

**MINUTES OF THE NZ TRANSPORT AGENCY BOARD MEETING
HELD ON FRIDAY 17 DECEMBER 2010 AT 12.00PM**

NZTA Board Room, Level 2, Chews Lane, 44-50 Victoria Street, Wellington

Approved by the Chair	_____
Date	___/___/___

PRESENT:

Chris Moller (Chair)	Garry Moore
Christine Caughey	Bryan Jackson
Patsy Reddy	Jerry Rickman
Alick Shaw	Tony Lanigan

APOLOGY:

None

**NZTA STAFF IN
ATTENDANCE:**

Geoff Dangerfield	Ernst Zöllner
Dave Brash	Stephen Town
Karl Ferguson	Wayne McDonald
Liz Huckerby (Items 1-6, 12-20)	Ian Gordon (Items 1-6)
Allan Frost (Items 1-6)	Colin Crampton (Items 12-14)
Paul Helm (Items 6 and 19)	Jonnette Adams (Item 7)

INVITEES:

None

NZ Transport Agency Board meeting – Friday 17 December 2010

The meeting started on time at 12.00 noon. The meeting was preceded by an hour-long induction session for new Board members held by the Secretary of Transport Martin Matthews. The session was attended by Patsy Reddy, Tony Lanigan, Jerry Rickman, Bryan Jackson, Christine Caughey and Chris Moller.

i. **Apologies**

None.

ii **Confirmation of agenda**

The agenda was amended to allow a report back from the 17 December 2010 Audit, Risk and Assurance Board Committee after Item 4.

iii. **Conflicts of Interest**

The updated Schedule of Board Member Interests was tabled and noted. In relation to the agenda, members drew attention to the following interests:

- Chris Moller noted that he is also the Chair of NZ Cricket Inc (the Schedule of Interest showed Chris as a Director only). Chris reminded the meeting that he is a Director of Rugby NZ 2011 Ltd.*
- In relation to Items 10 and 11, Bryan Jackson reminded the meeting that he is on the Board of Kiwi Rail Holdings Ltd.*
- In relation to Items 11 and 12, Christine Caughey reminded the meeting that she is a Director of Auckland Waterfront Development Agency Ltd.*

1 **Confirmation of the 1 November 2010 Board meeting minutes**

Resolved:

That the NZ Transport Agency Board **confirms** the minutes from the 1 November 2010 NZ Transport Agency Board meeting *as amended in relation to Item iii – Conflicts of Interest.*

Jerry Rickman / Christine Caughey

2 **Report back on the 1 November 2010 Remuneration and Human Resources Board committee meeting**

Alick Shaw presented the draft minutes from the meeting; there was no further discussion.

3 Report back on the 18 November 2010 Planning Board committee meeting

Alick Shaw presented the draft minutes from the meeting in Hamilton. A key focus of the meeting was the NZTA's submission on the proposed Waikato Regional Policy Statement and draft Regional Land Transport Strategy 2011, as well as the Waikato Expressway RoNS Network Plan.

4 Report back on the 18 November 2010 Investment and Operations Board committee meeting

Bryan Jackson reported back on the November Investment and Operations Board Committee meeting, which focussed on the establishment of NZ Transport Ticketing Ltd, and findings from studies into an additional Waitemata Harbour Crossing.

Report back on the 17 December 2010 Audit, Risk and Assurance Board Committee meeting

Garry Moore provided a detailed summary of the meeting earlier in the day as no draft minutes were yet available for distribution. The Board in particular discussed the 2010 Audit NZ Management Report and the NZTA's response to the issues raised in that report.

REQUESTED ACTION: *That the Auditor General is requested to make the NZTA audit supply contestable.*

5 Chief Executive's Report for December 2010

Board paper 10/12/0435

Resolved:

That the NZ Transport Agency Board:

- a. **receives** the Chief Executive's report for December 2010; and
- b. **agrees** to keep Board paper 10/12/0435 in Committee indefinitely.

Tony Lanigan / Bryan Jackson

6 Finance report covering the five months to 30 November 2010

Board paper 10/12/0440

Resolved:

That the NZ Transport Agency Board:

- a. **notes** the financial results for the five months to November 2010;
- b. **notes** the comments from the Chief Financial Officer as to progress with the short term borrowing facility for the NLTF; and
- c. **agrees** to keep Board paper 10/12/0440 in Committee indefinitely.

Garry Moore / Christine Caughey

7 Performance Improvement review draft action plan

Board paper 10/12/0443

Resolved:

That the NZ Transport Agency Board:

- a. **endorses** the proposed draft Action Plan as addressing the priority areas for action as identified in the Performance Review;
- b. **notes** that the Lead Assessors' report is subject to finalisation but this is unlikely to change the priority areas for action;
- c. **requests** that the Chief Executive report on progress on implementing the Action Plan in the quarterly performance report to the Board, and that an updated Action Plan be prepared for 2012/13 and out years;
- d. **agrees** to keep the 'draft Action Plan' attached to Board paper 10/12/0443 in Committee until the Performance Improvement Review report and Action Plan are published by the State Services Commission; and
- e. **agrees** to keep in Committee indefinitely.

Bryan Jackson / Garry Moore

REQUESTED ACTION: *That the Quarterly Report contains a progress report against PIF actions*

8 **Amendments to NLTP delegations to staff**

Board paper 10/12/0444

Resolved:

That the NZ Transport Agency Board:

- a. **agrees** to amend the Board's delegations to correct an anomaly in NLTP delegations by increasing the thresholds for strategy support and package endorsement; and
- b. **agrees** in principle to add a new Board delegation to the Chief Executive to utilise the \$250 million short term debt facility approved by Cabinet to assist the management of NLTP cash flows.

Patsy Reddy / Jerry Rickman

REQUESTED ACTION: *That a revised proposed Delegations Schedule be presented for consideration the 3 February 2011 Board meeting.*

9 **Transport strategy and package assessment, support and endorsement – confirmation of NZTA process**

Board paper 10/12/0449

Resolved:

That the NZ Transport Agency Board:

- a. **notes** the alignment of the process for assessing, supporting and endorsing transport strategies and packages with the recent Transport Planning Activity Class review and the current development of the Streamlining project; and
- b. **confirms** the proposed process for supporting and endorsing strategies and packages.

Jerry Rickman / Garry Moore

10 **Development of proposed public transport operating model**

Board paper 10/12/0446

Resolved:

That the NZ Transport Agency Board:

- a. **notes** the progress being made by Auckland Transport, Greater Wellington, the Bus and Coach Association and bus and ferry operators in agreeing the principles underpinning the public transport operating model (PTOM);
- b. **notes** the procurement requirements of the PTOM are consistent with the provisions in NZTA's procurement manual in terms of value for money and encouraging competition;
- c. **delegates** to the Chief Executive the procurement rule variation decisions that might be required to enable implementation of PTOM to proceed; and
- d. **agrees** to keep Board paper 10/12/0446 in Committee until the 'Public Transport – improving value for money from urban bus and ferry services' is made public.

Garry Moore / Christine Caughey

11 **Urban passenger rail funding issues and implications for public transport investment in the NLTP**

Board paper 10/12/0441

Resolved:

- a. **agrees** to vary the 2009/12 NLTP to accommodate the increased track access charges of up to \$15 million for urban rail in Auckland and Wellington that will apply for the 2011/12 year by an amount to be determined by the Chief Executive in consultation with the respective approved organisations; and
- b. **agrees** to keep Board paper 10/12/0446 in Committee indefinitely.

Jerry Rickman / Christine Caughey

12 **Additional Waitemata Harbour Crossing option consultation**

Board paper 10/12/0450

Resolved:

That the NZ Transport Agency Board:

- a. **agrees** that the current harbour bridge will be retained in all crossing options to be presented to stakeholders and the wider community in 2011;
- b. **notes** that a briefing on the additional crossing options will be held with key stakeholders early in 2011;
- c. **agrees** that the process of agreeing a preferred additional crossing option will be integrated with Auckland Council's process for preparing its first Auckland plan;
- d. **agrees** that the Auckland Council assistance should be sought in deferring the Tunnel Notice of Requirement process until preferred option is identified; and
- e. **agrees** to keep Board paper 10/12/0441 in Committee indefinitely.

Christine Caughey / Jerry Rickman

13 **Auckland State Highway strategy update**

Board paper 10/12/0445

Resolved:

That the NZ Transport Agency Board:

- a. **notes** further investment in the Western Ring Route (WRR) is likely to be required to ensure the WRR performs fully in reducing congestion and improving the reliability of travel time;
- b. **endorses** the NZTA opening a dialogue with the Regional Transport Committee (RTC) on bringing forward SH1 Hill to Takanini southbound 3-laning, SH1 Constellation to Greville Road northbound 3-laning and SH1 Ellerslie-Panmure to Greenlane northbound auxiliary lane;
- c. **notes** that should the RTC endorse the projects, they will be evaluated through the normal NZTA process and if approved will result in the retiming of other projects over the next 10 years;
- d. **notes** the full development of the WRR will be included in the State Highway network strategy currently under development which will flow to the Regional Land Transport Strategy (RLTS) and future programmes of work; and
- e. **agrees** to retain Board paper 10/12/0445 in Committee indefinitely.

Bryan Jackson / Patsy Reddy

REQUESTED ACTION: *That the complete prioritised programme of approved and proposed State Highway improvement projects in Auckland be presented to the Board*

14 **Western Ring Route RoNS Waterview Connection progress report**

Board paper 10/12/0442

- a. **agrees** to delegate to the Chief Executive authority for decision-making on the mitigation measures for Waterview Primary School and Kindergarten to address the issues and concerns raised in their submissions to the EPA consenting process; and
- b. **agrees** to retain Board paper 10/12/0442 in Committee until award of the SH20 Waterview Connection construction contract.

Bryan Jackson / Tony Lanigan

15 **2009/12 NLTP mid point update**

Board paper 10/12/0447

Resolved:

That the NZ Transport Agency Board **notes** the intention to produce a NLTP mid point update for presentation to Regional Transport Committees and the key messages proposed for the update.

Garry Moore / Jerry Rickman

16 **Sector Directions update**

Board paper 10/12/0436

Resolved:

That the NZ Transport Agency Board **notes** the update on the changing government policies relevant to the NZ Transport Agency.

Alick Shaw / Christine Caughey

17 **Auckland CBD rail link public transport update**

Board paper 10/12/0439

Resolved:

That the NZ Transport Agency Board **notes** the intention of NZTA staff to engage fully as a key stakeholder in the review of the Business Case and the development of investment and implementation plans for the CBD Rail Link, in the context of the Auckland Spatial Plan.

Tony Lanigan / Garry Moore

18 **Construction contracts procurement and award processes**

Board paper 10/12/0438

Resolved:

That the NZ Transport Agency Board notes the processes used by the NZTA in the procurement and award of large State Highway construction contracts.

Jerry Rickman / Garry Moore

REQUESTED ACTION: *That the role of the Board in procurement decision-making is reviewed. In particular, that consideration is given to when Board involvement would add greatest value in relation to the functions of the Board.*

19 **November budget update 2021/11**

Board paper 10/12/0448

Resolved:

That the NZ Transport Agency Board:

- a. **notes** the \$24.972 million increase to the NZTA's budget resulting from the Crown's October appropriation update set out in section 5 of the report;
- b. **agrees** to the \$960k carry over of retained funds from 2009/10 as set out in section 6 of the report;
- c. **agrees** to the \$245k new bid for funding as set out in section 7 of the report; and
- d. **notes** the forecasted year-end budget variations set out in section 8 of the report.

Patsy Reddy / Alick Shaw

20 **Board and committee general business**

Board paper 10/12/0437

Resolved:

That the NZ Transport Agency Board **agrees** that the current negotiations with Christchurch International Airport (set out in paragraphs 5-9 in the report) must be concluded by March 2011.

Patsy Reddy / Christine Caughey

REQUESTED ACTION: *That the proposed Powers of Attorney for property acquisition is presented to the Board within the context of the broader delegations from the Board to the Chief Executive. The paper should explain how decisions made under the proposed Powers of Attorney will be recorded and report back to the Board.*

The meeting concluded at 4.30pm.