

Project NEXT

Executive Steering Group

Meeting Minute

Paper No: 2021-10-01a

| | | |
|---------------------------------------|--|---|
| Date: | 13 October 2021 | |
| Time: | 7:00am – 8:30am | |
| Location: | <i>Microsoft Teams</i> | |
| Steering Group (All Teams) | <div>section 9(2)(a) (Chair)</div> <div>Charles Ronaldson</div> <div>Vanessa Ellis</div> <div>Roger Jones</div> <div>Scott Gallacher</div> <div>Delaney Myers</div> <div>Nick Donnelly</div> <div>Stewart Gibbon</div> | <div>Independent</div> <div>WK-NZTA</div> <div>AT</div> <div>AT</div> <div>GW</div> <div>WK-NZTA</div> <div>ORC</div> <div>ECAN</div> |
| In Attendance (All Teams) | <div>Graham Alston</div> <div>James Timperley</div> <div>Nicki Lau Young</div> <div>Rachael Turnage</div> <div>Andrew McCallin</div> <div>s 9(2)(a)</div> <div>s 9(2)(a)</div> <div>Mark McHugh</div> <div>(Secretariat for this meeting)</div> <div>s 9(2)(a)</div> | <div>NTS</div> <div>NTS</div> <div>GW</div> <div>AT</div> <div>Waka Kotahi</div> <div>ECan</div> <div>Waka Kotahi</div> <div>NTS</div> <div>NTS</div> |
| Apologies | Scott Gallacher | GW |

| Item | Description | Action | Resp |
|------|------------------|---|------|
| 1. | Introduction | <div>Section 9(2)(a)</div> introduced the meeting noting that this was an intermediate meeting required as at the end of the week a BAFO response is to be received from the preferred supplier and we need to agree matters that will enable the BAFO documents to be looked at. | |
| 4. | Procurement Plan | (Paper No 2021-10-01) Procurement Plan has been amended in accordance with the Steering Group decision 15 September 2021. Procurement Plan amendments accepted. | |

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| 1. | Introduction | <p>section 91 introduced the meeting noting that this was an intermediate meeting required as at the end of the week a BAFO response is to be received from the preferred supplier and we need to agree matters that will enable the BAFO documents to be looked at.</p> | |
| | | | |
| | Negotiation Process Planning | <p>(Paper No 2021-10-02)</p> <p>GA explained the purpose of the process documents, supported by an updated Probity Plan and the Due Diligence Plan that outlines the planned activities for the due diligence process.</p> <p>The purpose of the approval of the Handbook is to allow the assessment teams to commence assessment of the Updated RFP Response.</p> <p>The Handbook has been updated following feedback by 24 September from the Steering Group members.</p> <p>The recommendation to approve the documents is held over until comments are heard from the steering group members.</p> <p>a. Negotiation Process handbook</p> <p>RJ asked about the negotiation and approvals around transition for the Authorities. GA noted that the SOW's for transition will be led by the respective authorities for negotiation. RJ expressed concern that these SOW's will be negotiated after the contract has been signed. GA noted that SOW 1,2 and 3 will be entered into at contract time and that all SOW's will refer back to the Service Catalogue.</p> <p>section 91 said the key was how to make sure the service catalogue includes all services, with RJ stating that there is a need to understand the transition approach and costs up front.</p> <p>GA responded that the transition services will be in the Service Catalogue and any AT transition services are protected by the SOW as the SOW has precedence.</p> <p>section 91 asked whether the full transition costs are being included in the BAFO. GA stated that yes they are to be included. The difficult area is that the actual size of the fleets at the time of transition is not known and this will be reflected in SOW #5 in the Design Elaboration for AT.</p> <p>RJ asked that the transition plans are tied down as part of the contract</p> <p>GA noted that the scope for the NTS will be considered for SOW #1 as the PTA's need to be satisfied that SOW #1 meets their needs.</p> | |

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| 1. | Introduction | <p>section 91 introduced the meeting noting that this was an intermediate meeting required as at the end of the week a BAFO response is to be received from the preferred supplier and we need to agree matters that will enable the BAFO documents to be looked at.</p> | |
| | | <p>Agreed that the list of deliverables delivers the scope that we require and if not these will need to be updated. Further noted that the onus is on the PTA's to ensure that their needs are covered.</p> <p>GA suggested that an alternative approach is to have all SOW's completed up front and then have change control to accommodate changes. This approach would open the Buyer up to increased costs.</p> <p>Action</p> <ol style="list-style-type: none"> 1. Transition Plans to be incorporated into contract 2. Scope of SOW#1 required to include PTA (AT/GW/ECAN) needs. If not then the requirement is to have all SOW's completed as part of the contract. <p>section 91 outlined that Waka Kotahi is a later joiner than PTA's. There is a specific piece of work that has Waka Kotahi in an assurance role and this needs to be resourced so that Waka Kotahi is satisfied that the whole deal is good to go. Noted by JT that the process around assurance is being acted on and section 91 asked that this be included in the plan.</p> <p>VE asked how the prime contractor will work with the financial service providers. GA responded that the scope needs further discussion and to be agreed and this will be covered in the SOW's. Also the agreement across all these contracted parties will be aligned.</p> <p>VE requires to understand how these hang together, what the trade-offs are and what are the consequences.</p> <p>Noted by section 91 that the negotiation will only happen in the new year, further noting that there has been a robust process so far.</p> <p>DM stated that not all parties are all on the right page and decisions need to be clearer. section 91 did not agree and suggested that these matters will be attended to in the appropriate time.</p> <p>GA then clarified that the only change to the Handbook is to include the role of assurance.</p> <p>This was agreed by section 91 who also asked that the high reliance on SOW #1,2, 3 be included and that pre-contract works for some PTA's may be included in the contract.</p> | <p>GA</p> <p>GA</p> |

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| | | <p>Members were asked by section 91 as to their views on the Handbook. Stewart (ECAN) is comfortable, Nicki (GW) said it her concern was around timing. It is agreed that GWRC needs to be sooner than later. Also wanted to understand who makes the final decisions in negotiation and at what level issues are escalated and who makes the decision.</p> <p>section 91 was clear that the steering group makes the decision and this must be a unanimous decision in accordance with the P2 Agreement.</p> <p>GA outlined the key deliverable from the assessment is population of the Negotiation Register. This will feed into the Negotiation Plan. For this there will need to be guidelines and boundaries from the steering group.</p> <p>ND also confirmed that he is comfortable with where the Handbook is at and that transition from their perspective is not as bigger deal.</p> <p>Actions</p> <ol style="list-style-type: none"> 1. Assurance role to be included in Handbook 2. Reliance on SOW 1, 2, 3 to be included in Handbook <p>b. Negotiating Stage Meeting Protocol – Buyer side</p> <p>Noted by section 91 that this is a housekeeping document and is not being used for a period of time with an opportunity to change.</p> <p>RJ asked about PTA access to the Updated RFP Response documents. GA responded that all the representatives have access to the response documents.</p> <p>Negotiation Stage Meeting Protocol – Buyer Side (dated September 2021) Approved</p> <p>c. RFP Negotiation Stage Document Map</p> <p>Approved</p> <p>d. Probity Plan</p> <p>Approved (v4.6)</p> <p>e. RFP Due Diligence Plan and Information Request</p> <p>section 9(2)(b)(ii) The other 6 reference sites will be interviewed remotely.</p> | GA GA |

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| | | <p>RJ asked that we have proper due diligence on sites for a procurement of this size. An example is Stockton, being a large operational centre.</p> <p>GA asked as to whether this was a pre-cursor dependency for contract signing as there is an option to get external third parties to carry out the on-site due diligence.</p> <p>section 9 stated that the due diligence needs to be carried out before contract execution.</p> <p>GA noted that DD could be done post contract signing being built into design elaboration.</p> <p>Agreed that this will be held under review, with DD preferably before contract execution, with the alternative being in the design phase.</p> <p>RJ asked that there is DD on the operations side, especially with the financial service providers.</p> <p>GA also noted that Queensland is an operational base for the preferred supplier so can be covered in on-site due diligence.</p> <p>section 9 section 9(2)(b)(ii)</p> <p>Actions</p> <ol style="list-style-type: none"> 1. Section 2.5 to be expanded to include understanding experience of project build vs product build and managing the mix. 2. Other reference check topics to GA | GA St Grp |
| 3 | Updated RFP Response - Readiness Assessment | <p>(Paper No 2021-10-03)</p> <p>State of readiness paper presented for the commencement of the Updated RFP Response assessment.</p> <p>Recommendation approved to enablement of assessment of the Updated RFP Response from the preferred supplier to commence with the opening of the Response in accordance with the paper's timeline and subject to other approvals in the paper.</p> | |
| 4 | Updated RFP Response | <p>(Paper 2010-10-04)</p> <p>GA emphasised that Decision Point (DP10) must be completed before Xmas with a desire to bring this forward.</p> | |

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| | | <p>VE acknowledged that this is a compressed timeline and there is a need for a quality assessment.</p> <p>section 9(2) asked that there needs to be a snapshot of progress, including price to the PTA's during the assessment period.</p> <p>RJ asked that the socialisation of the DBC approvals needs to be undertaken. JT stated that this will be undertaken next week.</p> <p>Actions</p> <ol style="list-style-type: none"> 1. Regular snapshot of assessment progress to be provided to PTA's 2. DBC approval socialisation to be undertaken week of 18 October 2021. | GA JT |
| 5 | Pre-contract Works | <p>(Paper No 2021-10-05)</p> <p>section 9(1) stated that guidance is to be provided by the steering group to re-document the pre-contract works., noting that we need to reaffirm the commitment to the Roadmap.</p> <p>The objective for pre-contract works is to include GWRC to achieve the Roadmap and to also ensure that both ECAN and GWRC are committed.</p> <p>Stewart asked about the likelihood of achieving December 2022 as this will likely be June 2023. section 9(2)(g)(i)</p> <p>section 9(2) reiterated that both ECAN and GWRC need to be up and running at the earliest possible time.</p> <p>GA agreed with Stewart that we need to have a target for the supplier that is achievable.</p> <p>section 9(1) stated that in the paper, under constraints, that Waka Kotahi supports the pre-contract works, that the Risk and Assurance committee has an appetite for supporting expediency and that Waka Kotahi will make funding available from outside the existing approved funding.</p> <p>section 9(1) outlined the purpose of the pre-contract works is to support the roll-out of ECAN and GWRC for the period through to May 2022.</p> <p>The scope of these pre-contract works is to be scoped with Waka Kotahi and this was agreed to by Stewart and Nicki.</p> <p>section 9(2)(b)(ii)</p> <p>It was further noted that the activities for pre-</p> | |

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| | | <p>section 9(2)(b)(ii) from the PTA's on this will help these discussions. Main point emphasised by GA is that the Pre-contract plan is not entirely under our control and direction. Further noted by JT that the plan needs to also include activities within WK/PTA's as this is a wider scope.</p> <p>Action</p> <ol style="list-style-type: none"> 1. Pre-contract works scope to be agreed with WK/Ecan and GWRC 2. Scope to be discussed with Cubic 3. Scope to be expanded to include activities within WK/ECAN/GWRC | <p>GA</p> <p>GA</p> <p>JT</p> |
| 6 | NTS Gateway Process Update | <p>(Paper No 2021-10-06)</p> <p>Update noted.</p> | |
| | Other Business | <p>MPGG</p> <p>Stewart asked as to what information is being provided to the upcoming MPGG meeting notably around risks, governance, timeframes etc.</p> <p>CR responded by saying that a comprehensive update is to provided to the MPGG, with this meeting to be held 26 October</p> | |
| | Meeting Closed 8:30am | Next Monthly Meeting: Wednesday 20 October 2021, 8:30am – 10:00am | |