

8 September, 1998

Memorandum for:

IAN DOBBS
CHIEF EXECUTIVE

BRIEFING NOTE
SCRUBBER CAR REPLACEMENT / UPDATE

PURPOSE

1. To advise the Chief Executive Officer on the current status of Scrubber Cars and the proposed alternatives.

BACKGROUND

2. Met Tram have three (3) Scrubber Cars on strength. At present only one (1) vehicle (10W) is operating. Of the other two (2), 11W is in Preston Workshops awaiting a new tyre and 9W is also in Preston Workshop with extreme body deterioration and is being cannibalised to provide spare parts to keep the other two trams serviceable.
3. The Scrubber Cars have become unreliable over recent years, partly due to lack of skilled maintenance, spare parts and age.
4. Due to the age of the Scrubber Cars (80 to 90 years), spare parts are not easily obtainable and any obtained parts usually have to be made as a "one off" or an existing "W" Class parts has to be modified to fit, thereby increasing the cost of keeping the Scrubber Cars in service.
5. Three Drivers are now employed to maintain track cleaning, 16 hours a day, 7 days a week. These Drivers also do the basic maintenance, brake adjustment, scrubber block changing and the cleaning of controller fingers. If Drivers are not required for scrubber car duties, they are used for tram transporting.
6. The costs involved in maintaining this service are an estimate.

	\$ P.A.
Maintenance and running costs of existing three (3) Scrubber cars at estimated \$50,000 ea.	150,000
Drivers Yearly Wage (including penalties) average \$29,958 x 5 Drivers	149,790
Employee "On Costs" i.e., Payroll Tax, Workcover ect.	28,879
Drivers Overtime (based on period average)	1,800
Drivers Uniforms Equipment	2,400
Miscellaneous Expenses	1,500
TOTAL.	334,369

* There is also a cost of \$40,000 to \$60,000 p.a. for supplementary sweeping by trucks during autumn.

7. However the existing Scrubber Cars are now reaching the stage of needing major overhauls. This will necessitate a large capital outlay to bring the Scrubber Cars to a satisfactory operating standard and would probably not be viable considering the age of the Scrubber Cars and the problems associated with spare parts.

ISSUES:

8. The Tram Track Department, in consultation with Met Tram has prepared a report regarding the tendering out of Tram Track Cleaning by truck to an outside contractor.
9. All current contracts are about to expire or have already expired. To cover the maintenance functions, they must be extended or re-tendered.
10. As Met Tram is to be sold to the private sector as two businesses and it is desirable not to commit contracts beyond the date of the sale, the extension of the existing contract is the most favourable option. Contracts should be split into separable parts based on the future sale of Met Tram if they must be re-tendered.
11. There is a pressing need to contract out the functions of the three Scrubber Cars because of their age, poor performance, lack of reliability and lack of spare parts. It is proposed to alter the Scope of 94271C (Mechanical Sweeping Contract) to include Scrubbing Functions.
12. This will require a potential contractor to make a substantial investment in equipping trucks with suction devices, abrasive scrubbing equipment and hi rail, A contractor will recover this initial investment over the life of the contract however, it is probable that a contract will need to run for at least two years to make the scrubbing function cost effective. This is in direct conflict with issue 10 above.
13. Operational issues that will need to be addressed are:
 - . In the event of urgent cleaning being required, e.g., spillage on track, car ahead collision, etc., a vehicle would be needed at very short notice. To this end, the contractor would need to be aware that the truck would be required to respond within 1 hour. The only alternative to this appears to be updating the present points cleaning truck. To do some track cleaning as well, this truck currently operates two (2) shifts per day and would be available for urgent call outs.
 - . Rail profiling and smoothing of corrugations in the rail head was part of the Scrubber Car operation. These functions should be included in the new contract.
14. The timing of any new contracts is driven by the need to advertise, evaluate and approve a contract which allows the contractor sufficient time to equip trucks prior to the start of the 1998 leaf season.

15. It has been proven in tests carried out by Mr M Fraser at Preston Workshops in 1996 that clean track improves tram braking.
16. If 11W can be repaired in the near future, this will enable preventative maintenance to be carried out on both 10W and 11W on a regular basis and this may prevent any further outlay until the Road / Rail Track Cleaning Contract is let.

RECOMMENDATION

17. The Chief Executive notes the current situation on Scrubber Cars and the options available for tram track cleaning in the future.

RUSSELL NATHAN
MANAGING DIRECTOR
MET TRAM