

CABINET - SUBJECTS FOR CONSIDERATION, 20 NOVEMBER 2006 9:00 AM

1 New Initiatives/Policy Matters

101 MTR06/046CS Tramline Extension to City West (Patrick Conlon)
APPROVED AS AMENDED

Not Relevant

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CABINET COVER SHEET

- 1. **TITLE** **TRAMLINE EXTENSION TO CITY WEST**
- 2. **MINISTER** **HON PATRICK CONLON MP
MINISTER FOR TRANSPORT**
- 3. **PURPOSE** To seek Cabinet approval to:

 - 1.1. Refer the attached report to the Parliamentary Public Works Committee.
 - 1.2. Subject to the Parliamentary Public Works Committee Report, let tenders for the project within an additional upper budget limit of \$10 million.
 (Previous approval has been gained to award tenders with an upper budget limit of \$21m.)
- 4. **IDENTIFY THE RELEVANT GOVERNMENT POLICY AND/OR STATE STRATEGIC PLAN TARGET** The extension of the Glenelg tramline will contribute to meeting the South Australian Strategic Plan target to double the use of public transport to 10% of weekday travel by 2018. (T3.9).
- 5. **ICT COMPONENT** Does the submission have a material ICT Component? Yes No
- 6. **RESOURCES REQUIRED FOR IMPLEMENTATION** Project Management will be undertaken using existing resources within the Department for Transport, Energy and Infrastructure, and a design consultant has performed preliminary design. Subject to Cabinet's approval, tenders will be awarded for a design and construct contractor to complete the detailed design and construct the tramline.

The project to extend the tramline to Adelaide Railway Station (\$21 million) was included in the 2005-06 State budget. The table below outlines the approved cash flow for the tramline extension, including both the original project and extended scope to City West (\$10m):

Financial Year	Forward Estimate
2005/06	\$ 1.8m
2006/07	\$24.2m
2007/08	\$ 5.0m
TOTAL	\$31.0m

Treasury and Finance agrees with the basis of the assessment of costs contained in this submission.

7. COMMUNITY AND ENVIRONMENTAL IMPACT

The project will have a net positive effect on the community and environment by:

- Providing an accessible public transport option to City West,
- Encouraging passenger use with subsequent decreases in private car use,
- Reducing the need for bus movements along North Terrace.

A vegetation survey has identified up to 37 trees that may need to be removed along the proposed alignment. Of these, none are deemed significant.

8. RISKS

- This project reduces a key risk from the previous scope: that there may be an adverse reaction to replacement of the Beeline, as the original scope did not cover the entire route. This additional extension covers the replaced Beeline route more closely.
- The crossover rail component required for the shuttle service to South Terrace is a delivery risk. These components are currently experiencing very long lead-times.

9. CONSULTATION

The public and stakeholders have been kept informed through a comprehensive information program. Consultation has taken place with the Adelaide City Council, major business groups along the tram corridor, Crown Law, the Environmental Protection Agency and the Department of Treasury and Finance.

10. COMMUNICATION STRATEGY

The existing community information program will be maintained which includes project website and 1300 phone number. Media releases will also be used at appropriate times.

11. URGENCY

Normal.

12. RECOMMENDATIONS

It is recommended that Cabinet:

- 4.1. Approve the referral of the attached report for the increased extension of the City/Glenelg Tramline to the Parliamentary Public Works Committee for examination.

- 4.2. Subject to the Parliamentary Public Works Committee Report, approve the letting of tenders for the project within an additional upper budget limit of \$10 million. (Previous approval has been gained to award tenders with an upper budget limit of \$21 million.)
- 4.3. Approve the Minister for Transport to award the contract if the recommended tender is within the approved budget.

I declare that I have no actual or potential conflict of interest in relation to the proposals contained in this submission.



**HON PATRICK CONLON MP
MINISTER FOR TRANSPORT**

6 November 2006

TO: THE PREMIER FOR CABINET

RE: TRAMLINE EXTENSION TO CITY WEST

1. PROPOSAL

To seek Cabinet approval to:

- 1.1. Refer the attached report to the Parliamentary Public Works Committee.
- 1.2. Subject to the Parliamentary Public Works Committee report, let tenders for the project with an additional upper budget limit of \$10 million.

(Previous approval has been gained to award tenders with an upper budget limit of \$21 million.)

2. BACKGROUND

- 2.1. In April 2005, the Government announced the extension of the Glenelg tramline; which was identified as a high priority project in South Australia's Strategic Infrastructure Plan. The \$21 million project involves the construction of 1.2 km of additional tramline, connecting Victoria Square with the Adelaide Railway Station, via King William Street.
- 2.2. On 17 July 2006, Cabinet approved expanding the initial scope of the tramline project by allocating \$10 million to extend the service from Adelaide Railway Station to the City West campus of the University of SA.
- 2.3. The City West extension provides the greatest benefit in terms of patronage, urban development and other transport criteria, compared to extending the tramline to North Adelaide or the eastern side of North Terrace.
- 2.4. In particular, the City West option offers the greatest potential to influence urban regeneration, particularly if the tramline is further extended via a loop that links it back to Victoria Square.
- 2.5. The City West extension will also:
 - fully replace the Beeline service
 - avoid shifting the project substation at a later date – saving approximately \$350,000
 - eliminates the noisy crossover tracks in front of Parliament House.
- 2.6. On 29 July 2006, the Government announced the expanded tramline project as part of a range of cultural, commercial and transport initiatives to continue the regeneration and growth of the northwest quadrant of the city. The announcement was followed up by a comprehensive community information program and further design development of the tramline extension to City West. The \$10 million tramline extension from the Adelaide Railway Station to City West is the subject of this Cabinet Submission.

3. DISCUSSION

3.1. Purpose

Extending the tram service through the City gives public transport users a convenient link to the metropolitan rail services that terminate at the Adelaide Railway Station, as well as with all other city-based bus services that use or cross King William Street. It is the State Government's next important step to make

Adelaide’s metropolitan network more modern, cost-effective and environmentally friendly.

3.2. Project Scope

The project scope encompasses all the elements of work required to deliver the tramline extension in this high profile location. The detailed design will produce solutions for: track alignment and structure; electrical power systems; tram stops and shelters; traffic signals and traffic lanes; urban form (pole design, paving, shelter architecture etc); road reconstruction; service relocation.

3.3.

3.3.1. Economic, financial and budgetary implications

The proposal to extend the tramline to Adelaide Railway Station was included in the 2005-06 State Budget. The table below outlines the approved cash flow for the tramline extension, including the additional \$10 million for the further extension to City West:

Financial Year	Forward Estimate
2005/06	\$ 1.8m
2006/07	\$24.2m
2007/08	\$ 5.0m
TOTAL	\$31.0m

This expenditure has been included in the current forward estimates of DTEI as a major investing project.

An economic assessment for the City West extension identified a number of benefits including:

- The decrease in journey times for existing passengers who will be able to disembark closer to their destination in the City of Adelaide;
- Increase in public transport use and decrease in private transport use;
- The potential for light rail to increase land values and to act as a catalyst for urban regeneration; and
- Improved road safety (from associated traffic management measures) and local air quality benefits.

Based upon quantified costs and benefits, the extension to the Adelaide Railway Station provides an estimated Net Present Value of approximately \$13 million and a Benefit Cost Ratio of approximately 2. The additional extension to City West provides an estimated Net Present Value of approximately \$1.4 million and a Benefit Cost Ratio of approximately 1.1.

The current tram service between Glenelg and Victoria Square operates with an average frequency of 10 minutes during the peak periods and 15 minutes during inter-peak periods. This frequency can be maintained when the tramline is extended to City West, using the eleven new trams purchased last financial year. An additional intermediate shuttle service running just between South Terrace and City West can also operate using the eleven trams.

The frequency of AM and PM peak services will be decreased to seven and a half minutes, rather than the existing five-minute Beeline service, but with each service having greater passenger carrying capacity than the Beeline. For example, the capacity of a Beeline bus is approximately 70 passengers, while the capacity of a tram is approximately 170

passengers. This responds to the anticipated increase in patronage following the introduction of the new trams and the extension.

Interpeak services from Glenelg will operate on the present frequency, with a shuttle providing additional services from South Terrace to City West. These will jointly provide a seven and a half minute frequency in substitution for Beeline interpeak services.

3.3.2. Required resources

The cost of the resources required for the tramline extension is included in the \$31 million funding outlined above. Project management will be undertaken using in-house resources within the Department for Transport, Energy and Infrastructure (DTEI). A design consultant has completed preliminary design, and tenders will be called for a design and construction contractor.

The Passenger Transport Division is assessing the impact of the tram extension on its operating budget and any additional requests for funding will be the subject of a future bid during the Budget process.

3.3.3. South Australia's Strategic Plan

The project will contribute to meeting the South Australian Strategic Plan target to double the use of public transport to 10% of weekday travel by 2018. Extending the tram service is a key option to provide a high quality passenger service that will encourage further patronage shift towards public transport from the private car.

3.3.4. Information and communication technology requirements

Nil.

3.3.5. Staffing implications

Existing DTEI and TransAdelaide staff will be utilised for this project with specialist staff being engaged on a fee for service basis, as required.

3.3.6. Impact on the community and the environment

Regulatory Impacts

The project will not have any regulatory impacts. The Rail Safety Regulator will be consulted and approval obtained in the implementation of the project.

Family and Social Impacts

The project will provide significant improvement in access to North Terrace for people with mobility disabilities and for those with prams, pushchairs and market trolleys.

The Disability Standards for Accessible Public Transport (2002) of the Disability Discrimination Act covering the infrastructure associated with public transport (i.e. train stations, bus terminals and interchanges) will be used in the design of the tramway extension.

The extended tramline will improve accessibility to the city for students, residents and tourists. The tram service will be free of charge from South Terrace to City West, and will replace the current free Beeline service.

Passenger journey times will be reduced, as people will be able to disembark closer to their final destination.

Small Business Impacts

Accessibility to the Central Market, Rundle Mall and other business on and adjacent to North Terrace will be improved.

During construction, the project is likely to have a positive impact on South Australian small businesses involved in the works. The principal contractor is likely to engage smaller local specialist companies which will be able to tender for various components of the works or supplies such as landscape and paving works, concrete supply and some fabrication work. It is unlikely that businesses along the alignment will be impacted during the construction, since the works are in the centre of the carriageway and will not affect the footpath.

Regional Impact

The proposal will not directly impact on the regions.

Environmental Impacts

The project will have a net positive effect on the environment by:

- Encouraging increased passenger use with subsequent decrease in private car use; and
- Reducing the number of bus movements along North Terrace, which will reduce noise and local emissions of particulates and other pollutants along the alignment, especially near the kerbside.

A vegetation survey has identified up to 37 trees that may need to be removed along the proposed alignment: 25 located in the North Terrace median strip; 15 located in the footpath or roadway adjacent the footpath. Of these trees, none are deemed to be significant under the Development Act 1993. All the trees are Plane trees, and form part of the overall street tree planting within North Terrace which would potentially be removed as part of the North Terrace redevelopment project should this streetscape upgrade proceed further west.

3.3.7. Risk Management Strategy

The proposed traffic management measures provide a dedicated public transport lane on each side of the road in which the tram service will run. This is critical to ensure that the eleven new trams can maintain a reliable and punctual service from Glenelg to City West. The public perception of this dedicated lane is that a reduction in available road space for other users will cause traffic delay. This risk is being addressed through a suite of traffic management measures including changes to traffic light signalling.

This project reduces a key risk from the original scope that there may be an adverse reaction to the replacement of the Beeline, as the original scope did not cover the entire route. This additional extension covers the replaced Beeline route more closely.

The crossover component required for the shuttle service to South Terrace is a delivery risk. These components are currently experiencing very long lead-times. This risk is being addressed by ordering as early as possible following completion of the design.

To create the required road capacity for the traffic lanes between the North Terrace/King William Street intersection and the Adelaide Railway Station, either the southern or northern kerb will need to be cut back by

approximately 0.5m. A decision on the preferred solution will also take into account the proposed plans for the future upgrade of North Terrace.

3.3.8. Consultation

The Adelaide City Council has been consulted both at an officer and elected member level.

A comprehensive community information program was implemented during August 2006. The public was also encouraged to have their say and over 1700 responses were received; the majority of respondents (over 70%) supported the project and there was also significant support for the tram to be extended further into the City and suburbs.

Consultation has also taken place with businesses along the alignment (e.g. SkyCity, Adelaide Convention Centre); service authorities; Trans Adelaide, Passenger Transport Division, Department of Treasury and Finance.

The extension project constitutes development and will be considered by the Development Assessment Commission (DAC).

3.3.9. Implementation Plan

3.3.9.1. Approvals

A preliminary application for Development Approval under Section 49 of the Development Act (1993) was submitted on 13 September 2005 for the initial scope of the project. This will be resubmitted in November 2006 to include the extension to City West. Approval is anticipated by February 2007.

Public Works Committee (PWC) reporting on the project is required.

3.3.9.2. Delivery

The project is to be delivered through a design and construct approach. Concept design is complete. A shortlist of two tenderers has been gained from an Expression of Interest process, with tender call forecast for November 2006.

It is proposed that contractor engagement will be finalised in November 2006, with detailed design works being completed to such a degree the contractor can order long lead-time items before Christmas. To avoid impacting on major events planned for January to March next year, such as the Tour Down Under, Fringe Festival, Police and Fire Games and the Clipsal race, the construction program has been scheduled to start in April 2007. The targeted completion date is September 2007.

The contractor will be required to implement traffic management strategies to ensure the impact of construction activities on traffic flow is minimised. Similarly, there will be requirements on the contractor to clear the site for one-day events such as the Anzac Day march.

3.3.9.3. Implementation Programme

Milestone	Programme
Detail design	Commencing November 2006
Tabling of the report to the PWC	November 2006
Construction tender	Design and Construct tender awarded in November 2006.
Long lead-time items	Ordered by December 2006
DAC Approval	February 2007
Site works	Commencing in April 2007 with construction scheduled for completion September 2007.
Commissioning and handover	Approximately four weeks of testing and commissioning will follow construction completion.

3.3.10. **Communication Strategy**

DTEI will continue to liaise with the Adelaide City Council and other major stakeholders. The public will be kept informed through the existing project website and media releases. During the construction phase, road signs and media releases will be used to notify the public of works.

The public consultation requirements under the Development Act 1993 will be met when the Development Application is submitted.

3.3.11. **Executive Council**

Executive Council approval is not required.

4. **RECOMMENDATIONS**

It is recommended that Cabinet:

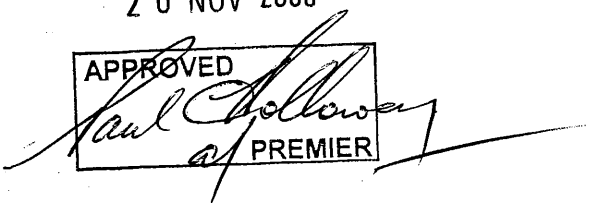
- 4.1. Approve the referral of the attached report for the increased extension of the City/Glenelg Tramline to the Parliamentary Public Works Committee for examination.
- 4.2. Subject to the Parliamentary Public Works Committee report, approve the letting of tenders for the project, subject to the total project cost not exceeding \$31 million.
- 4.3. Approve the Minister for Transport to award the contract if the recommended tender is within the approved budget.

In Cabinet


HON PATRICK CONLON MP
MINISTER FOR TRANSPORT

20 November 2006

20 NOV 2006

APPROVED

PREMIER

Submission to Parliamentary Public Works Committee

93 pages removed

Exempt clause 17(c) – parliamentary privilege