
Growth and Infrastructure Committee

OPEN MINUTES

Minutes of a meeting of the Growth and Infrastructure Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 27 August 2019 at 9.31am.

PRESENT

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr G Taylor
Members	Mayor A King
	Deputy Mayor M Gallagher
	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr L Tooman
	Cr R Hamilton
	Maangai Norm Hill

In Attendance	Jen Baird - General Manager City Growth
	Eeva-Liisa Wright – General Manager Infrastructure Operations
	Chris Allen - General Manager Development
	Blair Bowcott - Executive Director Special Projects
	Karen Saunders - Peacocke Programme Manager
	Robyn Denton - Operations Team Leader
	Nigel Ward - Communications Team Leader
	Stafford Hodgson - Senior Policy Analyst
	Andrew Parsons – Strategic Development Manager
	Tahl Lawrence – Project Engineer
	Chris Barton – Project Development Manager
	Cliff Newton-Smith – Development Manager
	Jamie Sirl – Senior Planner
	Sam le Heron – Acting Planning Guidance Manager
	Emily Botje - Facilities Unit Manager
	Alice Morris – City Planning Heritage
	Lyle Barker – Passenger Rail Project Update
	Maire Porter – City Waters Manager

Governance Staff	Amy Viggers, Rebecca Watson and Claire Guthrie - Committee Advisors
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1. Apologies

Resolved: (Cr Macpherson/Cr Casson)

That the apologies for partial attendance from Cr Southgate and for early departure from Cr Mallett be accepted.

2. Confirmation of Agenda

Resolved: (Cr Macpherson/Cr Casson)

That the agenda is confirmed noting Item 14 (Peacocke Programme Update) is to be taken after Item 9 (Chair's Report) to accommodate members of the public.

3. Declarations of Interest

Maangai Hill declared an conflict of interest in relation to Item 9 (Chair's Report) and Item 14 (Peacocke Programme Update) during the meeting. He did not take part in the debate or vote of either items.

Cr O'Leary declared an conflict of interest in relation to Item 16 (Verbal report - Passenger Rail Project Update) and Item C2 (Passenger Rail Project Update) during the meeting. She did not take part in the debate or vote of the item.

4. Public Forum

Selwyn and Dianne June spoke to Item 9 (Chair's Report) in relation to the effects of Amberfield Development on the those that live in the area of Bader and Norrie St. They felt that the development would negatively affect them and others living in the area of Bader due to the increase in traffic.

Pizo Pienaar spoke to Item 11 (Vesting of Christobel Circle) in relation to the request from residents for the Council to take over ownership of Christobel Circle infrastructure. He thanked the staff for their work which enabled the report to come to today's meeting.

Ron Pengelly spoke to Item 14 (Peacocke Programme Update) in relation to his concerns regarding the funding of infrastructure in new subdivisions.

5. Confirmation of the Growth and Infrastructure Open Minutes 18 June 2019

Resolved: (Cr Macpherson/Cr Casson)

That the Committee confirm the Open Minutes of the Growth and Infrastructure Committee Meeting held on 18 June 2019 as a true and correct record.

6. Te Waka Six-Monthly Update

Dallas Fisher (Te Waka Chair) and Michael Bassett-Foss (Te Waka Chief Executive) provided Committee Members with a presentation, and outlined their focus for the following year which included the initiation of an investment programme. They responded to questions from Committee Members concerning Te Waka assistance to entities in areas such as the Provincial Growth Fund applications, the governance structure including the invitation of a iwi representation on the board, and projects that were of focus for the following year including supporting Maaori Economic Development, the Waikato Story, and the Provincial Growth Fund.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Growth and Infrastructure Committee receives the report.

Cr Southgate left the meeting (10.32am) during the discussion of the above item. She was not present when the matter was voted on.

7. Hamilton Central Business Association - Six-Monthly Update, Audited Performance Report for 2019 and CBD Activation Update

Vanessa Williams (General Manager) and Mike Neale (HCBA Executive Committee Member) took their report as read and provided Committee Members with presentation on recent projects such as their Take Advantage programme and CBD Activation programme. They responded to questions from Committee Members concerning recent transformation projects in the CBD, the introduction of lime scooters in Hamilton, the CBD Activation programme, and parking in the CBD.

Resolved: (Cr Taylor/Mayor King)
That the Growth and Infrastructure Committee receives the report.

Cr Macpherson left the meeting (10.50am) during the discussion of the above item. He was not present when the matter was voted on.

Cr Taylor Deputy Chair of the Growth and Infrastructure Committee resumed the Chair.

The meeting adjourned from 11.10am to 11.26am.

Mayor King, Deputy Mayor Gallagher and Cr Mallett left the meeting during the above adjournment. Cr Macpherson re-joined the meeting during the above adjournment and resumed the chair.

8. Hamilton and Waikato Tourism Limited - Six-Monthly Report to December 2018

Jason Dawson (Hamilton and Waikato Tourism Chief Executive) spoke to his report, and noted that Hamilton had been voted the number 1 summer spot destination 2018-2019 by Book-a-Bach. He responded to questions from Committee Members concerning the increase in overnight visits, funding of Hamilton and Waikato Tourism, the Hamilton and Waikato Ambassadors programme and future events in the region.

Resolved: (Cr Macpherson/Cr Tooman)
That the Growth and Infrastructure Committee receives the report.

Cr Mallett re-joined the meeting (11.30am) during the discussion of the above item. He was present when the matter was voted on.

Deputy Mayor Gallagher re-joined the meeting (11.37am) during the discussion of the above item. He was present when the matter was voted on.

Mayor King re-joined the meeting (11.40am) during the discussion of the above item. He was present when the matter was voted on.

9. Chair's Report

The Chair spoke to his report and acknowledged the achievements of the Committee throughout the triennium by Committee Members and staff.

The General Manager City Growth then outlined the proposed process to update Members on Sensitive Developments, such as the Amberfield Development. Along with staff, the Chair responded to questions from Committee Members concerning the Amberfield Construction Traffic Management Plan, safety improvements for Bader Street and Norrie Crescent corridor, and the resource consent process.

Resolved: (Cr Macpherson/Cr Taylor)

That the Growth and Infrastructure Committee

- a) receive the report;
- b) requests the Mayor speak with the Ministers of Transport regarding the NZTA declining of funding for the School Link and Transport Centre upgrade projects;
- c) requests staff, subject to the draft traffic management conditions of the Amberfield subdivision consent being confirmed, bring the Amberfield Construction Traffic Management Plan to the Access Hamilton Taskforce for discussion prior to approval;
- d) notes that staff will report back to the Regulatory and Hearings Committee following community engagement on the first tranche of safety improvements for Bader St and Norrie Crescent corridor including pedestrian improvements and 30km/h speed limit in the shopping centre; and
- e) requests that staff engage with Elected Members (via Access Hamilton Taskforce or similar) on the development of the second tranche of safety improvements in the Bader St and Norrie Crescent corridor.

Maangai Hill declared an conflict of interest during the discussion of the above item in relation item 9 (Chair's Report) and item 14 (Peacocke Programme Update), and did not take part in the debate or vote of either items. He left the meeting (12.15pm) during the discussion of the above item.

Item 14 (Peacocke Programme Update) was taken following item 9 (Chair' Report) to accommodate members of the public.

10. Peacocke Programme Update

The Peacocke Programme Manager and Strategic Development Manager spoke to the report and noted that the staff recommendations were related to past resolutions of the Council. Staff responded to questions from Committee Members concerning strategic wastewater, the timeline of the development, Southern Links, the bridge macroscope, and the Whatukoruru Historic Reserve.

Resolved: (Cr Macpherson/Cr Taylor)

That the Growth and Infrastructure Committee:

- a) receives the report;

Contracts

- b) delegates financial authority to the Chief Executive to award physical works Contract Number 18532 for the construction of the State Highway 3/East West Arterial intersection subject to the Approved Contract Sum not exceeding \$13,000,000 (plus GST);

Reserves and road stopping

- c) approves commencement of a road stopping process and for a title issued in the Council's name, as shown in blue on attachment 4;
- d) approves commencement of the revocation process for the reserve status under the Reserves Act 1977 of the Whatukoruru Historic Reserve as shown in green, with the portion outlined in red to be held as Local Purpose (Road) Reserve, as indicated in attachment 4 of the staff report;
- e) approves commencement of a change of reserve status process to Local Purpose (Road) Reserve under the Reserves Act 1977 for the Reserve land associated with the Wairere/Cobham intersection and the Waikato River bridge, as indicated in blue and orange (final area subject to survey for the road) on attachment 5;

- f) notes any objection received from the Public consultation processes relating to recommendations c), d) and e), that is not resolved will be reported to Council;
- g) delegates authority to the Chief Executive to execute and sign all documentation relating to completing the road stopping, reserve revocation and change of reserve status;

Bridge and wastewater macroscope

- h) approves the bridge deck space allocation as set out in **Attachment 3** (Access Hamilton Presentation); and
- i) approves the updated Peacocke Strategic Transport macroscope as set out in **Attachment 6**.

The meeting adjourned from 1.07pm to 1.48pm.

Mayor King left the meeting during the above adjournment.

Cr Southgate re-joined the meeting during the above adjournment.

11. Development Contributions Remissions Quarter 4 2019

The Senior Policy Analyst introduced the report, and noted that there had been two recent remission decisions that were not accepted by the applicants. These decisions were being challenged through the objection process which meant that there would be a Commissioner Hearing to resolve them. Staff responded to questions from Committee Members concerning the objection process and potential outcome.

Resolved: (Cr Macpherson/Cr Casson)

That the Growth and Infrastructure Committee receives the report.

2. Confirmation of the Agenda

Resolved: (Cr Macpherson/Cr Bunting)

That Item C2 (Passenger Rail Project Update) is moved into the open session of the meeting, included as Appendix 1 of the minutes. That Item C2 (Passenger Rail Project Update) is to be taken to with item 16 (Verbal Report - Passenger Rail Project Update) prior to Item 15 (General Managers Report).

12. Vesting of Christobel Circle

The Strategic Development Manager spoke to the report and outlined the unique situation of Christobel Circle. Staff responded to questions from Committee Members concerning the structure of the development, the limited opportunity for such a development to occur again and the potential cost to Council to upgrade the vested assets.

Resolved: (Cr Macpherson/Cr Taylor)

That the Growth and Infrastructure Committee;

- a) receives the report;
- b) approves pursuant to section 349 of the Local Government Act 1974, declares that those parcels of land described as firstly, 0.4865 ha being Lot 77 DP 374130; and secondly, 0.1390 ha being Lot 78 on DP 374130 to be road to the intent that from the date of this declaration those parcels of land vest in Hamilton City Council as public road as shown on the plan annexed, Attachment 1, of the staff report);

- c) approves pursuant to section 462 of the Local Government Act 1974 those parts of the storm water drainage and sewerage drainage infrastructure depicted on DP 374130 not located within the public road and which service multiple residential properties be declared to be public drains vested in the Hamilton City Council as shown on the plan annexed, Attachment 2, of the staff report;
- d) delegates authority to the Chief Executive to complete any documentation required to give effect to this resolution, and to enter into and complete any agreements with the residents pertaining the future function of the infrastructure, including how the refuse will be removed from the development; and
- e) delegates authority to the Chief Executive to complete the registration documentation to legalise the dedication of the land.

Mayor King re-joined the meeting at 1.58pm during the discussion of the above item. He was present when the matter was voted on.

13. Contract Award Delegations

The Capital Projects Manager introduced the report and noted that all of the contracts were budgeted for as part of the 2018-28 10-Year Plan. Staff responded to questions from Committee Members concerning the timeline for the Te Awa Cycle Path.

Resolved: (Cr O’Leary/Cr Macpherson)

That the Committee:

- a) delegates authority to the Chief Executive to award the contract for the construction of the **Te Awa cycle path** connection from Hamilton gardens to the city boundary, subject to project funding approval by NZTA at a funding assistance rate of 51% and the Approved Contract Sum not exceeding \$4,760,000;
- b) delegates authority to the Chief Executive to award the contract for the upgrade of the **Hillsborough wastewater pump station**, subject to the Approved Contract Sum not exceeding \$4,200,000;
- c) delegates authority to the Chief Executive to award the contract to complete an urban upgrade of **North Ridge Drive** and associated stormwater wetland development, subject to the Approved Contract Sum not exceeding \$5,250,000;
- d) delegates authority to the Chief Executive to award the contract for a 3 year programme of **stormwater network erosion remediation**, subject to the Approved Contract Sum not exceeding \$11,200,000;
- e) delegates authority to the Chief Executive to award the 10 year contract for maintenance and renewals of **Council owned lifts** subject to the Approved Contract Sum not exceeding \$6.9 million; and
- f) delegates authority to the Chief Executive to finalise negotiations and approve a 12 month extension to **Contract 12046: Disposal of Sewage Sludge** by Vermicomposting with Noke Limited until 1 August 2020, subject to the Approved Contract Sum not exceeding \$6,788,000.

Cr Mallett Dissenting.

14. Gordonton Road Corridor Macro Scope and Business Case Approval

The Capital Projects Manager introduced the report and noted that the purchase of land was budgeted for in the 2018-28 10-Year Plan. He responded to questions from Committee Members

concerning the link to the area known as R2, the design of the corridor including options to lessen traffic incidents, and funding of the project.

Resolved: (Cr Macpherson/Deputy Mayor Gallagher)

That the Growth and Infrastructure Committee:

- a) approves the macro scope of the Gordonton Road Corridor Improvement Project including the upgrade of the Gordonton-Puketaha Intersection and the Gordonton Pedestrian/Cycleway Network Improvements;
- b) requests staff bring the design and area wide considerations of the Gordonton Road Corridor/Puketaha intersection to an Access Hamilton meeting;
- c) approves the Gordonton Road Corridor Single Stage Business Case be submitted to the New Zealand Transport Agency to seek project funding approval; and
- d) delegates authority to the Chief Executive to purchase land required for the upgrade of the Gordonton-Puketaha Intersection, subject to New Zealand Transport Agency project funding approval.

16. Verbal report - Passenger Rail Project Update and Item C2. Passenger Rail Project Update

The General Manager Development spoke to report and explained that the item had been moved into the open session of the meeting as the tender process had closed since the agenda was completed. He noted that New Zealand Transport Agency (NZTA) had approved a subsidy at their 23 August 2019 board meeting, and that that there were two errors in the report. The first was that the Tasman Road urbanisation project was not to exceed \$14,265,000.00, and the second in relation to point 35 of the staff report was that the Gross Budget Provision total was \$22,829,000.00. He responded to questions from the Committee Members concerning the NZTA subsidy and the proposed design of the Tasman Road.

Resolved: (Cr Taylor/Deputy Mayor Gallagher)

That the Growth and Infrastructure Committee:

- a) receives the report; and
- b) delegates authority to the Chief Executive to award Contract 18508 – Rotokauri Transport Hub up to an Approved Contract Sum of \$20,000,000.00, subject to the Hamilton City Council share of capital funding for the Rotokauri Public Transport Hub and the associated Tasman Road urbanisation project not exceeding \$14,265,000.00 as set out in this report.

Crs Mallett and Casson Dissenting.

Cr Macpherson left the meeting (2.52pm) during the discussion of the above item.

Cr Taylor Deputy Chair of the Growth and Infrastructure Committee resumed the Chair.

Cr Macpherson returned to the meeting at (3.09pm) during the discussion of the above item and resumed the Chair.

Cr O'Leary declared an conflict of interest during the discussion in relation to the item 16 (Verbal report - Passenger Rail Project Update) and item C2 (Passenger Rail Project Update) and did not take part in the debate or vote of either items. She left the meeting (3.05pm) during the discussion of the above item.

The meeting adjourned from 3.23pm to 3.30pm.

Cr Southgate retired from the meeting during the above adjournment.

15. General Managers' Report

The report was taken in parts and as read.

The General Manager City Growth outlined the proposed process to update Members on Sensitive Developments, such as the Amberfield Development, via a month clinic. She responded to questions from Committee Member concerning the definition of sensitive developments and the proposed structure of the monthly clinic sessions with Members.

The City Waters Manager responded to questions from Committee Members concerning the key features of the regulatory reforms that are a part of the Three Water Review.

The Chair of Access Hamilton, Cr Bunting, provided Committee Members with an overview of the Access Hamilton meeting on 26 August 2019. Along with staff he responded to questions from Committee Members concerning the Personal Hire Device Code of Practice.

The Transportation Operations Team Leader responded to questions from the Committee Members concerning the draft Regional Speed Management Plan and confirm that Hamilton City Council had its own Speed Management Plan.

The Chair of the Waste Taskforce, Cr Henry, provided Committee Members with an overview of the last Waste Taskforce meeting on 7 August 2019.

The General Manager Infrastructure Operations provided Committee Members with an overview Project Watershed and responded to questions from Committee Members concerning Waikato Regional Council proposed contribution, cost to Council, and funding from Waikato River Authority.

Staff Action: *Staff undertook to circulate the signed Hamilton to Auckland Corridor Agreement to Committee Members.*

Staff Action: *Staff undertook to provide Committee Members with the Personal Hire Device Code of Practice as part of a future Executive Update.*

Resolved: (Cr Taylor/Cr Bunting)

That the Growth and Infrastructure Committee

- a) receives the report; and
- b) approves the Waikato Speed Management Plan (stage 1);
- c) notes a regular Clinic will be arranged for Elected Members to discuss Sensitive Development; and
- d) notes the proposed Hamilton City Council 2020-21 Project Watershed one year plan will be submitted to the Waikato Regional Council for approval through their 2020-21 Annual plan process.

Cr Mallett Dissenting.

Cr Macpherson retired from the meeting (4.16pm) during the discussion of the above item.

Cr Taylor Deputy Chair of the Growth and Infrastructure Committee resumed the Chair.

17. Resolution to Exclude the Public

Resolved: (Cr Taylor/Cr Bunting)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Growth and Infrastructure Public Excluded Minutes 18 June 2019) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
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The meeting went into a Public Excluded session at 4.28pm.

The meeting was declared closed at 4.28pm.

Council Report

Committee: Growth and Infrastructure Committee

Date: 27 August 2019

Author: Lyle Barker

Authoriser: Chris Allen

Position: Project Engineer

Position: General Manager Development

Report Name: Passenger Rail Project Update

Report Status

This report is taken as a publicly excluded item to enable Council to carry out commercial activities without disadvantage; AND to enable Council to carry out negotiations.

Purpose

1. To seek approval from the growth and Infrastructure Committee to delegate authority to the Chief Executive to award Contract 18508 for construction of the Rotokauri Transport Hub.

Staff Recommendation

2. That the Growth and Infrastructure Committee:
 - a) receives the report;
 - b) delegates authority to the Chief Executive to award Contract 18508 – Rotokauri Transport Hub up to an Approved Contract Sum of \$20,000,000.00, subject to the Hamilton City Council share of capital funding for the Rotokauri Public Transport Hub and the associated Tasman Road urbanisation project not exceeding \$13,566,000 as set out in this report; and
 - c) approves the release of the staff report and resolution to the public at the conclusion of negotiations concerning the above contract.

Executive Summary

3. At the time of writing this report a New Zealand Transport Agency (the Agency) board decision on the implementation stage funding which includes construction of the Rotokauri Public Transport Hub (PT Hub) is anticipated on 23 August 2019. Staff will provide a verbal update.
4. In order to meet delivery timelines for the beginning of the Hamilton to Auckland start-up rail service the PT Hub will need to begin construction in September 2019.
5. To meet this date the construction contract 18508 will need to be awarded as soon as possible after the tender evaluation has been completed. To facilitate this staff propose that the Chief Executive is delegated authority to award the contract up to an Approved Contract Sum of \$20,000,000.00.

Appendix 1

6. Staff consider the decision in this report has a medium significance and that the recommendations comply with the Council's legal requirements.

Background

7. On 13 December 2018 Council resolved to approve the Single Stage Business case for the Hamilton to Auckland Start-up Passenger Rail Service which was subsequently approved by the Agency.
8. At the Growth and Infrastructure Committee on the 29th of March 2019, Council resolved to:
 - a) *receive the report;*
 - b) *approves the proposed Governance Structure and the Terms of Reference for the Project Governance Working Group included as Attachment 1 to this report;*
 - c) *approves the Chair of Growth and Infrastructure Committee to be the Hamilton City Council representative on the Project Governance Working Group with the Deputy Chair of Growth and Infrastructure Committee being the Hamilton City Council alternate member;*
 - d) *approves the macroscope of the Rotokauri Public Transport Facility as set out in Attachment 3 to this report;*
 - e) *approves bringing forward the overhead structures connecting the Rail Platform to the Base and the PT Facility site subject to reaching a suitable funding arrangement with NZ Transport Agency to complete the works within the existing funding approvals including the re-investment of additional enhanced financial subsidy received for the Rotokauri Public Transport Facility development; and*
 - f) *requested staff to commence a local engagement process to establish special vehicle lanes on Tasman Road between Hamilton City Councils Park and Ride site and the railway line and to report back to the Regulatory and Hearings Committee prior to 15 August 2019.*
9. An update on the Hamilton to Auckland Start-Up Passenger Rail Service was provided to the 18 June 2019 meeting of the Growth and Infrastructure Committee. The approved macroscope of the PT Hub is included as Attachment 1.
10. Since this approval, staff have progressed the design and a contract for the construction work has been publicly tendered closing on 22 August 2019. The scope of work in this contract includes the pedestrian bridge connecting the rail platform to the Base and the PT Hub, in accordance with the approved macro-scope (Attachment 2- Overall precinct layout).
11. The tender has been progressed ahead of confirmation of Agency funding to meet the expected start date of the service of June 2020.
12. The Agency board has approved funding for the pre-implementation (design) stage of the Hamilton to Auckland passenger rail project, including land purchase for the Park and Ride and planning and design for the PT Hub.
13. The Agency Board decision on the implementation stage funding which includes construction of the PT Hub is expected on 23 August 2019. Staff will provide a verbal update. Award of any implementation work is largely subject to confirmation of Agency funding at the levels expected.

Appendix 1

14. The engagement process for regulatory changes to Tasman Road has been completed, a hearing has been convened and at the time of writing this report a deliberation and decision report is being presented to the Regulatory and Hearings Committee on 21 August 2019. Staff will provide a verbal update and incorporate any decision made by the Regulatory and Hearings Committee into this project.

Discussion

15. This report relates to awarding a construction contract for the PT Hub at Rotokauri which is an important component of the Hamilton To Auckland Start-up Passenger Rail Service.
16. This is phase 1 of a 3-phase project looking at Intercity connectivity (Hamilton to Auckland) being considered by the multi-agency Hamilton to Auckland Corridor project team.
17. Phase 2 is being called the "Start-Up next steps" and Phase 3 is Rapid Intercity Rail. An indicative business case being led by the Ministry of Transport for Rapid Intercity Rail is under development and due to be completed by April 2020.
18. The business case will test how fast passenger rail connections between the two cities could help meet the corridors full potential and support growth.
19. A current Auckland initiative is to upgrade Puhinui Rail station to be a major transport hub accommodating a third and fourth rail line and integration with a mass transit link from Botany to the Airport.
20. Council were briefed on this initiative at its 8 August 2019 meeting and resolved to request that these initiatives enabled regional rail. The Mayor wrote to the Minister of Transport to inform him of the Council resolution given that the phase 3 business case is being lead by his officials in the Ministry of Transport (Attachment 3).
21. In order to meet delivery timelines for the Hamilton to Auckland start-up Passenger Rail Service (June 2020), the PT Hub will need to begin construction in September 2019.
22. To meet this date construction contract 18508 will need to be awarded as soon as possible after the tender evaluation has been completed. To facilitate this staff propose that the Chief Executive is delegated authority to award the contract up to an Approved Contract Sum which includes an allowance for contingency. If the Agency Board does not fund all components of the project at anticipated subsidy levels this will be considered at the meeting.
23. The contract has been publicly tendered and will be assessed using the price-quality method as outlined in the tender documentation.

Financial Considerations- Rotokauri PT Hub

Funding Availability

24. Council resolved in June 2019 to bring forward the pedestrian overbridge connecting the rail platform to both the Base and the Tasman Road site subject to reaching a suitable funding arrangement with the Agency to complete the works within the existing funding approvals including the re-investment of any additional enhanced financial subsidy received.
25. The following shows the approved budget availability in the 2018-28 10-Year Plan to complete the PT Hub. The table includes budget for an associated project to upgrade the balance of Tasman Road which is not directly part of the PT Hub but which is proposed to be carried out under the same contract (Tasman Road- Hub non-related).

Project Component	CE Code	Gross Budget Provision (\$000)	Assumed NZTA Subsidy (%)	Assumed NZTA Subsidy (\$000)	Net budget Provision (\$000)
Mass Transit	CE19058	9,876	51%	5,037	4,839
Rail Platform	CE19038	2,070	51%	1,056	1,014
Roading upgrades	CE15090	7,713	0%	0	7,713
Sub-Total 2018-21		\$19,659		\$6,093	\$13,566
2017/18 Expenditure	CE 18003	*699	0%	0	*699
Total		\$20,358		\$6,093	\$14,265

*previous expenditure relates to deposit on land purchase and concept design development for which retrospective subsidy is sought.

26. In addition to this funding, it is proposed that the rail platform (structure only-excluding anything above structure such as shelters, lighting etc) and any work required to shift the main trunk rail way lines by KiwiRail will be funded by the Agency out of Transitional Rail at 100% subsidy.
27. The Platform construction will be included in the contract work that Council undertakes. The rail work will be undertaken by KiwiRail and not included in the Council contract.
28. As KiwiRail is not an Approved Organisation for the purposes of accessing funding from the National Land Transport Fund, Council has a process in place to request the funding as work is progressed and to then transfer this funding to KiwiRail. This process is similar to the one where Waikato Regional Council requests funds for bus shelters and transfers this to HCC, who constructs them.

Project Estimates

29. The Agency has approved pre-implementation (design) funding for the direct projects relating to the establishment of the PT Hub.
30. The pre-implementation work has now enabled the project estimates to be developed to the point where they are suitable for tendering and to be used as a basis for the subsidy request to the Agency, which will be decided at its 23 August 2019 Board meeting.
31. Committee has previously approved the construction of the new collector road to be carried out by an adjacent developer and this work is underway and does not form part of the main contract out to tender.
32. The purchase of land for future development of the Park and Ride and urbanisation of the balance of Tasman Road (Hub non-related) are associated projects that will not attract Agency subsidy.
33. The Agency has indicated that Council can request a subsidy for the stage 2 land at a later point if it wishes to expand the Park and Ride.
34. The Tasman Road Hub non-related project will be included in the contract out to tender.
35. The following sets out the current project estimates at an individual component level for all of the components that are directly related to the PT Hub and associated with the PT Hub.

Appendix 1

Rotokauri PT Hub- Direct Projects Cost Estimate

Project Component	CE Code	Gross Budget Provision (\$000)	Assumed NZTA Subsidy (%)	Assumed NZTA Subsidy (\$000)	Net budget Provision (\$000)
Land Purchase- Stage 1	Mass Transit CE19058	3,300	75.5%	2,491	809
Park and Ride Development		2,246	75.5%	1,696	550
Driver Facility		100	75.5%	76	24
		5,646		4,263	1,383
Rail Platform- Structure	Rail Platform CE19038	2,433	100%	2,433	0
Rail Platform – Above Track		630	75.5%	476	154
Overbridge		6,992	75.5%	5,279	1,713
		10,055		8,188	1,867
New Collector Road	Roothing Upgrades CE15090	2,167	75.5%	1,636	531
Tasman Road- Hub related		2,168	75.5%	1,637	531
		4,335		3,273	1,062
KiwiRail Trackwork	Transitional Rail	2,793	100%	2,793	0
		2,793		2,793	0
Total		\$22,879		\$18,517	\$4,312

Item C2

Rotokauri PT Hub- Associated Projects Cost Estimate

Project Component	CE Code	Gross Budget Provision (\$000)	Assumed NZTA Subsidy (%)	Assumed NZTA Subsidy (\$000)	Net budget Provision (\$000)
Land Purchase- Stage 2	Mass Transit CE19058	3,100	0%	0	3,100
Tasman Road- Hub non-related	Roothing Upgrades CE15090	3,050	0%	0	3,050
Total		6,150		0	6,150

36. Council has allocated \$14.265M of funding (local share) to implement the direct and associated PT Hub projects.

Appendix 1

Item C2

37. The current estimated local share cost of the direct and associated projects is

Direct Projects	\$ 4.312M
Associated Projects	\$ 6.150M
Contingency	\$ 3.803M
Total	\$14.265M

38. Effectively there is \$3.803M of contingency to allow for the uncertainty of market risk in tendering the last contract and the uncertainty of Agency level of subsidy assistance (until the Agency Board decision on 23 August 2019).

Approved Contract Sum

39. The following items of work have been included in one physical works contract to construct the PT Hub which is currently under evaluation.

Component	Description
Park and Ride Development	The land purchase is not included in contract. This allows for the Tasman Road site development (Park and Ride and Bus Platform) – <i>Funded at 75.5% Agency subsidy.</i>
Driver Facility	Provision of Bus Driver facilities that are now required to be provided – <i>Funded at 75.5% Agency subsidy.</i>
Rail Platform- Structure	Provision of Rail Platform structure only which becomes a KiwiRail asset on completion. Also includes Civil works to prepare for KiwiRail track relocation. – <i>Funded at 100% Agency subsidy.</i>
Rail Platform – Above Track	Provision of all facilities on and around platform including shelters, lighting, CCTV, seating etc – <i>Funded at 75.5% Agency subsidy.</i>
Pedestrian Overbridge	Provision of Pedestrian overbridge as per approved macro-scope which provides connectivity from Eastern side of Tasman Road to Central rail platform to the Base. – <i>Funded at 75.5% Agency subsidy.</i>
Tasman Road- Hub related	Upgrade of Tasman Road to urban standards between Park and Ride site and Rail – <i>Funded at 75.5% Agency subsidy.</i>
Tasman Road- Hub non-related	Urbanisation of balance of Tasman Road between Te Kowhai Road and Rail overbridge which is not a direct component of Agency funded PT Hub – <i>Funded at 0% Agency subsidy.</i>

Appendix 1

40. Of the \$3.803 Project contingency it is recommended that \$2.313 is allocated as contingency for the contract to address uncertainty regarding market pricing.
41. A summary of the project costs are:

Phase	Item	Total Cost (\$000)	NZTA Subsidy (\$000)	Net HCC Cost (\$000)
Pre-Implementation	Design, Internal costs	1,070	866	204
	Land Stage 1	3,300	2,492	808
Implementation	Supervision, Internal costs	568	429	139
	Main Contract 18508	17,687	12,007	5,680
	New Collector Road	2,167	1,636	531
	KiwiRail Trackwork	1,137	1,137	0
Other	Land Stage 2- (Complete-costs known)	3,100	0	3,100
Total		29,029	18,567	10,462
Proposed Contract 18508 Contingency				2,313
Remaining HCC Net Contingency				1,490
Total:				14,265

43. It is recommended that the Chief Executive is delegated authority to award contract 18508 up to an approved contract sum of \$20,000,000.

Wellbeing Considerations

44. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
45. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
46. The recommendations set out in this report are consistent with that purpose.

Social

47. There are significant social benefits in providing a public transport system and encouraging walking and cycling which provide connectiveness to opportunities.

Appendix 1

Economic

48. Economic considerations were considered as a part to the report to the Council on 13 December 2018 at which point the Council resolved to approve the Single Stage Business case for the Hamilton to Auckland Start-up Passenger Rail Service which was subsequently approved by the Agency.

Environmental

49. The start-up passenger rail service contributes to a number of Hamilton City Councils sustainability principles, including;
- Principle 1- HCC includes environmental, economic, social and cultural considerations in its decision making (taking a business case approach).
 - Principle 4- HCC works with central government to deliver on national greenhouse gas emission reduction targets and supports resilience to climate change in our communities (encouraging use of public transport).
 - Principle 5- HCC promotes walking, cycling, public transport and other low carbon transport options.
50. The tender evaluation for Contract 18508 included considered of the contractors proposed sustainability practices and outcomes that will be delivered as part of the works.

Cultural

51. The Hamilton to Auckland Corridor Plan is a government initiative, supported by Cabinet to progress the government urban growth agenda, being delivered in partnership with local government and iwi. It is overseen by a steering group which comprises senior officials from Waikato-Tainui, Auckland Council, Waikato Regional Council, Hamilton City Council, Waikato District Council, NZ Transport Agency, Ministry of Transport, Treasury and the new Ministry of Housing and Urban Development.
52. A project arising from the Corridor Plan is the Hamilton to Auckland Start-up Passenger Rail Service.
53. Hamilton's contribution to this service is to establish a new PT Hub at Rotokauri. The location of the facility was consulted on in the development of Hamilton's District Plan and through this consultation submissions were received from Tainui Group Holdings supporting the PT Hub in its current location.
54. Waikato Regional Council as intended
55. The Hamilton to Auckland Start-up Passenger Rail Service has arisen from the Hamilton to Auckland Corridor Spatial Plan. The purpose of the Spatial Plan is to increase connectivity within the Auckland to Hamilton corridor in a way that realises its social, economic, cultural and environmental potential.

Legal and Policy Considerations

56. Staff confirm that this project complies with the Council's legal and policy requirements.
57. operators of the service are consulting with Tainui in regard to the service including its name.

Risks

58. The Hamilton to Auckland Rail Single Stage Business case includes a comprehensive risk analysis which were developed through risk workshops with the working group representatives (section 6.4 of Business Case).

Appendix 1

59. There are a number of programme and cost risks associated with delivery of the project which are being mitigated by the inclusion of contingency in the estimates and by the establishment of a programme delivery structure to oversee successful delivery of all of the different component projects.
60. Rail passenger demand is listed as a key risk noting that this will be uncertain until the services starts. This creates a risk that the available capacity is not fit for purpose (too high or too low). An impact of this risk is that the revenue and benefits may not be as great as assumed if demand does not meet expected projections which could lead to service viability concerns.
61. This risk has been mitigated by the commission of a demand survey and a peer review of the information available. Additional carriages are being purchased which will allow them to be refurbished if demand exceeds supply. If the demand is significantly different than supply the formal review proposed prior to the 2021 Long Term Plans provides an opportunity to reassess the proposal.
62. The PT Hub is proposed to be an integrated bus/rail public transport facility with high bus demand. Waikato Regional Council has advised that up to 170 bus movements per week day will use this facility with 30,000 passengers per month expected to use the overbridge connection to the Base. This mitigates the risk to Council of the rail service not performing to expectations in the early years.

Significance & Engagement Policy

Significance

63. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have medium significance.

Engagement

64. Community views and preferences are already known to the Council through the public consultation process reported through the Regulatory and Hearings Committee

Attachments

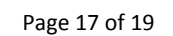
Attachment 1 - Rotokauri PT Hub; Approved Layout- March 2019

Attachment 2 - Rotokauri PT Hub; Overall Precinct Layout- August 2019

Attachment 3 - Letter to Minister of Transport; Puhinui Station Upgrade



Attachment 1





This drawing is confidential and shall only be used for the purpose of this project. The signing of this title block confirms the design and drafting of this project have been prepared and checked in accordance with the AECOM quality assurance system to ISO 9001:2000.

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PROJECT
ROKOKAURI
TRANSPORT HUB

CLIENT
 **Hamilton City Council**
Te kaunihera o Kirikiriroa

PROJECT DATA		
DATUM	-	SURVEY
PROJECT MANAGEMENT INITIALS		
BWW DESIGNER	PN CHECKED	APPROVED

ISSUE/REVISION		
A	05.08.2019	FOR INFORMATION ONLY
IR	DATE	DESCRIPTION

PROJECT NUMBER	60569159
SHEET TITLE	BUS ONLY KEY PLAN
SHEET NUMBER	





OFFICE OF THE MAYOR
HAMILTON

13 August 2019

Hon Phil Twyford
Minister of Transport
Private Bag 18888
Parliament Buildings
Wellington 6160

Dear Minister

HAMILTON TO AUCKLAND PASSENGER RAIL SERVICE

Hamilton City Council is pleased with the progress on the Hamilton to Auckland passenger rail service which comes before the New Zealand Transport Agency Board on 23 August for an implementation decision.

We remain committed to looking at opportunities to improve this service into the future to align with the Hamilton to Auckland corridor work.

In this light, our Council meeting of 8 August 2019 resolved that Council:

'Requests the Passenger Rail Working Group to formally request Central Government and Auckland Transport to consider the Hamilton to Auckland passenger rail service and other regional rail services in the design of the Puhinui Station, including the third main track'.

We have made this request to the Working Group which includes your officials from the Ministry of Transport, but I thought it would be appropriate to make you personally aware of the Council resolution.

Advice received at the meeting noted the Puhinui Station was future-proofed for the third main and the Hamilton to Auckland passenger rail, (to stop and not terminate). However, it was not being enabled through either the design and/or construction of the station to accept regional rail services.

We were also advised it was important to give due consideration for regional rail in the third main business case which we understand is in progress.

Council considered there would be merit in undertaking any design and/or enabling works now (and potentially construction) to avoid any disruption costs that may be necessary in the future.

Thank you for your consideration of this matter as we seek to improve connectivity and wellbeing for residents of the region.

Yours sincerely

Andrew King
Mayor of Hamilton-Kirikiriroa

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