



<b>Board Meeting Minutes</b>	
<b>Date &amp; time</b>	16 November 2018, 8:00am – 10:00am
<b>Location</b>	NZ Transport Agency Boardroom, Level 2, 50 Victoria Street, Wellington Kauri Room, Level 11, HSBC House, 1 Queen Street, Auckland
<b>Board Membership</b>	Michael Stiasny (Chair), Dame Fran Wilde (Deputy Chair), Nick Rogers, Adrienne Young-Cooper, Chris Ellis, Mark Darrow and Vanessa van Uden Leo Lonergan by phone
<b>Apologies</b>	None
<b>NZTA staff in attendance</b>	Fergus Gammie (Chief Executive) Peter Clark (Senior Advisor – Travel Demand Management), Richard Hancy (Mass Transit Lead and Acting Programme Director, Light Rail), Peter Spies (Chief Advisor, Engineering), Scott Wickman (Principal Transport Planner), Stephen Smith (Senior Manager, Business Planning & Performance) and Shane Avers (Lead Advisor, Alternative Procurement Models) Raewyn Bleakley (General Manager Governance, Stakeholders & Communications and Board Secretary) and Brett Gliddon (General Manager System Design & Delivery) by phone from Tauranga.

<b>External attendees</b>	David Larocca (Oceania Managing Partner, Transaction Advisory Services team, Ernst Young) by phone.
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# **1. Introduction and governance matters**

## **1.1 Apologies and welcome**

The Chair welcomed Board Members to the meeting.

## **1.2 Confirmation and overview of the agenda**

The agenda was accepted as circulated.

## **1.3 Declarations of conflicts of interests of Board Members**

The schedule of Board Members' interests, per those uploaded for the 9 November 2018 Board meeting, was noted as tabled.

Nick Rogers noted his standing interest in Tonkin and Taylor.

## **1.4 Declarations of conflicts of interests of Senior Leadership Team Members**

The schedule of Senior Leadership Team Members' interests, per those uploaded for the 9 November 2018 Board meeting, was noted as tabled.

## 2. Significant planning, investment and operational matters

### 2.1 Auckland Light Rail: City Centre to Mangere – Business Case and Procurement Strategy

Board paper 2018/11/1296

Board Members acknowledged that this additional Board meeting is to enable focused consideration and discussion of matters related to the decisions sought in respect of the Auckland Light Rail: City Centre to Mangere Project (Project), as outlined in the Board paper presented (which was accompanied by supplementary material responding to various earlier Board Members' queries concerning Light Rail).

As the Project is, at this stage, intended to be fully funded from the National Land Transport Fund, the NZ Transport Agency has the mandate to undertake this Project. As a result, Board Members require greater detail around the overall strategy and basis for route and option choices and proposals connected to the Project to ensure the Board has a level of comfort that they are in a well-informed position prior to making the key decisions being sought at this stage.

Consequently, as outlined in the commentary below, the Board chose to defer making certain decisions, leaving some of the proposed resolutions sought via the Board paper open pending particular actions being undertaken and further information and analysis being completed. Reports back on specific components of, or related to, the Project are expected to be presented at the December 2018 Board meeting and at noted junctures in 2019.

This section of the Minutes of the 16 November 2018 Board meeting is withheld under section 9(2)(g)(i) of the Official Information Act 1982 ("OIA") as there is a need to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members of an organisation or officers and employees of any Department or organisation in the course of their duty. The NZ Transport Agency has determined that the interests being maintained outweigh any public interest in making the information available.

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*Value creation and capture*

Board Members noted

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Value creation and capture

[Redacted text]

The Board agreed this work cannot be theoretical and must incorporate detail from relevant international examples. Any report will also need to include engagement with the Urban Development Authority and HLC, and in respect of KiwiBuild, to understand the impact of urban (housing) development work connected with HLC and KiwiBuild and set out the value uplift arising.

The Business Case for the Project needs to capture wider economic and financial benefits – including such items as uplift value based on radius of stations (depending on placement and number). This information and analysis will also support engagement and negotiations connected to this Project.

<b>Resolution 1</b>	<i>The NZ Transport Agency Board <b>noted</b> further work be done into value creation and capture opportunities, with a report back to the 14 December 2018 Board meeting.</i>
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*Engagement with major stakeholders*

The Board requested that management get on with dealing with major stakeholders on the basis of the route and light rail design currently proposed. If issues arise, the Board is to be advised promptly.

With respect to utility providers, Board Members recommended engagement initially to ascertain what may need to be moved so as to then agree timeframes, confirm new placement and design for future works. This will enable a full inventory to be drawn up that can be taken into account with respect to design work, etc. The Board requested letters be sent to the Chief Executives of all of the

relevant utility providers to propose the establishment of Memorandum of Understanding related to the Project so as to cover off (by July 2019) issues such as cost apportionment and betterment, responsibilities and certainty of prioritisation of sections of Project. Meetings in this regard are to also be held with at least Transpower, Vector and Watercare by 14 December 2018.

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The Board noted that it is important that agreements are sorted with the Auckland Council (and Auckland Transport) that cover roles, responsibilities, accountability, and so forth – including practical operational issues – concerning the Project. A letter is to be sent to the Auckland Council to propose the establishment of Memorandum of Understanding related to the Project. Board Members also noted that it would be useful to be able to undertake some comparative analysis of the Auckland Transport/City Rail Link approach and related agreements.

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Board Members want a report back to the December 2018 Board meeting on progress achieved in terms of engagement with major stakeholders.

<b>Resolution 2</b>	<i>The NZ Transport Agency Board:</i> <i>a) <b>Endorsed</b> that major stakeholders be immediately engaged to negotiate Stakeholder Agreements in relation to the scope, timing and financial</i>
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	<p><i>contributions to the Auckland Light Rail: City Centre to Mangere Project, with Agreements to be finalised and signed by the end of 2020.</i></p> <p>This section of the Minutes of the 16 November 2018 Board meeting is withheld under section 9(2)(j) of the OIA as there is a need to enable any Department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations. The Transport Agency has determined that the interests being maintained outweigh any public interest in making the information available.</p>
<p><b>Requested Action(s)</b></p>	<p>D. Letters to be sent to the Chief Executives of all of the relevant utility providers and Auckland Council as soon as possible to propose the establishment of Memorandum of Understanding related to the Auckland Light Rail: City Centre to Mangere Project.</p> <p>E. Meetings, following on from the letters sent to the Chief Executives of all of the relevant utility providers, are to be held with at least Transpower, Vector and Watercare by 14 December 2018.</p> <p>This section of the Minutes of the 16 November 2018 Board meeting is withheld under section 9(2)(j) of the OIA as there is a need to enable any Department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations. The Transport Agency has determined that the interests being maintained outweigh any public interest in making the information available.</p>

*Costs and funding*

Board Members noted the expected cost range outlined. It was considered that this detail needs to be brought back as part of the Business Case.

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**Resolution 3**

*The NZ Transport Agency Board **approves** \$30 million in Pre-Implementation funding, to progress further investigation and design work to support applications for planning approvals with respect to the Auckland Light Rail: City Centre to Mangere Project.*

*Procurement and Delivery Strategy*

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*Other engagement*

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Dame Fran Wilde left the meeting at 9:57am.

### 3. General business

#### 3.1 General business

No general business was raised or discussed.

### 4. Board only session

A Board only session was held.

The Board Meeting closed at 10:15 am.

Minutes approved by the Chair	<hr/>
Date	___/___/___