



Location	Sydney, NSW
Client	Cross City Motorway
Scale	\$380 (O&M)
Role	Sponsor, Equity Sponsor, O&M Contractor
Timing	Acquired Sept 2008 - 2035



Description

In late September 2007, a consortium led by Leighton Contractors and Royal Bank of Scotland (formally ABN AMRO) became the new owners of the Cross City Tunnel. In addition, Investment and Facility Management, a division of Leighton Contractors, became the new operator of the tunnel.

Since the acquisition, Cross City Tunnel has performed well, with 2007 figures indicating an increase in traffic volume of over 10% on the previous year. The news is encouraging for Leighton Contractors and RBS who, as the Cross City Tunnel board, have been working closely with management to ensure a smooth transition and to reinstate public confidence in the toll road.

Setting a Precedent

- Cross City Tunnel was Sydney's first motorway to offer motorists fully electronic tolling
- The twin 2.1 kilometre motorway runs east/west beneath the streets and buildings of Sydney's CBD
- Construction commenced in February 2002 and the motorway was operational in August 2005
- Cross City Tunnel links Darling Harbour to Rushcutters Bay through separate east and westbound tunnels
- Motorists can avoid 16 sets of traffic lights westbound and 18 eastbound
- Underground links between the CrossCity Tunnel and Eastern Distributor allow motorists to move between the two motorways



- From the west, motorists can access the Eastern Distributor directly to the Airport
- Traffic from the eastern suburbs can use the westbound Cross City Tunnel, exiting at Sir John Young Crescent to access the city and harbour crossings

Operations and Maintenance

Leighton Contractors Investment and Facility Management (LIFM) operates full Maintenance, Operations and Asset Management Services on the 2.1 km tunnel, which includes:

- a complex Intelligent Transport System, featuring full CCTV coverage, Incident detection systems, real time driver advisory systems, emergency telephone systems and communications networks,
- mechanical and electrical systems including fans, dampers, substations, control panels, switch rooms, a water treatment plant, lighting, fire and smoke detection systems and fire deluge systems,
- a free flowing, fully electronic tolling system; and
- the tunnel structure, pavement and drainage elements, as well as traffic safety assets including signage, line marking and crash barriers.

Tolling

Toll collection in the Cross City Tunnel is fully electronic with a tag or pass required to pay the toll.

A toll is charged each time you use the Cross City Tunnel. The toll that is charged depends on the size of the vehicle and the route that the vehicle takes.

Vehicles such as motorbikes, sedans, station wagons, taxis and vehicles towing trailers are classified as Class 2. Larger vehicles are classified as Class 4.

	Eastbound Tunnel	Westbound Tunnel	Sir John Young Crescent Exit
	Darling Harbour to Eastern Distributor exit or Rushcutters Bay	Rushcutters Bay to Darling Harbour	From the East
Class 2	\$4.16	\$4.16	\$1.96
Class 4	\$8.31	\$8.31	\$3.92

Note: all tolls are inclusive of GST.

Innovation

Development and staged implementation of an integrated ITS and Tolling Network Monitoring and Fault Notification System. This enables the Operator to receive notifications on system errors or failures and therefore maintain the system.

Budget

The project has successfully run within budget and performance requirements since contract commencement. By utilising synergies across the LIFM business, we have reduced the ongoing O&M costs of the asset for our client.

Quality

The maintenance contract and Leighton Contractors' own management systems and standards require ongoing auditing and adherence with ISO9001:2004, AS4801 & ISO14001. These are undertaken to ensure the ongoing highest level of performance from this long term operational project.

Safety

When LIFM took control of the Cross City Tunnel following 2 years of operation by another contractor, a rigorous program of safety assessment and improvement initiatives was undertaken to ensure the project conformed to LIFM's strict safety standards. Such initiatives included provisioning a truck mounted attenuator, revising PPE standards and upgrading work vehicle visibility and signage specifications.

Stakeholder Management

Apart from a program of scheduled meetings, reporting and communication with our key stakeholders such as RTA, Police, Fire, Ambulance and various Government Departments, we also have similar commitment to members of the public and motorists. There are numerous examples where our personnel go the extra distance and help stranded motorists and it is not uncommon for our team to receive positive feedback and recognition for our endeavours.

Programme

Routine, preventative and specific maintenance are strictly programmed on the Cross City Tunnel. Recently LIFM implemented a class leading asset management system. Using field based inspections and fault reporting, personnel are able to capture asset data using mobile PDA devices. All data captured is immediately processed providing faster corrective action response times.

A Cleaner Option

The Cross City Tunnel removes over a million vehicles every month from the inner city streets of Sydney, providing a cleaner environment for workers, residents and visitors; and creating opportunities for urban development.

The Cross City Tunnel provides significant travel time savings for motorists wanting to bypass the inner city. The ability to avoid traffic lights and enjoy an uninterrupted journey at 80km/hour also uses less petrol and produces less greenhouse gas emissions – good news for motorists and the environment.

Financial Innovation

- Awarded the Best Project Finance Deal (2007) by Finance Asia

The consortium brought together a financially robust and innovative financial structure through the combination of investment grade bonds, an accreting interest swap and an inflation floor.