



Entered by Board Secretary

AGENDA ITEM 15 BOARD DECISION PAPER	
To:	Board
From:	Daniel Newcombe, Northwest and Waitematā Harbour Connections Development Lead
Reviewed	Murray Burt, Director Infrastructure and Place Dean Kimpton, Chief Executive Design and Delivery Committee
Date:	21 February 2024
Title:	Waitematā Harbour Connections lower cost alternatives

Reason for inclusion in closed board meeting session

1. Please state why this report is being considered in the closed board meeting as opposed to the open board meeting. Please refer to the 'reasons for confidentiality' and provide a direct reference to one of these reasons.	6. The matters of this report are being considered by the NZTA Board in Closed meeting sessions in February/April and the information will be able to be released subsequently. NZTA have requested this report be in Closed meeting session.
2. Please provide an estimated date for release of this report.	June 2024

Aronga / Purpose

1. To provide an update on recent work on lower cost alternative options for the Waitematā Harbour Connections (WHC) project and note recent activity from partner agencies.
2. To seek guidance and endorsement on the position proposed by management to be communicated to the New Zealand Transport Agency Waka Kotahi (NZTA) Board as it considers the matter.

Tuku mana / Delegation

3. N/A.

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Ngā tūtohunga / Recommendations

That the Auckland Transport Board (board):

- a) Note, considering affordability concerns from many stakeholders, including Auckland Transport, recent work was undertaken into lower cost alternative options for the Waitematā Harbour Connections project.
- b) Note that this recent work has shown there appear to be viable lower cost alternative options which would substantially achieve project objectives with a similar Benefit Cost Ratio but lower cost than the recommended option. These are primarily bridge-based options.
- c) Request the New Zealand Transport Agency Waka Kotahi Board take into account Auckland Transport's view that a lower cost option should be taken forward for further optimisation as part of the project, in combination with pricing and policy mechanisms.
- d) Request the New Zealand Transport Agency Waka Kotahi Board ensure project partners are genuinely involved in evidence-based decision-making processes, if the current project scope is to be changed.
- e) Request that, regardless of the option taken forward, the New Zealand Transport Agency Waka Kotahi include Auckland Transport in the governance of the Waitematā Harbour Connections programme, including workstreams which reflect Auckland Transport's statutory role as network operator/integrator and asset owner.
- f) Delegate authority to the board chair and chief executive to finalise and communicate these matters to the New Zealand Transport Agency Waka Kotahi Board Chair and Waitematā Harbour Connections Project Director.

Te whakarāpopototanga matua / Executive summary

4. The WHC project's current scope seeks to deliver a multi-modal system solution for connections to, from and within the North Shore, including a long-term active mode crossing, a new rapid transit line, and road network improvements for resilience and reliability.
5. In late 2023, a high-cost recommended option was selected which included a new twin-tunnelled road crossing and the repair and reallocation of Auckland Harbour Bridge lanes to a busway and active modes, along with raising of the coastal approaches in response to sea level rise.





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6. NZTA presented this high-cost option to the Transport and Infrastructure Committee (TIC) on 7 December 2023. At that meeting a resolution was passed (TICCC/2023/146) stating that “Auckland Council does not support the Waitematā Harbour Connections project draft Indicative Business Case recommended option” for several reasons including lack of integration with the Auckland Integrated Transport Plan, lack of affordability and value for money. However, the TIC resolution and the Mayor’s subsequent Letter of Expectation confirmed support for lower cost options including Northern Busway enhancements, SH1 Cycleway improvements (Constellation to Akoranga), and targeted active mode improvements to better connect people to busway stations and ferry terminals (providing interim cross-harbour links). The TIC also noted Auckland Council’s concern that it has no governance or decision-making role on the WHC project.
7. Due to these affordability and value-for-money concerns, NZTA recently undertook high-level work investigating lower cost alternative options, many of which had previously been discounted for not entirely achieving projects objectives.
8. This work has shown there appear to be viable lower cost alternative options which would substantially achieve project objectives with a similar Benefit Cost Ratio (BCR) but lower cost than the recommended option. Whilst there is potential for pricing or policy mechanisms to reduce cross-harbour traffic demand, such options are not sufficient on their own. Of infrastructure options, bridge-based options are cheaper than the recommended option but may leave residual resilience challenges..
9. In early February 2024, the new Minister of Transport indicated a desire to remove the active modes and light rail components of the project, which would de-scope parts of the project which both AT and Auckland Council have highlighted as important.
10. Despite nearing a major project decision-making milestone, no progress has been made in clarifying AT’s inclusion in future project governance structures. As such, regardless of the option taken forward, AT should seek to be included in the project governance, including workstreams which reflect AT’s statutory and operator roles..

March 2023 Board	WHC engagement on concepts	Awareness of upcoming consultation and creating an understanding of the project’s implications for AT’s roles.
May 2023 Board	WHC shortlist options	Awareness of the emerging shortlist of options prior to selection.
November 2023 Board	WHC Indicative Business Case	Noting the recommended option, supporting further optioneering, with a request to be made that AT be part of project governance.
February 2024 Design and Delivery Committee (committee)	WHC lower cost alternatives and governance update	The committee noted lower cost options and recent activities by project partners. It also emphasised the importance of ensuring board representation within the governance and decision making process.

Ngā tuinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
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Te horopaki / Background

11. The current Auckland Harbour Bridge has no dedicated bus priority for the growing Northern Busway services and there is no active mode connection. The bridge structure is expected to need increasingly disruptive management of traffic loads and substantial maintenance, which will close entire sections of up to two lanes for years at a time. Temporary bridge closures during high wind events are also expected to become increasingly common. The coastal sections of State Highway 1 on the bridge approaches require raising to protect them from inundation and flooding.
12. AT has statutory responsibilities to plan and operate several parts of the transport system affected by the WHC project, including as the operator of bus and busway services, as well as asset owner (of some components) and integrator of the overall network for customers. AT has led or been part of previous investigations and is established as a partner (along with Auckland Council and mana whenua) on this NZTA-led project.



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Te hononga ki te “Statement of Intent 2023 - 2026”/ Alignment to Statement of Intent 2023 - 2026

13. AT’s involvement in the WHC project includes reflecting upon the principles included in the Statement of Intent 2023 – 2026, notably seeking a full understanding of the impact to all Auckland users, across all modes, as well as considering affordability and value for money. The Letter of Expectation makes it clear that Council does not support the recommended option but supports early project improvements relating to Northern Busway enhancements and targeted active mode improvements, as well as the development of lower cost alternatives.

Me mōhio koe / What you need to know

14. The recommended option has a very high cost (\$56B to construct and operate over the next 30-40 years). After affordability and value-for-money concerns were raised by many stakeholders, including AT, NZTA undertook high-level work investigating lower cost alternative options. Many of these had previously been discounted for not entirely achieving projects objectives, which are broad and cover a range of matters – resilience, growth, active modes, rapid transit, etc. These options were compared to the first stage of the recommended option, which excluded the new rapid transit line. It is important that this line is provided in the future, so AT is concerned of the risk that this component gets de-scoped from the project for cost reasons.
15. Bridge options were not preferred during previous investigations, as these were assumed to have substantial impacts upon the harbour (and have associated consenting risks) and required the difficult raising of the coastal areas whilst still having very high traffic volumes (likely requiring some reclamation), something mitigated by the provision of road tunnels.
16. This recent work has shown there appear to be several viable lower cost alternative options which substantially achieve project objectives with a similar BCR but lower cost than the recommended option. These may leave residual resilience challenges (e.g., managing bridge traffic in high winds) or be more difficult to construct because an alternative traffic route is not in place prior to construction. Whilst the work has shown there is potential for pricing or policy mechanisms to reduce cross-harbour traffic demand, such options on their own do not sufficiently address project objectives. However, there is potential for

these to be combined with a lower cost infrastructure option, of which bridge-based options are cheaper than tunnels.

17. AT staff were involved in the recent work and have identified that there appears to be a good opportunity to take forward and optimise a lower cost option of a new bridge providing for public transport, active modes and up to three traffic lanes, in combination with pricing and policy mechanisms. By providing some traffic lanes, this option offers an opportunity to undertake substantial harbour bridge repairs without affecting existing traffic capacity and (once the repairs are complete) ultimately end up with the same number of cross-harbour traffic lanes as the recommended option. New bridge options without, or with fewer, traffic lanes are also viable but are more challenging to construct due to the long-term traffic disruption. Some mana whenua have previously raised concerns about new structures in the harbour or coastal reclamation, so this would need to be worked through.
18. In early February 2024, the new Minister of Transport indicated a desire to remove the active mode and light rail components of the project, which would de-scope parts of the project which both AT and Auckland Council have highlighted as important.
19. The project was presented to a NZTA Board in a workshop in late February and it is expected to be taken for decision-making on the way forward to a Board meeting in April 2024.
20. Despite nearing a major project decision-making milestone, no progress has been made in clarifying AT’s inclusion in future project governance structures. Regardless of the option taken forward, it is important for AT to seek this and a focus on the earlier achievement of active mode and public transport outcomes, and earlier timing of the public transport and active modes benefits along with the overall affordability of the project. It will be especially critical for NZTA to ensure project partners are genuinely involved in evidence-based decision-making processes, if the current project scope is to be changed.

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

21. The total project cost (P50) to construct and operate the recommended option is estimated at \$56B over 30-40 years, likely making this New Zealand’s largest infrastructure project. Withheld in accordance with Section 7(c)(i) of LGOIMA



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Withheld in accordance with Section 7(c)(i) of LGOIMA

22. Regardless of which option NZTA takes forward, AT has maintained concerns about the whole of life operational costs (maintaining the assets and operating the services), especially as AT would likely be expected to maintain and operate the expanded busway, new active mode connections and any future light rail service. AT has sought that the next steps include detailed work to better understand the whole of life project costs alongside the initial capital cost (including acknowledging the potential need for additional AT operational expenditure funding) and ownership responsibilities.

Ka whaiwhakaaro ki te Tiakanga Taiao / Climate change and sustainability considerations

23. Assuming the current scope of the project is taken forward, the WHC project will – after a substantial period of time – finally close the critical cross-harbour gap in the active mode network and provide improved public transport capacity. In this way, the project delivers upon strategic sustainability aims (albeit over a very long period of time), however there is expected to be very little change in regional Vehicles Kilometres Travelled (VKT) or emissions (less than 1% regional reduction), largely due to the retention of significant provision for road traffic. Obviously, if the project scope was changed by NZTA to remove the active mode and light rail components then the outcomes would be significantly different. AT has sought the earlier delivery of the public transport and active mode outcomes, as well as queried the modest impact on VKT of such a significant project.

Ngā whakaaweawe atu anō / Other impacts

Relationship	Consulted Y/N	Views and Perspectives Received
Māori	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Ngā Iwi Mana Whenua o Tāmaki Makaurau are project partners. Some mana whenua have

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		raised concerns about new structures in the harbour or reclamation.
Elected members	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	In December 2023, the Transport & Infrastructure Committee opposed the recommended option and sought lower cost alternative options be investigated (see Attachment 1)
Council Controlled Organisations	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	Various Council Controlled Organisations, including Eke Panuku and Watercare, have been involved in the project development.

Ā muri ake nei / Next steps

24. The project is expected to be taken for decision-making on the way forward to a NZTA Board meeting in April 2024. This paper seeks that AT request the NZTA Board ensures project partners are genuinely involved in evidence-based decision-making processes, if the current project scope is to be changed, but also in any future project governance structures. AT should reiterate the Council/AT focus on the earlier achievement of active mode and public transport outcomes, and earlier timing of the public transport and active modes benefits along with the overall affordability of the project.

Ngā whakapiringa / Attachments

Attachment #	Description
1.	Transport and Infrastructure Committee: minutes of the December 2023 meeting opposing the recommended option





Entered by Board Secretary

Te pou whenua tuhinga / Document ownership

Submitted by	Recommended by	Approved for submission
Daniel Newcombe Northwest & Waitematā Harbour Connections Development Lead	Murray Burt Director Infrastructure & Place	Dean Kimpton Chief Executive



Attachment 1



Komiti mō ngā Tūnuku me ngā Rawa Tūāhanga / Transport and Infrastructure Committee

OPEN MINUTES

Minutes of a meeting of the Transport and Infrastructure Committee held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 7 December 2023 at 10.04am.

TE HUNGA KUA TAE MAI | PRESENT

Deputy Chairperson	Cr Christine Fletcher, QSO, Presiding	
Members	Cr Andrew Baker	
	Cr Josephine Bartley	Via electronic link in person from 11.18am, Item 5.4
	IMSB Member Billy Brown	
	Mayor Wayne Brown	From 10.11am ,Item 5.1 Until 4.03 pm, Item 13
	Cr Angela Dalton	From 2.11pm, Item 9
	Cr Chris Darby	From 11.00am, Item 5.3
	Cr Julie Fairey	
	Cr Alf Filipaina, MNZM	Via electronic link
	Cr Lotu Fuli	Via electronic link
	Cr Shane Henderson	
	Cr Richard Hills	
	Cr Mike Lee	Until 3.37pm, Item 12
	Cr Kerrin Leoni	Via electronic link
	Cr Daniel Newman, JP	Via electronic link in person from 1.02pm, Item 10
	IMSB Member Pongarauhine Renata	Via electronic link Until 11.39pm, Item 5.5
	Cr Greg Sayers	Via electronic link
	Deputy Mayor Desley Simpson, JP	Until 4.14pm, Item 13
	Cr Sharon Stewart, QSM	Via electronic link, Until 1.29pm
	Cr Ken Turner	From 10.11am ,Item 5.1 Until 3.00pm, Item 12
	Cr Wayne Walker	Via electronic link
	Cr Maurice Williamson	Via electronic link

TE HUNGA KĀORE I TAE MAI | ABSENT

Chairperson	Cr John Watson
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[REDACTED]

9 Waitematā Harbour Connections (WHC)

Cr A Dalton joined the meeting at 2.11pm.

Mayor W Brown returned to the meeting at 2.12pm.

A map was displayed and is available on the agenda for this meeting.

Resolution number TICCC/2023/146

MOVED by Mayor W Brown, seconded by Cr C Darby:

That the Transport and Infrastructure Committee:

- a) **whakaū / confirm Auckland Council does not support the Waitematā Harbour Connections project draft Indicative Business Case recommended option because of:**
 - i) **lack of integration with the Auckland Integrated Transport Plan**
 - ii) **significant affordability and value-for-money issues**
 - iii) **lower cost options being discarded early in the Indicative Business Case process**
 - iv) **the long wait for active mode and public transport crossings**

Transport and Infrastructure Committee
07 December 2023



- v) marginal improvement on mode shift, Vehicle Kilometres Travelled (VKT) and emissions, but high embodied carbon in road tunnels
 - vi) lack of a clear problem definition on resilience
 - vii) failure to consider other ways to improve resilience and freight outcomes
 - viii) negligible land use opportunities being unlocked
 - ix) lack of clarity about asset ownership and the impact on Auckland Transport's operational expenditure.
- b) whakaae / agree to restate Auckland Council's concern that it has no governance or decision-making role on the Waitematā Harbour Connections project.
- c) whakaū / confirm support for the early project improvements related to the project including:
- i) Northern Busway enhancements (such as busway station improvements)
 - ii) SH1 Cycleway (Constellation to Akoranga)
 - iii) Targeted active mode improvements to better connect people to busway stations and ferry terminals (providing interim cross-harbour links).
- d) whakaae / agree that the Chair of the Transport and Infrastructure Committee advise the Waka Kotahi NZ Transport Agency Board of the council's position on:
- i) the draft Indicative Business Case recommended option, as outlined in recommendations a) and b)
 - ii) the early project improvements, as outlined in recommendation c)
- e) tuhi ā-taipitopito / note council staff involvement in the development of lower-cost alternatives.

CARRIED

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Transport and Infrastructure Committee
07 December 2023



4.32 pm

The chairperson thanked members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE TRANSPORT AND
INFRASTRUCTURE COMMITTEE HELD ON

DATE:.....

CHAIRPERSON:.....