

**MINUTES OF THE NEW ZEALAND TRANSPORT AGENCY BOARD MEETING
HELD ON FRIDAY, 24 APRIL 2009**

**IN THE NEW ZEALAND TRANSPORT AGENCY BOARD ROOM, NATIONAL OFFICE
CHEWS LANE, LEVEL 2, VICTORIA ARCADE, 44 VICTORIA STREET, WELLINGTON**

Approved by the Chair	_____
Date	____/____/____

PRESENT:

Brian Roche	Garry Moore
Christine Caughey	Paul Fitzharris
Grahame Hall	Bryan Jackson
Alick Shaw	

IN ATTENDANCE:

Geoff Dangerfield	Julia Shackleton
Dave Brash	Richard Braae
Liz Huckerby	Allan Frost
Ian Gordon	Jenny Chetwynd
Wayne McDonald	Harry Wilson
Mark Yaxley	

Cate Quinn (Item 5c)	Steve Budd (Item 5c)
Ian Melsom (Item 9c)	Sandy Fong (Item 9c)
Peter Kippenberger (Item 11c)	Kaye Clark (Items 12c, 13c, 14c)
Kevin O' Kane (Item 17c)	

INVITEES:

Don Munroe, Matthew Rednall	Auckland City Council
Chris Freke, Rick Walden	Manukau City Council
Pete Clark, Maree McNeilly	Auckland Regional Transport Authority
Keryn Kliskey	OPUS Consulting
John Williamson	ASCARI

1. Apologies

No apologies were received.

2. Confirmation of Agenda

The agenda was confirmed.

3. Declarations of Interest

Bryan Jackson registered an interest relating to Item 11c, Board paper 09/04/0187 – *“Funding Auckland Passenger Rail Stations from the National Land Transport Programme”* relating to his directorship of kiwi Rail Holdings Ltd.

Bryan Jackson also declared a conflict of interest relating to Item 16c, Board paper 09/04/0178 – *“Delegation to and Authorisation of Agents in respect of Motor Vehicle and Driver Licensing, Driver Testing and Road User Licensing Services”* and his chairmanship of the Vehicle Testing Group. He will leave the room when this item is discussed.

Paul Fitzharris noted that, regarding Item 16c, Board paper 09/04/0178 – *“Delegation to and Authorisation of Agents in respect of Motor Vehicle and Driver Licensing, Driver Testing and Road User Licensing Services”*, one of the NZ Transport Agency’s agents, New Zealand Driver Licensing 1988 Ltd, which provides practical driver licence testing, is owned by Mr Fitzharris’s long-time friend and former NZ Police colleague, Mr Roger Marley, with whom Mr Fitzharris is still in social contact. However, Mr Fitzharris has no interest, financial or otherwise, in Mr Morley’s business.

Christine Caughey declared an interest regarding the item on the “Western Ring Route: Waterview Connection Project” in Item 05c, Board paper 09/04/0171 – *“The Chief Executive’s Report for April 2009”*, noting as a councillor she was involved in the voting for this project.

Christine Caughey also declared an interest regarding the presentation the Board will receive from the delegation presenting on the Auckland Manukau Eastern Transport Initiative (AMETI) at today’s meeting, noting that, as a councillor she was involved in the voting for this project.

No other new declarations or conflicts of interest were declared.

Minutes

1c Confirmation of the 27 March 2009 Board meeting minutes

Resolved:

Regarding Item iii, *Declarations of Interest* – The following sentence:

“As a politician, Ms Caughey was involved in the setting up of this initiative and voted in favour of the AMETI proposal”,

should read as:

“As a councillor, she was involved in the voting for this project”, so the full paragraph reads as follows:

“Christine Caughey declared an interest relating to Attachment 1 of Item 6c, Board paper 09/03/0158 – *“The Chief Executive’s Report for March 2009”* regarding the item on the Auckland Manukau Eastern Transport Initiative (AMETI). *As a councillor, she was involved in the voting for this project.”*

With the above change, the New Zealand Transport Agency **confirms** the minutes from the 27 March 2009 New Zealand Transport Agency Board meeting.

Brian Roche / Grahame Hall

2c Matters arising from the 27 March 2009 Board meeting minutes

There were no matters arising from the 27 March 2009 New Zealand Transport Agency Board meeting.

3c Update from the 8 April 2009 State Highways Board Committee meeting

Resolved:

That the New Zealand Transport Agency Board:

Hairini Link project:

- a **notes** the content of the Hairini Link Options Report, including the adoption of “Hairini Link” as the project name;
- b **notes** the continuation of Stage Two of the Hairini Link project, on the basis of the refocused scope within the funds available;
- c **agrees** to continue investigation of the Hairini Link project;

Tauranga Eastern Motorway Toll Development – Consultation

- d **approves** undertaking public consultation on advancing the completion of the Toll Eastern Motorway by the use of debt funding repaid by tolling;
- e **delegates** the approval of the Toll Eastern Motorway Consultation Strategy and communications material to the Group Manager, Highways and Network Operations;
- f **agrees** that the Toll Eastern Motorway consultation material will provide the choice between a definitive project start enabled by tolling versus an indefinite start without tolling;
- g **agrees** that the toll tariff to be included in the Toll Eastern Motorway consultation shall be a single maximum figure; and
- h **requests** the following feedback on the Toll Eastern Motorway consultation should be noted:
 - I. the wording in all communications and customer facing material should be customer friendly and free from technical jargon;
 - II. the toll tariff should take account of any indications on willingness to pay parameters as evidenced in the early performance of the Northern Gateway Toll Road;
 - III. the Minister's opinion should be sought in respect of any perceived toll 'cap' following pre-election quotes to the media;
 - IV. the communications material needs to carefully handle the Toll Eastern Motorway's status as a road of national significance and how this relates to the regional funding gap as stated in the draft RLTP; and
 - V. where possible, focus groups or similar should be used to evaluate the suitability of communications material prior to general release.

Bryan Jackson / Garry Moore

4c Update from the 23 April 2009 Audit, Risk and Assurance Board Committee meeting

Resolved:

That the New Zealand Transport Agency Board

- a. **receives** the 23 April 2009 Audit, Risk and Assurance Board Committee meeting minutes.

Garry Moore / Paul Fitzharris

5c Chief Executive's Report for April 2009

Board paper 09/04/0171

Resolved:

That the New Zealand Transport Agency Board:

- a **receives** the Chief Executive's Report;
- b **receives** Attachment 1 to the Chief Executive's Report, Major Business Updates and Attachment 2, the Actions arising from previous Board meetings' document;
- c **notes** the purpose, form and content of the NZ Transport Agency Investment and Revenue Strategy is being progressed;
- d **notes** a workshop with the Board is proposed for mid-May 2009 to confirm the investment and revenue intent and priorities of the Board;
- e **agrees** that a quarterly-based schedule for NZ Transport Agency Board meetings being held in the regions, starting with the May 2009 Board meeting in Christchurch, be implemented;
- f **approves** amendments to Bylaw 2005/7 'Maximum Speeds of Vehicles on State Highways', in accordance with *Land Transport Rule: Setting of Speed Limits 2003, Rule 54001*;
- g **delegates** authority to the Chief Executive to sign the amendments to Bylaw 2005/7 'Maximum Speeds of Vehicles on State Highways', in accordance with *Land Transport Rule: Setting of Speed Limits 2003, Rule 54001* as shown in Attachments 4(a), (b) and (c) to arrange promulgation by way of Public Notice in the *New Zealand Gazette*; and
- h **notes** that management will expedite the technical issues associated with the Bikes Racks on Buses initiative.

Brian Roche / Garry Moore

6c Finance Report for the 9 months ending 31 March 2009

Board paper 09/04/0182

Resolved:

That the New Zealand Transport Agency Board:

- a. **receives** the Financial Report for the 9 months ending 31 March 2009; and
- b. **agrees** to take Board paper 09/04/0182 out of Committee once the Board has received the Finance Report for the 9 months ended 31 March 2009.

Brian Roche / Alick Shaw

7 2008/2009 NLTP: Adjustments under Delegated Authority (March 2009 Review)

Board paper 09/04/0177

Resolved:

That the New Zealand Transport Agency Board:

- a **notes** the adjustments to the 2008/2009 National Land Transport Programme (NLTP) arising from the March 2009 review, as summarised in Board paper 09/04/0177, which have been approved under delegated authority;
- b **notes** that \$98.29 million remains as unallocated from within the provisions set aside in the programme for project approvals, as shown in Attachment 1 to Board paper 09/04/0177; and
- c **notes** the 2008/2009 NLTP Situation Summary as shown in Attachment 3 to Board paper 09/04/0177.

Garry Moore / Grahame Hall

8c Review of the NZ Transport Agency Board Committees

Board paper 09/04/0177

Resolved:

That the New Zealand Transport Agency Board:

- a. **discusses** the Board Committees' terms of references, including their purposes, key accountabilities, delegations, composition, and structure;
- b. **agrees** that the Board will review the Board Committees' structure in three to four months time, taking into consideration the points discussed and suggestions made at today's meeting; and
- c. **agrees** to keep Board paper 09/04/0177 in Committee.

Grahame Hall / Brian Roche

9c Funding Allocation Process Changes for the proposed Amended Government Policy Statement

Board paper 09/04/0174

Resolved:

That the New Zealand Transport Agency Board:

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- a. **agrees** to the recommended changes to the NZ Transport Agency's funding allocation process in Attachment 1 to Board Paper 09/04/0174 and delegates final wording to the Chief Executive;
- b. **notes** that Regional Directors are engaging with regional transport committees to identify and assist with any required changes to regional land transport programme assessment and prioritisation;
- c. **notes** that the final changes are subject to the content of the amended Government Policy Statement that will be published in May 2009; and
- d. **agrees** to take Board paper 09/04/0174 out of Committee after the changes to the funding allocation process are published in Amendment 1 of the first edition of the NZ Transport Agency's Planning, Programming and Funding Manual.

Bryan Jackson / Grahame Hall

10c Managing Government Administration Expectations

Board paper 09/04/0186

Resolved:

That the New Zealand Transport Agency Board:

- a **receives** the information contained in Board paper 09/04/0186 and from the State Services Commission on managing Government administration;
- b **notes** that the cap for the NZ Transport Agency is 1,339 full time equivalents; and
- c **agrees** to keep Board paper 09/04/0186 in Committee until the Board has made its decision.

Brian Roche / Grahame Hall

11c Funding Auckland Passenger Rail Stations from the National Land Transport Programme

Board paper 09/04/0187

Resolved:

That the New Zealand Transport Agency Board:

- a **agrees** to consider for inclusion in the 2009/2012 National Land Transport Programme (NLTP) and subsequent funding, Newmarket and Morningside Auckland passenger rail station upgrades (which are under contract for construction); subject to:

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- i. the Minister rescinding the previous cabinet instruction that the NZ Transport Agency funding assistance rate for Auckland Passenger Rail infrastructure development is to be 0%
 - ii. the Minister increasing the funding range for the proposed GPS activity class 'public transport infrastructure' to ensure that the NLTP can comply with the Government Policy Statement funding ranges;
 - iii. inclusion of the projects in the Auckland Regional Council's (ARC's) Long Term Council Community Plan and the Auckland Regional Transport Authority's (ARTA's) Regional Land Transport Programme; and
 - iv. confirmation that the projects meet LTMA funding and procurement requirements;
- b **agrees** that, if required, it will consider lending the remaining 40% local share to ARC/ARTA for Newmarket and Morningside station upgrades only, for a maximum period of 5 years at an appropriate interest rate, with the ability to capitalise interest into the loan if necessary;
- c **agrees** to consider for inclusion in the NLTP other station upgrades on a case-by-case basis, subject to an assessment of those projects and subject to their meeting the same requirements as set out in a (i-iv) above; and
- d **agrees** to take Board paper 09/04/0187 out of Committee when the Board has informed the Minister of Transport of its decision.

Christine Caughey / Alick Shaw

12c NZ Transport Agency: (SH1) Waikato Expressway Strategy Support and Project Investigation and Design Funding

Board paper 09/04/0173

Resolved:

That the New Zealand Transport Agency Board:

- a **supports** the Waikato Expressway component of the Waikato Expressway Strategy, which includes the proposed expressway from Mercer to south of Cambridge and Hamilton's Te Rapa Bypass;
- b **agrees** to the variation of NZ Transport Agency's 2008/2009 Land Transport Programme to accommodate the Tamahere 4 laning project, and approves its addition to the 2008/2009 National Land Transport Programme (NLTP), subject to appropriate consultation being undertaken to enable its addition to the NLTP;

- c **approves** funding for the further investigation and specimen design of NZ Transport Agency's Waikato Expressway projects, at a total estimated cost of \$29.6 million from R funds, as set out in the table below:

Project	Estimated phase cost
Longswamp to Rangiriri 4 laning	\$2.6 million
Huntly Bypass	\$10.7 million
Hamilton Bypass	\$13.1 million
Tamahere 4 laning	\$3.2 million

subject to:

- i. the establishment of hold points to allow the Group Manager, Regional Partnerships and Planning to consider and approve each of the project macroscopes and the resulting strategy macroscope, which will include a re-evaluation of the economics of the complete strategy; and
 - ii. consideration by the Group Manager, Highways and Networks Operations during the investigation of Huntly and Hamilton Bypasses, as to whether lower scope options that deliver a free flowing highway within the designation can provide better value for money solutions than the currently identified preferred options;
- d. **notes** that property purchase for the four projects would normally be triggered by macroscope approval, but the NZ Transport Agency intends to take advantage of market opportunities and advance property purchase;
- e. **notes** that Hamilton City Council, Waikato District Council, Waipa District Council, and Environment Waikato have completed the sub-regional integrated transport and growth strategy ("Future Proof"), is being incorporated into the Regional Policy Statement;
- f. **notes** that the construction cost for the remaining projects on the Waikato Expressway, including Te Rapa Bypass but excluding Hamilton Southern Links, is estimated at around \$1.72 billion and the total 95th percentile at \$2.25 billion;
- g. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- h. **agrees** to take Board paper 09/04/0173 out of Committee when the Board has published the notice of decision.

Christine Caughey / Grahame Hall

13c SmartTransport Partners' Tauranga Northern Corridor Strategy

Board paper 09/04/0179

Resolved:

That the New Zealand Transport Agency Board:

- a **supports** the SmartTransport partners Tauranga Northern Corridor Strategy, subject to the development of a strategic approach to provision of public transport within the Northern Corridor; and
- b **agrees** to take Board paper 09/04/0179 out of Committee when the Board has published the notice of decision.

Grahame Hall / Garry Moore

14c NZ Transport Agency: (SH2) Tauranga Northern Arterial – Secondary Investigation Funding

Board paper 09/04/0176

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the secondary investigation of New Zealand Transport Agency's SH2 Tauranga Northern Arterial project, at an estimated cost of \$3.20 million from R funds, subject to a hold point before changes to the designation are notified to allow the Group Manager, Regional Partnerships and Planning to confirm the revised macroscope;
- b. **notes** that funding of further stages for this project will be subject to the SmartTransport Partners meeting the conditions of support for the Northern Corridor Strategy, as set out in Board paper 09/04/0179;
- c. **notes** that the construction cost for the Tauranga Northern Arterial is estimated at \$196 million, the 95th percentile construction cost is estimated at \$245 million and the 5th percentile at \$164 million;
- d. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- e. **agrees** to take Board paper 09/04/0176 out of Committee when the Board has published the notice of decision.

Gary Moore / Grahame Hall

15c Hamilton City Council: Waiere Drive Arterial (Crosby Road to Cobham Drive) – Investigation and Design Funding

Board paper 09/04/0172

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** funding for the investigation and design of Hamilton City Council's Wairere Drive Arterial (Crosby Road to Cobham Road) project, at an estimated cost of \$ \$2.92 million and a funding assistance rate of 55% (NZ Transport Agency's share \$1.61 million) from R funds, subject to Hamilton City Council agreeing to:
 - i. a hold point at specimen design to confirm that information from further investigation of the NZ Transport Agency's Hamilton Bypass project confirms that the scope of this project represents value for money;
 - ii. investigate opportunities for third party contributions against the total cost of the project and incorporating these opportunities. prior to applying for funding for construction; and
 - iii. review the project for consistency against the strategic objectives of the revised Access Hamilton strategy prior to applying for construction funding;
- b. **requests** the Group Manager, Regional Partnerships and Planning to request the Waikato Regional Transport Committee to review the priority of the project and its recommended use of R funds, prior to an application for construction funding, taking into account that the draft Regional Land Transport Programme does not reflect the property costs associated with the project;
- c. **notes** that the construction cost for the Wairere Drive Arterial (Crosby Road to Cambridge Road) is estimated at \$61 million, the 95th percentile construction cost is estimated at \$69 million and the 5th percentile at \$56 million;
- d. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- e. **agrees** to take Board paper 09/04/0174 out of Committee when the Board has published the notice of decision.

Garry Moore / Grahame Hall

16c Delegation to and Authorisation of Agents in respect of Motor Vehicle and Driver Licensing, Driver Testing and Road User Licensing Services

Board paper 09/04/0178

Resolved:

That the New Zealand Transport Agency Board:

- a. **approves** the delegation of functions and powers relating to motor vehicle and driver licensing, and driver testing to certain agents, as set out in the Instruments of Board Delegation in Schedule 1;
- b. **approves** the authorisation of certain agents to issue road user licences as set out in the Authorisations in Schedule 2;
- c. **authorises** the Board Chair to sign the Instruments of Board Delegation in Schedule 1 and the Authorisations in Schedule 2;
- d. **notes** that contract negotiations with the agents are progressing, and that although new contracts may not be in place by 30 April 2009, the new delegations and authorisations will apply to the existing contracts and then to the new contracts once they come into effect; and
- e. **agrees** to take Board paper 09/03/0178 out of Committee when a decision has been reached.

Christine Caughey / Paul Fitzharris

17c Driver Licensing and Driver Testing Fees Review

Board paper 09/04/0180

Resolved:

That the New Zealand Transport Agency Board:

- a. **notes** that consultation, originally scheduled for 2008, has been delayed until mid-2009;
- b. **notes** that the full introduction of revised fees is now likely to be delayed beyond January 2010;
- c. **notes** that the introduction of new fees will be placed on a separate timetable to that for revised levels for existing fees;
- d. **notes** that delays in implementation will add to the deficit in the driver licensing/driver testing accounts;.

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- e. **agrees** that the driver licensing and driver testing fees will be reviewed and adjusted on a regular basis; and
- f. **agrees** to take Board paper 09/04/0180 out of Committee when the fees proposal has been promulgated for public consultation.

Alick Shaw / Brian Roche

External presentations

Don Munroe and Matthew Rednall from Auckland City Council, Chris Freke and Rick Walden from Manukau City Council, Pete Clark and Maree McNeilly from the Auckland Regional Transport Authority, Keryn Kliskey from Opus, and John Williamson from ASCARI, gave a presentation on the Auckland Manukau Eastern Transport Initiative (AMETI).

Next meeting

The next meeting of the New Zealand Transport Agency Board is confirmed for **Friday, 29 May 2009** in Christchurch (venue to be confirmed), commencing at 8:00am.