

Resource consent has now been granted for the SkyPath project ...

... following an Environment Court hearing and subject to conditions consistent with those proposed by Auckland Council

- Auckland Council and the Morrison and Co Public Infrastructure Partnership Fund (PIP Fund) have a key terms agreement in place for the preferred hybrid public private partnerships model (under that hybrid model Auckland Council would underwrite or 'top-up' actual revenues to a pre-agreed amount and have a share of upside profits above a specific threshold)
- As previously advised, strengthening of the Auckland Harbour Bridge would be required to accommodate SkyPath, at an estimated cost of \$10-14M - there has yet to be a decision made in respect of funding of the required Auckland Harbour Bridge strengthening [*Board paper 2016/08/1053 refers*]
- In August 2016, the Board requested additional information on the options for Transport Agency involvement in this project [*Board paper 2016/08/1053 refers*]
- The Transport Agency has been working to identify the best option for involvement, in discussion with the Auckland Council

Several potential options for involvement with SkyPath were considered...

Workshops were held to develop and assess options in respect of the Transport Agency's role in the delivery and operation of the SkyPath

Three distinct options emerged from the workshops, being:

- 1. Status quo (approach currently proposed by Auckland Council)** - hybrid public private partnership between Auckland Council and the PIP Fund, with Auckland Council effectively the owner of SkyPath for the life of the facility and the Transport Agency providing a licence to occupy for SkyPath
- 2. Enhanced status quo** – the Transport Agency would work with Auckland Council to ensure the public private partnership agreement sufficiently protected the Auckland Harbour Bridge, with the Transport Agency taking a greater role in governance, delivery and operations, but not taking on additional financial responsibilities
- 3. The Transport Agency taking responsibility for the delivery of SkyPath** - under this option the Transport Agency would take responsibility for the detailed design, construction, operation and funding of the SkyPath as part of the larger cycle route between Takapuna and the CBD

Option 2 is the preferred option for the Transport Agency's role in SkyPath

Following evaluation the preferred option is Option 2, requiring enhancements to the status quo including:

- Ensuring the hybrid public private partnership agreement includes conditions that address the Transport Agency's key concerns:
 - The operation of the Auckland Harbour Bridge is not unduly affected by the SkyPath
 - The structural integrity of the AHB is maintained during planned and unplanned events
 - A Transport Agency approved sub-contractor undertakes maintenance of the SkyPath structure
 - The SkyPath's transport function and the Transport Agency's investment in the Auckland Cycle Network is maximised
- A more formal project governance structure and more detailed project plan being established between the Transport Agency, the Council and the PIP Fund

Continued ...

Option 2 is the preferred option for the Transport Agency's role in SkyPath continued

- The Transport Agency more actively participating in the project delivery including having role(s) on a governance group and project working group, but not taking responsibility for the delivery of the project as a whole or wider financial responsibility
- The Transport Agency working closely with Auckland Council and taking a more proactive role in the development of the public private partnership agreement, as described above, would provide the best opportunity to address the Transport Agency's key concerns while ensuring delivery of a walking and cycling link across the Waitemata Harbour
- However, Option 2 could still give rise to 'showstopper' issues; eg operating conditions being required under the public private partnership agreement that are unacceptable to the PIP Fund or which expose Auckland Council to a level of financial risk the Council finds unacceptable

The Transport Agency's role needs to extend to ensuring that reasonable access to SkyPath is maintained

- Given that the Auckland Council and the PIP Fund consider SkyPath has both a transport and tourism purpose, the Transport Agency's role needs to extend to ensuring there are appropriate protections in place to guarantee any restrictions or costs placed on the use of the SkyPath by pedestrians and cyclists (as opposed to tourists/sightseers) are reasonable
- Auckland Council supports this proposed Transport Agency role in the project

The Transport Agency's next step in relation to SkyPath will be ...

... to implement the proposed approach including development of the formal project governance structure and the detailed project plan with the Council and the PIP Fund