

MINUTES OF THE NEW ZEALAND TRANSPORT AGENCY BOARD MEETING
HELD ON WEDNESDAY, 26 NOVEMBER 2008

IN BALL ROOM TWO, CROWNE PLAZA HOTEL, 128 ALBERT STREET, AUCKLAND

Approved by the Chair	_____
Date	___/___/___

PRESENT: Brian Roche Garry Moore
Christine Caughey Paul Fitzharris
Grahame Hall Bryan Jackson
Alick Shaw Mike Williams

IN ATTENDANCE: Geoff Dangerfield Julia Shackleton

Allan Frost Colin Crampton
Ernst Zollner Ian Gordon
Liz Huckerby Simon Whiteley
Wayne McDonald Bruce Richards
Mark Yaxley Jenny Chetwynd
Deb Hume Ian Hunter

Ewart Barnsley Denise Beasley
Dave Whiteridge Peter Kippenberger
Brian McSwigan (Item 7c) Brent Piggott (Item 8c)

INVITEES: Mayor Bob Harvey Waitakere City Council
Deputy Mayor, Penny Hulse Waitakere City Council
Vijaya Vaidyanath, Chief Executive Officer Waitakere City Council
John Dragicevich, Director, City Services Waitakere City Council
Alan Rodgers-Smith, Manager, Government Relations Waitakere City Council
Tony Miguel, Deputy Director, City Services Waitakere City Council
Camilla Needham (Item 5) BECA
Gavin Fisher (Item 5) Endpoint
Dr Franchesca Kelly (Item 5) Environmental Health Services

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1. Apologies

No apologies were received.

2. Confirmation of Agenda

The agenda was confirmed.

3. Declarations of Interest

Bryan Jackson noted conflicts of interest regarding his Kiwi Rail Holdings Ltd. directorship relating to the following three items - Board paper 08/11/0107, Item 12c - *Greater Wellington Regional Council: Wairarapa Log Rail - Implementation Funding*, Board paper 08/11/0086, Item 13c *Greater Wellington Regional Council's Urban Rail Stabling and Depot for New Electric Multiple Units - Construction Funding*, and Board paper 08/11/0096, Item 14c *Greater Wellington Regional Council: Real Time Information System - Construction Funding*. For these three items, Mr Jackson remained in the room but did not participate in the discussion or decisions made by the Board.

No new declarations or conflicts of interest were declared.

In Committee Minutes

1c Confirmation of the 31 October 2008 In Committee Board meeting minutes

Resolved:

That the New Zealand Transport Agency Board:

notes that regarding Item 10c, Board paper no. 08/10/0067 *Hamilton City Council: Wairere Drive, 4 Laning - Pukete to Resolution, Investigation and Design Funding* peer review of the economic evaluation of this paper has confirmed a funding profile of MMH, which means funding should be from N funds, not R funds as in recommendation (a) of the paper. Thus recommendation (a), which reads:

“(a) approves funding for the investigation and design of Hamilton City Council’s Wairere Drive: Pukete Road to Resolution Drive 4-laning project at an estimated cost of \$1.95 million and a funding assistance rate of 55% (NZ Transport Agency’s share \$1.07 million) from R funds subject to receipt of a peer review of which confirms the economic evaluation; and”

should read as follows:

“(a) approves funding for the investigation and design of Hamilton City Council’s Wairere Drive: Pukete Road to Resolution Drive 4-laning project at an estimated cost of \$1.95 million and a funding assistance rate of 55% (NZ Transport Agency’s share \$1.07 million) from N funds, following a peer review confirming the economic evaluation; and”

Bryan Jackson / Christine Caughey

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Resolved:

That the New Zealand Transport Agency Board:

notes the following recommendations for Board approval, from Item 5c, *Minutes from the State Highways Board Committee meeting held on Friday, 24 October 2008*, which weren't noted in the 31 October 2008 Board minutes:.

Waterview Connection project:

- a. **conveys** to the Minister its preferred scope for the Waterview Connection being the a 2x2 tunnel, untolled;
- b. **agrees** to the acceptable improvements on SH16 forming part of the scope of the Waterview Connection project;
- c. **notes** that the desirable improvements on SH16 regarding the Waterview Connection project will be delivered at a later stage;
- d. **agrees** to progressing the application for designation on the basis of a 2x3 tunnel; for the Waterview Connection project; and
- e. **agrees** to keep the Waterview Connection project matter in Committee until such time as it has been conveyed to the Minister;

Strategic Property Compensation: [REDACTED] Auckland Harbour Bridge strengthening:

- f. **approves**, a compensation agreement with [REDACTED] up to a maximum of \$100,000.00;
- g. delegates to the Chief Executive the authority to negotiate a confidential agreement with [REDACTED], which will be a full and final agreement for all the works associated with the Auckland Harbour Bridge; and
- h. agrees that the agreement with [REDACTED] remains In Committee indefinitely

With the above amendments, the New Zealand Transport Agency confirms the In Committee minutes of the 31 October 2008 New Zealand Transport Agency Board meeting.

Brian Roche / Grahame Hall

2c Matters arising from the 31 October 2008 In Committee Board meeting minutes

There were no matters arising from the 31 October 2008 New Zealand Transport Agency Board meeting.

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3c Chief Executive's Report for November 2008

Board paper 08/11/0079

Resolved:

That the New Zealand Transport Agency Board:

- a **receives** the Chief Executive's Report;
- b **receives** Attachment 2, the actions from previous Board meetings paper;
- c **agrees** to amend the NZ Transport Agency's existing flag-flying policy on the Auckland Harbour Bridge, in favour of flying a flag of significance to Maoridom alongside the New Zealand flag on Waitangi Day; and Australia's national flag as well as the New Zealand flag on ANZAC Day;
- "d agrees that the 'tino rangatiratanga' flag be flown on Waitangi Day, on the flagpole adjacent to the current New Zealand flag;"*
- d ;
- e **requests** that the Chief Executive seeks feedback on the proposal (d) above, from the incoming Minister, and if agreement is reached;
- f **agrees** to advise Auckland iwi of the new policy and then publicly release the new policy in time for Waitangi Day 2009;
- g **recommends** that the Secretary of Transport declares the section of new road at Mount Roskill to be SH20, between Hayr Road and Richardson Road, as illustrated in Attachment 4;
- h **recommends** that the Secretary of Transport seeks an Order-in-Council declaring the new section of SH20 between Hillsborough Road and Sandringham Road extension to be motorway, once all the necessary actions with respect to land and consultation are complete;
- i **delegates** authority to the Chief Executive to sign this change and to arrange promulgation by way of Public Notice in the New Zealand Gazette.
- j **approves** an amendment to Bylaw 2005/7 'Maximum Speeds of Vehicles on State Highways', in accordance with the *Land Transport Rule: Setting of Speed Limits 2003, Rule 54001* to lower the speed limit from 80km/h to 70km/h on SH1, from 56m south-east at Lybster Street through to 640m south-east of Alabama Road in Blenheim;
- k **delegates** authority to the Chief Executive to sign the above amendment to Bylaw 2005/7, as shown in Attachment 5 and to arrange promulgation by way of Public Notice in the New Zealand Gazette;
- l **delegates** authority to the Chief Executive to sign accommodation leases for both the Auckland Motorway Alliance and the Newmarket Viaduct Replacement Project Alliance;

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- m **delegates** authority to the Chief Executive to enter into a contract with Kapsch TrafficCom for the support and maintenance of the toll system;
- n **delegates** to the Chief Executive, the finalisation of the index formulae for public transport inflation adjustment; and
- o **agrees** to keep Board paper 08/11/0079 in Committee, giving the Board the opportunity to have a free and frank discussion.

Brian Roche / Bryan Jackson

4c Finance Report for the 4 Months ending 31 October 2008

Board paper 08/11/0091

Resolved:

That the New Zealand Transport Agency Board:

- a. **receives** the financial report for October 2008; and
- b. **agrees** to take Board paper 08/11/0091 out of Committee once the Board has received the Finance Report for the 4 months ended 31 October 2008

Bryan Jackson./ Brian Roche

5c Confirmation of the Minutes from the State Highways Board Committee Meeting held on 11 November 2008

Board paper 08/10/0073

Resolved:

That the New Zealand Transport Agency Board:

- a **notes** the costs of the Newmarket Viaduct project have escalated by up to approximately \$20m over the last eight months, particularly due to market price increases with the most significant being steel, which has increased between 31.7% and 76.5% depending on the product;
- b **agrees**, regarding the Newmarket Viaduct project, to a final Limb 1 cost of \$178.84m and to target a final Limb 2 component of \$25.76m, being the Limb 2 from the original Target Outturn Cost in February 2008 noting the current Limb 2 proposed is \$28.52m; and
- c **requests** the Group Manager Highways and Network Operations to update the Committee on the final price agreed regarding the Newmarket Viaduct project;

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- d **agrees** that the opening date for the Northern Gateway Toll Road will be Sunday 25 January 2009; and
- e **acknowledges** the work and efforts the NZ Transport Agency staff have made regarding the Northern Gateway Toll Road issue.

Brian Roche / Grahame Hall

6c Strategic & Investments Board Committee: Consideration of Greater Wellington Regional Council's draft Procurement Strategy for Bus and Ferry Services

Board paper 08/11/0108

Resolved:

That the New Zealand Transport Agency Board:

- a. **notes** the progress towards the development of Greater Wellington Regional Council's Procurement Strategy for Bus and Ferry Services; and
- b. **agrees** to keep Board paper 08/11/0108 in Committee until Greater Wellington Regional Council has publicly released Procurement Strategy for Bus and Ferry Services.

Garry Moore / Mike Williams

7c NZ Transport Agency: (SH1) Northern Gateway Toll Road - Cost Scope Adjustment Funding

Board paper 08/11/0093

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the cost scope adjustment for the construction of NZ Transport Agency's State Highway 1 Northern Gateway Toll Road project of \$12.1 million from N funds;
- b. **notes** that the construction out-turn cost for the project is now estimated at \$351 million, which is \$7.5 million below the originally estimated target out-turn cost of \$358 million, and that the 95%ile cost was estimated at \$377 million;
- c. **notes** the reasons for this decision are as set out in the Reasons for Recommendation section; and
- d. **agrees** to take Board paper 08/11/0093 out of Committee when the Board has published the notice of decision.

Garry Moore / Mike Williams

8c NZ Transport Agency: (SH1) Warkworth Improvements And Rodney District Council - Warkworth Intersection Improvements - Construction Funding

Board paper 08/11/0082

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the construction of:
 - i. NZ Transport Agency's (SH1) Warkworth Improvements project at an estimated cost of \$15.0 million from N funds subject to:
 - o all necessary notices of requirement, consents and property purchases being put in place for stages beyond Stage 1; and
 - o no claims being made for work beyond the approved funding for Stage 1 until the condition above has been met; and
 - ii. Rodney District Council's Warkworth SH1 Intersection Improvements project at an estimated cost of \$5.5 million and a funding assistance rate of 58% (NZTA share \$3.2 million) from N funds;
- b. **notes** that the total construction cost for the Warkworth projects is estimated at \$20.5 million, the 95th percentile construction cost is estimated at \$30.0 million and the 5th percentile at \$14.0 million;
- c. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- d. **agrees** to take Board paper 08/11/0082 out of Committee when the Board has published the notice of decision.

Brian Roche / Bryan Jackson

9c Auckland Regional Transport Authority (For Auckland City Council): Sandringham Road Corridor Package - Design Funding

Board paper 08/11/0097

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** under s25 of the Land Transport Management Act 2003 Auckland City Council's procurement procedure shown as Attachment 3 to this Board paper;
- b. **approves** funding for the design of ARTA's (for Auckland City Council) Sandringham Road corridor passenger transport project at an estimated cost of \$593,000 and a funding assistance rate of 53% (NZ Transport Agency's share \$314,000) from N funds;

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- c. **notes** that the construction cost for the project is estimated at \$7.8 million;
- d. **delegates** to the NLTP Review Group authority to approve funding for the construction of this project;
- e. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- f. **agrees** to take Board paper 08/11/0097 out of Committee when the Board has published the notice of decision.

Bryan Jackson / Alick Shaw

10c Auckland City Council: Cliff Road, St Heliers Palisade Wall Protection Works, Stage 2 - Preventative Maintenance Funding

Board paper 08/11/0105

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding to the Auckland Regional Transport Authority (ARTA) for the preventative maintenance construction of Stage 2 of Auckland City Council's Cliff Road St Heliers Palisade Wall Protection Works project at an estimated cost of \$1.9 million and a funding assistance rate of 43% (NZ Transport Agency's share \$817,000) from N funds;
- b. **notes** that the total construction cost for Stage 2 of this project is estimated at \$3.175 million with the remaining \$1.275 million being fully funded by Auckland City Council;
- c. **requests** a Board paper to be prepared outlining the current policy for funding preventive maintenance activities;.
- d. **notes** the reasons for this decision are as set out in the reasons for decision section; and
- e. **agrees** to take Board paper 08/11/0105 out of Committee when the Board has published the notice of decision.

Brian Roche / Paul Fitzharris

11c Hastings District Council: Crosses Road Cycle Path - Construction Funding

Board paper 08/11/0095

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the construction of Hastings District Council's Crosses Road Cycle Path project at an estimated cost of \$1,035,000 with a funding assistance rate of 61% (NZ Transport Agency's share \$631,350) from N funds, subject to:

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- i. NZTA assessing, and providing feedback on, the reviewed walking and cycling strategy and implementation plan, prior to Hastings District Council adoption.
- b. **notes** that a Hastings District Council cycling strategy is in place, and has been reviewed and taken into account in this decision; and
- c. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- d. **agrees** to take Board paper 08/11/0095 out of Committee when the Board has published the notice of decision.

Garry Moore / Paul Fitzharris

12c Greater Wellington Regional Council: Wairarapa Log Rail - Implementation Funding

Board paper 08/11/0107

Resolved:

That the New Zealand Transport Agency Board:

- a. **agrees** that Board paper 08/11/0107 be deferred until the 18 December 2008 Board meeting, and requests the Chief Executive to provide further information on the benefits of the proposal and an outline of the current policy for funding activities in the rail and sea freight activity class.

Brian Roche / Bryan Jackson

13c Greater Wellington Regional Council's Urban Rail Stabling And Depot For New Electric Multiple Units - Construction Funding

Board paper 08/11/0086

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the design and construction of Greater Wellington Regional Council's urban rail stabling and depot for new electric multiple units at a total cost of \$28.5 million and a funding assistance rate of 60% from N funds and an additional funding assistance rate of 30% from C1 funds to support local share, resulting in an effective FAR of 90% (NZTA share \$25.6 million) subject to Greater Wellington Regional Council obtaining KiwiRail's Chief Executive's sign off of the final design before construction commences;
- b. **notes** that this Board paper is supplementary to Board paper 08/10/0064, which was considered at its October meeting;

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- c. **notes** the reasons for this decision are as set out in the Reasons for recommendation section of Board paper 08/10/0064; and
- d. **agrees** to take Board paper 08/11/0086 out of Committee when the Board has published the notice of decision.

Grahame Hall / Alick Shaw

14c Greater Wellington Regional Council: Real Time Passenger Information System - Construction Funding

Board paper 08/11/0096

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the implementation of Greater Wellington Regional Council's real time information system project at an estimated cost of \$10.85 million and a financial assistance rate of 60% (New Zealand Transport Agency's share \$6.51 million) from R funds and an additional funding assistance rate of 20% (NZTA's share \$2.17 million) to support the local share from C1 funds, giving an effective funding assistance rate for the project of 80% (NZTA share \$8.68 million);
- b. **approves** funding for the operating costs associated with the project, estimated at \$1.60 million per year, for a period of five years starting in 2009/10, with a right of renewal for a further two years, and a financial assistance rate of 60% (NZTA share \$0.96 million per year) from N funds;
- c. **requests** the Chief Executive to provide the Board with a benchmarking assessment of the proposal against comparable systems in other cities;
- d. **notes** that the 95th percentile capital cost is estimated at \$14 million and the 5th percentile cost is \$8 million;
- e. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- f. **agrees** to keep Board paper 08/11/0096 In Committee until Greater Wellington Regional Council has been informed of the Board's decision and the Board has published the notice of decision.

Brian Roche / Paul Fitzharris

15c NZ Transport Agency: (SH73) Christchurch Southern Motorway Extension – Construction Funding

Board paper 08/11/0083

Resolved:

That the New Zealand Transport Agency Board:

- a. **notes** that estimated cost of the construction phase of the NZ Transport Agency's Christchurch Southern Motorway Extension project is \$176.4 million including escalation (NLTP share \$176.4 million);
- b. **notes** that the Canterbury Regional Transport Committee has confirmed that this project remains the number one priority for the region and has committed to the development of a funding plan for the entire project at the earliest opportunity in conjunction with the development of the 2009/12 Regional Land Transport Programme;
- c. **approves** funding for the construction of the NZ Transport Agency's Christchurch Southern Motorway Extension project at an estimated cost of \$176.4 million including escalation (NLTP share \$176.4 million) from R funds subject to :
 - confirmation that the Canterbury Regional Transport Committee agrees to the increased allocation of \$R to the project;
- d. **notes** that funding of \$1.7 million has already been approved for enabling works on the project for the stockpiling of recycled crushed concrete pavement aggregate;
- e. **notes** that funding for any further net property costs will be allocated from the same funding source approved for this project;
- f. **notes** that the total cost of the project, including property and escalation, is estimated at \$238 million, the 5th percentile is estimated at \$219 million and the 95th percentile at \$264 million;
- g. **delegates** approval to the NLTP Review Group to approve a separate funding application for approximately \$11.5 million (Gross) from Christchurch City Council in respect of its contribution to the project ;
- h. **notes** the reasons for this decision are set out in the Reasons for recommendation section of Board paper 08/11/0083 and this Update paper ; and
- i. **agrees** to take Board paper 08/11/0083 out of Committee when the Board has published its notice of decision.

Bryan Jackson / Garry Moore

16c NZ Transport Agency And Christchurch City Council: Bus Priority Measures - Investigation And Construction Funding

Board paper 08/11/0081

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the final design and construction of Christchurch City Council's Bus Priority Measures - Colombo St, Papanui Rd and Queenspark project at an estimated cost of \$7.6 million and a funding assistance rate of 53% (NZTA share \$4.02 million) from N funds;
- b. **approves** funding for the final design and construction of the New Zealand Transport Agency's Bus Priority Measures project at an estimated cost of \$3.5 million from N funds;
- c. **approves** funding for the investigation of Christchurch City Council's Bus Priority Measures - Riccarton Rd, Pages Rd and Ferry Rd project at an estimated cost of \$800,000 and a funding assistance rate of 53% (NZTA's share \$424,000 from N funds);
- d. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- e. **agrees** to take Board paper 08/11/0081 out of Committee when the Board has published the notice of decision.

Garry Moore / Grahame Hall

17c 2009/2012 Road Policing Activities

Board paper 08/11/0087

Resolved:

That the New Zealand Transport Agency Board:

- a. **agrees** to defer Board paper 08/11/0087 until the 18 December 2008 Board meeting;
- b. **agrees** that Board and NZ Transport Agency representatives, including Brian Roche, Paul Fitzharris, Geoff Dangerfield and Ernst Zollner, to meet with NZ Police, to discuss a number of issues outlined in Attachment 1 to Board paper 08/11/0087, including NZ Police's bids for additional funding, as noted in paragraph 30, (a) to (r); and
- c. **requests** that a report back of the outcome of the meeting with NZ Police to be provided to the Board at its 18 December 2008 Board meeting.

Garry Moore / Brian Roche

Open Minutes

1 Confirmation of the 31 October 2008 Open meeting Minutes

Resolved:

That the New Zealand Transport Agency Board confirms the Open minutes of the 31 October 2008 New Zealand Transport Agency Board meeting.

Brian Roche / Bryan Jackson

2 Matters arising from the 31 October 2008 Open meeting Minutes

There were no matters arising from the Open minutes of the 31 October 2008 New Zealand Transport Agency Board meeting.

3 2008/2009 NLTP: Adjustments under Delegated Authority (October 2008 Review)

Board paper 08/11/0103

Resolved:

That the New Zealand Transport Agency Board:

- a. **notes** the adjustments to the 2008/2009 NLTP arising from the October review, as summarised in paragraphs 5 to 8 and shown in Attachment 1 to Board paper 08/11/0103, which have been approved under delegated authority; and
- b. **notes** the 2008/09 NLTP Situation Summary as shown in Attachment 2 to Board paper 08/11/0103.

Garry Moore / Mike Williams

4 Greater Christchurch Urban Development Strategy

Board paper 08/11/0084

Resolved:

That the New Zealand Transport Agency Board:

- a. **agrees** that it remain a partner to the Greater Christchurch Urban Development Strategy;
- b. **requests** the Chief Executive to advise the Chair of the Urban Development Strategy Implementation Committee of the Board's decision and NZTA's desire for the UDS to move in a direction that will better achieve the NZTS objectives for transportation; and

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- c. **agrees** that the Board Chair write to the Chair of the Urban Development Strategy Implementation Committee, confirming the NZ Transport Agency's commitment to the Greater Christchurch Urban Strategy
- d. **notes** that the Regional Director, Canterbury and West Coast will take the lead in maintaining and enhancing UDS stakeholder relationships.

Garry Moore / Christine Caughey

5 **Waterview Connection Project: Approval To Lodge Notices Of Requirement And Application For Resource Consents**

Board paper 08/11/0090

Resolved:

That the New Zealand Transport Agency Board:

- a. **agrees** to defer consideration of Board paper 08/11/0090 until its 18 December 2008 Board meeting;
- b. **requests** the Chief Executive to establish a process of further engagement with the Waterview and St Francis Schools, to address issues that can be managed in parallel with continuing with the consent process; and
- c. **agrees** to provide independent advice when having further dialogue with the schools.

Brian Roche / Grahame Hall

External presentations

Mayor Bob Harvey, Deputy Mayor Penny Hulse, Vijaya Vaidyanath, Chief Executive Officer, John Dragicevich, Director, City Services, Alan Rodgers-Smith, Manager, Government Relations, and Tony Miguel, Deputy Director, City Services, from Waitakere City Council, gave a presentation to the Board on the scope of work and the impact of the proposed transport infrastructure work programme in achieving economic transformation for New Lynn through the Transit Oriented Development project.

Next meeting

The next meeting of the New Zealand Transport Agency Board is confirmed for **Thursday, 18 December 2008** in the NZ Transport Agency Board Room, Level 2, National Office, Chews Lane, Victoria Arcade, 44 Victoria Street, Wellington, commencing at 8:00am.