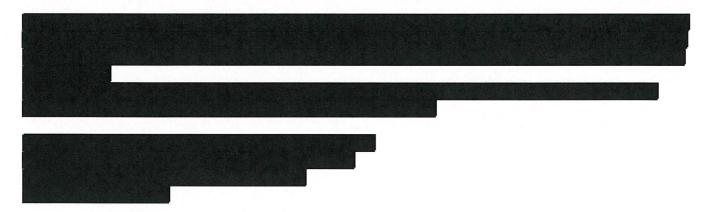
All costs are gross- KR + GW share combined where asset is shared and apportioned.

Note that KiwiRail is (very) unlikely to be able to fund its share of accelerated major investment on a commercial basis. There is no way the current low tonnage freight service needs or could support work of the nature envisaged. Without passenger trains line would get the same investment per km as the line from Masterton north (= not much). We have to be looking at some sort of external route investment package.

Track

This is the major short – medium term issue. Renewals funding is not keeping pace with deterioration. This affects entire network, currently gap is biggest on WL (Hutt and Masterton). In round terms, projected track renewals shortfall is:





WL is about 57% of projected spend FY16 – FY25, so very rough rule of thumb (57.3% of above) has WL deferred renewals:

FY17 – FY19 is \$12.6 million or \$4.2 m per annum

FY20 - 21 is \$4.6 million \$2.3 m per annum

FY22 – FY25 is \$6.9 million \$1.7m per annum

We have simply forced FY16 to fit the Fiscal Envelope and this was assumed in all calculations above. As we are addressing the immediate problem of TSRs on the WL I have assumed we bring forward and spread out FY17 - FY19 into FY16 – FY19. \$3.2 m a year for four years instead of \$4.2 for three years.

We could reasonably spend \$500k per annum on formation rehabilitation, to make sure that the new rail, sleepers and ballast sits on firm and well drained foundation. We normally try to ensure this rehabilitation occurs as a part of re-sleepering and re-ballasting, unless short term financial constraints impinge.

Above is presented on table and very rough estimation. In reality, given special funding and time to consider and plan, we would implement a route modernisation scheme which might be able to accelerate expenditure but above is as accurate as time allows.





Disclaimer

This is really rough, all it does is give indication of magnitude of shortfall.

Note that if nothing is done to avoid deferring renewals on Kapiti it will begin to fray also, albeit at a slower rate and smaller scale.

Regards,



Backbone of integrated transport networks

Please consular the environment before nunting

Confidentiality Notice: The content of this message and any attachments may be privileged, in confidence or sensitive. Any unauthorised use is expressly prohibited. If you have received this email in error please notify the sender, disregard and then delete the email. This email may have been corrupted or interfered with. KiwiRail cannot guarantee that the message you receive is the same as the message we sent. No warranty is made that this email and its contents are free from computer viruses or other defects.

ATTENTION: This correspondence is confidential and intended for the named recipient(s) only. If you are not the named recipient and receive this correspondence in error, you must not copy, distribute or take any action in reliance on it and you should delete it from your system and notify the sender immediately. Unless otherwise stated, any views or opinions expressed are solely those of the author, and do not represent those of the organisation.