

**MINUTES OF THE NEW ZEALAND TRANSPORT AGENCY BOARD MEETING  
HELD ON FRIDAY, 25 SEPTEMBER 2009**

**IN THE NEW ZEALAND TRANSPORT AGENCY BOARD ROOM, NATIONAL OFFICE  
CHEWS LANE, LEVEL 2, VICTORIA ARCADE, 44 VICTORIA STREET, WELLINGTON**

<b>Approved by the Chair</b>	_____
<b>Date</b>	___/___/___

**PRESENT:**

Garry Moore (Acting Chair)	Alick Shaw
Christine Caughey	Paul Fitzharris
Bryan Jackson	

**IN ATTENDANCE:**

Geoff Dangerfield	Julia Shackleton
Dave Brash	Ian Gordon
Ernst Zöllner	Allan Frost
Liz Huckerby	Colin Crampton
Mark Yaxley	Wayne McDonald
Deborah Hume	Bruce Richards
Dave Whiteridge	Karl Fergusson
Chad Barker (Item 9c)	Michael Cummins (Item 11)
Lisa Rossiter (Item 11)	Helen Climo (Item 11)

**INVITEES:**

Penny Hulse, Deputy Mayor, Waitakere City Council  
 Vijaya Vaidyanath, Chief Executive, Waitakere City Council  
 Tony Miguel, Director, City Services, Waitakere City Council  
 Grahame Campbell, Director, Strategy and Planning, Waitakere City Council  
 Kevin Wright, Manager Transport, Waitakere City Council  
 Sam Shumane, Traffic Engineer

i. **Apologies**

Apologies were received from Brian Roche and Grahame Hall.

Apologies were also received from Alick Shaw, who was absent from discussion of items 1c, 2c, 3c, 4c, 5c, 6, and 7c. .

ii **Confirmation of agenda**

The agenda was confirmed.

iii. **Declarations of Interest**

No new declarations or conflicts of interest were declared.

## Minutes

1c **Confirmation of the 28 August 2009 Board meeting minutes**

**Resolved:**

That recommendation (b), Item 8c, Board paper 09/09/0245 "*Dunedin City Council: State Highway 88 Realignment Project – Further Investigation and Design Funding*" which reads:

*"b. notes that the Board's approval of funding investigation and design of this project is being sought due to its significance against the NZTA's policy and agrees that future funding applications for the project may be approved by the Group Manager Regional Partnerships and Planning, as the size of the project is within his delegated authority;"*

should have the words "*its significance against*" in the second line removed, and "*significance*" added after "*the NZTA's*" and before "*policy*" so the recommendation reads as follows:

*"b. notes that the Board's approval of funding investigation and design of this project is being sought due to the NZTA's significance policy and agrees that future funding applications for the project may be approved by the Group Manager Regional Partnerships and Planning, as the size of the project is within his delegated authority;"*

With the above amendment made, the New Zealand Transport Agency Board **confirms** the minutes from the 28 August 2009 New Zealand Transport Agency Board meeting.

Bryan Jackson / Paul Fitzharris

### Confirmation of the 9 September 2009 Special Board meeting minutes

**Resolved:**

That the third to last word in Item 3, "*Declarations of Interest*" which reads:

*"Christine Caughey declared an interest regarding Board paper 09/08/0250 – "Waterview Connection Project: Report on Community and Stakeholder Engagement (Supplementary Paper)", noting that, as a councillor she was involved in the voting for this project. "*

should have the word "*on*" instead of "*for*", so the item reads as follows:

*"Christine Caughey declared an interest regarding Board paper 09/08/0250 – "Waterview Connection Project: Report On Community And Stakeholder Engagement (Supplementary Paper)", noting that, as a councillor she was involved in the voting on this project.*

With the above amendment made, the New Zealand Transport Agency Board **confirms** the minutes from the 9 September 2009 New Zealand Transport Agency Special Board meeting.

Paul Fitzharris / Christine Caughey

### 2c **Matters arising from the 28 August 2009 Board meeting minutes**

There were no matters arising from the 28 August 2009 New Zealand Transport Agency Board meeting.

### **Matters arising from the 9 September Special Board meeting minutes**

There were no matters arising from the 9 September 2009 New Zealand Transport Agency Special Board meeting.

### 3c **Update from the 9 September 2009 Regulatory Board Committee meeting**

**Resolved:**

That the New Zealand Transport Agency Board **notes** that the Regulatory Board Committee:

- a. **approved** the recommendation to appoint Clemenger BBDO as the successful Agency to provide the NZ Transport Agency road safety advertising services;
- b. **approved** the recommendation that management advise Draft FCB and Ogilvy that they have not been successful; and
- c. **agreed** to take Board Committee paper REG09/09/0001 out of Committee when the Contract for Advertising Services has been appointed.

Paul Fitzharris / Christine Caughey

4c **Update from the 9 September 2009 State Highways Board Committee meeting**

**Resolved:**

That the New Zealand Transport Agency Board:

Highways Value Assurance Committee resolutions:

- a **approves** the resolutions of the Highways Value Assurance Committee as presented in the paper, with the exception of the Caversham bypass as follows;
- b **requests** a further report for the Caversham bypass to address:
  - i. the acceptability of leaving the Lookout Point intersection “at grade” in the context of the overall corridor, which presents a high level of service between Dunedin and Mosgiel;
  - ii. if the Lookout Point intersection is left at grade, identify the safety risk at this location and compare it to other sites around the network and conclude whether it is acceptable or not;
  - iii. the intangible amenity value of connecting communities; and
  - iv. identify the trade-offs that the NZ Transport Agency would need to make across the rest of the network to afford the increase cost to grade separate the Lookout Point intersection.
- c **notes** that regarding the Caversham Bypass, for expediency, design funds will be sought on the basis of the scheme, including the at grade Lookout Point intersection option, noting that upon completion and consideration of further work, the Board may require this intersection to be altered to grade separate;

National State Highway Asset Management Plan

- d **notes** that the first draft of the National Asset Management Plan (NAMP) was presented to the State Highways Board Committee (the Committee) at its 9 September 2009 meeting and that a second draft is to be presented to the Committee at its November 2009 meeting;

State Highway Plan Update: Reconciliation with the National Land Transport Programme

- e **notes** that the amendments to the State Highway Plan, as a consequence of an improved Investment and Revenue Strategy, has no material affect on the key deliverables and forecast cashflows for State Highway large project improvements over the 3 years;
- f **requests** on-going quarterly updates of progress against key deliverables;

Victoria Park Tunnel Project: Compensation approval

- g **approves** that the finally negotiated Public Works Act (PWA) Agreement, which is subject to Land Information New Zealand approval, is formally executed by the Chief Executive;
- h **approves** authority to award a tender for the reinstatement works, up to at a forecast maximum cost of \$36,469,000, all excluding GST, be delegated to the Group Manager, Highways and Network Operations; and
- i **agrees** that the “Victoria Park Tunnel Project: Compensation Approval” Committee paper be taken out of Committee when all settlements related to the VPT have been completed.

Auckland Regional Council's purchase of the next tranche of SA/SD train sets

- j **agrees** that the loan of \$32.8 million from N funds to assist the Auckland Regional Council (ARC) to purchase the next tranche of SA/SD train sets, to be repaid to the NZ Transport Agency (NZTA) within 4 years together with interest, which the ARC may capitalise into the loan, at the appropriate Government bond rate, not be included as an NZTA activity in the National Land Transport Programme, and thus not be treated as an activity under section 20 of the LTMA; and
- k **notes** that it is intended that the loan be treated as an investment from the Fund, with interest from the loan forming part of the Fund pursuant to section 10(2)(d) of the LTMA

Christine Caughey / Paul Fitzharris

5c **Chief Executive's Report for September 2009**

Board paper 09/09/0251

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **receives** the Board paper 09/09/0251, the Chief Executive's Report;
- b. **receives** Attachment 1, Major Business Updates and Attachment 2, the Actions arising from previous Board meetings, to Board paper 09/09/0251;
- c. **agrees** to keep Board paper 09/09/0251 in Committee indefinitely to allow the Board the opportunity to have a free and frank discussion on all the issues;

Cambridge Bypass / Victoria Street interchange and cost share

- d. **endorses** the development of an Memorandum of Understanding with Waipa District Council and a Multi Party Funding Agreement (to be signed by the Chief Executive under delegation) for the construction of the Cambridge Bypass/Victoria Street interchange, based on each party paying for the benefits they derive from the infrastructure Improvement;

Leasing arrangements for NZ Transport Agency's vehicle fleet

- e. **authorises** the Chief Executive to approve Fleetpartners as the lease provider to the NZ Transport Agency, for an initial period of 45 months for total lease costs (from October 2009 onwards) of \$1.4m, per annum, and to approve lease rate increases up to 10% of the initial rates specified within the contract; and

December 2009 Board meeting

- f. **confirms** that the December 2009 Board meeting be held in Tauranga, to coincide with the official opening of the Harbour Link Road, which also incorporates a regional tour of key projects and initiatives.

Garry Moore / Paul Fitzharris

6c **Year to Date August 2009 Finance Report**

Board paper 09/0/0252

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **receives** the financial overview report for August 2009;
- b. **requests** that management review the processes around forecasting, milestones, roading delivery, and claims for local roads expenditure with a focus on Auckland's delivery of its road programme; and .
- c. **agrees** to take Board paper 09/09/0252 out of Committee when the Board has received the Financial overview report for the 2 months ended 31 August 2009

Garry Moore / Bryan Jackson

7c **2008/2009 NZ Transport Agency Annual Report and National Land Transport Fund Annual Report**

Board paper 09/09/0265

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **approves**, in principle, the draft NZ Transport Agency (NZTA's) 2008/2009 Annual Report, as shown in Attachment 1 to Board paper 09/09/0265;
- b. **approves**, in principle, the draft 2008/2009 National Land Transport Fund (NLTF) Annual Report, as shown in Attachment 2 to Board paper 09/09/0265;
- c. **agrees** that the final version of the NZTA Annual Report and NLTF Annual Report will be submitted to the NZTA's Audit, Risk and Assurance Board Committee meeting and full Board meeting in October 2009; and
- d. **agrees** to keep Board paper 09/09/0265 in Committee until final approval in October 2009 by the NZTA's Audit, Risk and Assurance Board Committee, full NZTA Board and Audit NZ.

Bryan Jackson / Christine Caughey

8c **Auckland Integrated Fares System Update**

Board paper 09/09/0266

**Resolved:**

That the New Zealand Transport Agency Board did not consider Board paper 09/09/0266.

9c **Draft NZ Transport Agency Farebox Recovery Policy for Public Transport Services**

Board paper 09/09/0262

**Resolved:**

That the New Zealand Transport Agency Board:

- a **agrees** to the draft NZ Transport Agency (NZTA) farebox recovery policy for public transport services for consultation purposes (Attachment 2 of Board paper 09/09/0262, as amended by the Board);
- b **agrees** to the approach, including consultation with stakeholders, for finalising the farebox recovery policy by the end of this year (paragraph 50 of Board paper 09/09/0262);

- c **agrees** to the principles to be applied by regional authorities when developing farebox recovery policies (paragraph 21 of Board paper 09/09/0262);
- d **agrees** the preferred option is Option 2, but both options will be consulted on, which are
  - I. *Option 1*: Formalised status quo – Requiring regional authorities to set their own farebox recovery ratio target based on the NZTA’s objectives and principles;  
or
  - II. *Option 2*: The NZTA to set a farebox recovery ratio target of 50 percent for Auckland, Wellington and Canterbury, with the ability to seek approval from the NZTA for an alternative target (if satisfactory justification is provided), others set their own target;
- e **notes** that there are many different ways to improve farebox recovery ratios, and increasing fares or the ‘average ticket price’ is one method;
- f **notes** that the NZTA is planning research on a theoretical framework and tools for determining whether fare and subsidy settings in New Zealand are appropriate;
- g **notes** that an NZTA approach to ensuring compliance with NZTA’s farebox recovery policy and funding policies, in general, has yet to be determined;
- h **notes** that regional authorities have to consider a wide range of factors when reviewing fares, and that it may not be necessary or appropriate to raise fares every year; and
- i **agrees** to take Board paper 09/09/0262 out of Committee when the final NZTA farebox recovery policy has been approved by the Board and incorporated into the NZTA’s Regional Public Transport Plan Guideline, and Planning, Programming and Funding Manual.

Garry Moore / Paul Fitzharris

## 10 Procurement Strategy for Auckland City Council

Board paper 09/09/0261

### Resolved:

That the New Zealand Transport Agency Board:

- a **endorses**, in terms of the NZ Transport Agency’s *Procurement manual for activities funded through the National Land Transport Programme*, the procurement strategy prepared by the Auckland City Council entitled *Strategic procurement plan April 2009 to June 2013* issued in April 2009; and



- b **approves**, under section 25(1) of the Land Transport Management Act 2003, the use of a supplier panel delivery model by the Auckland City Council for the procurement of minor safety and minor capital physical works.

Bryan Jackson / Garry Moore

11 **Safer Journeys Strategy: The NZ Transport Agency's View**

Board paper 09/09/0254

**Resolved:**

That the New Zealand Transport Agency Board:

- a **notes** that the Safer Journeys discussion document proposes that New Zealand adopts the Safe System framework;
- b **notes** that the whilst Safe System framework points to a long term strategic direction, the Safer Journeys discussion document does not map out the path to arrive at a Safe System;
- c **agrees** to incorporate the Safe System framework in influencing and implementing the final Safer Journeys strategy, by endorsing the mix of initiatives within the discussion document that jointly progress the development of a Safe System and address the highest priorities (quickest to implement and show reduction in road trauma):
- Blood Alcohol to 0.05/Infringement penalties for 0.05-08 (safer use)
  - Graduated Driver licensing – raise driving age (safer use)
  - More speed cameras and demerits for illegal speeding (safer speeds)
  - Change turning rules (Right Hand rule) (safer roads and roadsides)
  - Mandating electronic stability control (safer vehicles)
  - Targeted programmes for high risk rural roads (safer roads and roadsides)
  - Urban high risk safety intersection treatments (safer roads and roadsides)
- d **agrees** to endorse the following initiatives as having supporting value:
- Graduated Driver licensing improvements – strengthen restricted license test (safer use)
  - Speed zoning on high risk rural roads (safer speeds)
  - Integrate safety with land use planning (safer roads and roadsides)
- e **notes** that many effective initiatives in the discussion document enhance current NZTA activities and will be implemented in parallel with the strategy as part of “business as usual”;

- f **notes** that the list of initiatives in the discussion document does not include *Eliminating speed enforcement tolerances for illegal speeding*, and that this policy change would also make a significant impact on road safety;
- g **notes** that the safer roads and roadside and safer speeds initiatives above, whilst effective, will require some building of regional readiness, capacity and capability to implement; and
- h **notes** that the success of implementing a Safe System approach and Safer Journeys initiatives will also require systemic sector development and realignment, such as changes to the enforcement model, sector relationships, more and improved safety technology, integration of safety planning with transport planning, and regional capability building.

Paul Fitzharris / Christine Caughey

12c **NZ Transport Agency's Submission on the National Infrastructure Plan**

Board paper 09/09/0267

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **notes** that the National Infrastructure Unit is seeking the input of stakeholders, including the NZ Transport Agency, to the development of the National Infrastructure Plan; and
- b. **authorises** the Chief Executive to finalise a submission to the National Infrastructure Unit, based on Attachment 1 to Board paper 09/09/0267, modified as appropriate by discussion at the Board meeting.

Garry Moore / Bryan Jackson

13c **NZ Transport Agency: (SH1) Auckland Northern Busway Extension – Constellation to Silverdale – Investigation Funding**

Board paper 09/09/0258

**Resolved:**

That the New Zealand Transport Agency Board:

- a **supports** the concept of an extension of the Northern Busway to Silverdale/Orewa, subject to further analysis, which will form part of the Investigation phases of the project and subsequent endorsement of a strategic option;

**New Zealand Transport Agency Board meeting – 25 September 2009**

- b **approves** funding for the investigation of the NZ Transport Agency's Auckland Northern Busway Extension (SH1) Constellation to Silverdale project, at an estimated cost of \$4.76 million from N funds, subject to:
  - i. the investigation considering all feasible options to meet the requirements of section 20 of the Land Transport Management Act 2003; and
  - ii. a hold point at the determination of the macroscope, prior to lodging of the Notice of Requirement, to enable the Board's consideration and endorsement of the preferred option;
- c **requests** the Chief Executive to extend the existing Heads of Agreement and Memorandum of Understanding for development of the Busway with North Shore City, Rodney District and the Auckland Regional Transport Authority (ARTA), to facilitate the NOR and subsequent processes and to participate as funding partners;
- d **notes** that the project is very long term and would be constructed over many years in at least six distinct stages;
- e **notes** that the construction cost for the Auckland Northern Busway Extension (SH1) is estimated at around \$800 million;
- f **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- g **agrees** to take Board paper 09/06/0258 out of Committee when the Board has published the notice of decision.

Christine Caughey / Bryan Jackson

14c **NZ Transport Agency: (SH1) Caversham Corridor Improvements – Further Investigation, Design and Property Purchase Funding**

Board paper 09/09/0259

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **approves** funding for the further investigation and design of the New Zealand Transport Agency's (NZTA's) SH1 Caversham Corridor Improvements project, at an estimated cost of \$2.20 million from R funds, subject to
  - i. a hold point once the final macroscope of the project has been defined to enable the Group Manager, Regional Partnerships and Planning to consider and endorse the preferred option if its construction cost estimate is not greater than \$32 million (95<sup>th</sup> percentile), or for the Board to consider and endorse the preferred option if its construction cost estimate is over \$32 million; and

- ii. the Group Manager, Highway and Network Operations publishing details of the contracts let for design, including details of direct appointments made under Rule 10.11 of the NZTA Procurement Manual, within 1 month of letting the contracts;
- b. **approves** funding for the property purchase associated with the project, at an estimated cost of \$4.60 million from R funds;
- c. **notes** that the construction cost for the project is estimated at \$27 million, the 95<sup>th</sup> percentile construction cost is estimated at \$32 million and the 5<sup>th</sup> percentile at \$23 million;
- d. **notes** the reasons for this decision are as set out in the Reasons for recommendation section; and
- e. **agrees** to take Board paper 09/09/0259 out of Committee when the Board has published the notice of decision.

Paul Fitzharris / Bryan Jackson

15c **Massey North: (SH16/18) Development at Westgate and Motorway Interchange, Waitakere**

Board paper 09/09/0264

**Resolved:**

That the New Zealand Transport Agency Board:

- a. **notes** the visit from Waitakere City Council representatives, who propose ramps at Northside Drive to:
  - i. promote economic activity in the proposed Massey North town centre and the north-western growth area through the most direct connection to the SH16 Motorway, and
  - ii. provide an alternative SH18 to SH16 connection via the Trigg Road Interchange and Northside Drive with the proposed Northside Drive ramps;
- b. **endorses** the following integrated planning concepts in considering the Waitakere City Council's request:
  - I. supports economic development of the proposed Massey North town centre;
  - II. that in light of wider Auckland growth, the marginal economic benefit of an additional interchange is outweighed by the economic dis-benefits on the State Highway network performance;

## **New Zealand Transport Agency Board meeting – 25 September 2009**

- III. that an appropriate internal road hierarchy can be developed to support the proposed development, with efficient access via Brigham Creek Interchange, Hobsonville Interchange, and (old)SH16;
  - IV. protecting the long term motorway to motorway connection between SH16 and SH18 is preferred over the proposed Northside Drive to Trigg Road Interchange connection, due to the significantly reduced level of service to through traffic;
  - V. that where practicably possible, the Austroad standards for interchange separation should be adhered to, to maintain the safety and efficiency of the State Highway national network for long distance freight and people movement;
  - VI. that the NZ Transport Agency will complete the necessary planning to ensure that the ability to provide full future connectivity between SH16 and SH18 is not precluded or compromised, and that any necessary protections (alteration to designation) are put in place;
- c. **confirms** Northside Drive as an arterial road over the SH16 Brighams Creek Motorway with no connections;
  - d. **requests** the Chief Executive to work with the Waitakere City Council, Auckland Regional Council and developers to determine the optimal local road network to connect to the planned SH16 connections; and
  - e. **agrees** to take Board paper 09/09/0264 out of Committee when the Board has advised Waitakere City Council of its decision.

Paul Fitzharris / Alick Shaw

### **External presentations**

Penny Hulse, Deputy Mayor; Vijaya Vaidyanath, Chief Executive; Tony Miguel, Director City Services; Graeme Campbell, Director, Strategy; Kevin Wright, Manager Transport; and Sam Shumane, Traffic Engineer, from Waitakere City Council gave a presentation on the Development at Westgate and Motorway Interchange, Waitakere City.

### **Next meeting**

The next meeting of the New Zealand Transport Agency Board is confirmed for **Friday, 30 October 2009** in the NZ Transport Agency Board Room, Level 2, National Office, Chews Lane, Victoria Arcade, 44 Victoria Street, Wellington, commencing at 8:00am.