

# Waka Kotahi: 2022 - IAG MEETING

|                           |   |                  |                     |
|---------------------------|---|------------------|---------------------|
| <b>Meeting Name:</b>      | Waka Kotahi Industry Advisory Group Meeting   |                  |                     |
| <b>Date of Meeting:</b>   | 11 <sup>th</sup> May 2022   | <b>Time:</b>     | 9am-2pm             |
| <b>Meeting Chair:</b>     | Pete Connors (Waka Kotahi)  | <b>Location:</b> | Virtually via TEAMS |
| <b>Meeting Objective:</b> | The key objective of the Industry Advisory Group (IAG) is to optimise and improve sustainable system management within New Zealand. |                  |                     |

## Attendees:

| Name                       | Organisation      | Email Address  |
|----------------------------|-------------------|--|
| Nick Rodger                | Downer            | <a href="mailto:Nick.Rodger@downer.co.nz">Nick.Rodger@downer.co.nz</a>                               |
| Jonathon Doggett           | Downer            | <a href="mailto:Jonathon.Doggett@downer.co.nz">Jonathon.Doggett@downer.co.nz</a> (ALTERNATE)         |
| Bevan Sandison             | FH                | <a href="mailto:Bevan.Sandison@fultonhogan.com">Bevan.Sandison@fultonhogan.com</a> (ALTERNATE)       |
| Adam Humphries             | FH                | <a href="mailto:Adam.humphries@fultonhogan.com">Adam.humphries@fultonhogan.com</a>                   |
| Gary Porteous              | WSP               | <a href="mailto:gary.porteous@wsp.com">gary.porteous@wsp.com</a> - Apologies                         |
| Michael Darnell            | WSP               | <a href="mailto:mike.darnell@wsp-opus.com">mike.darnell@wsp-opus.com</a>                             |
| Sean O'Neill               | Higgins           | <a href="mailto:S.O'Neill@higgins.co.nz">S.O'Neill@higgins.co.nz</a>                                 |
| Mat Anderson               | Higgins           | <a href="mailto:mat.anderson@higgins.co.nz">mat.anderson@higgins.co.nz</a> – (ALTERNATE)             |
| Chris Kerr                 | HEB               | <a href="mailto:chris.kerr@heb.co.nz">chris.kerr@heb.co.nz</a> - Apologies                           |
| Stacy Goldsworthy          | Civil Contractors | <a href="mailto:stacy@civilcontractors.co.nz">stacy@civilcontractors.co.nz</a>                       |
| Robert Tutty               | Beca              | <a href="mailto:Robert.tutty@beca.com">Robert.tutty@beca.com</a>                                     |
| Nick Jones                 | Ventia            | <a href="mailto:Nick.Jones@ventia.com">Nick.Jones@ventia.com</a>                                     |
| Natalie Martin             | Ventia            | <a href="mailto:Natalie.Martin@ventia.com">Natalie.Martin@ventia.com</a>                             |
| Stuart MacLeod             | Southroads        | <a href="mailto:stuart.macleod@southroads.co.nz">stuart.macleod@southroads.co.nz</a>                 |
| David Larsen               | GHD               | <a href="mailto:David.larsen@ghd.com">David.larsen@ghd.com</a> – (ALTERNATE)                         |
| Simon Bird                 | GHD               | <a href="mailto:Simon.Bird@ghd.com">Simon.Bird@ghd.com</a>   |
| Craig Pitchford            | Aecom             | <a href="mailto:Craig.pitchford@aecom.com">Craig.pitchford@aecom.com</a>                             |
| Gavin O'Connor             | Stantec           | <a href="mailto:Gavin.Oconnor@stantec.com">Gavin.Oconnor@stantec.com</a> (ALTERNATE)                 |
| Jack Hansby                | Waka Kotahi       | <a href="mailto:Jack.hansby@nzta.govt.nz">Jack.hansby@nzta.govt.nz</a>                               |
| Margarita Gonzalez-Borrero | Waka Kotahi       | <a href="mailto:Margarita.Gonzalez-Borrero@nzta.govt.nz">Margarita.Gonzalez-Borrero@nzta.govt.nz</a> |
| Jaco De Vries              | Waka Kotahi       | <a href="mailto:Jaco.devries@nzta.govt.nz">Jaco.devries@nzta.govt.nz</a>                             |
| Rochelle Leach             | Waka Kotahi       | <a href="mailto:Rochelle.leach@nzta.govt.nz">Rochelle.leach@nzta.govt.nz</a>                         |
| Peter Connors (chair)      | Waka Kotahi       | <a href="mailto:Peter.connors@nzta.govt.nz">Peter.connors@nzta.govt.nz</a>                           |
| Ross I'Anson               | Waka Kotahi       | <a href="mailto:Ross.ianson@nzta.govt.nz">Ross.ianson@nzta.govt.nz</a>                               |
| Wayne Oldfield             | Waka Kotahi       | <a href="mailto:Wayne.oldfield@nzta.govt.nz">Wayne.oldfield@nzta.govt.nz</a>                         |
| Mike Manion                | Waka Kotahi       | <a href="mailto:Mike.manion@nzta.govt.nz">Mike.manion@nzta.govt.nz</a> -Apologies                    |
| Rachael Davidson           | Waka Kotahi       | <a href="mailto:Rachael.davidson@nzta.govt.nz">Rachael.davidson@nzta.govt.nz</a>                     |

# MEETING AGENDA

| Topic   | Lead / Time  |
|---|--|
| <p><b>Item 1 - Welcome &amp; Safety Moment</b><br/> <b>Recognition/success</b><br/>           We would like to acknowledge the recent achievement by Waka Kotahi, IDS, and our suppliers in the IPWEA Australasian Awards, where the <i>Strategic Maintenance Investment Justification Project</i> won the IPWEA Australasia '2021 Excellence in Asset Management' category and the prestigious '2021 Overall Project of the Year.'</p> <p>The link to the announcement is<br/> <a href="#">2021 Overall Project of the Year</a></p>  | 9.00 –9.10am<br>Pete Connors   |
| <p><b>Item 2 – Waka Kotahi Updates</b><br/>           2.1 MCGG Annual Review workshop<br/>           2.2 KRA Performance Framework update<br/>           2.3 How can we better optimise the Glenbrook aggregate?<br/>           2.4 LAMP development and implementation</p>   | 9:10am – 10:30am<br>Ross (9:10am-9:20am)<br>Penny (9:20am-9:40am)<br>Jack, Peter (9:40am-10:10am)<br>Jack, Mark, Peter (10:35am) |
| <p><b>TEA BREAK (10 mins)</b></p>   | 10:50am-11am   |
| <p><b>Item 2 – Waka Kotahi Updates continued</b><br/>           2.5 NOC Review update/progress<br/>           Contract extensions (Waka Kotahi to give update)<br/>           - Clarity on extensions?<br/>           - Appears to be 12–24-month range. Will this apply to the full programme of NOCs?<br/>           2.6 PCDAR<br/>           2.7 TTM update from both standards and M&amp;O<br/>           - Can Waka Kotahi give an update on consultation or too early?<br/>           - What is the implementation programme looking like?</p>  | Pete Connors<br><br><br><br><br><br><br>Ross (11am-11:15am)<br>Ryan Cooney and Pete (11:15am-12pm)                               |
| <p><b>LUNCH BREAK (30 mins)</b></p>   | 12pm-12:30pm   |
| <p><b>Item 3 – Industry Matters</b><br/>           3.1 Bitumen supply chain update<br/>           3.2 Will Waka Kotahi be undertaking a dtims model leading into the next 3 yr funding round? And in between times, does the suppliers modelling feed into anything Waka Kotahi do?<br/>           3.3 Briefing needed on Pavement Preservation Strategy Proposal paper. Overview of Waka Kotahi expectations, how do we want this implemented?<br/>           3.4 LCLR direction (Waka Kotahi to give update)<br/>           - Inside/outside of NOC?<br/>               o This has been a carrot to the professional services involved giving opportunity primarily in the road safety and resilience space<br/>           - Consistency around country?<br/>               o Generally varied in delivery across country<br/>               o Is it the intent that Waka Kotahi keep procurement consistent?<br/>           - Is this a part of the review for NOC4?</p> | Stacy (12:30pm-12:45pm)<br>Robert Tutty (12:45pm-1pm)<br><br><br>Adam Humphries (1pm-1:15pm)<br><br>Pete Connors (1:15pm-1:30pm) |
| <p><b>Item 4 General Business</b><br/>           4.1 Update from ILM-M Focus Groups by group leads<br/>           Systems, Safety, Innovation, Collaboration, People and Sustainability<br/>           4.2 Next meeting in August – Face to face or virtual</p>   | ILM-M leads<br>Pete  |
| <p><b>Item 5 Review previous actions</b></p>  | 1:45pm-2pm   |

Date of next meeting: 10<sup>th</sup> August 2022  
Location: Waka Kotahi Chews Lane Boardroom

Future Meeting dates for 2022:  
- 9 November 2022

## MAY 2022 MEETING MINUTES

### 1. Welcome

Thank you all for joining virtually today, we are aiming to have our next meeting in August face to face.

#### Recognition/success

We would like to acknowledge the recent achievement by Waka Kotahi, IDS, and our suppliers in the IPWEA Australasian Awards, where the **Strategic Maintenance Investment Justification Project** won the **IPWEA Australasia '2021 Excellence in Asset Management' category** and the prestigious **'2021 Overall Project of the Year.'**

The link to the announcement is  
[2021 Overall Project of the Year](#)

This project was led by David Darwin, Gordon Hart, Roger Bailey, and Samuel Graves. It included all our NOC suppliers. It included WSP and IDS. The project was put up for an award in New Zealand which it ended up taking out the award for Excellence in Asset in Management award for IPWEA in New Zealand. Because of that, the project then got nominated to the IPWEA Australasia awards where the project not only won the 2021 Excellence in Asset Management award but also the 2021 Overall Project of the Year award.

This was a huge achievement and huge congrats to Waka Kotahi and our supply chain for working together on the submission which actually resulted in us achieving the level of investment that we believed we needed to maintain the network. The challenge now is to deliver on that investment. Well done everyone!

#### Safety moment

There was a coroner's report for mid Canterbury (Local District Council). It was for a crash that occurred several years ago at an intersection. It appeared recently in the news around the signage on approach. The crash that occurred resulted in a fatality. It was a driver approaching an intersection, didn't see the sign, drove through the intersection and was taken out by a driver driving in the other direction.

The questions that we should be asking, and it links directly to our Maintenance and our OPMs, is visibility of our signs on our side roads that are approaching our State Highway. Can we see them? Are they hidden by vegetation?

One of the points of the night-time audits is making sure that we are picking up on the visibility of signs (both on SHs and side roads) as they are critical.

In terms of the Christchurch crash a year ago – (Local Road approaching an SH). There was heavy wear and the Road marking had gone. So, you can see these elements – Maintenance for both signage and road marking, are directly keeping our road users safe.

Useful reminder heading into Winter, last ditch opportunity for some heavy wear road marking to be done and ensuring that signage is up to scratch.

Another safety moment was raised around cyclists and other road users not wearing hi-vis or having lights on their bikes. Industry could do more here to promote hi-vis vests to make sure our road users are getting to their destination safely.

Some NOCs have done some work in this space. FH did a lot of work with school kids around hi vis on the West Coast. They issued the school kids with hi-vis.

This is a something WK and Industry could play a role in.

### Item 2 – Waka Kotahi Updates

#### 2.1 MCGG Annual Review workshop – Ross I'Anson

One initiative WK want to do is to get the Chairs/Alternates (Supplier and Waka Kotahi) for each of the NOC Boards and get them into an annual workshop. There is an opportunity with the NOC review to provide feedback on what is working and what's not working and a way forward because that will feed into the process going forward.

The MCGG Annual review is more about thinking how each Board are assessing mitigations and ensuring there is some consistency how decisions are made around the current NOCs.

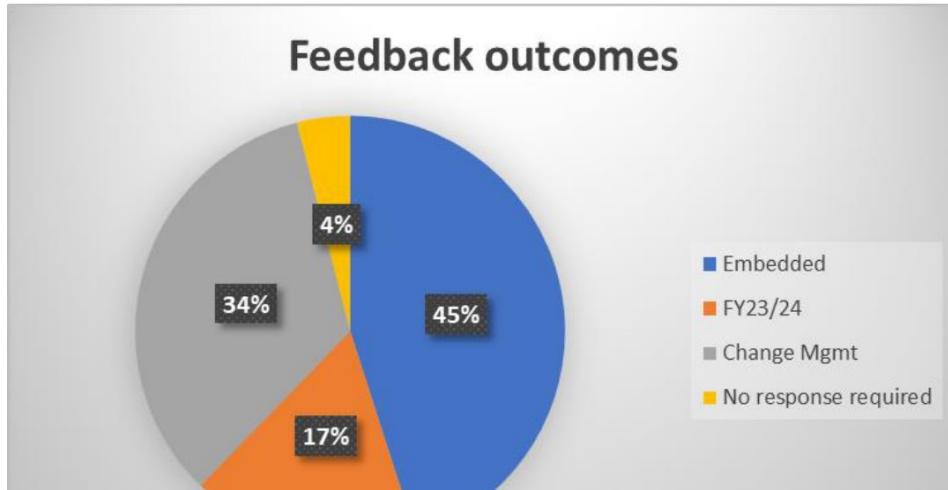
Ross and Rachael working through the agenda. Meeting invites to come for the Board Chair/Alternates soon. Date still TBC.

## 2.2 KRA Performance Framework update – Penny Marriott

### Refresh approach

- Review content prioritised through IAG KRA sub-group
- Content developed up to and including January 2022
- Published to HIP for consultation
- Consultation and engagement activities in late January and February
- Review of feedback resulting in further development (late Feb)
- Additional consultation on Innovations KPI in March
- Feedback summary document published (early March)
- Finalise framework (late March)
- Publication planned for 1<sup>st</sup> April

The pie chart shows the response outcomes across all the written feedback items.

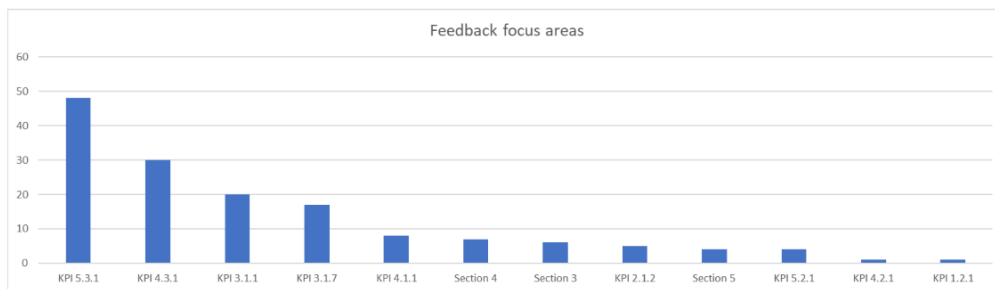


## Feedback and response overview

### Feedback focus (by section)

By section, the areas attracting most feedback were:

- KPI 5.3.1 Network Condition (48 feedback items)
- KPI 4.3.1 Innovation (30 feedback items)
- KPI 3.1.1 Environmental Triangle (20 feedback items)
- KPI 3.1.7 Resource efficiency (17 feedback items)



### Summary of key changes

#### New KPI 3.1.7 Resource Efficiency and Waste Minimization

Driver: Waka Kotahi Strategy

- KPI seeks a Resource efficiency initiative each year:
  - Same method as Environmental Triangle
  - Can be counted under KPI 3.1.1 while this KPI is unscored
- Requires a Basic Carbon footprint:
  - No expectation that all data can be included immediately
  - NOC sets Reporting boundaries = Available data + estimates + articulated gaps
  - Integration of existing mature carbon reporting is an option
- Measure only in FY22/23
  - No reduction targets
- Support available:

- Maintenance Portfolio Team
- Environment and Sustainability Team

Roadshow coming up later this month with key environment reps have been invited. An overview of the tools developed and some key learnings will be the main topics.

### **KPI 5.3.1 Network Condition led by Barry**

*Driver: OAG review findings (among other strategic drivers)*

- KPI will assess maintenance spend across the network over time:
  - Identify areas where a disproportionate amount of maintenance spend occurs year on year on year (85<sup>th</sup> percentile for 3 consecutive years)
  - NOC identifies network areas to request excluded from assessment (i.e., permanent solution isn't possible)
  - Technical parameters included:
    - Separate by ONRC
    - Excludes Emergency works, winter maintenance and bridge maintenance
    - Exclude low spend/short length RS
    - Fine-tuning will continue
  - Data comes from RAMM into Power BI files, shared with Contractors
- Consultation identified that proposed scoring was not supported across industry
  - Proposed approach will be trialled and further developed in FY22/23
  - Alternative approaches will be trialled in parallel

### **KPI 4.3.1 Innovation**

*Driver: ILM-M Innovation group*

- Criteria for Outstanding:
  - 2 innovation ideas generated in each period\*
  - 1 Innovation idea implemented in each period
  - 1 innovation shared to the Waka Kotahi Innovation Website per year
  - At least one innovation submitted to the Annual NOC Innovation Award OR:
  - Critical risk team contractor recognition for innovation
  - Outside of scoring: any relevant comments and the scores of the innovation questions from the Relationship survey will be presented in the report
- Measure only in FY22/23 - Scoring approach being trialed:
  - Incremental change/new or better ways of doing things/innovative culture
  - CMT/Board empowered
  - Review trial outputs to assess value/fit in the KRA Framework
- Support available:
  - ILM-M Innovation group

\*Business rule allows for one quarter to be missed and then caught up subsequently

### **Additional minor changes**

#### **KPI 3.1.1 Environmental Triangle**

*Driver: CS VUE review, FY 20/21 KRA assessment, Environment team engagement*

- Recalibration of poor and MCOS score criteria (threshold for MCOS changed from 0 to 10)
- Introduced Infringement notices under section 343A of the RMA
- Introducing 5 additional points for targeted optional monitoring deliverables:
  - Identified at discretion of the Waka Kotahi Environmental Specialist where applicable
  - Contractors' discretion if choosing to pursue
- Central reporting for CS-VUE due to upgraded functionality
- Clarification of ambiguity between Consent vs Condition: non-compliant Condition is the measure
- Reiteration of support available from Waka Kotahi Consents Team for adjustments to consent settings or queries

Threshold change is to distinguish more appropriately between a performance level where some commitment demonstrated through activities, vs little or no activity.

#### **KPI 4.1.1 Financial Performance**

*Driver: Line of Sight to Statement of Performance Expectations*

- Includes maintenance cost per lane km
- Previously financial forecasting only
- Remains unscored
- Central reporting will be developed

### **Embedded established changes issued by NTC**

*Driver: Cohesion of the framework document*

- SH User Experience Survey score threshold
- RSMP or proxy
- 7<sup>th</sup> working day vs contractual due date

**ACTION#1 – Network Condition KPI. Rochelle/Margarita to get an update from Barry O’Shea and send to Rachael to send out to IAG members.**

*Question around Resource efficiency/ Waste Minimalization plan – In terms of the requirements and not reinventing the wheel, how willing is the agency in maintenance setting out some carbon reporting resource boundaries?*

Get along to the Roadshow on the 20<sup>th</sup> May so you can get up to speed on the current thinking from Sharon’s team. This workshop is intended to be a dialogue and there is some resource including contract resource to move this along. If there are some things that can make it easier, Waka Kotahi are very keen to support that. And if that looks like setting out some guidance that’s a bit more specific. Waka Kotahi are happy to help.

Come 1<sup>st</sup> July Industry need to have a Resource efficiency/Waste Minimisation plan in place/active and being reported against.

**ACTION#2 – Pete to invite Sharon Atkins - Principal Environmental Specialist to the next IAG meeting to provide a 30 min update**

We all could learn more on this space. It is not going to be long before all of this is going to be forced on us. Better to get ourselves as ready as possible.

### Covid Impacts on Programme – Penny

There have been a lot of questions around how Waka Kotahi will manage the Covid impacts on the current programme. Penny shared a spreadsheet with a list of sites that Waka Kotahi see at their end that have not been delivered or are partially delivered with enough information to be able to look it up and find out what has been going on. The spreadsheet captures a couple of significant things.

- Which Quarter?
- ONRC of Regional or above (Y/N)
- Delivery issues
  - o Non-delivery directly related to COVID (Y/N)
  - o Other reason for non-delivery identified specifically (Y/N)
  - o Foreseeable as at December? (Y/N)
- Programme issue
  - o CMR unreasonably delayed by Waka Kotahi (Y/N)
- Data issue
  - o Physically delivered (Y/N)
  - o Reason for outstanding data identified and resolved (Y/N)
- Performance outcome
  - o Mitigating circumstances agreed by CB

The spreadsheet that Penny shared is still a work in progress, but it was shared with the group to advise what is coming. Penny is hoping that this spreadsheet will make things simpler, so that when we get to the end of the year, we know which sites we can say from a Boards perspective that the mitigating circumstances have been agreed and Waka Kotahi can ensure that it doesn’t have a negative impact on performance.

Every NOC will get their own spreadsheet and will likely come out with the Q3 report.

### 2.5 NOC Review update/progress – Pete Connors

- Clarity on extensions?

Clarity of the review that is currently taking place has been provided. A bit about the NOC, what is it delivering etc. This NOC review work will carry on for the next 12 months.

In the meantime, ‘Enabling works required to extend some existing contracts (up for renewal) in preparation for any changes to the NOC model as a result of the review. Heads of agreement are being developed to agree principles in how WK will go into negotiations with the contracts that are affected. There will be an opportunity for those heads of agreements to be tweaked before we head into negotiations. This will be done via a staggered approach in terms of agreed date of extension/rollover.

The first step in the process is to get the Senior managers around the table and understand the principles within the heads of agreement. Once those principles have been set and are in place, the negotiation team at an operational level will come in and work through the contract specifics.

*Appears to be 12–24-month range. Will this apply to the full programme of NOCs?*

No. The ones that we extend and negotiate now maybe the last ones that go in the future. We don’t want to overwhelm ourselves and Industry going out to bid. Programme hasn’t been sorted yet.

Waka Kotahi are taking the opportunity through this extension to alter some scope and performance requirements that will achieve better outcomes

*What is the process once the HOA has been signed and we get into the negotiations - Who are the Waka Kotahi people likely to be involved in that? Will it be the local team or a national person?*

There will be National representation on each of the negotiation teams for consistency. It will typically be our MCM, the SM and a National rep. Final makeup still to be determined

*Regarding all the escalations that are going on at the moment, do you think that there needs to be some pre work on what that could look like? Or do you think that the current indexes that Waka Kotahi run, that that will cover it? Steel/Fuel/Timber/Additional public holiday (Matariki)*

Yes, all this is party to the negotiation discussion, however as an aside timber and steel are not significant costs in a NOC

### 2.3 How can we better optimise the Glenbrook aggregate? Jack Hansby and Peter Robinson

#### Clarification purpose

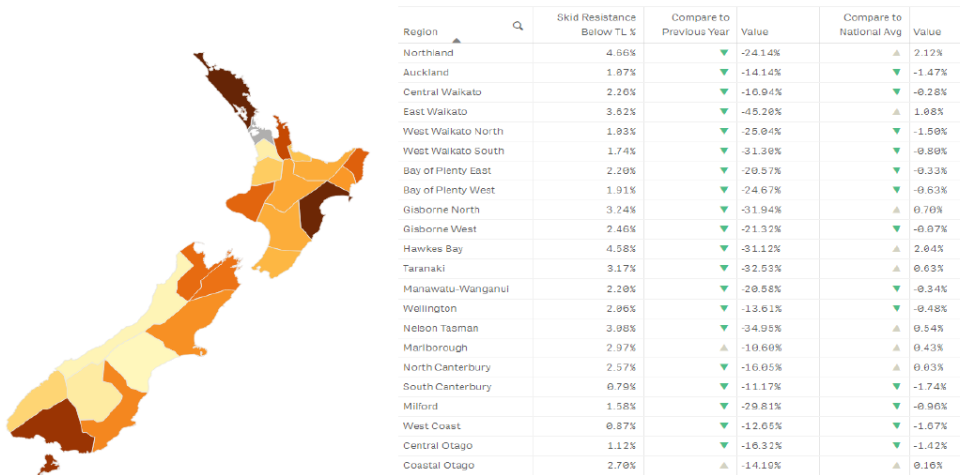
Provide some clarity around how GMA is being used and are we getting the most effective use of a scarce resource

## Problems

- Our suppliers have raised concerns that:
  1. There is insufficient Glenbrook Melter Aggregate (GMA) to meet the current SCRIM programme.
  2. Sealing sites have had to be deferred because of late supply of GMA to their network.
  3. Sealing has been undertaken with aggregates that have a higher risk of shorter term compliance.
  
- Our Stakeholders have raised concern that:
  1. The network condition is getting worse.
  2. Safety is being compromised.

## Network Condition 20/21

The following map/table shows the current network condition in regards percentage of skid below Threshold Level (TL), as measured in the 20/21 HSD survey.



The HSD information is available on the Waka Kotahi website.

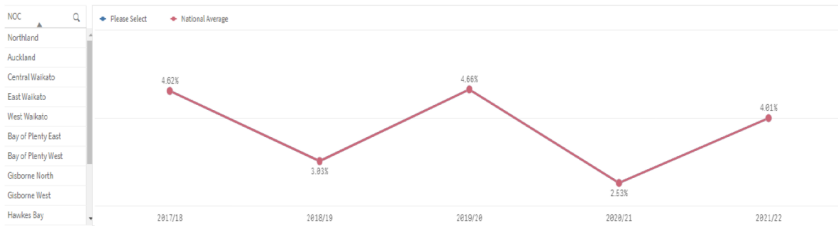
Key points to note:

1. Percentage of SKID performance below threshold level has improved across all networks bar 2 (Nelson/Tasman and Central Otago)
2. The darker the shade, the higher the percentage of skid below TL is, so our networks of concern in order are:
  - Northland (4.66%)
  - Hawkes Bay (4.57%)
  - Southland (4.09%)
  - East Waikato (3.62%)
  - Gisborne North (3.24%)
  - Taranaki (3.15%)
  - Nelson/Tasman (3.08%)



- 3. Skid performance below TL appears to be cycling between high and low readings in alternate years but shows an improving performance since 2017/18 survey. It is suggested that some of the 'high' results experienced in this year's readings relates to untreated sites from previous years.

Trends compare to National Average - Skid Resistance Below TL %



## Current Delivery

The table below shows the current skid programme achievement based on the survey results from the 20/21 survey. By start of March SCRIM Sealing was 51.4% complete – End April 81.0% complete

| Region no. | Region Name        | Project Number | WC111 7/10 WBS | WC111 2021/22 Actuals + Forecasts | % WC111 Actual Vs Allocation | WC111 2021/22 Allocation | WC111 Difference | WC212 SCRIM WBS | WC212 2021/22 Actuals + Forecasts | % WC212 Actual Vs Allocation | WC212 2021/22 Allocation | WC212 Difference | Total Lane km to Deliver | % 212 lane km delivered |
|------------|--------------------|----------------|----------------|-----------------------------------|------------------------------|--------------------------|------------------|-----------------|-----------------------------------|------------------------------|--------------------------|------------------|--------------------------|-------------------------|
| 1          | Northland 2018+    | 60045768       | 60045794       | \$ 530,672                        | 75%                          | \$ 530,672               | \$ -             | 60045854        | \$ 1,110,535                      | 64%                          | \$ 1,110,535             | \$ -             | 15,334                   | 47.0%                   |
| 3          | ASM                | 60052404       | 60052404       | \$ 31,170                         | 0%                           | \$ 31,170                | \$ -             | 60059453        | \$ 651,925                        | 147%                         | \$ 443,734               | \$ 208,191       | 1.164                    | 84.3%                   |
| 4          | West Waikato       | 60062542       | 60062542       | \$ -                              | -                            | \$ -                     | \$ -             | 60041339        | \$ 237,764                        | 38%                          | \$ 247,522               | \$ -9,758        | 1.668                    | 83.3%                   |
| 6          | Central Waikato    | 60034133       | 60034350       | \$ 215,082                        | 93%                          | \$ 97,551                | \$ 117,531       | 60034222        | \$ 265,935                        | 106%                         | \$ 249,989               | \$ 15,946        | 5.720                    | 93.0%                   |
| 7          | East Waikato       | 60047869       | 60048070       | \$ 267,474                        | 18%                          | \$ 370,000               | \$ -102,526      | 60048117        | \$ 150,006                        | 29%                          | \$ 518,096               | \$ -368,090      | 4.260                    | 67.6%                   |
| 8          | Bay of Plenty East | 60029273       | 60043077       | \$ 314,396                        | 119%                         | \$ 52,376                | \$ 262,020       | 60030666        | \$ 220,582                        | 64%                          | \$ 343,051               | \$ -122,469      | 4.173                    | 85.3%                   |
| 9          | Bay of Plenty West | 60030049       | 60043206       | \$ 229,783                        | 0%                           | \$ 228,466               | \$ 1,317         | 60033451        | \$ 259,205                        | 109%                         | \$ 237,985               | \$ 21,220        | 1.082                    | 100.0%                  |
| 10         | North Gisborne     | 60037357       | 60037463       | \$ -                              | -                            | \$ -                     | \$ -             | 60037519        | \$ -                              | -                            | \$ -                     | \$ -             | 0.300                    | 100.0%                  |
| 11         | West Gisborne      | 60037270       | 60044659       | \$ -                              | -                            | \$ -                     | \$ -             | 60037337        | \$ -                              | -                            | \$ -                     | \$ -             | 0.000                    | -                       |
| 12         | Hawkes Bay         | 60038809       | 60040191       | \$ 142,091                        | 4%                           | \$ 142,091               | \$ -             | 60038977        | \$ 166,484                        | 114%                         | \$ 119,205               | \$ 47,279        | 4.020                    | 72.1%                   |
| 13         | Taranaki NOC 2020  | 60057421       | 60057508       | \$ 67,260                         | 96%                          | \$ 37,740                | \$ 29,520        | 60057580        | \$ 625,511                        | 142%                         | \$ 441,020               | \$ 184,491       | 9.001                    | 94.7%                   |
| 14         | Manawatu-Whanganui | 60035142       | 60046285       | \$ 224,598                        | 82%                          | \$ 224,598               | \$ -             | 60035418        | \$ 399,120                        | 22%                          | \$ 327,462               | \$ 71,658        | 2.775                    | 79.1%                   |
| 15         | Wellington         | 60032581       | 60046818       | \$ 78,989                         | 83%                          | \$ 25,510                | \$ 53,479        | 60032972        | \$ 394,336                        | 45%                          | \$ 447,814               | \$ -53,478       | 3.273                    | 100.0%                  |
| 16         | Marlborough 2020   | 60056127       | 60056345       | \$ 87,074                         | 28%                          | \$ 87,028                | \$ 46            | 60056589        | \$ 199,757                        | 133%                         | \$ 143,819               | \$ 55,938        | 1.858                    | 100.0%                  |
| 17         | Nelson - Tasman    | 60038254       | 60044296       | \$ 104,228                        | 0%                           | \$ 104,228               | \$ -             | 60038416        | \$ 121,905                        | 279%                         | \$ 44,234                | \$ 77,671        | 0.740                    | 100.0%                  |
| 18         | North Canterbury   | 60044014       | 60044042       | \$ 120,405                        | 81%                          | \$ 149,195               | \$ -28,790       | 60044519        | \$ 392,244                        | 104%                         | \$ 376,983               | \$ 15,261        | 6.030                    | 100.0%                  |
| 19         | South Canterbury   | 60029341       | 60040798       | \$ 213,637                        | 48%                          | \$ 281,236               | \$ -67,599       | 60029845        | \$ 74,678                         | 95%                          | \$ 69,860                | \$ 4,818         | 2.060                    | 100.0%                  |
| 20         | West Coast         | 60036637       | 60035926       | \$ 113,815                        | 11%                          | \$ 113,725               | \$ 90            | 60036949        | \$ -                              | -                            | \$ -                     | \$ -             | 0.000                    | -                       |
| 21         | Central Otago      | 60040663       | 60041447       | \$ 121,039                        | 100%                         | \$ 121,556               | \$ -517          | 60041528        | \$ -                              | -                            | \$ -                     | \$ -             | 0.000                    | -                       |
| 22         | Coastal Otago      | 60040085       | 60040210       | \$ 225,909                        | 67%                          | \$ 225,908               | \$ 1             | 60040257        | \$ 195,416                        | 130%                         | \$ 150,305               | \$ 45,111        | 2.880                    | 100.0%                  |
| 23         | Southland          | 60037613       | 60038439       | \$ 435,745                        | 103%                         | \$ 424,656               | \$ 11,089        | 60038622        | \$ 107,586                        | 92%                          | \$ 116,650               | \$ -9,064        | 2,430                    | 100.0%                  |
| 24         | Milford            | 60040205       | 60055018       | \$ 26,423                         | 48%                          | \$ 55,000                | \$ -28,577       | 60040475        | \$ 14,194                         | 100%                         | \$ 14,194                | \$ -             | 0.440                    | 100.0%                  |
| Totals     |                    |                |                | \$ 3,549,790                      |                              | \$ 3,302,706             | \$ 247,084       |                 | \$ 5,887,183                      |                              | \$ 5,402,458             | \$ 184,725       | 69,219                   | 81.0%                   |

### Points to note

- By the end of February (and some March sealing) only 51.4% of skid sealing was completed
- By the end of February only 3 networks had completed 100% of the 20/21 WK funded water cutting (Note some may have completed work before the end of June previous year)
- Nearly 30% of skid sealing completed in April

## Priority A Sites

|                      | 2019/20                  |                          | 2020/21                  |                          | 2021/22                  |                          | % of Allocation spent 2021/22 |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------|
|                      | Count of 2nd CONS yr "A" | Count of 3rd CONS yr "A" | Count of 2nd CONS yr "A" | Count of 3rd CONS yr "A" | Count of 2nd CONS yr "A" | Count of 3rd CONS yr "A" |                               |
| Northland            | 1904                     | 601                      | 1900                     | 763                      | 3394                     | 1219                     | 73%                           |
| Auckland ASM         | 193                      | 71                       | 203                      | 105                      | 401                      | 122                      | 0%                            |
| Auckland ASM - Ramps | 142                      | 62                       | 116                      | 49                       | 181                      | 58                       | In Advance                    |
| Central Waikato      | 804                      | 204                      | 735                      | 182                      | 946                      | 282                      | 57%                           |
| East Waikato         | 1858                     | 930                      | 1640                     | 622                      | 725                      | 447                      | 0%                            |
| West Waikato         | 1033                     | 344                      | 767                      | 278                      | 518                      | 321                      | In Advance                    |
| BoP East             | 708                      | 249                      | 1250                     | 284                      | 840                      | 399                      | 119%                          |
| BoP West             | 305                      | 157                      | 252                      | 56                       | 180                      | 71                       | 0%                            |
| Tairāwhiti North     | 232                      | 43                       | 431                      | 95                       | 285                      | -                        | In advance                    |
| Tairāwhiti Rd West   | 258                      | 85                       | 231                      | 75                       | 272                      | 119                      | In advance                    |
| Hawkes Bay           | 1677                     | 400                      | 1343                     | 356                      | 1027                     | 422                      | 4%                            |
| Taranaki             | 627                      | 218                      | 1219                     | 279                      | 987                      | 551                      | 96%                           |
| Manawatu-Whanganui   | 720                      | 341                      | 735                      | 287                      | 735                      | 294                      | 0%                            |
| Wellington           | 838                      | 418                      | 932                      | 455                      | 470                      | 237                      | 83%                           |
| Nelson-Tasman        | 2513                     | -                        | 1431                     | 831                      | 1096                     | 808                      | 0%                            |
| Marlborough          | 327                      | 147                      | 515                      | 200                      | 604                      | 358                      | 28%                           |
| North Canterbury     | 1305                     | 496                      | 1514                     | 578                      | 1561                     | 877                      | 81%                           |
| South Canterbury     | 433                      | 184                      | 268                      | 144                      | 669                      | 111                      | 48%                           |
| West Coast           | 533                      | 281                      | 416                      | 228                      | 329                      | 186                      | 11%                           |
| Otago Central        | 863                      | 354                      | 696                      | 445                      | 389                      | 234                      | 100%                          |
| Coastal Otago        | 1698                     | 625                      | 1576                     | 804                      | 2154                     | 953                      | 67%                           |
| Southland            | 2055                     | 1126                     | 1875                     | 1047                     | 1758                     | 965                      | 103%                          |
| Milford              | 28                       | 12                       | 28                       | 7                        | 55                       | 21                       | 48%                           |
| Grand Total          | 21054                    | 7348                     | 20073                    | 8170                     | 19576                    | 9055                     |                               |

### Points of Note

- Sites which have been identified for treatment in the previous survey's are again appearing in the next survey and even the next survey
- Failure to complete required and Waka Kotahi funded works compounds the issue of a deteriorating network condition and overshadows the investment being provided to improve network condition.



- Are suppliers really meeting their responsibilities?

## Network Condition Below TL 21/22 Survey



| NDC                | Skid Resistance Below TL % | Compare to Previous Year Value | Compare to National Avg Value |
|--------------------|----------------------------|--------------------------------|-------------------------------|
| Northland          | 7.74%                      | ▲ 0.08%                        | ▲ 0.71%                       |
| Auckland           | 1.79%                      | ▲ 0.79%                        | ▼ -2.22%                      |
| Central Waikato    | 2.48%                      | ▲ 1.24%                        | ▼ -0.53%                      |
| East Waikato       | 6.18%                      | ▲ 2.00%                        | ▲ 2.15%                       |
| West Waikato       | 4.51%                      | ▲ 0.12%                        | ▲ 0.50%                       |
| Bay of Plenty East | 2.86%                      | ▲ 0.68%                        | ▼ -1.15%                      |
| Bay of Plenty West | 1.37%                      | ▼ -0.54%                       | ▼ -2.64%                      |
| Gisborne North     | 3.97%                      | ▲ 0.72%                        | ▼ -0.04%                      |
| Gisborne West      | 1.84%                      | ▼ -0.62%                       | ▼ -2.17%                      |
| Hawkes Bay         | 5.64%                      | ▲ 1.07%                        | ▲ 1.64%                       |
| Taranaki           | 3.84%                      | ▲ 0.69%                        | ▼ -0.17%                      |
| Manawatu/Wanganui  | 2.12%                      | ▼ -0.07%                       | ▼ -1.60%                      |
| Wellington         | 1.97%                      | ▼ -0.38%                       | ▼ -2.04%                      |
| Nelson/Tasman      | 14.20%                     | ▲ 11.12%                       | ▲ 10.10%                      |
| Marlborough        | 4.66%                      | ▲ 1.68%                        | ▲ 0.63%                       |
| North Canterbury   | 4.13%                      | ▲ 1.67%                        | ▲ 0.19%                       |
| South Canterbury   | 1.55%                      | ▲ 0.75%                        | ▼ -2.48%                      |
| Milford            | 2.38%                      | ▲ 0.70%                        | ▼ -1.73%                      |
| West Coast         | 2.48%                      | ▲ 0.62%                        | ▼ -2.52%                      |
| Central Otago      | 1.94%                      | ▲ 0.63%                        | ▼ -2.00%                      |
| Coastal Otago      | 3.65%                      | ▲ 0.66%                        | ▼ -0.35%                      |
| Southland          | 4.85%                      | ▲ 0.76%                        | ▲ 0.44%                       |

### Key Points to Note

- Percentage of Skid performance below threshold level has got worse across all networks bar 3 (BoPW, Gisborne West, Wellington).
- Networks of concern in order are:
  - Nelson/Tasman (14.20%) (100% 212, 0% 111 delivered)
  - Northland (7.74%) (54% 212, 73% 111 delivered)
  - East Waikato (6.18%) (2% 212, 0% 111 delivered)
  - Hawkes Bay (5.64%) (32% 212, 4% 111 delivered)
  - Southland (4.85%) (85% 212, 103% 111 delivered)
  - Marlborough (4.66%) (73% 212, 28% 111 delivered)
  - West Waikato (4.51%) (83% 212 delivered)

### GMA supply agreement

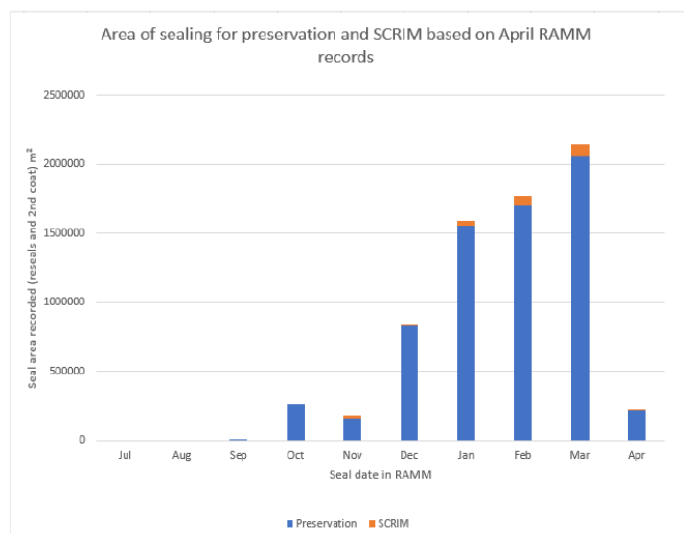
- Melter Aggregate is distributed to Waka Kotahi from a 20,000-tonne annual safety allocation from NZ Steel
- Waka Kotahi nominates where the safety allocation is to be distributed by August each year for the SCRIM projects
- The remaining 20-30,000 tonne is distributed to other clients including Waka Kotahi
- Preservation and projects generally make application to NZ steel to achieve supply from the not for SCRIM quantity
- The quantity assigned is determined and managed by NZ Steel

## Delivery of Preservation and SCRIM based sealing

The graph shows the delivery by month of the preservation and SCRIM programme.

Points to note:

- Some SCRIM sites have been completed in each month.
- However, a concern is that about half (50%) of SCRIM sites are programmed to be completed in March and even April (as can be seen).
- To date, when extracting this information from RAMM (4 May) only 82.4% of SCRIM Seals completed



# Skid Resistance Resurfacing Variation Claim

Updated May 2018 following IAG sub-group Meeting (Final)

Throughout the financial year the CMT will provide an update to the Contract Board (CB) on their achievement in managing and delivering the Skid Resistance program (signage, water-cutting and sealing).

At the last CB meeting of each financial year, the CB will assess the NOC's overall performance in managing and delivering the skid resistance program for that year, and if warranted on the basis of poor Skid Resistance management and delivery, will decide on what percentage of the uplift factor will not be applied.

Are we ready for this conversation?

## Use of GMA

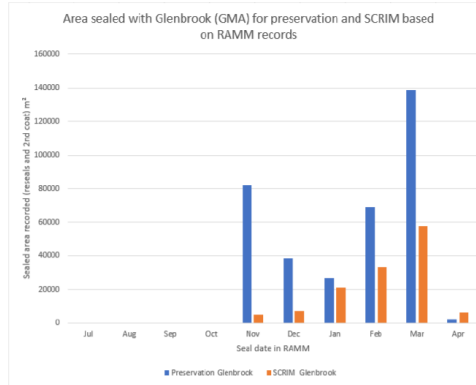
### Preservation versus SCRIM

The following graph represents how the GMA has been used on a m<sup>2</sup> basis as reported in RAMM.

Points to note:

The predominant use of GMA in any month has been in preservation seals. (Contractor risk sites)

This shows that the Contractors have been prioritising GMA for their preservation seals over the SCRIM seal sites where risk is greatest

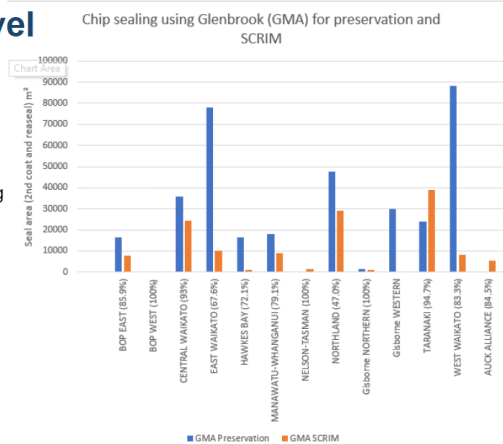


## Use of GMA at Network Level

The following graph (as on 4 May) shows

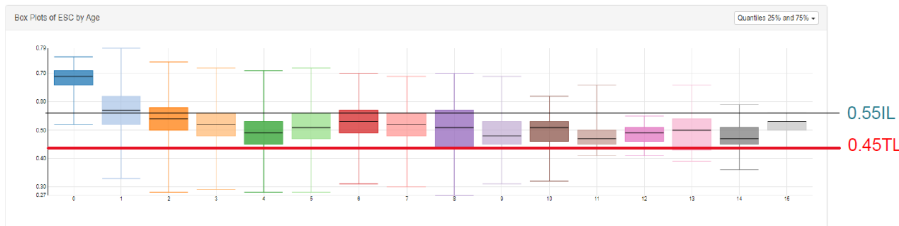
- The networks where and how much GMA is being used
- What treatments GMA is being used for, preservation or SCRIM.

The percentage value represents the lane km of SCRIM seal completed.



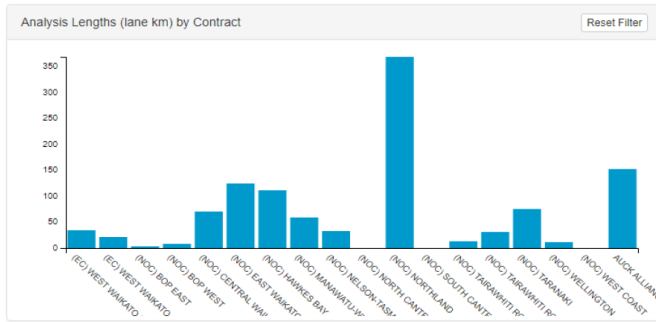
## Skid Performance of GMA

The following graph below shows the performance of GMA overtime. Over the first 4 years GMA performance does wane but in general it holds steady after year 4. Total lane length 1117.5km



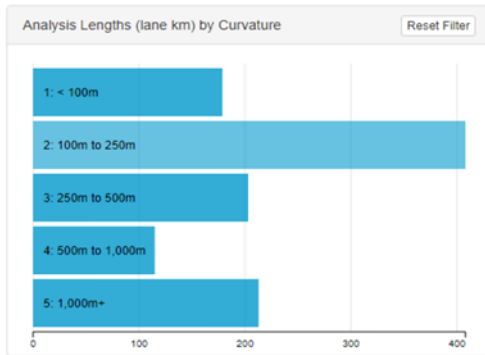
# Usage of GMA by Network

The following graph shows the networks and quantity of GMA being applied.



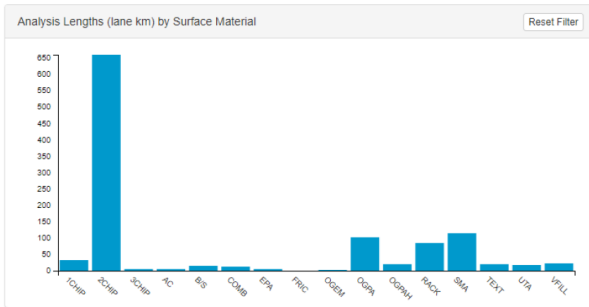
# Where do we use GMA

The following graph shows the curvature where GMA is being applied, of note is the 2<sup>nd</sup> highest use of GMA on curvatures of 1000m+.



# What Surfacing treatments use GMA

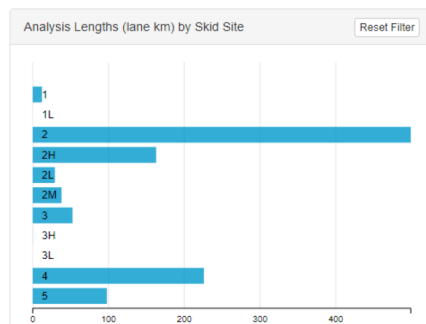
The following graph shows the surfacing types where GMA is being used. Predominantly 2 chip followed by AC treatments primarily SMA.



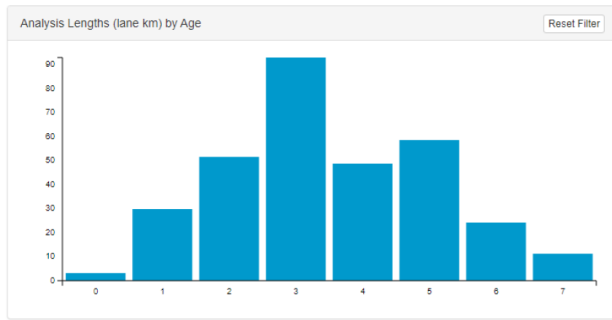
# Skid Sites where GMA is being Applied

Of note is the use of GMA on skid site Categories 4 and 5.

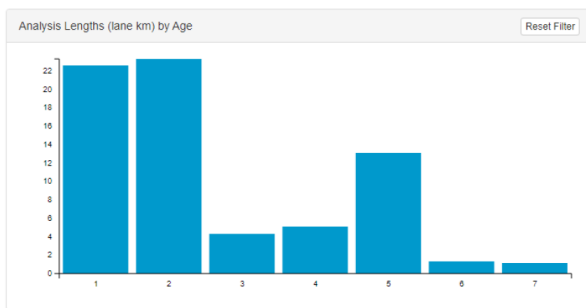
| Site category | Skid site description   |
|---------------|---|
| 1             | Approaches to:<br>a) Railway level crossings<br>b) Traffic signals<br>c) Pedestrian crossings<br>d) Stop and Give Way controlled intersections (where state highway traffic is required to stop or give way)<br>e) Roundabouts<br>One lane bridges:<br>a) Approaches and bridge deck. |
| 2             | a) Urban curves <250m radius<br>b) Rural curves <250m radius<br>c) Rural curves 250-400m radius<br>d) Down gradients >10%.<br>e) On ramps with ramp metering  |
| 3a            | State highway approach to a local road junction.  |
| 3b and 3c     | Down gradients 5 - 10%<br>Motorway junction area including on/off ramps   |
| 3d            | Roundabouts, circular section only.   |
| 4             | Undivided carriageways (event-free).  |
| 5             | Divided carriageways (event-free).  |



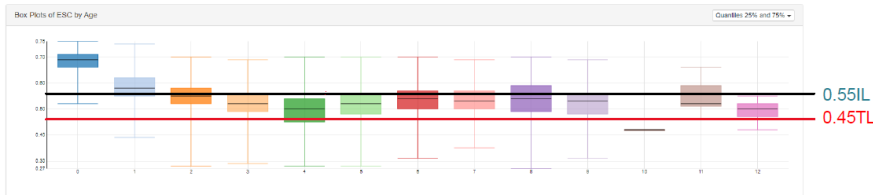
If we look at Northland's use of GMA, 2 chip, peaked 3 years ago (2018), but only has records for 7 years of use. Maximum was 320.1 lane km.



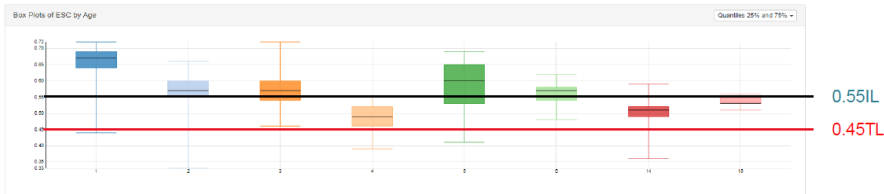
If we look at East Waikato where they have only been using GMA 2 chip in sealing in greatest quantities for the last two years. Peak is 23.3 lane km.



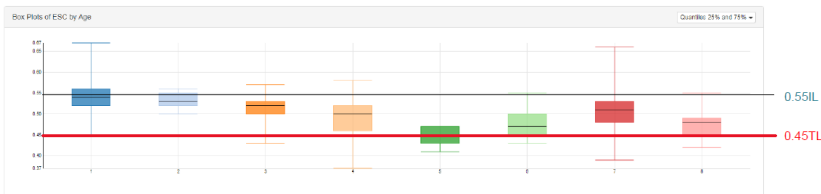
If we look at 2 chip performances over time we generally see good performance (Sealed 660 lane km).



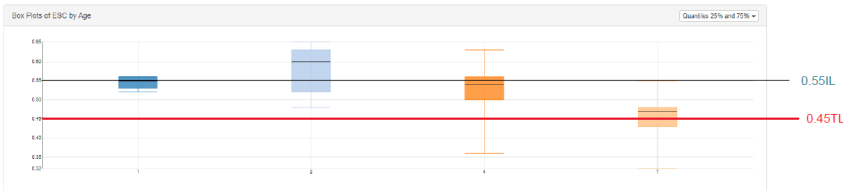
If we look at performance of GMA in 1 chip we generally see good performance (Sealed 32.9 lane km).



If we look at Nelson/Tasman, GMA 2 chip, performance is poor from the start. (Length sealed 24.9 lane km.)



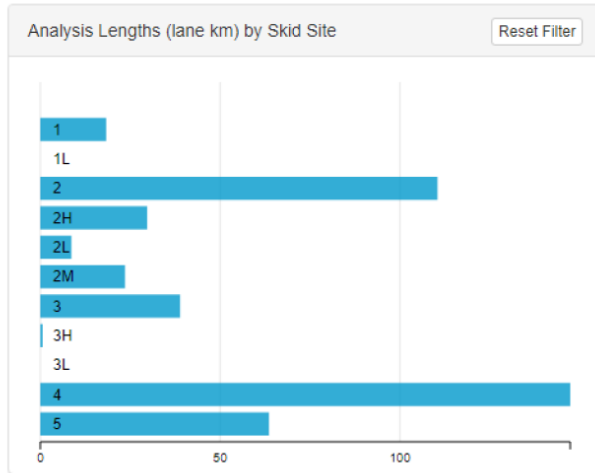
If we look at Renwick Quarry in Nelson Tasman is the outcome any different from using GMA after 5 years. (Length sealed 20.7 lane km.)



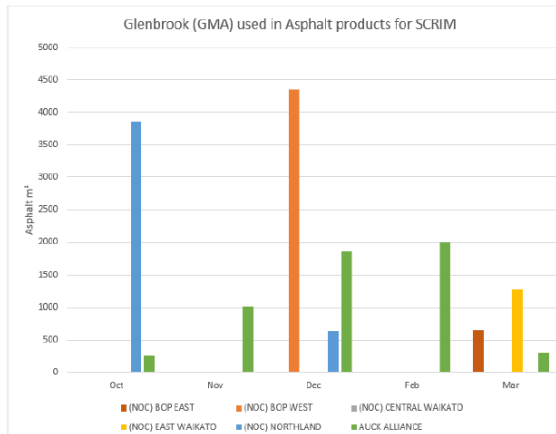
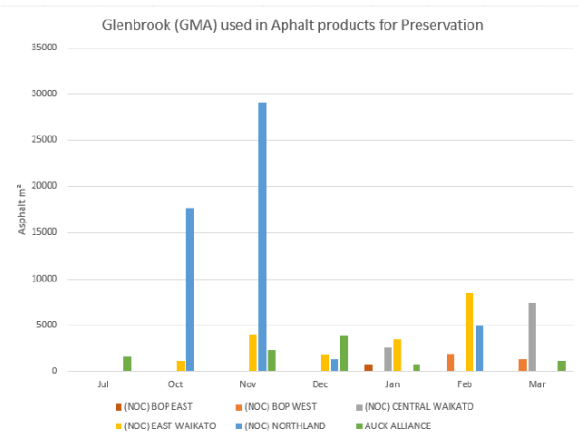
In regards GMA use in SMA we find that GMA has been applied on 114.55 lane/km of state highway network. The next predominant aggregate is Whitehall at 30 lane/km.

The following graph shows the skid site categories where SMA is being applied, of note is the predominant use is site category 4 with 5 being 3<sup>rd</sup>.

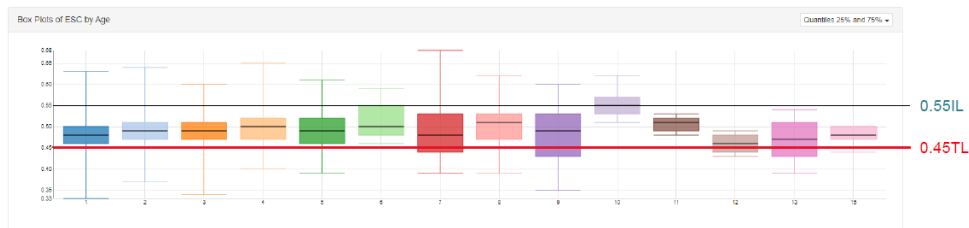
| Site category | Skid site description   |
|---------------|---|
| 1             | Approaches to:<br>a) Railway level crossings<br>b) Traffic signals<br>c) Pedestrian crossings<br>d) Stop and Give Way controlled intersections (where state highway traffic is required to stop or give way)<br>e) Roundabouts<br>One lane bridges:<br>a) Approaches and bridge deck. |
| 2             | a) Urban curves <250m radius<br>b) Rural curves <250m radius<br>c) Rural curves 250-400m radius<br>d) Down gradients >10%.<br>e) On ramps with ramp metering  |
| 3a            | State highway approach to a local road junction.  |
| 3b and 3c     | Down gradients 5 - 10%<br>Motorway junction area including on/off ramps   |
| 3d            | Roundabouts, circular section only.   |
| 4             | Undivided carriageways (event-free).  |
| 5             | Divided carriageways (event-free).  |



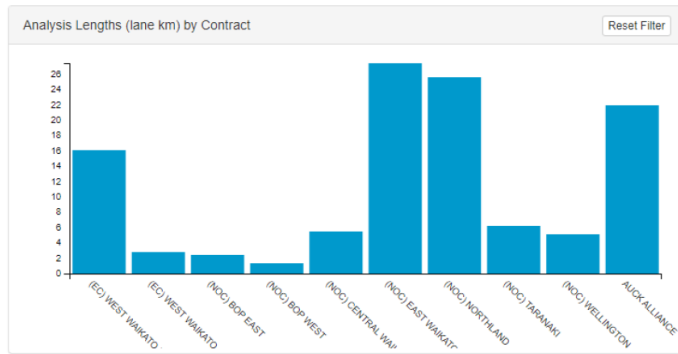
## Asphalt products use of GMA



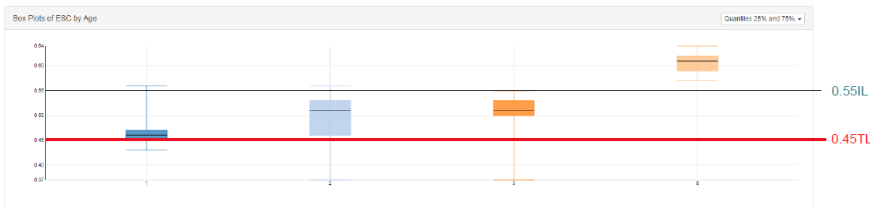
When just looking at GMA within SMA the performance of the material is marginal in comparison to GMA in chipseals. (114.55 lane km)



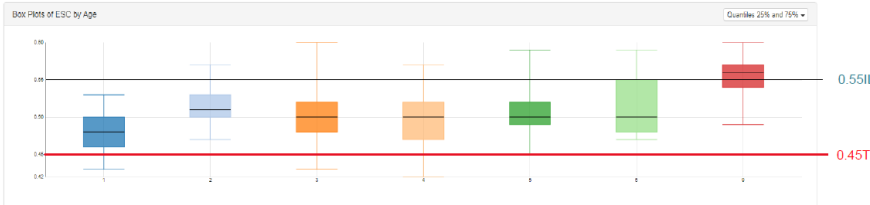
The following graph shows that the highest use of GMA in SMA is in East Waikato followed by Northland, Auckland and West Waikato.



If we look at East Waikato use of Taotaoroa, we see improved performance overtime in SMA (5.6 lane km).



Compared with GMA use in East Waikato SMA sites is the performance any different (27.4 lane km).



## In Summary

- Significant quantities of GMA are being used as preservation seals and in AC (SMA's).
- Networks have not achieved well in regards their SCRIM programme, they have raised concerns around the supply of GMA, yet significant quantities have been applied as preservation.
- Some networks have used significant quantities of GMA but their overall network condition has them in the top quartile
- Some networks have only used GMA on preservation seals, no SCRIM sites
- Some networks have used the GMA only on SCRIM site and managed preservation sites with other products or deferral.
- Currently Peter Robinson only gets the SCRIM programme, and has no input or oversight of the Preservation GMA usage.
- GMA usage in SMA is not showing the benefits we get from its use in chipseals and other materials are comparable
- Chipseals with GMA are not achieving good lives

### Question

- Do we need to change the way we run the GMA supply for both SCRIM and Preservation?
- Do we need to allocate the GMA to the whole sealing programme based on risk?
- Do we need to give the Contractors the allocation but have a very specific reporting requirement, so we are aware of the forward programme for input rather than only having the information after the sealing is completed?
- Do we issue a general direction statement that SCRIM seals must be programmed and completed as GMA supply allows, that the allocation of GMA must be programmed for use on SCRIM sites before preservation sealing is completed?
- Why is the allocation for water cutting not been fully completed prior to the commencement of the sealing construction season?

### Industry questions

- Seasonal corrections. One of the things that FH have noticed in the last few years is the swing from one year to the next in terms of the number of exceptions that come up in the report. The results seem to be quite dependent on that. Any comment on that? Response – Seasonal correction is being worked on. Peter S has got a project trying to assess the issues. It was stopped because the seasonal correction was amending values and effectively artificially reducing them. It is taking a while to do the assessment because WK have to run network information across the seasons a bit more than just the control sites that they have got.



- Network trends above and below TL. What is Waka Kotahi's thoughts on their mechanism for allocating SCRIM sealing? At the moment it is based on a cell score. Is that mechanism really addressing the next networks that have a high percentage of issues? Response – Previously SCRIM scoring had been allocated based on the proportion of exceptions and proportion of cell numbers in the system. This year its going to be distributed based on the cell score vs the IL. Previously the IL didn't come into this discussion.
- It was raised that a lot of people were probably not aware of tools like the aggregate performance tool.

**ACTION #3 Jack Hansby and Peter Robinson to run learning session webinar on the aggregate performance tool for Industry.**

- It was raised if there would be any guidance/consistency/clarification in terms of the SKID resistance variation claims? Response – No, CMT have the responsibility to inform the Boards on how they are performing. We want to empower our teams and empower the Boards. A guidance note is not required from Waka Kotahi on how suppliers should manage this issue.

## 2.4 LAMP development and implementation – Jack Hansby and Mark O'Connor

# Life Cycle Asset Management Plans

## The Why?

- **ISO55000**

Provide the roadmap for achieving value from physical assets by optimising cost, risk and performance across the asset lifecycle. These plans define the implementation activities necessary to realise Waka Kotahi's asset management objectives by translating the strategic intent

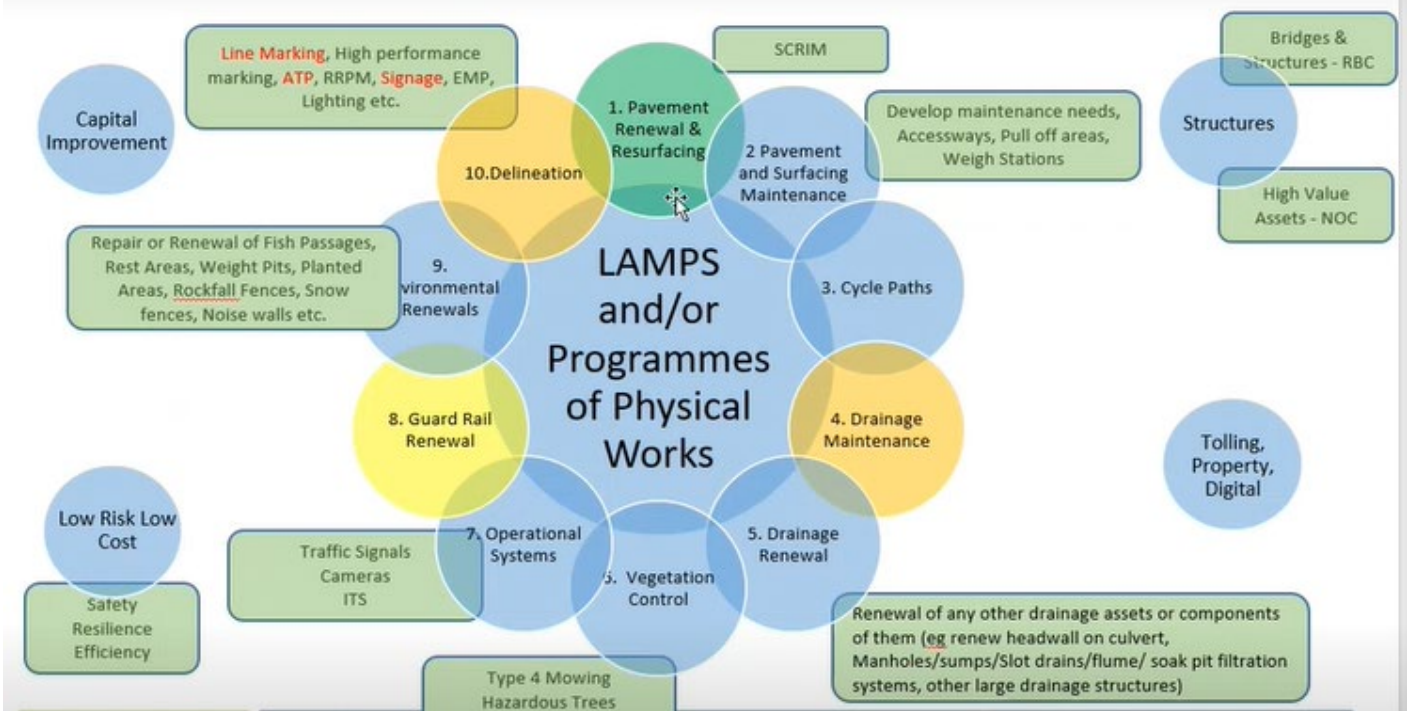
- **Asset Management Data Standard**

AMDS is being developed to support the asset management lifecycle to enable the monitoring of trends, impacts, service performance and asset condition

- **Ministry of Transport Review**

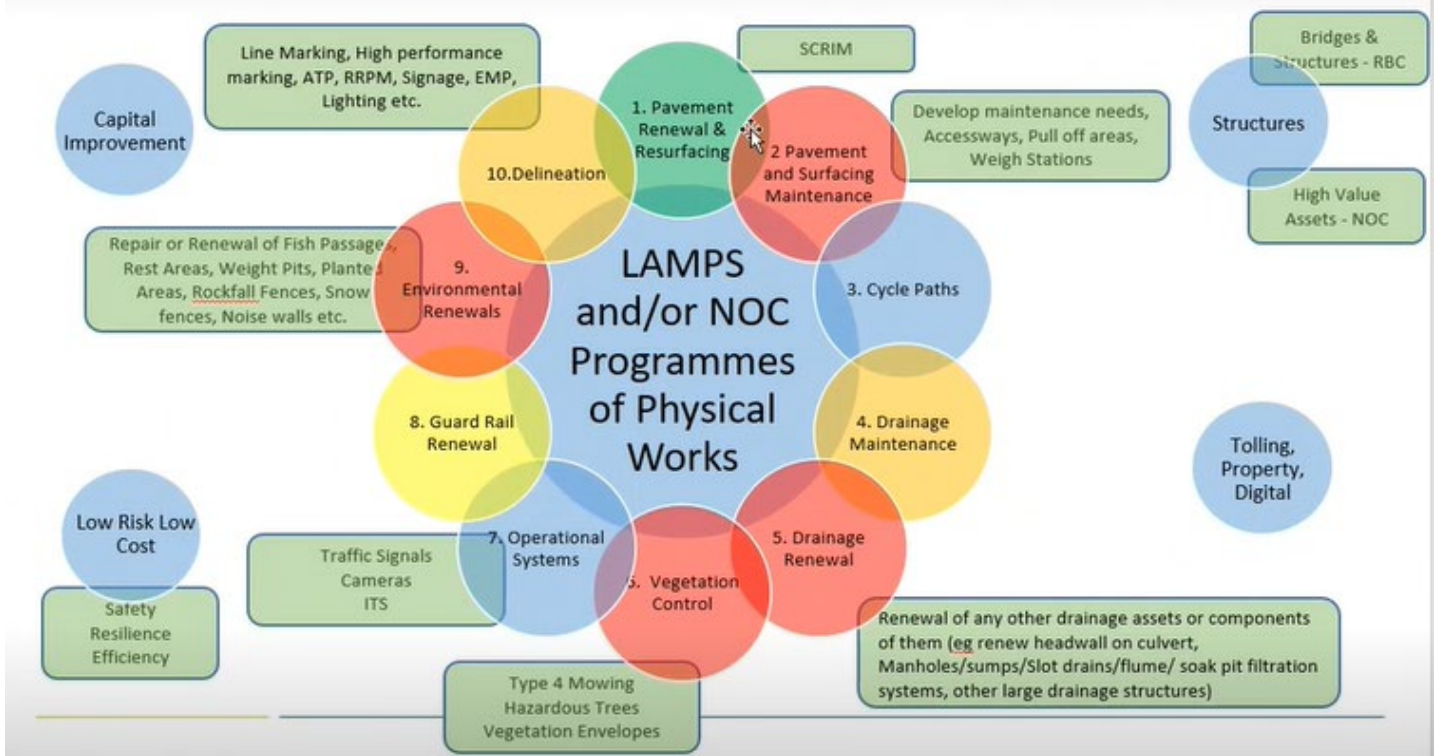
We need to clearly understand the scale of the issue, have clear objectives for what we want to achieve, and be able to then make good funding choices

# LAMPS: What have we got to?





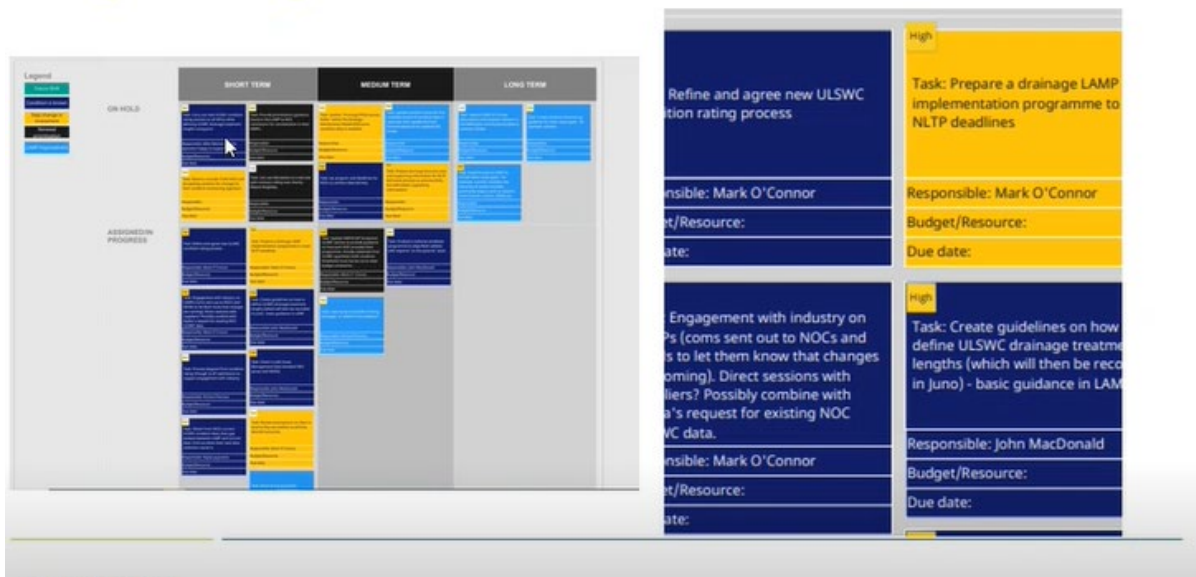
# Future Focus: More of the Same & Basic to Intermediate



List of actions that have come out in the short term, medium term, and long term

## MoT Report?

Ministers Comment: "We need to clearly understand the scale of the issue, have clear objectives for what we want to achieve, and be able to then make good funding choices"



We are not trying to reinvent the wheel. What Waka Kotahi are trying to do is build on what a lot of the suppliers are doing inside their MMPs.

Jack shared a draft mock-up of a Programme Review and development timeline.

The purpose of today's update was to give everyone a head up why Waka Kotahi are going to start coming out and asking for programmes for each of these assets over the next few months and work with suppliers in terms of what they have got, what they have developed as part of their MMP and work through how Waka Kotahi align that back to the LAMP. The plan is by the middle of next year, some of these higher priority assets that we have, we should have a good idea of what the need will be across the 3-year block 24-27 NLTP. We are conscious that we are not going to reach perfection in the time that we have got. The key part of this

LAMP development is identifying what we can achieve and what's realistic and also what are the nice to haves.

Terry McGavin is pulling something together for tunnels.

Waka Kotahi acknowledge that some suppliers would like them to get into culvert drainage assets, but Waka Kotahi are starting small.

## 2.6 PCDAR – Ross l'Anson

Mark Cruden is currently working on the PCDAR process so that there is a consistent approach across all NOCs. Mark is working with Canterbury at the moment. He is also doing presentations to provide to WK staff internally with the hope of getting those documents sent out wider as well. Mark is also working through all the data and making sure it all makes sense in RAMM and Juno viewer. Mark is hoping to work his way around the country to ensure there is a fairly robust and relatively quick process compared to what has been happening previously. One of the things that WK have discovered in the past is that there have been times where the info coming back from suppliers isn't quick and then WK response isn't quick, so WK are just trying to make sure they get everyone on board and lined up so we can all get through this process in a better managed and timely manner.

Mark is able to step in and provide help and clarity.

For Juno changes/calculations – send these queries to Jack to work through with Peter McDonald

For other PCDAR enquiries outputs – send these to Ross l'Anson

## 2.7 TTM – Ryan Cooney

The changes to TTM are going to be huge for Industry

We want to make sure that we are protecting our people and our road users and making our roads safer.

WK have been involved with Industry reps on the submission for the TTM guide. Chris Kerr led that submission. It has been submitted. From the Maintenance and Operations space Pete Connors, Mike Manion, Andrea Williamson, and Wayne Oldfield were involved. WK and Industry have been joined up in the submission to make the guide workable and improve the safety of our people and road users.

Ryan and his team are just going through the feedback currently. There is over 1200 lines of feedback that has been received.

Currently looking at next steps.

There are a few updates that are required to be made to the document (more technical detail around geometric design for the 90% of day-to-day routine activities and clarifying the operational workflow. Ryan and his team also need to work with Work safe around getting the PCBU roles and responsibilities clarified.

One of the key tasks is the plan. How do we go from where we are now to what our future looks like? This is work in progress and will be provided to the Governance group (Brett, work safe and the CEs) as proposal around July. Tier 1s will be the early starts.

Contracting models are still being sorted but Ryan and his team are working with Wayne Oldfield and Jaco De Vries to make sure they get that right in terms of the best safety etc. In terms of timing, Ryan and his team are aware that they have to work in with Wayne and suppliers around the sequence for that.

Working with the line marking teams around some practice notes how they can do line marking appropriately, efficiently, and safely.

Ryan and his team are looking at mirroring endorsement policies for the sector.

The role of the TTM guide will be in staged approach. There will probably be another 2 or 3 versions of the guide over the next while, due to further refinements based on learning and feedback as its implemented.

When will Work safe be delivering their document? Still very keen to have the two documents come out at the same time. WK are prodding Work safe because they have some really good stuff in their part 1 which covers off risk and processes around risk, but also contracting chain and that is really fundamental to what WK are doing.

How has the Higgins trial gone in Manawatu? Its going well. We are learning. In terms of the trial being different. The planning process was great around the hierarchy of controls and working to keep the workers as safe as possible and looking after the road users. We need to understand how its impacted costs. The other thing that has been really interesting is the handing over process to delivery. It looks like it's been a less successful than expected (Ryan and his team have a deep dive on that this afternoon).

The timeframe of the revised document is end of June (ish)

Regarding the enabling works. This group will probably look at these contracts being early adopters of the new code. Most of that will be about the capability, the capacity, and the planning side within the NOCs.

## Item 3 – Industry Matters

### 3.1 Bitumen supply chain update – Stacy Goldsworthy

In May 2023, Z energy are going to produce their last list price. They have indicated to the market that they are no longer going to be an importer of bitumen. WK have indicated that they are going to step into the supply chain for Bitumen. There is a lot of things to do before that can take place. Commercial agreements in place and Commerce commission are going to have to have a look at it. At this stage from a contractor's point of view, the chance of that happening is probably limited. So effectively in June of next year suppliers are not going to have a Bitumen cost adjustment or an agreed mechanism. The point being raised here is, we need to start as a collective working on a bitumen cost adjustment for July 2023. The recommendation is that we start to form a group to look at that and what mechanism we can all agree upon. Previously there were some Terms of Reference.

**ACTION #4 Stacy to send Pete a copy of the Bitumen Cost adjustment group Terms of Reference and Pete will pass these onto Bernie Cuttance**

### **3.2 Will Waka Kotahi be undertaking a dtims model leading into the next 3 yr. funding round? Robert Tutty**

And in between times, does the suppliers modelling feed into anything Waka Kotahi do?

Yes, Waka Kotahi are rerunning the model, but not to the same degree as we did in the development of the bid. WK are looking at what we have currently delivered and how that looks in terms of what we are going to deliver. WK want to make sure they have their projections right. WK are also trying to bring some other aspects into the model consideration and that includes the climate change or the decarbonisation component as well. In regard to the suppliers modelling, absolutely. WK still want to understand both in terms of how the individual networks are performing against the investment that we have made while we have distributed the funding at a national level. We have developed up what we think the performance of those networks are going to be as a result of that investment but what we want at a more micro level detail from our suppliers what that investment profile looks like for those networks.

### **3.5 Briefing needed on Pavement Preservation Strategy Proposal paper. Overview of Waka Kotahi expectations, how do we want this implemented? Adam Humphries**

Jack - WK said that they would provide suppliers visibility for Gisborne. WK had a lot of feedback in regard to Catalogue Design approach and so having taken on board that feedback and looking at how we could better use that approach which is has actually resulted in doing the right thing for the right reason. A couple of things that popped out of the investment analysis was that we are certainly promoting the longer life investments in the network but often what we were seeing was the cost associated to doing those treatments kept on increasing. We are aware of cost pressures that are coming that are outside the influence of all of us, but at the end of the day what we were seeing early on before those cost pressures came to be realised now was that the price for doing treatment and in part the risk appetite of our supply chain to do some more risk type treatments was being overtaken by in some cases the performance metrics that WK have put in the contract.

What WK did identify in terms of the PCDAR results showed that even when we built belt and brace type treatments, we still weren't getting the performance that we had anticipated. Part of what the catalogue was trying to do was say - If we were to adopt a slightly more risk-based approach, we could possibly look at reducing those performance metrics round those sites. What would that look like in terms of delivery on the ground? What we saw was if we started intervening for serviceability reasons as opposed to capacity or strength reasons, then probably what we should be doing are doing treatments that are lower cost treatments which could spread the dollar further, but they do carry an element of risk. Is there an opportunity that we could actually try to manage that risk? That is particularly around, let's build it well in the first place, lets look at where we could do some strengthening works so that we can limit the amount of additional material that we needed to meet a strength component.

WK thought that this paper was the best way to have this discussion particularly as we are starting to go out through the NOC enabling works and see whether or not there was a way for the supply chain and WK to sit down and see how we could carve this up differently. From a deliverability perspective if we are doing thinner treatments we could probably do more, from a serviceability – the more we do – the better the network. Bearing in mind though that we are potentially creating a future quantum of work that will need to be done earlier as opposed to necessarily achieving those 25 plus year design lives.

It's time to perhaps look at things through a different lens and that is what the paper was trying to do. How best do WK work with each of the suppliers to implement a more pragmatic approach on the networks.

Any feedback on the document could come through the enabling works at the supplier level. Any learnings that WK get out of this, they would take on board and bring back to the full supply chain.

### **3.4 LCLR direction – Pete Connors**

- Inside/outside of NOC?

o This has been a carrot to the professional services involved giving opportunity primarily in the road safety and resilience space

LCLR is spread across safety, resilience, walking and cycling etc

It is around \$175 million over 3 years. Currently the change that we have done from July, the management of the LCLR is going to go over to Infrastructure Delivery. Part of it has been sitting in M&O but will now be sitting in Infrastructure Delivery. The professional services side of it, there is probably none to little change. If we have the right people in the NOC, it will generally be carried out by the NOC. That will basically be on performance.

- Consistency around country?

o Generally varied in delivery across country

o Is it the intent that Waka Kotahi keep procurement consistent?

Part of the country do it a little differently. Northland is one

Don't think we will ever be consistent. If we had consistent delivery, WK could have generic procurement that was the same across the country. Certainly, the idea is to use the NOC as much as possible in the professional services delivery if the NOC's have the capability and capacity. Also, procurement rules apply both to prof services and physical works. Some of these works are up to \$2m and will need to go to market.

- Is this a part of the review for NOC4? Everything is on the table.

## Item 4 General Business

### 4.1 Update from ILM-M Focus Groups by group leads

#### Innovation – Adam H

- Supporting Waka Kotahi with the newly launched Innovation Fund, providing communication channels to help publicise it.
- Developed and refined Innovation KPI which will be trialled in the NOC performance framework in 22/23. Some finer points still being worked on, including process for getting innovation into the Waka Kotahi website
- We intend running innovation awards again in 2022 but considering best format to present awards.

#### People – Rachael on behalf of Gary

- Team to provide feedback to Fraser May at CCNZ - How can we develop further & customise EPIC careers campaign. EPIC campaign was designed by CCNZ. It is a career promotion platform designed to make working on NZ Roads and Infrastructure more accessible to people who may not have otherwise thought of taking up the challenge.
- Women in construction/contracting – Looking to create something more specific here. This is a work in progress
- Visibility upcoming awards – Fraser May to put something together for this week and provide to the group.

#### Sustainability – Simon B

- Funding for two main actions confirmed
  - o Pest management
  - o EV charging stations
- Additional items considering
  - o Resource efficiency
  - o Stock effluent
  - o Funding for the ILM working group projects

#### Collaboration – Mike M

No update as Mike is on leave for 2 months

#### Safety – Bevan

No update as he is not in the meeting

#### Systems – Martin G

We're working with John MacDonald looking at the annual plan improvements.  
We've provided initial feedback but will soon provide some more detailed feedback.

#### General Business

Our Next meeting will be face to face on August 10<sup>th</sup>, 2022

## ACTIONS (from March 2022):

## ACTIONS:

|   | <i>Action</i>  | <i>Owner</i>       | <i>Action raised</i> | <i>Due Date</i> | <i>Status</i> |
|---|--|--------------------|----------------------|-----------------|---------------|
| 1 | <b>Waka Kotahi</b><br>ACTION#1 – Network Condition KPI.<br>Rochelle/Margarita to get an update from Barry O'Shea and send to Rachael to send out to IAG members. | Rochelle/Margarita | May 2022             | August 2022     | Open          |

|  |  |            |             |             |                                |
|--|--|------------|-------------|-------------|--------------------------------|
| 2  | <p><b>Waka Kotahi</b><br/>ACTION#2 – Pete to invite Sharon Atkins - Principal Environmental Specialist to the next IAG meeting to provide a 30 min update.</p> <p>Action – Stacy to flick Pete an email on behalf of Industry regarding the 2030 requirements and the ISO standards etc that Pete can share a brief with the WK sustainability team so they can present at the next meeting (30-45 mins)</p> | Pete       | May 2022    | August 2022 | Open                           |
| 3  | <p><b>Waka Kotahi</b><br/>ACTION #3 Jack Hansby and Peter Robinson to learning session webinar on the aggregate performance tool for Industry.</p>   | Jack       | May 2022    | August 2022 | Open                           |
| 4  | <p><b>Industry</b><br/>ACTION #4 Stacy to send Pete a copy of the Bitumen Cost adjustment group Terms of Reference and Pete will pass these onto Bernie Cuttance</p>   | Stacy/Pete | May 2022    | August 2022 | Open                           |
| <b>PREVIOUS ACTION POINTS STILL ONGOING:</b> |  |            |             |             |                                |
| 1  | <p><b>Waka Kotahi</b><br/>ACTION #1 – Jack to seek more clarity with Dave Darwin and Steve Higgs on Bitumen Emulsion and forecasting the extra funding within Waka Kotahi in the next NLTP. In the WK Board meeting minutes it advised that by 2027 that WK were looking at rolling out Emulsions across all contracts.</p>  | Jack       | March 2022  | August 2022 | Open                           |
| 2  | <p><b>Waka Kotahi</b><br/>ACTION #2 – Pete to find out where Waka Kotahi are at in terms of their Sustainability policy and provide Stacy’s name as the industry contact.</p>  | Pete       | March 2022  | May 2022    | CLOSED (refer to action above) |
| 3  | <p><b>Waka Kotahi</b><br/>ACTION #1 Pete to look into making the OIA reports available to Industry to understand what is going on in terms of summary of complaints<br/>Leave open. Pete to check if the website FYI.org will be suffice. We don’t want people to be named and shamed.</p>   | Pete C     | August 2021 | May 2022    | CLOSED                         |
| 4  | <p><b>Working groups at Waka Kotahi</b><br/>ACTION #4 Pete and Mike to workshop the current working groups such as ILM-M, IAG, NOC CGG, MCGG at the next IAG meeting<br/>Work in progress. NOC CGG has ceased, and the Practice Area Team now look after that groups work.</p>   | Mike/Pete  | August 2021 | May 2022    | CLOSED                         |
| 5  | <p><b>General Business</b><br/>ACTION #5 Pete to see if Karen Kiriona’s ILM focus group newsletter can be included in Brett’s update.</p>  | Pete       | August 2021 | August 2022 | Open                           |
| 6  | <p><b>Emulsions</b><br/>ACTION#3 Jack to work through Gisborne with Stacy once the TAN is released.<br/>Update – leave this on for Waka Kotahi to come</p>   | Pete       | May 2021    | May 2022    | CLOSED                         |



|          |  |                    |                    |                 |               |
|----------|--|--------------------|--------------------|-----------------|---------------|
|          | <b>back to Industry outlining the position</b>   |                    |                    |                 |               |
| <b>7</b> | <b>TTM interim notice</b><br>Interim notice talked about providing an assessment to risk and looking at the cost implications.<br><b>ACTION#5 Mike to follow this up and provide an update at the next meeting</b><br>Leave on as it is WIP  | <b>Mike</b>        | <b>May 2021</b>    | <b>May 2022</b> | <b>CLOSED</b> |
| <b>8</b> | <b>6.1 Line marking</b><br>Update – An internal discussion has been had. There is now alignment between asset management, safety, and M&O. Progressing the first draft of the lifecycle plan and now looking to implement this. Discussions with Industry will take place soon. Things are moving nicely in this space to enable us to start developing a forward works programme and an investment strategy for line marking going forward. | <b>Jack/Claire</b> | <b>August 2020</b> | <b>May 2022</b> | <b>CLOSED</b> |