



**WELLINGTON REGIONAL
CHAMBER OF COMMERCE**
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RLTC Meeting, 29 May 2003

SUBMISSION FROM WELLINGTON REGIONAL CHAMBER OF COMMERCE

We understand that Transit NZ have proposed a two stage process for advancing Transmission Gully, in response to the Minister making available the \$3M budget for investigation of this project:

- * The first stage would involve review updating of current estimates which is likely to require review of the proposed route and environmental requirements. We understand that TNZ have indicated a budget of \$200,000 for this and a duration of 5 months for the work.
- * The second stage would be the geotechnical investigation, which would cost in the order of \$2M and would take approximately 15 months.

This two stage process will include additional time to review the information received and to scope out the next stage of work.

In the Chamber's view, the likely outcome of the process that TNZ has set, once all review and tendering periods are included, will be that there will not be the certainty of costs and benefit data that the region needs, until approximately mid 2006.

A better structure that will provide greater certainty would be to include approximately 4-6 geotechnical investigation boreholes in the first stage of work. These would cover key cost areas including the viaducts that are a part of the project and the slopes that have to be excavated to widen the valley to fit the road.

This investigation would cost approximately \$150,000 to \$200,000 extra as part of stage 1 and would reduce the stage 2 costs by the same amount. The work would need the stage 1 work to be extended to around 9 months duration.

The most significant advantage of this work would be that the knowledge of the ground conditions would assist in reducing the range of the cost estimates by a significantly greater margin than would be possible for stage I structured as TNZ intend. There would still be substantial further work on geotechnical investigation and refinement of estimates needed as a second stage if the project is to proceed.

The most important potential outcome of this arrangement for the work would be that the limited investigation would give general indications of the ground conditions that exist along the Transmission Gully route and allow the cost estimates to be focused accordingly at a better defined range than the very wide estimate range that currently exists. Since the upper end of the cost range must be seen as unaffordable for the region at present, this should give a clear stop / go signal for TG.