



greater WELLINGTON
THE REGIONAL COUNCIL

Greater Wellington Regional Council

Wellington Urban Passenger Rail Services

Request for Statement of Interest and Ability

June 2003 (version 2)

Glossary of Terms

Term

The Council or GWRC

CPP

RFSIA

RLTS

SIA

TLA

Tranz Rail or TRL

Definition

Greater Wellington Regional Council

Competitive Pricing Procedure

Request for Statements of Interest and Ability

Regional Land Transport Strategy

Statement of Interest and Ability

Territorial Local Authority

Tranz Rail Holdings Limited

1. Purpose of the Request for Statements of Interest and Ability

The Council wishes to ensure the ongoing provision of urban passenger rail services in the Greater Wellington Region. Tranz Metro Wellington currently provides these services. Tranz Metro Wellington is owned by Tranz Rail. The Council has a month by month contract with Tranz Rail for the provision of the urban rail services.

The Council wishes to enter into a long term contract with a quality rail operator for the provision of these rail services. The Council is bound by a Competitive Pricing Procedure (CPP) approved by Transfund New Zealand. The CPP (Appendix D) sets out the process the Council must follow to achieve its goal.

This Request for Statements of Interest and Ability (RFSIA) is stage one of the CPP. The purpose is to invite parties (“Respondents”) interested in providing Wellington’s urban rail services to submit statements of their capabilities. These statements will then be evaluated by the Council for the purpose of compiling a short list of Respondents who will subsequently be invited to submit a commercial offer.

The RFSIA provides background information on:

- The Wellington urban rail services
- The Policy and legislation impacting on the provision of rail services in New Zealand
- The CPP
- The SIA evaluation process
- Proposed contractual terms and conditions
- How the Council will manage probity

2. Background

Wellington Urban Rail

A description of the Tranz Metro (Wellington) services, network and associated assets is included in appendix B.

Operating Statistics

Key operating statistics for the year ending 30 June 2002 are:

Passenger volumes	10.2m
Train kilometres	3.34m
Staff numbers	255
Farebase revenue	\$21.7m

Business Components

The Tranz Metro (Wellington) business is comprised of the following key components:

- Urban rail services between the Wellington rail terminus and:
 - Johnsonville (10.5 km)
 - Melling (13.5 km)
 - Masterton (91.0 km)
 - Paraparaumu (48.3 km)
 - Upper Hutt (32.4 km)
- Rolling stock to provide the services. All rolling stock is owned or leased by TRL
- Stations and associated car parks. The majority of stations are owned by TRL. Car park land is generally leased by TRL.
- Signalling equipment. All owned by TRL
- The rail corridor and tracks, tunnels and bridges. Track is owned by TRL. The land underneath the track is owned by the New Zealand Government through its crown entity, NZ Rail Corp Ltd, and is leased to TRL on a long term lease.

Wellington Region Statistics

Key statistics for the Wellington Regional economy are:

Population	424,461
Region population growth between 1996 and 2001 (the two most recent census)	2%
Highest growth within the region (Kapiti Coast)	8%
Lowest population growth within the region (Lower Hutt and Wairarapa)	-1%
Regional business sectors include	Government Financial services Business Services Light Manufacturing Warehousing and Distribution

Wellington Local Authorities

There are nine local authorities within the Wellington Regional Council's area. The websites of all the Councils listed below contain information about the Region.

Greater Wellington Regional Council	www.gw.govt.nz
Carterton District Council	www.cdc.govt.nz
Hutt City Council	www.huttcity.govt.nz
Kapiti Coast District Council	www.kedc.govt.nz
Masterton District Council	www.mstn.govt.nz
Porirua City Council	www.pcc.govt.nz
South Wairarapa District Council	www.swdc.govt.nz
Upper Hutt City Council	www.uhcc.govt.nz
Wellington City Council	www.wcc.govt.nz

Assets To Be Acquired

It is expected that the successful tenderer will have made arrangements to acquire some or all of the assets currently owned by TRL, some are currently presented for sale. The successful tenderer will clearly need to discuss a number of issues with TRL, in particular ownership or access to:

- Signalling equipment and operation
- The track including the corridor land
- Operational staff
- Carriages and locomotives

It is the Council's intention that whatever access rights are granted to the ultimate operator these will be vested in the Council.

Tranz Rail

Tranz Rail is a private sector company with its shares listed on the New Zealand Stock Exchange. Tranz Rail's web site is www.tranzrail.co.nz.

Tranz Rail acquired most of New Zealand's railway assets from the New Zealand Government in 1993. This included the rail track but not the land beneath the track, which it leases from the Government under a long term lease agreement administered by the New Zealand Railways Corporation (a state owned enterprise). This arrangement provides Tranz Rail with an effective monopoly over the rail corridors.

Tranz Rail's decision to sell its rail passenger business reflected a strategic decision to focus on its core business, which it defines as freight. Tranz Rail has already sold its long distance rail passenger business to Tranz Scenic 2001 which part owns with West Coast Rail. It has also reached an agreement with the Government over the control and use of rail corridors in Auckland.

A further implication of Tranz Rail's focus on its core business is that it has contracted out activities such as maintenance, which it has historically undertaken in-house. This contracting out of services may impact on Tranz Metro (Wellington), and the scope of the business to be acquired.

Public Subsidies

Tranz Metro (Wellington) currently receives public subsidies of approximately \$17.4 million per annum. These subsidies supplement the fare revenue received directly by Tranz Metro. It should not be assumed that the public subsidies will continue at this level. The Council does not know whether, and if so by how much, the total revenue of the Tranz Metro (Wellington) business (fares plus subsidies) exceeds the total cost of providing the services (including an appropriate allowance for the cost of capital).

The public subsidies are sourced from a combination of central government funding allocated to the Council for the purchase of public transport, and rates levied by the Council on the Regional community.

The Government body responsible for allocating central government funding for public transport is Transfund New Zealand. The conditions under which Transfund allocates funding are governed by the Transit New Zealand Act 1989.

Current Contractual Relationship

The Council provides public subsidies to Tranz Rail, pursuant to a contract. This is, in effect, a purchase contract under which Tranz Rail agrees to provide specified urban rail services and the Council agrees to buy the services for the agreed level of public subsidy.

The contractual relationship between the Council and Tranz Rail has been based on a series of short term agreements. The parties have not been able to agree on a long term contract since Tranz Rail acquired the business and assets in 1993. However, the Council is looking to enter into a long term contract with a quality rail operator.

GWRC's Role In Funding Public Transport

The Council has statutory responsibility for the provision of public transport in the Wellington Region. In discharging this responsibility, the Council's objective is to purchase safe, fair and reliable transport services (including rail, bus and ferry services) at least cost to regional ratepayers.

Services purchased are those which are deemed necessary for the community but which would not otherwise be provided on a commercial basis. Within the broad range of services purchased rail is seen as having a special place.

Regional Land Transport Strategy

The Council has responsibility under the Land Transport Act 1998 to develop a Regional Land Transport Strategy (RLTS). The Council's RLTS includes the following objectives of relevance to rail services:

- to maintain urban rail as an arterial priority in the public transport network
- to improve the accessibility of passenger transport
- to enhance the quality, reliability and priority of public transport facilities and services
- to improve the interchange between bus, rail, car and cycle
- to improve pedestrian and cycle access to key public routes
- to develop a public transport system which is environmentally and economically sustainable at least cost
- to price the public transport network to encourage its efficient use.

A quality rail service is important to the achievement of the Council's overall transport objectives.

Policy, Regulatory and Legislative Environment

There are a number of pieces of legislation that impact on the Tranz Metro (Wellington) business. The principal Acts are noted in Section 3 of this RFSIA.

The GWRC, TLAs And Central Government

The Council's functions, duties and powers are set out in the Local Government Act 2002. The Council's functions, duties and powers in relation to land transport are set out in the Transit New Zealand Act 1989, the Transport Services Licensing Act 1989, and the Land Transport Act 1998.

Within the Region covered by the GWRC, there are eight territorial local authorities (city or district councils). These are listed earlier in this section. While the TLAs have an indirect interest in the future shape of urban rail in the Region, they do not have a direct relationship with Tranz Rail or a direct role in the provision of urban rail services. An exception is that some rail station car parks are owned by TLAs and leased to Tranz Rail.

Central government does not have a direct role in the provision of urban rail services. However, as noted earlier, a significant proportion of the funds for the public subsidies are sourced from central government. Provision of these funds are governed by legislation and are not subject to government direction, other than through the relevant legislation.

The Proposed Funding Agreement

The proposed funding agreement is a separate document. It contains the proposed contractual terms and conditions. The proposed funding agreement is available on request.

3. Other Information

Introduction

There are a number of existing pieces of legislation that have a bearing on the operation of rail businesses in New Zealand.

Legislation

The following list gives an indication of some of the statutes which may be relevant to the operation of the urban passenger rail service. This list is a guide only, and is not intended to be exhaustive. Respondents should obtain their own advice on these matters. The legislation can be found at www.rangi.knowledge-basket.co.nz/gpacts/actlists.htm

Local Authority / Transport / Funding

- Local Government Act 2002
- Transit New Zealand Act 1989
- Transport Services Licensing Act 1989
- Land Transport Act 1998
- Local Authority by-laws

Health & Safety / Employment

- Railway Safety & Corridor Management Act 1992
- Transport Accident Investigation Commission Act 1990
- Employment Relations Act 2000
- Health & Safety in Employment Act 1992
- Accident Insurance Act 1998
- Minimum Wage Act 1985

Company / Tax

- Companies Act 1993
- Companies (Registration of Charges) Act 1993
- Financial Reporting Act 1993
- Tax Administration Act 1994
- Income Tax Act 1994 (& associated Taxation legislation)
- Goods & Services Tax Act 1985

Land – access / rights / use

Overseas Investment Act 1973

Occupiers' Liability Act 1962

Telecommunications Act 1987

Gas Act 1992

Regulation of Operations & Activities

Resource Management Act 1991

Public Works Act 1981

Building Act 1991

Hazardous Substances & New Organisms Act 1996

Commerce Act 1986

Documents

A number of Council documents are available on the Greater Wellington Regional Council's website.

- Annual Report www.gw.govt.nz/aw/annual.htm
- 10-Year Plan www.gw.govt.nz/aw/10year.htm
- Regional Land Transport Strategy www.gw.govt.nz/rt/planning.htm
- Regional Economy www.gw.govt.nz/aw/economy.htm

4. Contractor Selection Process

Competitive Pricing Process

The Council is bound by a CPP approved by Transfund New Zealand (Appendix D).

The principal steps in the CPP will be:

- This request for SIA
- Selection of a short list of parties from Respondents to the RFSIA through an evaluation process
- An invitation to the shortlisted parties to submit commercial proposals
- Negotiation with short listed parties
- Selection of the preferred contractor

The current timetable for this process is as follows:

Step	Description	Indicative target completion date
1	Issue Request for Statements of Interest and Ability	1 June 2003
2	Pre-tender meeting held with all interested parties	25 June 2003
3	Final date for receipt of SIA	15 July 2003
4	Evaluation of SIA and selection of preferred parties	Early August 2003
5	Meeting with preferred parties	Mid August 2003
6	Receipt of commercial offers from preferred parties	1 September 2003
7	Negotiation with preferred parties	Mid September 2003
8	Selection of contractor	Mid October 2003
9	Contract start date	November 2003

The indicative target completion dates have been issued for the guidance of respondents. Various factors could influence these dates. If changes occur to any significant extent the Council will advise those concerned of the revisions.

5. RFSIA Responses and Process

Contents of Responses to the RFSIA

Respondents must supply **5 sets** of all the information requested in Appendix A to this RFSIA.

Responses must be provided in a format following the order of Appendix A and addressing the specific information requirements of Appendix A. The contents of the individual information requests must not be changed. Respondents may provide information in addition to that requested in Appendix A but the Council will reserve the right to include or exclude it from its evaluation.

The information must be provided in English and in a legible printed form. The name of the Respondent must appear on every page of the statement, the information requirement being addressed must be clearly identified and pages must be numbered consecutively.

Submissions in response to this RFSIA must be included in a single document. Any supporting information or data (such as copies of financial statements) must be clearly identified and cross-referenced.

All submissions must comply with the Council's requirements in terms of form and content.

Date and Format for Receipt of Responses

Due date and time	All responses must be received by 15 July 2003.
Format of responses	Responses can be posted or delivered but in all instances responses must be received by the due date and time.
Address for responses	<p>Postal</p> <p>Dave Watson Divisional Manager Transport Greater Wellington Regional Council PO Box 11646 Wellington New Zealand</p> <p>Delivery</p> <p>Dave Watson Divisional Manager Transport Greater Wellington Regional Council 142 - 146 Wakefield Street Wellington New Zealand</p> <p>For postal or delivery methods, envelopes or packages should be marked "Confidential RFSIA".</p>

Evaluation

The Council will evaluate submissions against the following attributes:

Attribute	Weighting
1 Performance and safety record in the operation of passenger rail services which include the responsibility for rolling stock.	20
2 Financial strength and capacity.	20
3 Relevant experience with passenger rail operations, particularly with rail safety systems, customer relations and service promotion.	20
4 Skills and experience of key personnel.	10
5 Understanding of, and approach to, key issues round Wellington passenger rail services.	15
6 Control over key assets required to provide the service.	15
Total	100

Each attribute will be scored on a scale of 0-100 (completely inadequate - excellent). If any attribute scores 35 or less then that respondent will be eliminated from the process. The attribute scores will then be multiplied by the weightings shown above and divided by 100 to give an index for each attribute. These indices will then be added to reach a final index for each respondent.

The meetings to be held with respondents in late June 2003 will cover the approach that the evaluators will take when scoring these attributes.

Enquiries

Information contained in the RFSIA is intended to be sufficient for the preparation of Statements of Interest and Ability. Any further enquiries about the RFSIA must be made in writing and addressed to:

Dave Watson
Divisional Manager
Greater Wellington Regional Council
PO Box 11646
Wellington
New Zealand
Fax number: +64 4 802 0352

General

The Council will not be responsible for any costs incurred by Respondents in responding to the RFSIA.

If a response to the RFSIA is received by the Council after the due date, it may be considered by the Council at its sole discretion. The Council reserves the right to extend the deadline for receipt of statements.

The Council may at its sole discretion consider any non-conforming statements or other responses.

The RFSIA is not intended to be a tender document, nor to create an obligation to conduct the procurement process in a particular manner or to enter into a contract of any type. The Council reserves the right to alter or to terminate the selection process at any stage without incurring any liability to any party.

Probity Auditor

The Council has appointed Audit New Zealand as probity auditor for selection process. The purpose of the probity auditor is to ensure the integrity, consistency and fairness of the process.

Appendix A: Information Required

Five sets of information documents are required

Item	Information Sought
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Respondent's Details

1.	Company name of Respondent.
2.	Contact postal address, e-mail address and telephone and fax numbers.
3.	Contact person in respect of the response to the RFSIA.
4.	Location and jurisdiction of Respondent's incorporation.
5.	If not a company, describe type of organisation and how constituted.
6.	If Respondent is a subsidiary provide details of the group structure, parent company, and ultimate parent company if more than one layer
7.	Ownership of Respondent if not a subsidiary within a group structure.
8.	If Respondent is a subsidiary provide details of the ownership of the parent company or the ultimate parent company if more than one layer.
9.	Name of any legal, commercial and technical advisers being used in relation to this project.

Financial Information

10.	Audited financial statements for the last three financial years for the Respondent together with a copy of the latest annual financial statements if not yet audited. If the Respondent does not have audited accounts, provide unaudited accounts and an explanation.
11.	Audited financial statements for the last three financial years for parent company of Respondent (if any) and for ultimate parent company if more than one layer.
12.	Details of any outstanding litigation or arbitration where the potential liability of the Respondent could exceed NZ\$3m for any item of claim or in total.
13.	An analysis of gross turnover showing turnover for all of the Respondent's activities, turnover for public transport services and turnover for activities directly related to urban rail passenger services.
14.	An analysis of turnover for activities directly related to urban rail passenger services by country of operation
15.	Indicate percentage return on capital the Respondent would normally seek for this type of investment
16.	Details of the Respondent's bank, with contact details including representatives with whom GWRC may discuss the Respondent's financial standing.

Credentials

17.	<p>Detail all involvement of the Respondent in urban rail and other public transport operations. The following information should be provided for each operation or activity:</p> <ol style="list-style-type: none"> a. nature of operation (e.g. urban rail, urban bus etc) b. Location c. number of years Respondent has been providing the service d. contractual arrangements, if any, governing the provision of the service (e.g. franchise, long term licence etc). Describe the nature of the arrangements. e. number of years contract has been in place and number of years contract has left to run f. level of public subsidies and level of fare revenue for the latest financial year g. annual passenger journeys
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	<ul style="list-style-type: none"> h. annual passenger kilometres i. peak vehicles j. copy of the latest external audit or review, if any, of service performance and top line results of recent customer satisfaction surveys. k. Quality systems used in operating existing passenger rail services. l. contact name, address and phone number for the counterparty to the contractual arrangements for the service. The Council may want to contact parties for reference checking. The Respondent must obtain the counterparties' agreement to be contacted by the Council prior to submission of the response to the RFSIA. Contact will be made by the Council at its discretion m. number of staff employed directly or indirectly n. level of capital expenditure over the last 5 years and expected level over the next 10 years.
18.	Identify the personnel who would be responsible for this project through to completion.
19.	A statement of the Respondent's view of the most important operational and strategic issues that they will face over the short term to medium term.
20.	Provide an outline on how the respondent has achieved competitiveness in their existing operations.
21	A statement of how the Respondent will manage its relationship with the Council.

Appendix B: Tranz Metro (Wellington)

Important Notice

The information presented in this appendix is intended to provide Respondents with an overview of the Tranz Metro (Wellington) business. The information has been developed from publicly available information. All information will need to be confirmed during due diligence. The Council does not warrant the accuracy of the information provided.

Background

Tranz Metro (Wellington) is a trading division of Tranz Rail Holdings Limited. Tranz Metro (Wellington) provides urban services within the area bounded by Paraparaumu, Johnsonville and Upper Hutt, with rural service to Masterton in the Wairarapa.

The urban services are provided by electric multiple units with locomotive hauled services to Masterton. In conjunction with these services, the Capital Connection, owned and operated by Tranz Scenic (a 50/50 partnership between Tranz Rail and West Coast Rail), provides one peak inbound service and one peak outbound service from and to Otaki each weekday. The train originates/terminates at Palmerston North. The greater part of the load for the "Capital Connection" travels wholly within the Wellington Region and is made up largely of commuters. Note: The Capital Connection is not a Tranz Metro (Wellington) service.

The electric multiple unit services and the Wairarapa services are currently provided under contract to Greater Wellington Regional Council.

Trains operate on a track with gauge of 1067mm (3 feet 6 inches). Multiple units operate from an overhead traction system, 1500v DC. Apart from several tunnels constructed because of the terrain, the system is classified as a surface system. All stations are at surface level.

Services

Details of the various services, fares and timetables can be found on the Council's website www.gw.govt.nz/rt/pickroute.cfm.

This information is also included in an attachment to the proposed funding agreement. Peak and off-peak services are identified by individual trip in that agreement.

Hutt Valley

A route from Wellington to Upper Hutt of 32.4 kilometres with a short branch line from Petone to Melling of 2.97km. The route from Wellington is double track to Trentham (29.4km) and single track from there to Upper Hutt (3 km). All of the Melling branch is single track.

The Upper Hutt Line is shared with freight operations serving freight sidings in the Hutt Valley and with a daily service through to Masterton. The Melling branch is solely a passenger line.

The Upper Hutt Line has 17 stations and the Melling branch 2 stations.

Rolling stock is stabled at Upper Hutt, and Wellington.

Services are operated:

Wellington – Upper Hutt
Wellington – Taita
Wellington – Melling
And vice versa.

**Hutt Valley Line Service
Number of Trains**

	Monday – Friday		Sat.	Sun.	Total
	Peak	Off-peak			
Upper Hutt to Wellington	15	23 ₁	34	30	257 ₂
Taita to Wellington	11	-	-	-	55
Wellington to Upper Hutt	12	23 ₁	34	30	242 ₂
Wellington to Taita	14	-	-	-	70
Upper Hutt Service	52	46	68	60	624 ₂

1. Three additional trains operate on Fridays only; not included in figures.

2. Totals include additional Friday Trains

**Melling Service
Number of Trains**

	Monday – Friday		Sat.	Sun	Total
	Peak	Off-Peak			
Melling to Wellington	12	2	-	-	70
Wellington to Melling	12	2	-	-	70
Melling Service	24	4	-	-	140

Paraparaumu

This route is part of the North Island Main Trunk Railway which extends to Auckland. Electrified urban services are currently provided as far as Paraparaumu, a distance of 48.26km although there are plans to extend the electrified route by a further 7.17km to Waikanae and to construct new stations at Raumati South and Lindale.

The route is double track from Wellington to South Junction 32.09km (Muri), single line to North Junction 35.26km (3.5km south of Paekakariki), - double track to McKays Crossing (41.77km) and then single track to Paraparaumu and Waikanae.

This line is shared with both Tranz Scenic 2001 (long distance passenger) and freight services.

Services are operated:

Wellington – Paraparaumu
Wellington – Plimmerton
Wellington – Porirua

And vice versa

**Paraparaumu Line Service
Number of Trains**

	Monday – Friday		Sat.	Sun.	Total
	Peak	Off-Peak			
Paraparaumu to Wellington	11	20 ₃	34	30	223
Plimmerton to Wellington	14	8 _{1,2}	0	0	105
Porirua to Wellington	8	0	0	0	40
Wellington to Paraparaumu	9	21 ₃	34	30	217
Wellington to Plimmerton	14	7 ₂	0	0	101
Wellington to Porirua	9	0	0	0	45
Paraparaumu Service	65	56	68	60	731

1. One train does not operate on Mondays
2. Four services Mon – Thur only
3. Four additional Friday only services

Services are stabled at Wellington and Paekakariki. There are 50 stabling/positioning movements per week between Paraparaumu and Paekakariki or vice versa.

Johnsonville

This is a short single line of 10.49km which follows the alignment of the original Manawatu Railway Company line. The line includes 7 tunnels which have restricted clearances and at present are not suitable for Ganz Mavag rolling stock so all services are operated using English Electric stock. All services operate the full distance to Johnsonville, and service the 7 intermediate stops. Crossing places are provided at Wadestown Loop, Ngaio and Khandallah. There is no rolling stock storage on the line so all services are operated from Wellington.

**Johnsonville Line Service
Number of Trains**

	Monday – Friday		Sat.	Sun.	Total
	Peak	Off-Peak			
Johnsonville – Wellington	18	26 ₁	35	30	283
Wellington to Johnsonville	17	27 ₂	34	30	283
Johnsonville Service	35	53	69	60	566

1. Two trains do not operate on Mondays
2. One train does not operate on Mondays

Wairarapa

The Wairarapa services are locomotive hauled carriage stock which operate between Wellington and Masterton (90.98km)

The line is shared with limited freight services beyond Upper Hutt.

Three peak return services operate with up to seven cars. Other services operate as a basic two car trains that are increased as required to meet peaks and/or group travel. As well as conveying passengers to and from the Wairarapa the peak services supplement the electric multiple units (EMU) services through the Hutt Valley.

**Wairarapa Line Service
Number of Trains**

	Monday – Friday		Sat.	Sun.	Total
	Peak	Off-Peak			
Masterton – Wellington	3	2 ₁	2	2	25
Wellington to Masterton	3	2 ₁	2	2	25
Wairarapa Service	6	4	4	4	50

1. *One additional service on Fridays*

Rolling Stock

Description	Number
Two car Ganz Mavag Electric Multiple Units 1981-83	44
Three car English Electric Multiple Units (Hutt and Paraparaumu services) circa 1949-1954	6
Two car English Electric Multiple Units (Johnsonville) circa 1949-1954	12.5
Carriages circa 1940	15
Locomotives	=3

Side views of the electric multiple units are on Tranz Rail’s website www.tranzrail.co.nz, click the drawing reference for locomotives and ferries. Class D and DM are the English Electric Units, EM and ET are the Ganz Mavag units.

Operating Statistics

Annual Passenger Journeys	9.9M
Annual Passenger kms	234.2M
Annual Fare Revenue	\$21.6M
Annual Public Subsidy	\$17.4M
Annual Train Kms	2.6M
Annual Car Kms	8.6M
Annual Car hours	0.206M
Annual Train Hours	81,900
Annual GTK	344.4M
Peak Vehicles	130

Note: - This data relates to the year ended 30 June 2001 and does not include the additional services on the Paraparaumu Line introduced on 5 August and 6 October 2001.

Stations

Wellington	Major structure includes 6 levels of offices plus large concourse, 9 platforms, storage sidings, EMU maintenance facility, external wash. Unit/carriage cleaning shelter. Adjacent freight/marshalling yard and locomotive servicing facility.
Kaiwharawhara	Island Platform (8 cars) no passenger shelter. Unattended. No commuter car parking, accessed by overbridge.

Paraparaumu Line

	Two double track tunnels (1,238 & 4,323metres) Two minor bridges
Takapu Road	Separate up and down platforms, passenger shelters each side, 8 cars 63 commuter car parks, accessed from road bridge at south end.
Redwood	Split up and down platforms due to level crossing, passenger shelter each side, 8 cars, 97 commuter car parks, accessed at grade from level crossing.
Tawa	Island platform, older structure, substantial building but no longer attended, large veranda with plenty of under cover waiting area, 8 cars, 40 commuter car parks, accessed from overbridge.
Linden	Unattended, island platform, medium sized shelter, 8 cars No car parking, accessed by either an overbridge or at grade from level crossing.
Kenepuru	Up and down platforms, minimal shelter, 8 cars No car parking, accessed at grade and by overbridge.

Porirua	Recently renovated officered station with substantial building and verandas. Facility shared with Tranz Scenic services. Station yard and signalling frame. 8 cars, 166 commuter car parks, Accessed by subways. Crossing loop. Road bridge over tracks
Paremata	Island platform, older structure, substantial building but no longer attended, large veranda with plenty of under cover waiting area, 8 cars, 162 commuter car parks, accessed by subways Significant double track bridge over Pauatahanui Arm of Porirua Harbour.
Mana	Up and down platforms , minimal shelter, 8 cars 20 commuter car parks, accessed at grade and by subways.
Plimmerton	Island platform, older structure, substantial building but no longer attended, large veranda with ample under cover waiting area, 8 cars, 35 commuter car parks, accessed by subways or at grade from level crossing. Crossing loop
Pukerua Bay	Unattended, island platform, medium sized shelter, 8 cars No significant commuter car parking, accessed at grade and over tracks
Muri	Up and down offset platforms, Minimal shelter, 8 cars No commuter car parking. Accessed at grade and over tracks
South Junction	Commencement of single line section 5 Tunnels (153, 290, 278, 244, 59 metres)
North Junction	End of single line section Road bridge over tracks
Paekakariki	Island Platform with substantial station building which is sublet as a museum. Ample covered platform area, 8+ cars, 50 commuter car parks. Accessed at grade from level crossing or over tracks. Crossing loop.
Mackays Crossing	End of Double line
Raumati South	Proposed site of new station
Paraparaumu	Single platform, Medium sized station building, offices sub let, sufficient covered platform, 8 cars, shared with Tranz Scenic, 205 commuter car parks. End of electrified area. Accessed via overbridge to car park. Crossing loop.
Lindale	Proposed site of new station
Waikanae	Unattended single platform, 2 cars, Minimal shelter, served by Capital Connection, accessed at grade.

50 commuter car parks. Crossing loop

Johnsonville Line

Rail bridge over road.
3 single track tunnels (126, 98, 151 metres)

Wadestown Loop Crossing place only – no passenger pick up or set down

Two tunnels (199 & 127 metres)

Crofton Downs Unattended single platform, 6 cars, minimal shelter, 44 commuter car parks, accessed at grade.

Ngaio Unattended, up and down platforms, 6 cars, minimal shelter down trains only, 25 commuter car parks, Crossing loop. Accessed at grade

Awarua Street Unattended single platform, 6 cars, minimal shelter. No car parks
Accessed by steps.

Simla Cres Unattended single platform, 6 cars, Good shelter, no car parks
Accessed at grade

Khandallah Unattended, up and down platforms, reasonable shelter, 6 cars, 8 commuter car parks, accessed at grade from level crossing. Crossing Loop.

Tunnel 104 metres

Raroa Unattended single platform, minimal shelter, 6 cars, No car parking,
Accessed at grade

Tunnel (119 metres)

Johnsonville Single platform, limited attendance for ticket sales only, ample shelter, 43 commuter car parks. Accessed by steps.

Hutt Valley Line

Tunnel under motorway

Ngauranga Unattended island platform, 8 cars, limited patronage, no demand for commuter car parking. Accessed by subway

Petone Unattended up and Down platforms, old station building on down main, ample shelter on both platforms, 8 cars, 143 commuter car parks, Junction with Melling Branch. Accessed at grade and by subway.

Melling Line junction.

Ava	Unattended island platform, minimal shelter, 8 cars, no car parking. Accessed by overbridge. Major bridge over the Hutt River Road overbridge
Woburn	Unattended island platform, 8 cars, junction for Gracefield (freight only) branch, Reasonable shelter, 104 commuter car parks. Accessed by overbridge. Crossing loop.
Waterloo	Purpose built bus/rail interchange station is owned by GWRC. Attended for ticket sales, 8+ cars, up and down platforms, 455 commuter car parks. Accessed at grade and by subway. Road overbridge
Epuni	Unattended island platform, reasonable shelter, 8 cars, No car parking. Accessed by subway. Road overbridge
Naenae	Unattended island platform, large unused building, ample shelter from verandas, no car parking. 8 cars, accessed by subway.
Wingate	Unattended island station, reasonable shelter, 8 cars, no car parking. Accessed by overbridge. Road overbridge
Taita	Unattended island station, large unused building, ample shelter from verandas, 8 cars, 127 commuter car parks. Accessed by subway.
Pomare	Unattended island station, minimal shelter, 8 cars, no car parking Accessed by subway. Rail bridge over road Bridge over Hutt River
Manor Park	Unattended island station, accessed by subway, low patronage, sufficient shelter, 8 cars, no demand for car parking. Accessed by subway from west and at grade track from east. Bridge over Hutt River
Silverstream	Unattended island platform accessed from level crossing, reasonable shelter, 8 cars, 60 commuter car parks. Accessed at grade from level crossing.

Heretaunga	Unattended island platform, accessed by overbridge, 8 cars, reasonable shelter, no car parking
Trentham	Unattended single line station with additional platform serving adjacent race course, ample shelter, 8 cars, 37 car parks. Accessed at grade
Wallaceville	Unattended single line platform, minimal shelter, 8 cars, 42 car parks Accessed at grade
Upper Hutt	Attended single line station with dock. 8+ cars, substantial station building with ample shelter. 156 car parks. End of electrified area. Accessed at grade. Crossing loop.

Wairarapa Line

	Tunnel (572 metres)
Maymorn	Unattended, minimal shelter, 3 car platform, accessed at grade. No car parking Rail bridge over road Tunnel (8,798 metres)
Featherston	Station Building, attended for peak ticket sales, crossing loop, accessed at grade, 7 car platform. 70+ commuter car parks Bridge over Tauherenikau River
Woodside	Unattended, minimal shelter, 4 car platform, accessed at grade, 42 commuter car parks. Station for Greytown. Bridge over Waiohine River
Matarawa	Flag station, no platform, accessed at grade. No formal car parking.
Carterton	Station building sublet, attended for ticket sales, ample shelter, 7 car platform, 44 commuter car parks, accessed at grade Bridge over Waingawa River.
Solway	Unattended, minimal shelter, no platform, 10 commuter car parks accessed at grade.
Renall St	Unattended, minimal shelter, 3 car platform, no formal car parks accessed at grade
Masterton	Substantial station partly sub let, ample shelter, crossing loop, 10 car platform, turntable, attended for ticket sales, 65 commuter car parks.

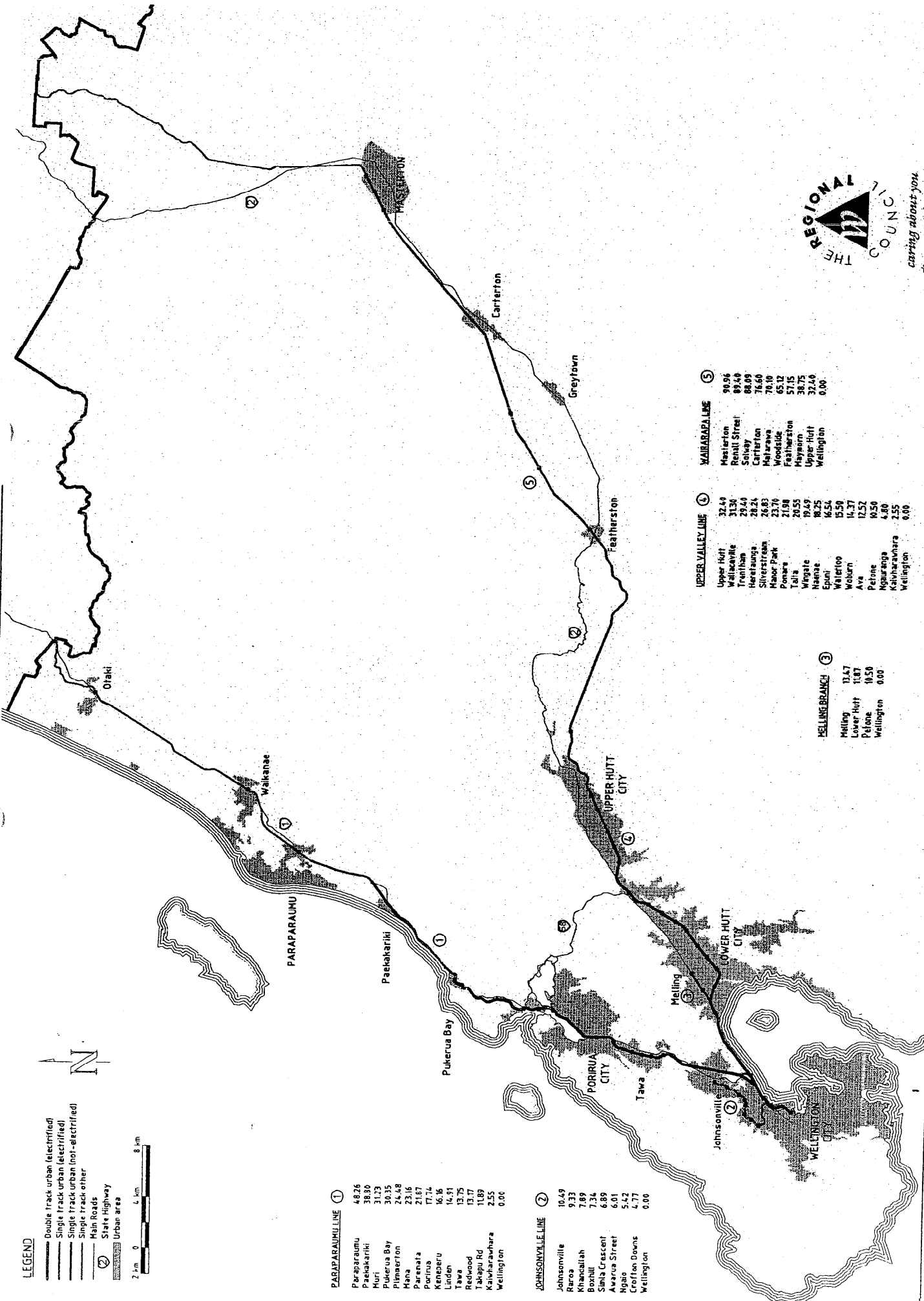
Signalling

Johnsonville Line	Single Line Automatic with manual override from Wellington
Paraparaumu Line	Double Line Automatic: Wellington – South Junction, North Junction - Mackays Crossing
CTC	South Junction - North Junction, Mackays – Waikanae
Hutt Valley Line	Double Line Automatic : Wellington – Trentham
CTC	(Controlled from Upper Hutt or Wellington) Trentham – Upper Hutt
Wairarapa Line	CTC to Featherston then Track Warrant
Melling Line	Open section

Appendix C

Tranz Metro Routes on following two pages.

WELLINGTON URBAN RAIL NETWORK



LEGEND

- Double track urban (electrified)
- Single track urban (electrified)
- Single track urban (not-electrified)
- Single track other
- Main roads
- State Highway
- Urban area



PARAPARAUMU LINE ①

Paraparaumu	48.26
Paekakariki	38.80
Huri	31.23
Pukerua Bay	30.35
Plimmerton	24.48
Haha	23.16
Parehaha	21.87
Porirua	17.74
Keneferu	16.16
Linden	14.91
Tawa	13.75
Redwood	13.17
Takapu Rd	11.89
Kaiharahara	2.55
Wellington	0.00

JOHNSONVILLE LINE ②

Johnsonville	10.49
Raroa	9.33
Khandallah	7.89
Boxhill	7.34
Sims Crescent	6.89
Awarua Street	6.01
Ngao	5.42
Crofton Downs	4.77
Wellington	0.00

UPPER VALLEY LINE ④

Upper Hutt	32.40
Waikareville	31.30
Trentham	29.40
Heretaunga	28.24
Silverstream	26.83
Major Park	23.70
Ponare	21.98
Talia	20.55
Wingate	19.49
Nanae	18.25
Eponi	16.54
Waitepoo	15.50
Woburn	14.37
Ava	12.52
Peirone	8.50
Mgauranga	4.80
Kaiharahara	2.55
Wellington	0.00

WAIHARARA LINE ⑤

Masterton	90.96
Renall Street	89.40
Solway	88.09
Carterton	76.60
Maharua	70.10
Woodside	65.12
Featherston	57.15
Maymorn	38.75
Upper Hutt	32.40
Wellington	0.00

MELLING BRANCH ③

Melling	13.47
Lower Hutt	11.87
Palone	10.50
Wellington	0.00



WELLINGTON URBAN RAIL SCHEMATIC

PARAPARAUMU LINE

To Waikanae and north	
+ ## Paraparaumu	48.26
@@ Mackays	41.77
## Paekakariki	38.80
@@ North Junction	35.26
@@ South Junction	32.09
## Muri	31.23
## Pukerua Bay	30.35
+ ## Plimmerton	24.48
## Mana	23.16
+ ## Paremata	21.87
+ ## Porirua	17.74
## Kenepuru	16.16
## Linden	14.91
## Tawa	13.75
## Redwood	13.17

JOHNSONVILLE LINE

+ # Johnsonville	10.49
# Raroa	9.33
## Khandallah	7.89
# Boxhill	7.34
# Simta Cres	6.89
# Awarua St	6.01
## Ngaio	5.42
# Crofton Downs	4.77

WAIRARAPA LINE

UPPER VALLEY LINE

MELLING BRANCH

# Melling	13.47
# Lower Hutt	11.87

To Woodville and north	
# Masterton	90.96
# Renall St	89.40
# Solway	88.09
# Carterton	76.60
# Matarawa	70.10
# Woodside	65.12
+ # Featherston	57.15
# Maymorn	38.75
+ ## Upper Hutt	32.40
# Wallaceville	31.30
## Trentham	29.40
## Heretaunga	28.24
## Silverstream	26.83
## Manor Park	23.70
## Pomare	21.98
+ ## Taita	20.55
+ ## Wingate	19.49
## Naenae	18.25
## Epuni	16.54
+ ## Waterloo	15.50
## Woburn	14.37
## Ava	12.52
+ ## Petone	10.50
## Ngauranga	4.80

Takapu Rd 11.89

Kaiwharawhara 2.59

Wadestown Loop 3.09
(No public access)

+ ##### WELLINGTON 0.00

LEGEND

- Electrified
- Not electrified
- # Station 1 Platform
- ## Station Multiple Platforms
- @ Junction
- + Bus Connection- Private operator



Appendix D

Competitive Pricing Procedure for Wellington Passenger Rail

1. Introduction

This CPP is to expedite the procurement of Wellington Passenger Rail services. It is to be used to select suppliers to undertake the operation of passenger rail services in the Wellington region. The supplier(s) may also be the owner(s) of some or all of the assets of Tranz Metro Wellington.

2. Wellington Passenger Rail CPP

2.1 The Wellington Passenger Rail CPP in general terms is:

- a) the selection of acceptable suppliers through a competency based approach using non-price attributes
- b) selection of a preferred supplier (or suppliers) through an open book evaluation of commercial offers from a short list of acceptable suppliers
- c) payment of the preferred supplier(s) on a cost reimbursable basis to provide the services with the price determined by the negotiated commercial offer(s); and
- d) the delivery of the services.

2.2 There are a number of important control mechanisms associated with the application of the Wellington Passenger Rail CPP as follows:

- a) The selection process must determine the most appropriate supplier(s) being the supplier(s) who offer the best combination of service quality and funder cost for each service over the term of the contract
- b) The negotiated price structure for the delivery of the services must be tested for value through an external audit. If agreement cannot be reached on a price structure for the delivery of any of the services then the tendering authority has the right to negotiate a price for the provision of the services with any of the acceptable suppliers, or to abandon the service.

3. Components of this Competitive Pricing Procedure

The following components together form this CPP:

- a) Chapter 1, Introduction and General Requirements of Transfund's Competitive Pricing Procedures Volume 2: Public Passenger Transport; and
- b) The sections contained in this document.

Tendering Procedures

4. Tendering Authority Procedures

The tendering authority shall develop and document appropriate administrative procedures relating to all aspects of the tender process for this CPP. These procedures shall be publicly available. Procedures for handling tenders from a business unit shall not disadvantage any tenderer.

As part of its procedures, the tendering authority shall establish a system for adequate recording of information in respect of each contract, for Transfund New Zealand audit purposes. Information recorded shall include:

- the Request for Statements of Interest and Ability (SIA)
- the Record of Statements Received
- the Evaluation of Statements and Short Listing Recommendation
- the Request for Commercial Offers
- the Record of Offers Received
- the Offer Evaluation and Recommendation.

5. Invitation to Submit a Statement of Interest and Ability

For each contract, an invitation to submit an SIA shall be advertised in appropriate print media. The extent of advertising shall bear a relationship to the size of the contract.

The tendering authority shall make available on request a list of all parties who have uplifted documents. This requirement shall not apply on the tender closing day.

6. SIA Evaluation Specification

Each Request for SIA shall specify the attributes to be considered by the tendering authority when evaluating competing SIA proposals. The attributes shall comprise all of the following but no others:

- a) Performance and safety record in the operation of passenger rail services which include the responsibility for rolling stock.
- b) Financial strength and capacity.
- c) Relevant experience with passenger rail operations, particularly with rail safety systems, customer relations and service promotion.
- d) Skills and experience of key personnel.
- e) Understanding of, and approach to, key issues around Wellington passenger rail services.
- f) Control over key assets required to provide the service.

Where the evaluation method requires that a weight be assigned to each attribute, the Request for SIA shall also specify these weights.

When assigning weights the tendering authority shall ensure that:

- a) All non-price attributes are assigned a minimum weight of 10.
- b) The sum of all weights is 100.

7. SIA Evaluation Process

The evaluation of Statements of Interest and Ability shall be undertaken using the method described in section 8 of this CPP for Wellington Passenger Rail.

Proposals shall only be evaluated as specified in the Request for SIA.

If the tendering authority wishes to seek clarification of, or receive further information about, a tender for any reason, and/or modification such as removal of tags to ensure conformance with the Request for SIA, it shall do so before or during SIA evaluation, and prior to advising the acceptable suppliers.

The tendering authority is permitted to carry out face to face interviews and receive oral presentations, and conduct development workshops as part of the SIA evaluation process, if it deems this to be necessary. Such interviews, presentations or workshops shall be conducted before knowledge of price. There is no obligation on the tendering authority to conduct interviews or receive presentations from all or any tenderers.

Records shall be kept from any interview, presentation, or workshop.

8. SIA Evaluation – Wellington Passenger Rail CPP

Tenderers shall be required to submit SIA in a single envelope containing only non-price attribute information.

The tender evaluation shall be conducted in three stages as follows:

- a) The first stage shall involve the assessment of the SIAs against the non-price attributes and no others. This assessment may include interviews and workshops. The request for SIAs will describe the mechanism to determine which Tenderers will be interviewed and workshopped with, and which will be excluded from further consideration as the process unfolds. Each attribute shall be scored on a points basis, from 0 (completely inadequate) to 100 (excellent). Any tender that scores a 35 or less on any attribute shall be excluded from further consideration.
- b) The second stage shall consist of multiplying the weight of each attribute, as previously specified in the request for SIAs, by the grade of that same attribute and then dividing by 100 to give an index for each attribute. For each tender, the indices derived for each attribute shall then be summed to give an index for each respective tender.
- c) The third stage shall involve selection of no more than three acceptable tenderers to be requested to make commercial offers for the supply of the services.

The tendering authority may accept tenders covering less than the full range of services required. In doing so, the tendering authority shall take into account the cost, safety and other operational consequences of engaging more than one operator on the rail network. The acceptable tenderer(s) and the tendering authority shall negotiate a price for the delivery of each of the services. If more than one offer is received for each of the services, the tendering authority shall determine the best offer in terms of the balance between quality, cost and commercial terms. Evaluation shall consider the funding requirements of each offer and any premium justifiable for an offer, which exceeds the minimum standards, set out in the RFT.

- a) If agreement is reached, and the tendering authority wishes to proceed with the delivery of the services, a contract shall be entered into to deliver the works.
- b) If agreement cannot be reached, the tendering authority may choose to review the service requirements for one or more services, abandon one or more services or end the tendering process without appointing an operator for any or all of the services.

9. Negotiation of Commercial Offers

The tendering authority shall enter into negotiations with each of the acceptable tenderers in the presence of the probity auditor. These negotiations are expected to commence with a one day workshop involving the tenderers and tendering authority's key staff who have been nominated to manage the services.

The workshop will centre on the tenderer's commercial offer and is intended to ensure alignment of the tenderers and the tendering authority's expectations on:

- manning, transitional arrangements, labour costs and overheads
- subcontract arrangements for materials and services including power supply
- service level requirements for track and signal maintenance
- station and station carpark development plans
- service frequency and capacity improvement plans
- asset ownership changes and intentions for asset refurbishment and renewal
- reporting requirements
- any other contract conditions.

The workshops will continue until all parties are satisfied that they have a complete understanding of all aspects to be covered in the commercial offer.

Tenderers will then submit their final commercial offers for evaluation by the tendering authority.

The tendering authority will choose a preferred supplier on the basis of the complying service offer which best meets the tendering authority's funding requirements.

10. Notification Procedures

All tenderers shall be provided with a summary of the SIA evaluation and recommendation, but notification shall not extend to cover disclosure of the details of the SIAs or the details of how the evaluation was arrived at.

On appointment of an operator for each of the services, all acceptable tenderers shall be notified of the successful tenderer, but there shall be no disclosure of the agreed commercial terms.

11. Conformity with RFT

No contract, which is subject to this CPP, shall be entered into where the end result or quantum is outside the scope of the request for SIAs.

12. Use of Particular Inputs

A contract input shall only be made available by the tendering authority under the following conditions:

- a) The availability of the contract input is notified in the request for SIAs
- b) The contract input is available to all tenderers
- c) The terms on which the contract input is available are specified in the SIAs
- d) The terms on which the contract input is actually made available are those specified in the request for SIAs; and
- e) There is no compulsion on any tenderer to use the contract input.

The tendering authority may make a contract input available to a particular tenderer provided that the contract input is made available on terms which are usual for a contract of that type and at a price which is fair in the prevailing market. In this case the contract input need not be mentioned in the request for SIAs.

Where the successful tender did not contemplate or allow for the provision of a contract input by the tendering authority, this may still occur during the course of the contract, provided that the contract input is made available on the terms described in this section.

Request For Tender Requirements

13. General Requirements

The tendering authority shall not, with respect to any request for SIAs or contract, include any requirement that has the effect of unreasonably limiting competition, or which unreasonably favours one tenderer or category of tenderers over another.

14. Request for Statement of Interest and Ability Contents

Request for SIA contents shall include, at a minimum:

- a) Appropriate contract terms and conditions.
- b) Description of the attributes to be considered in evaluation and the weighting to be applied to each.
- c) Project scope and specification (including quantum and duration where applicable).

- d) Performance standards with respect to safety and service quality, including:
 - service monitoring procedures
 - any sanctions for failure to achieve performance standards; and
 - any incentives for superior performance.
- e) The tendering authority's policy on late tenders.
- f) Any conformance requirements which a tenderer must satisfy in order to be a conforming tender, including:
 - minimum qualifications required to operate the services
 - minimum safety and insurance requirements
 - a service specification, which defines the proposed services
 - any other minimum operator or vehicle requirements.
- g) A description of the scope and extent of possible service changes planned by the tendering authority over the term of the contract.
- h) How probity will be managed.

15. Request for Commercial Offer Contents

Request for Commercial Offers Contents shall include, at a minimum:

- a) Appropriate contract terms and conditions.
- b) Project scope and specification (including quantum and duration where applicable).
- c) Performance standards with respect to safety and service quality, including:
 - service monitoring procedures
 - any sanctions for failure to achieve performance standards; and
 - any incentives for superior performance.
- d) Price model.
- e) The tendering authority's policy on late tenders.
- f) A description of the scope and extent of possible service changes planned by the tendering authority over the term of the contract.
- g) How probity will be managed.

In particular, the contract terms shall include:

- a) Provisions for termination of the contract at any stage should
 - funding not be available; or
 - the parties fail to reach agreement on price in relation to any stage of the contract;or

- if the operator sells the business.
- b) Requirements for the supply of passenger and financial information by the operator(s).
- c) Provisions for the funding of maintenance, refurbishment and renewal of the assets controlled by the operator(s), and for the determination of asset condition and value at the end of the contract term.

16. Basis of Evaluation of Statements of Interest and Ability

Each Request for SIA shall include a description of the basis of SIA evaluation, consistent with the requirements of *sections 5-8 of this CPP for Wellington Passenger Rail*.

17. Basis of Negotiation of Commercial Offers

Each Request for Commercial Offers shall include a description of the basis of Commercial Offer negotiation, consistent with the requirements of *section 9 of this CPP for Wellington Passenger Rail*.

18. Contract Duration

No contract awarded under this CPP shall have a duration of more than 10 years.

19. Contract Area

(No mandatory requirement)

20. Price Adjustment

The price of the services may be adjusted for changes to the input costs using an appropriate methodology negotiated during the negotiation of the Commercial Offer.

The price of the services may also be increased or decreased in accordance with rewards and penalties related to output measures and performance standards agreed during the negotiation of the Commercial Offer.

The price of the services may also be increased or decreased during the term of the contract related to variations from the agreed capital expenditure programme. Capital expenditures may only be included in the contract if they are to be funded as part of the annual contract for service payment.

21. Errors and Omissions

Each Request for SIA and Request for Commercial Offer shall specify the procedures to be used in the event of errors and/or omissions in tender documents.