City Centre to Mangere LRT Project Update

Recommendation

That the Board:

i. Receive this update on the City to Mangere (CC2M) Light Rail Transit (LRT) Project.

ii. Approve the draft Roles & Responsibilities Matrix and delegate to the Chief Executive to enter an MoU (Attachment 1).

iii. Note the indicative Route Alignment (Attachment 2).

iv. Note the proposed procurement assessment approach (Attachment 3).

v. Support the 6-month Business Case timetable (Attachment 4).

Executive summary

Auckland Transport (AT) is continuing to work productively with the New Zealand Transport Agency (the Transport Agency), as the lead funder, Auckland Council (AC) and HLC (previously Hobsonville Land Company) to develop the governance structures and Business Case for the ‘City Centre to Māngere corridor’.

2. The roles and responsibilities have been provisionally agreed in a draft MoU whilst the Business Case is being prepared for consideration by Cabinet later this year. The indicative route alignment is being finalised and the financial and economic analysis is underway.

Strategic context

3. The Government has already committed $1.8bn in funding to progress the LRT network within the next ten years under the Auckland Transport Alignment Project (ATAP). The NLTP has included $468m to initiate this project.
Background

4. On 9 May 2018, the Transport Minister Phil Twyford and the Finance Minister Grant Robertson announced that Cabinet had agreed to launch a procurement process for light rail in Auckland. The press release advised The New Zealand Transport Agency (“Transport Agency”) will now set up a robust process to explore a range of possible procurement, financing and project delivery options. This process will invite and assess all potential proposals and report back to the Ministers of Finance and Transport. The Transport Agency will work with the Treasury and the Ministry of Transport in this process.’ It was also announced that the procurement process covers both the city to Māngere and the city to North West lines.

5. The Transport Agency is working closely with the Ministry of Transport and Treasury as it progresses this work in partnership with key agencies. AT is playing a key role in the development of this programme as the service provider and integrator of the Auckland public transport network. The work done by AT on the City to Airport reference design is providing informed analysis to the Transport Agency led joint agency team.

6. A joint agency governance group (the Transport Agency, AT, Auckland Council and HLC) has been established and is meeting weekly to prepare the Business Case and implementation plan. This Joint Establishment Group (JEG) is focused on supporting the Transport Agency to deliver the rapid transit activity defined in the draft Government Policy Statement: ‘to plan, fund, design, supervise, construct and maintain (Auckland’s) rapid transit networks and / or projects, including light rail’.

Project Governance

7. An MoU between the four agencies has been drafted which sets out roles, accountabilities and decision-making rights, including AT statutory obligations as the Road Controlling Authority and contracting authority for public transport operations. Attachment 1

8. The draft MoU including the Roles & Responsibilities Matrix is included in Attachment 1a.

9. Each parties Statutory responsibilities are also recognised (Attachment 1b).

10. The Governance relationships across all key stakeholder can be seen in Attachment 1c.

11. A Chief Executives Group has oversight and ultimate accountability to their Boards/Council.

12. Ministry of Transport and Treasury are advisers, with observer status in the respective groups.
Roles and Responsibilities

13. The Transport Agency is responsible for leading the development of the Business Case and the CC2M programme of works. In conjunction with Ministry of Transport and Treasury, the Transport Agency, will recommend a procurement strategy to Cabinet.

14. The Transport Agency also has a separate regulatory role on rail safety.

15. AT will detail how the light rail route will operate and integrate with the wider transport network e.g. broader Rapid Transit Network (RTN) connections including bus services, roads, cycling, walking and parking facilities, and will be responsible for future LRT service operations.

16. The Principal Project related responsibilities that AT are accountable for include:
   - ensuring construction of the CC2M LRT is prioritised appropriately within the local road network
   - specifier of the CC2M LRT services and output standards
   - customer oriented design of the CC2M LRT services
   - integration into the wider transport and public transport system of the CC2M LRT infrastructure and services post delivery
   - supporting the Transport Agency in the design, consenting and delivery of CC2M LRT works (including provision of information, expertise and personnel as appropriate)
   - aligning and integrating other related transport works with the CC2M LRT project
   - managing disruption and change to the wider transport and public transport system during CC2M LRT delivery
   - supporting the Transport Agency with communications and stakeholder engagement
   - appointment of a shadow CC2M LRT operator
   - assumed owner, client and operator receipt and hand-over of the CC2M LRT post-delivery completion
   - LRT service operations
   - overseeing preparation of a Rail Safety Case (as the organisation responsible for future operations).

17. Recruitment plans have been developed to source LRT operations expertise in the coming months.
Business Case – Key Facts / Figures

18. As the Transport Agency is leading the development of the fast-tracked Business Case, with a draft targeted for late 2018, AT is assisting to define the key operational elements including stress testing the route options. Auckland Transport has established an integrated LRT team structure that allows preservation of AT’s Intellectual Property and work undertaken to date in the Airport to CBD reference design to aid in the development of the Business Case. Support continues to be provided to the Transport Agency to develop project plans, including draft resource plans and timelines.

19. The development of the Business Case is guided by the Investment Logic Map provided to the Board in the August Board Papers.

- Total distance 24.4 km; On street (urban) – 14.6 km (60%) plus Off street (eg dedicated right of way) – 9.8 km (40%).
- Primary Interchanges; Britomart, Mt Roskill, Onehunga, Mangere Town Centre.
- Total stops: TBC, likely to be between 19 and 24.
- Capacity 4-minute headway Queen St to Mount Roskill / 15 Light Rail Vehicles per hour / 2x 33m vehicles carrying a total of 420 passengers.

20. Work is currently underway as part of the business case to agree on a route that maximises redevelopment and land use opportunities without significantly impacting the total journey time between the City Centre and Auckland Airport.

21. Workshops were held as a means for an integrated urban design approach to transportation design and evaluation. The scope of the workshops was to consider all the strategic transport and land use distribution options and alternatives that will support land use opportunities with the CC2M corridor, and to agree a preferred route alignment that will achieve the project objectives.

22. The indicative preferred route alignment is described below (also see Attachment 2) with some areas of additional investigation required by the Transport Agencies (yet to be appointed) Technical Advisor before a preferred route can be finalised,

- City to Mt Roskill via Dominion Road – Agreed as part of the AT reference design.
- Mt Roskill to Onehunga via State Highway 20 – This route offers a reliable, rapid LRT link that integrates well with planned PT services and offers good development potential for publicly-owned land. The SH20 corridor results in a system which is relatively easy to construct, operate and maintain.
- Onehunga to Mangere Bridge via a stop at Onehunga Interchange and no additional stop at Onehunga Wharf – The Onehunga interchange provides an efficient and accessible connection for the Onehunga town centre and surrounding areas. This option provides a faster and safer route across the harbour which would have wider benefits for all LRT users.
- Mangere Bridge to Mangere Town Centre via a combination of State Highway 20A/Walmsley/Bader – This option balances the transport and development objectives of the project. The northern SH20 section provides a faster journey time than a full urban route and, with the Bader Road section, allows the capture of benefits from the Auckland Housing Programme sites and other public land adjacent the route.
- Mangere Town Centre stop via either SH20A or Westney Road – Two options scored well with this section and need further refinement to determine a preferred route. The SH20A option balances the transport and development objectives of the projects as slower travel times...
24. The Transport Agency is also developing the North West LRT route in collaboration with AT.

**Procurement Strategy**

25. To support the development of the procurement strategy, the Transport Agency is currently conducting a market engagement with interested suppliers and industry participants. This will be an opportunity for suppliers to give their perspectives, attitudes and risk appetites, learnings from previous projects, and suggestions for CC2M. A summary report is being produced and will be made widely available – this supports inclusiveness and builds confidence and integrity in the process. Findings from market engagement will feed into the overall analysis of procurement options.

26. AT is being engaged by the Transport Agency on the general approach as well as the relevant elements of procurement. Each potential procurement model will be assessed against the procurement outcomes, key factors, and learnings from the market. Hybrid procurement models are also being considered to best suit risks and needs. Indeed, multiple models could be adopted to deliver standalone project components e.g. enabling or early works.

27. A recommended procurement model is under development and will be presented for consideration in November. A Procurement model assessment approach is outlined in Attachment 3.

**External Consultation/Engagement**
Stakeholder Management

31. To ensure the best possible outcome for Auckland, the Transport Agency is working closely with its project partners Auckland Transport, Auckland Council and HLC to not only deliver a transport project, but enable and facilitate the wider urban development and placemaking of the communities within the light rail project area.

32. This strategy is initially focused on activities to support Phase 1 of the project - the development of the Business Case and Procurement Strategy through to December 2018. The Business Case is expected to be complete by the end of 2018 where it will be subject to NZTA Board endorsement. The Business Case will determine timing and staging for project delivery.

Programme Timeline

35. The aim is to focus on the reporting through to Minister/Cabinet with MoT/Treasury whilst being mindful of the requirement for the project team to seek the appropriate approvals from the Transport Agency and AT Boards.

Issues and options
Next steps

37. AT’s focus will remain on:
   - Continuing to assist the Transport Agency to develop the Business Case (with a focus on Operations)

38. AT continue to work on ensuring that robust governance is in place during the project establishment phase as we support the Transport Agency with the development of the Business Case.

Attachments

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<tr>
<th>Attachment Number</th>
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<td>Attachment 1 – Draft MoU</td>
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<tr>
<td>1a</td>
<td>Attachment 1a – Draft MoU Schedule 1 – Decision Matrix (Roles &amp; Responsibilities)</td>
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<td>Attachment 1b – Draft MoU Schedule 2 – Statutory Responsibilities</td>
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<td>Attachment 1c – Draft MoU Schedule 3 - Auckland Light Rail Proposed Governance Structure</td>
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<td>2</td>
<td>Attachment 2 – Indicative Route Alignment</td>
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<td>3</td>
<td>Attachment 3 – Procurement Assessment approach</td>
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<td>4</td>
<td>Attachment 4 - Six-month Business Case timetable</td>
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Document ownership

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