

BOARD MEETING MINUTES

Date & time	31 October 2019, 9:00am – 3:30pm
Location	NZ Transport Agency Boardroom, Level 2, 50 Victoria Street, Wellington
Board membership	Sir Brian Roche (Board Chair), David Smol, Victoria Carter, Catherine Taylor, Ken Rintoul, Patrick Reynolds, Cassandra Crowley
Apologies	None
NZTA staff in attendance	Mark Ratcliffe (Interim Chief Executive) Chris Lokum (General Manager, People), Greg Lazzaro (General Manager, Safety, Health & Environment), Brett Gliddon (General Manager, Transport Services), Nick Woodward (General Manager, Corporate Support), Tara Macmillan (Senior Manager Procurement), Carl Devlin (General Manager, Rail & Mass Transit Services), Lucy Riddiford (General Counsel, Light Rail), Giles Southwell (General Manager, Workplace & Technology Services)
External attendee(s)	None

1. Board and Chief Executive Only Session

No Board and Chief Executive only session was held

2. Introduction and governance matters

2.1 Apologies and welcome

The Board Chair welcomed Board Members and attendees to the meeting. The Chair acknowledged the five new Board members attending their first Board meeting.

2.2 Confirmation and overview of the agenda

The agenda was accepted as circulated.

2.3 Declarations of conflicts of interests of Board Members

The schedule of Board Members' interests was noted as tabled. Board Members requested that the following additional interests be added to the register:

Board member	Organisation	Description
Catherine Taylor	Safercity Group Ltd	Brother is an employee, and does work with Auckland Transport on provisioning of CCTV and security upgrades.
Catherine Taylor	Tasman District Council	Husband is a member of the Commercial sub-committee
Victoria Carter	Wilson Parking	Husband is a director
Victoria Carter	Toyota Financial Services	Consultant
Ken Rintoul	Fletcher Building	Son-in-law is an employee

In terms of matters arising under the agenda, the following was noted:

- Sir Brian Roche noted his role connected to the Transmission Gully project. David Smol will act in the role of Chair if any matters relating to the project arise.
- Sir Brian Roche noted his role as Chair of Hugh Green group, which owns property for development at Redhills which is adjacent to State Highway 16/18.

2.4 Declarations of conflicts of interests of Executive Leadership Team Members

The schedule of Executive Leadership Team Members' interests was noted as tabled.

2.5 Draft minutes of the 20 September 2019 Board meeting

The Board discussed the minutes. The Chair noted that at the 20 September 2019 meeting, the Board had intended that the Chair and the Chair of the Audit, Risk and Assurance (ARA) Committee would sign the audit representation letters and annual reports. However, the Chair of the ARA Committee's term finished before the documents were due to be signed. The documents were signed by the Chair and David Smol after seeking assurance from Management that nothing material had arisen since the 20 September 2019 Board meeting. The Board agreed that this was the appropriate course of action.

Resolution	<p><i>The NZ Transport Agency Board:</i></p> <p>a) confirmed the draft minutes of the 20 September 2019 Board meeting as a true and accurate record of the meeting; and</p> <p>b) endorsed the decision for the Chair and David Smol to sign the audit representation letters and annual reports.</p>
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2.6 Draft Minutes of the 17 September Audit, Risk and Assurance (ARA) Board Committee meeting

The Board discussed and confirmed the minutes.

Resolution	<p><i>The NZ Transport Agency Board confirmed the draft minutes of the 17 September 2019 Audit, Risk and Assurance Board Committee meeting as a true and accurate record of the meeting.</i></p>
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2.7 Progress on actions requested at previous meetings


Progress on all actions arising was noted.

3. Chief Executive's Report

3.1 Chief Executive's Report

Board paper 2019/10/1441

Withheld under s9(2)(g)(i) of the OIA



Resolution	<i>The NZ Transport Agency Board received the Chief Executive's Report</i>
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4. Regular Reporting

4.1 Health, Safety, Wellness and Road Safety Update

Board paper 2019/10/1442

The General Manager, Safety, Health & Environment provided an update on health, safety and wellness matters. He noted that there were some wellness concerns for people in the Palmerston North office following the office evacuations that were being addressed. He noted that the reporting culture for health, safety and wellness issues in the Transport Agency was not where it needed to be,

and that there was a focus on improving reporting. He also noted the work underway to help people deal with abusive behaviour, including doing threat assessments.

In relation to contractor safety, the General Manager, Safety, Health & Environment noted that his team was bringing in dedicated resource to help contractors to build capability, and that the Agency was looking to engage and partner with contractors and take a more hands-on approach.

In relation to road safety, the General Manager, Safety, Health & Environment noted that the Police had responded well to the change in approach of having performance outcomes. The Board noted that road safety was a system issue, and asked what international comparators the Transport Agency was using to test whether the approach was best practice. The Board provided positive feedback on the road safety infographic, and requested a year to date view.

Resolution	<i>The NZ Transport Agency Board resolved to note the Health, Safety, Wellness and Road Safety Update.</i>
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4.2 Transport Services Board Report

Board paper 2019/10/1443

The General Manager, Transport Services introduced the paper, noting that it had been a difficult month on the network with a number of road closures due to slips and other events. He also highlighted progress on the replacement of Manawatu Gorge.

The Chair left the meeting, and Mr Smol resumed the chair.

The General Manager, Transport Services provided an overview of the Transmission Gully claim,

Withheld under s9(2)(b)(i) and s9(2)(i) of the OIA

The Chair rejoined the meeting.

The Board discussed the current status of the Let's Get Wellington Moving programme.

Resolution	<i>The NZ Transport Agency Board resolved to note the Transport Services report.</i>
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4.3 Financial Progress Report and National Land Transport Fund Summary for the three months ended 30 September 2019

Board paper 2019/10/1444

The Board discussed the financial progress, noting the shortage of funding.

Following a discussion on whether projects were appropriately categorised, the Board requested a

summary of which projects fall within each activity class.

Resolution	<p><i>The NZ Transport Agency Board resolved to:</i></p> <p>a) note the Financial performance summary for the Transport Agency and National Land Transport Fund for the three months ended 30 September 2019;</p> <p>b) note the revised budget for the National Land Transport Programme 2018-21 after reallocating funding from Rapid Transit to other activity classes and forecast expenditure against the revised budget.</p>
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4.4 New Zealand Transport Agency Quarter 1 performance report

Board paper 2019/10/1445

The General Manager, Corporate Support provided an overview of the Quarter 1 performance report to be provided to the Minister.

The Board noted the level of detail included in the performance report, and asked Management to consider whether the report, including what was reported on, could be simplified. The Chair noted that there would be a risk workshop in the new year to consider the Transport Agency risks, and the assessment of those risks.

Resolution	<p><i>The NZ Transport Agency Board resolved to:</i></p> <p>a) receive the New Zealand Transport Agency's performance report for the period ended 30 September 2019 (Quarter 1);</p> <p>b) approve the report and cover letter to go to the Minister of Transport, and follow the Minister's receipt, for the report only to be published on the Transport Agency's website.</p>
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5. Decision papers

5.1 Infrastructure Procurement Strategy

Board paper 2019/10/1446

The Senior Manager, Procurement introduced the paper, noting that infrastructure is our largest category of spend. While historically the procurement strategy focused on the sourcing phase, the updated strategy was more balanced, focusing on the planning, sourcing and maintenance phases. She also noted that the strategy strengthened the Transport Agency's approach to health and safety. The Board supported the decision to make health and safety a baseline requirement for any tender process.

The Board noted that the Transport Agency had a good reputation in terms of its procurement approach, and asked where learnings come from and who the Agency compares itself to. The Senior Manager, Procurement advised that there was a research programme underway to look at best practice approaches internationally.

Resolution	<p><i>The NZ Transport Agency Board resolved to approve the proposed Infrastructure Procurement Strategy.</i></p>
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5.2 Auckland Harbour Bridge Shared Path and SeaPath – Joint Procurement Strategy

Board paper 2019/10/1447

The General Manager, Transport Services introduced the paper, noting the proposal to proceed with procurement before funding is approved because of the complexity of the project and the synergies that will come from early contractor engagement. He noted the intention to direct appoint Beca, due to their knowledge of the Auckland Harbour Bridge as the Agency’s advisor on the bridge. The Board queried how they could be confident that we would get a fair price. Mr Gliddon advised that an independent assessment was done.

The General Manager, Transport Services provided an update on the negotiations with SkyPath Trust to purchase the intellectual property.

The Board encouraged Management to consider whether there may be other sources of funding for the shared path, particularly given the potential tourism benefits.

Resolution	<p><i>The NZ Transport Agency Board resolved to:</i></p> <ul style="list-style-type: none"> a) approve the joint Procurement Strategy which recommends procuring Auckland Harbour Bridge and Shared Path (AHBSP) via a Hybrid Alliance and SeaPath via a traditional model; b) approve the direct award of the design and consenting of the Auckland Harbour Bridge Shared Path to Beca (at a cost of approximately \$5 million); c) approve commencement of the procurement for the AHBSP Hybrid Alliance, including naming of shortlisted proponents prior to Christmas 2019, noting contract award will not be made until funding approval is obtained.
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5.3 State Highway 16/18 Improvements Auckland

Board paper 2019/10/1448

Sir Brian Roche did not participate in the discussion due to his interest in the Hugh Green group.

The General Manager, Transport Services introduced the paper, noting that the project was part of the Auckland Transport Alignment Project, but was not scheduled to commence until the second decade of the programme. He noted the importance of acquiring the property to secure the future transport corridor. The Board discussed the fact that the focus was on securing corridors that could be used for a number of potential multi-modal uses in future and to ensure network resilience.

The Board queried why the cost-benefit was so high, which is due the traffic time savings, and why the project wouldn’t be build sooner. The prioritisation is determined by Auckland Transport.

Resolution	<p><i>The NZ Transport Agency Board resolved to:</i></p> <ul style="list-style-type: none"> a) approve the preferred option identified in the State Highway 16/18 Detailed Business Case;
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	<p>b) Note that future decisions on the timing for commencement of the route protection stage of this project will take into account priorities and timings for the wider Supporting Growth Programme and City Centre to North West rapid transit improvements, as well as funding availability and priorities at a national level.</p>
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5.4 Light Rail

Board paper 2019/10/1449

Withheld under s9(2)(ba) of the OIA



6. Information papers

6.1 Technology Risk Update

The General Manager, Workplace and Technology introduced the paper, noting the technology risks arising from long-term under investment, the technology programme underway to address the risks and the funding challenges. The Board expressed their discomfort with the risk profile of the Agency given the aging technology infrastructure and asked that every effort be made to find a practical, affordable and phased approach to the replacement process.

Resolution	<p>The NZ Transport Agency Board resolved to:</p> <p>a) note the ongoing risk that if one or several of the major technology systems fail they may not be recoverable for an extended period (weeks or longer), and that the Transport Agency does not have alternatives to these systems in place;</p> <p>b) note projects to address the risks have been identified and work initiated on these, with an overall delivery timeline of three years; and</p>
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	c) note Corporate-based programmes have been partially funded for year one, however funding for the balance will be required.
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7. General business

7.1 Draft Agenda for 27 November 2019 Board meeting

The Board noted the draft agenda.

7.2 Schedule of Board Correspondence

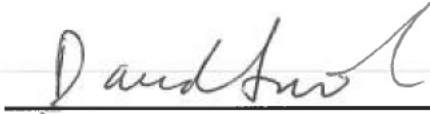
The Chair noted that the Board correspondence had been included to give new Board members an indication of the type of correspondence received. The Board agreed it was not necessary to include the correspondence in future packs, but they would welcome a summary.

8. Board only session

A Board only session was not held.

9. Additional Information

No additional information was provided.

Minutes approved by the Chair	
Date	<u>30, 1 / 20</u>