

AGENDA FOR A MEETING OF THE INFRASTRUCTURE AND WORKS COMMITTEE TO BE HELD IN THE COUNCIL CHAMBER AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE, ON WEDNESDAY, 2 SEPTEMBER 2009, COMMENCING AT 9.30 AM

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1 APOLOGIES



2 URGENT BUSINESS

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairman has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

NOTE: Urgent Business need not be dealt with now and may be delayed until later in the meeting.



3 CONFLICTS OF INTEREST

The Council has acknowledged in its Code of Conduct that Elected Members need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have. This note is provided as a reminder to members to check that no such conflicts arise in relation to any items on this agenda.



4 CONFIRMATION OF MINUTES

Meeting Minutes - Wednesday, 5 August 2009

RECOMMENDATION

It is recommended that the Infrastructure and Works Committee resolve to:

Receive the minutes of the meeting of the Infrastructure and Works Committee held on Wednesday, 5 August 2009, as circulated, and that they be taken as read and now be confirmed.



5 PERMANENT LOCATION OF THE PIHA POST OFFICE BUILDING ON PIHA DOMAIN

GLOSSARY

Piha Residents and Ratepayers Association	(the Association)
Piha Domain Motor Camp	(the campground)
Piha Post Office building	(the building)
Piha Reserves Management Plan 1999	(the Management Plan)

EXECUTIVE SUMMARY

A1 The purpose of this report is to seek the approval of the Infrastructure and Works Committee to permanently locate the Piha Post Office building (the building) on Piha Domain as shown on the aerial map attached at page A1.

The building has been temporarily located on Piha Domain since April 2009 after a requirement for the building to be moved from its former location on private land and while a suitable permanent location was investigated by the owners of the building, the Piha Residents and Ratepayer's Association (the Association).

This report outlines the process undertaken by the Association in conjunction with Council officers leading to the recommendations contained below.

RECOMMENDATIONS

It is recommended that the Infrastructure and Works Committee resolve to:

1. **Receive** the Permanent Location Of The Piha Post Office Building On Piha Domain report.
2. **Approve** the permanent location of the Piha Post Office building on the northern boundary of Piha Domain opposite 21 Seaview Road, Piha.
3. **Agree** that the approval of the Minister of Conservation under section 54 of the Reserves Act 1977 be obtained in respect of the permanent location of the Piha Post Office building on the northern boundary of Piha Domain opposite 21 Seaview Road.
4. **Agree** subject to resolution 5 below that the Chief Executive Officer be delegated authority to negotiate and conclude a lease with the Piha Residents and Ratepayers Association under section 54(1)(b) of the Reserves Act 1977 for a term of five years with a right of renewal for a further five years for part of Piha Domain required for the footprint of the Piha Post Office building (being part Lot 71 DP 25709 and Lot 1 DP 31269) and the lease be executed as negotiated.
5. **Note** that resolution 4 above is subject to confirmation by the Auckland Transition Agency.

BACKGROUND

1. The Association operates the Piha Post Office as a not for profit community service and it is one of only two community-run postal services left in New Zealand.

2. On 1 July 2008, the Infrastructure and Works Committee resolved as follows:

The Infrastructure and Works Committee resolved to:

- “1. **Approve** the temporary relocation of the Piha Post Office to a relocatable cabin on Piha Domain within the leased area of the Piha Domain Camping Ground, for a period of one year, with a right of review at the end of the period.
2. **Agree** that within a period of one year a full investigation and consultation be undertaken to find a permanent site for the Piha Post Office.”

1136/2008

3. In line with the above, the Association currently operates the Piha Post Office from two relocatable cabins located within the Piha Domain Motor Camp (the campground).
4. At a Special General Meeting of the Association in July 2008, members determined that it supported the Association in continuing to provide full postal services to the community and in retaining ownership of the building. The Association then requested permission from Council to temporarily place the building on Piha Domain while a permanent location was sought.
5. On 1 April 2009, the Infrastructure and Works Committee resolved as follows:

The Infrastructure and Works Committee resolved to:

- “1. **Approve** the temporary relocation of the Piha Post Office building to Piha Domain for a period of one year, with a right of renewal for a further one year at the end of the period.”

496/2009

6. The building was temporarily relocated to the Piha Domain in April 2009. The building is currently not being used.
7. The Association, in consultation with Council officers, has undertaken an extensive decision making process in order to determine a suitable new location for the building from which to once again provide postal services to the Piha community.
8. On 4 August 2009, the Waitakere Community Board resolved the following in support of the proposal:

The Waitakere Community Board resolved to:

“**Agree** that the Waitakere Community Board resolve to support the moves to establish the Piha Post Office on the site on the Piha Domain opposite the Piha Store, as agreed at a meeting of the Piha Residents and Ratepayers Association Committee on Sunday, 19 July 2009.”

1332/2009

DECISION MAKING

Issues

Proposal

- A2
9. The building is approximately 28 square metres (7 metres x 4 metres) and of weatherboard cladding. The interior will be refurbished to allow 24 hour access to private boxes separate from the area providing over the counter services. A photo of the building in its temporary state in storage on Piha Domain is attached at page A2.
 10. It is proposed to permanently locate the building on the north boundary of Piha Domain opposite its former location on private land at 20 Seaview Road, Piha. The building will be located on the left hand side of the driveway as one enters the campground within the current leased area of the campground. The building will be all ability accessible.
 11. The exact location of the building will be decided between the Association and Council officers taking into account the surrounding vegetation, the public toilet septic tank system and other factors with an attempt to preserve both the visibility into Piha Domain and the environment.
 12. The Association will be required to obtain and comply with all relevant consents as well as satisfying any additional conditions set by Council officers.

Piha Reserves Management Plan 1999

13. The Piha Reserves Management Plan (the Management Plan) recognises that Piha Domain is seen as a key focus area for community facilities at Piha.
14. Objective 3 states that:

‘Provision will be made for the continuation of leasing areas of land within Piha Domain to provide for community use and wellbeing.’
15. In addition, objective 12 provides that Council:

‘Continue to support the existence of community organisations and facilities on the reserves (e.g. kindergarten, bowling club, tennis club and library) that contribute to the wellbeing of the community while not excluding others from using the facilities.’
16. Under section 7.5, paragraph 5, the management plan does state that ‘No further community buildings will be allowed on the Piha Domain.’
17. In order to address this clause in the Management Plan, a public notification was undertaken, so that Council would be made aware if the community had any issues with this proposed change to the management plan. The public notification process followed is outlined below in this report.
18. Taking into consideration that most responses to the public notification process were in favour of the proposed location of the Post Office on Piha Domain, it is considered by Parks Managers that this partial change to section 7.5, paragraph 5, to the management plan for Piha Domain was undertaken in line with section 41 (4) of the Reserves Act 1977. It is considered that further consultation is not required under section 41 (9) of the Reserves Act 1977.

Lease

19. Discussions have been held with the managers of the campground and they support the proposal. They have agreed to relinquish a small portion of the land area of their lease to accommodate the building. A lease will then be negotiated and granted to the Association for the footprint of their building in line with the Community Leases Policy.
20. It is proposed to grant a lease to the Association for a term of five years, with a right of renewal for a further five years.
21. The lease will be granted under section 54 of the Reserves Act 1977 which requires the Minister of Conservation to approve the erection of buildings. A recommendation is made in this report to seek the approval of the Minister of Conservation.

Options Identified

- A3-A11
22. A paper submitted to Council by the Association is attached at pages A3 to A11. This paper outlines in detail the proposal and the decision making process undertaken by the Association in determining the best location for the Piha Post Office. The Association has worked with Council officers throughout the process to identify options, leading to the final location proposed in this report.

Consideration of Community Views

Piha Residents and Ratepayers Association

- A3-A11
23. A Special General Meeting was held on 19 July 2009. The paper attached at pages A3 to A11 was posted to all 350 members two weeks prior to the meeting as required by the Association's constitution. The proposal was also available for viewing on the Association's website and an information billboard with the full proposal was erected on the proposed site. A total of 119 votes were received, including proxy votes. The following resolutions were passed:

'That the meeting approves the R & R Committee's recommendation for the relocation of the Piha Post Office building and Postal Services and instructs the R & R Committee to proceed with the implementation of the proposal.'

*Votes in favour: 112
Votes against: 17*

'That the authority is granted to the R & R Committee to spend up to \$26,000 to relocate the Post Office services and that the Committee make every endeavour to reduce the total cost as much as possible by fundraising, community grants, donations, supplier discounts and utilising voluntary labour.'

*Votes in favour: 115
Votes against: 14*

24. Prior to the formal notification being posted to members, regular progress updates were provided via the Association's website and newsletters.

Public Notification

25. Council officers undertook a public notification of the proposal in August 2009. Flyers were distributed to all residents and ratepayers of the Piha Community via a mail drop to letterboxes and through the post. A flyer was also placed in the Piha Store and the Piha Library. A total of 23 submissions were received. 19 submissions were for the proposal and 4 were against. Of the 19 submissions for the proposal, two stated that their support was conditional on a number of issues being addressed.

A12-A15

26. A summary of all 23 submissions received is attached at pages A12 to A15. Some of the submitters wish to speak at the Infrastructure and Works Committee meeting on Wednesday, 2 September 2009 and have been advised of the meeting details. The common issues discussed across the submissions are as follows:

Issues For the Proposal	Issues Against the Proposal
<ul style="list-style-type: none"> • Convenient, roadside location in “hub” of Piha; • Consistent with the management plan; • Proposed site is currently unused land; • Decreased visits to Henderson and Titirangi will reduce traffic emissions; • Supports small businesses run from home; • The Association has undertaken extensive research to produce a practical proposal that has received overwhelming support from members; • The building is a community owned resource which is a taonga for Piha; • The building is an important part of Piha’s infrastructure and holds a great deal of cultural and social history; • Generates valuable revenue for the community; • Provides social cohesion, a place to meet people; • Proposal is in line with the West Coast Plan to keep settlements in coastal areas clustered and low key; and • No increase in vehicles movements or parking requirements as location is opposite the former site. 	<ul style="list-style-type: none"> • Traffic congestion and limited parking; • Commercial activity was previously objected to on Piha Domain; • Not consistent with the Management Plan and therefore a public consultation should be carried out to review the Management Plan; • Community consultation was undertaken behind closed doors and member’s opinions were not heard; • May become financially non-viable due to global down turn in postal services; • Will require the removal of native vegetation; • Will block sight lines into Piha Domain; • Proposal location could be better utilised as a picnic area; and • There is already a free rural delivery service to area.

STRATEGIC CONTEXT

27. This proposal contributes to the Council's Social Strategy which aims to ensure that everyone feels valued and connected and has access to the facilities, activities and services they require. It has been identified that this can be supported through the development of Waitakere's community infrastructure.
28. Retaining the historic building is also supported by the Council's Draft Cultural Wellbeing Strategy which identifies the importance of supporting, maintaining and protecting culture and heritage.

CONSULTATION

29. This proposal has the approval of Council officers, the Association and the current tenant on the proposed site.

RESOURCES

30. The only Council resources required would be staff time. The Association will cover all costs for consents and physical works.

IMPLEMENTATION ISSUES

31. There are no implementation issues relating to the recommendations.

AUCKLAND COUNCIL TRANSITION ISSUES

32. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 imposes restrictions on Waitakere City Council's decision making capabilities in respect of granting a lease for a term of five years with a right of renewal for a further five years as this would extend beyond 30 June 2011.
33. Section 31 (4) (i) applies to a decision to enter into any contract (other than an employment agreement):
 - (i) that imposes, or will continue to impose, any obligation on the existing local authority after 30 June 2011; and
 - (ii) the consideration for which is, or is equivalent to, \$20,000 or more.

Report prepared by: Sarah Natac, Customer Liaison Officer.



6 KEN MAUNDER PARK REPLACEMENT FOOTBRIDGE

GLOSSARY

Auckland Regional Council

(ARC)

EXECUTIVE SUMMARY

The purpose of this report is to seek the Infrastructure and Works Committee approval of the proposed concept design for the replacement footbridge at Ken Maunder Park.

RECOMMENDATIONS

It is recommended that the Infrastructure and Works Committee resolve to:

1. **Receive** the Ken Maunder Park Replacement Footbridge report.
2. **Approve** the concept design for the replacement footbridge at Ken Maunder Park.

BACKGROUND

1. The footbridge connecting Queen Mary Avenue with Ken Maunder Park is programmed for replacement in the 2009/2010 financial year.

DECISION MAKING

Issues

2. A coastal permit application for construction works in the coastal marine area and for the historical illegal land reclamation on the Ken Maunder Park was lodged with Auckland Regional Council (ARC) in May 2008. The application was publicly notified in October 2008. One submitter opposed the footbridge development and requested to be heard at a full ARC Hearing. The ARC Hearing was scheduled to take place on 26 March 2009. Council subsequently requested the permit application be put on hold in February 2009, after a budget reduction in the draft Annual Plan 2009/2010 made a redesign of the footbridge necessary.
3. As Ken Maunder Park is a Citywide sports park, delegation for approval of the concept design of the footbridge sits with the Infrastructure and Works Committee.
4. In its deliberation on the draft Annual Plan 2009/2010 in February 2009, the Long Term Council Community Plan and Annual Plan Committee requested a new assessment of options for the footbridge. The assessment evaluated a more cost effective design versus the approved design that had been lodged for all consent approvals. The budget proposed for the draft Annual Plan 2009/2010 was subsequently reduced to only provide for construction of the new design.
5. The implication of this change was that a full redesign of the footbridge from concept stage was required, and all consent applications currently lodged with ARC and the Council had to be updated.
6. *A16-A18* The substantial change in the footbridge design is a shift from the truss arch style bridge to a more cost effective universal beam option. The footbridge will be constructed from steel "I" beams supported on four piles in the estuary environment, with Parks Assets standard timber decking and steel handrail. The new footbridge structure will be constructed to provide a level entry on to the footbridge from the Queen Mary Avenue entrance above the 100 year flood level. Constructed at the Ken Maunder Park end of the footbridge will be a timber boardwalk with steel handrails that will slope down to meet Ken Maunder Park. A concept plan showing the change from the truss arch style footbridge to the universal steel beam option is shown at on the attached pages A16 to A18.
7. Developed design has been completed and amendments to the applications for a coastal permit from ARC and for the Council land use and building consents have been lodged.
8. The date for the ARC hearing for the one objector was not available at the time of preparing this report. It is anticipated that the ARC hearing will take place in October 2009.

9. The timeframe for construction of the footbridge is for works to begin by January 2010 at the latest, and to be completed by June 2010, subject to resource consent being granted.
10. Minimal vegetation removal will be required to facilitate the construction of the footbridge. Part of the scope of this project is for the planting of a small number of specimen trees in Ken Maunder Park.

STRATEGIC CONTEXT

11. This project contributes to Council's Transport Strategy, which aims to develop a sustainable transport system through integrated land use and transport and providing attractive alternatives to motor vehicle transportation. Reinstating pedestrian access to Ken Maunder Park from Queen Mary Avenue via the replacement footbridge will improve the access to the New Lynn Town Centre, and encourages the safe use of the Ken Maunder Park recreation area by the community.

CONSULTATION

12. A mail out to all 12 submitters to the ARC coastal permit was completed in July 2009 to update all parties on the changes in design for the footbridge.
13. The revised concept design for the footbridge was presented to the New Lynn Community Board at their September meeting held on 31 August 2009. Feedback received from the meeting will be discussed at this meeting of the Infrastructure and Works Committee.
14. A project update flyer is being prepared for distribution to the surrounding community in September 2009.

RESOURCES

15. The available budget for the 2009/2010 financial year to complete the footbridge is \$1,183,456, and allows for all professional services, consents, physical works costs and contingencies. A detailed cost estimate of the developed design for the footbridge is within the available project budget.

IMPLEMENTATION ISSUES

16. There are no implementation issues associated with this report.

AUCKLAND COUNCIL TRANSITION ISSUES

17. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Andreas Lilley, Team Leader: Parks Project Development.



7 HOBSONVILLE HERITAGE TRUST UPDATE

GLOSSARY

Hobsonville Heritage Trust	(HHT)
Territorial Local Authorities	(TLAs)

EXECUTIVE SUMMARY

The purpose of this report is to endorse the service level agreement between Council and the Hobsonville Heritage Trust (HHT) and provide for the transfer of funding as outlined in that agreement.

RECOMMENDATIONS

It is recommended that the Infrastructure and Works Committee resolve to:

1. **Receive** the Hobsonville Heritage Trust Update report.
2. **Agree** that the service level agreement with the Hobsonville Heritage Trust for the design and construction of a local heritage trail should be publicly endorsed by Council.
3. **Agree to** recommend that the Hobsonville Heritage Trust needs to incorporate under the Charitable Trusts Act 1957.

BACKGROUND

1. The HHT finalised their Trust documentation and registered their Trust with the Charities Commission and Inland Revenue Department in March 2009. The transfer of funding from Council to the HHT needs to occur in this financial year to enable the HHT to commence planning and implementation of the heritage trail, at the same time that resource and subdivision consents are being lodged with Council for processing. The Council's regulatory arm is currently processing a notified combined land use and subdivision consent for a large block of land.
2. The Infrastructure and Works Committee resolved at its December 2007 meeting to transfer the balance of compensation paid to Council for the Sinton House demolition to the HHT. The consent order entered into between the New Zealand Transport Agency (formerly known as Transit NZ), Waitakere City Council and the Auckland Regional Council provided that \$300,000.00, excluding GST, would be paid to the Council for a heritage trail and work progressively with major landowners in the area to achieve that outcome. The HHT has the advantage that it can raise funds as a charitable trust, independently of Council to fund heritage trails and the appropriate development of park land. This would effectively be a public-private partnership where the Council acquires the land through the subdivision process but a private trust adds value to the asset by developing heritage trails and boardwalks.
3. In 2008 Council completed a survey and archaeological assessment of the land between the Carders and Clarks land in Hobsonville. This report has highlighted the heritage significance of Limeburners Bay and shows that the archaeology is more extensive than previously thought. Council officers have been negotiating with the landowner, Hobsonville Residential Developments, as part of the planned development of that site, to acquire the land adjacent to the esplanade reserve that has archaeological features associated with it. The service level agreement (attached at pages A19 to A32) provides a pathway for a public-private partnership to achieve greater heritage protection and delivery of cultural heritage facilities on the ground. This would be achieved by the HHT appointing its own specialists in landscape architecture and archaeology.

A19-A32

DECISION MAKING

Issues

Public Private Partnerships And Service Level Agreement

4. In the past there, was an operational separation between the public and private sectors. Central Government and Territorial Local Authorities (TLAs) generally provided fundamental or core infrastructure for the community by charging rates and borrowing from reputable agencies and assumed the role of regulator, funder and purchaser.
5. The private sector has traditionally been involved as end product or service providers, contracting to councils to deliver aspects of a project, for example the construction of a road or bridge to the council's specified design. Most importantly, the private sector was not involved in providing the financing for projects.
6. A public private partnership is a risk-sharing relationship between the public and private sectors to deliver a desired public policy outcome or public service. Public private partnerships offer enormous potential for councils, particularly for the delivery of infrastructure and services. The use of public private partnerships is more important now in the current environment for the following reasons:
 - The demand on TLAs and Central Government resources is greater than ever;
 - More and more infrastructure projects/upgrades needing to be carried out;
 - Local Government reform; and
 - Toll roads.
7. The use of public private partnerships for the delivery of infrastructure and services has been widely used in Waitakere. Examples of where this has worked particularly well include The Trusts Stadium, Olympic Park, Falls Hotel and St Michael's Chapel restoration projects. These have proven to be cost-effective projects that have provided sports and cultural infrastructure for the community. The Trustees have used their significant expertise and networks to source funding and deliver results. Waitakere's Ten Year Plan has a policy on partnerships with the private sector. Council may impose conditions before providing funding or other resources to any form of partnership with the private sector and these will generally include:
 - An emphasis on transparency and disclosure of processes and outcomes, acknowledging the need to protect commercial confidentiality where appropriate;
 - Risk allocation between the partners being clear and enforceable, with consequential financial outcomes and an agreed exit/termination strategy;
 - Clearly specified outputs including measurable performance standards;
 - Responsibilities for the monitoring of outcomes to remain with Council;
 - Mechanisms for delivering ongoing value for money; and
 - All private sector parties being fully accountable to Council for the delivery of their agreed contribution to the partnership.

8. The service level agreement prepared by Legal Services provides Council and its successor(s) with some certainty for how the money will be spent and sets up a partnership. In summary the service level agreement provides that in return for the HHT receiving \$300,000.00 excl GST, the HHT will perform the following services:
 - (a) Develop a landscaping plan for Limeburners Bay and obtain building and resource consents for a Hobsonville Heritage Trail;
 - (b) Apply for and obtain an authority to modify an archaeological site (uncover the kiln floors, re-cement in the bricks; and install drainage and fencing where appropriate); and
 - (c) Construct the heritage trail and install interpretive signage and prepare heritage brochures that will explain the significance of heritage sites in Hobsonville.

Preferred Option

9. Public private partnerships are a useful mechanism for delivering infrastructure and services for the community. The HHT is a legal charitable institution that has been formed for the purpose of preserving Hobsonville's heritage.
10. The Massey Community Board and Council are aware of the heritage significance of the Limeburners Bay and greater Hobsonville area. The HHT brings together expertise in law, heritage, and business.

STRATEGIC CONTEXT

11. Historic heritage is a matter of national importance under section 6(f) of the Resource Management Act 1991 and Council has a wide range of duties and responsibilities to protect built, natural and cultural heritage resources.

CONSULTATION

12. Consultation has occurred with the community at large over the last 18 months through various means - on site meetings at Limeburners Bay, presentations to Council and the Massey Community Board. Legal Services have assisted with drafting the service level agreement.

RESOURCES

13. There is funding in the Annual Plan 2009/2010 to make the HHT payment for it to commence its works. There is no obligation on Council to continue to fund the HHT. However, if a future Council wishes to, it may continue to financially support the work of the HHT provided that it fulfils its obligations.

IMPLEMENTATION ISSUES

14. There are no implementation issues associated with this report.

AUCKLAND COUNCIL TRANSITION ISSUES

15. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: Alina Wimmer, Principal Advisor: Heritage.



8 NEW LYNN INTEGRATED PROGRAMME - STATUS UPDATE AUGUST 2009

GLOSSARY

Auckland Regional Transport Authority	(ARTA)
National Builders Symposium	(the Symposium)
New Zealand Transport Agency	(NZTA)
Target Outturn Cost	(TOC)
Transit Oriented Development	(TOD)
Watercare Services Limited	(WSL)

EXECUTIVE SUMMARY

The purpose of this report is to update the Infrastructure and Works Committee on the progress of the New Lynn Integrated Programme to August 2009.

The main developments which have taken place since last reported are:

- An open day for the New Lynn community was scheduled for Saturday, 29 August 2009;
- A contract variation is to be issued to change the entrance to 5 Clark Street (Bricklane Restaurant) to entry only. The reason for this change is that the Council has not been able to obtain agreement with the owner to allow access to the property to construct the full signalised intersection entry to this property as planned;
- No reinstatement to the project budget to equate to the previous Long Term Council Community Plan funding was allocated in the 2009/2010 financial year for the New Lynn Transit Oriented Development (TOD) project due to a financial administrative omission and revised cash flow forecasting is being undertaken to ascertain whether this omission could lead to a cash flow shortfall during the 2009/2010 financial year and whether the funds reinstatement needs to be revisited over the Annual Plan 2010/2011 or if it can be mitigated through value engineering and market force tender savings; and
- The National Builders Symposium (the Symposium), held in Wellington on 12-14 August 2009 was a great success.

RECOMMENDATION

It is recommended that the Infrastructure and Works Committee resolve to:

Receive the New Lynn Integrated Programme - Status Update August 2009 report.

BACKGROUND

1. The status of the New Lynn Integrated Programme was last reported to the Infrastructure and Works Committee at its meeting held on 5 August 2009.

DECISION MAKING

2. As this report is for information only, there is no decision making required.

Issues

Transport Infrastructure

3. An agreement between the Council and Watercare Services Limited (WSL) has been signed covering risks and payments. WSL pipes can be procured in time and the contractor is expected to start work onsite at the end of August 2009.
4. The proposed programme of work for the New Lynn TOD project Stage 1 is shown in Table 1 as follows:

Tender documentation issued	19 June 2009
Tenders closed	21 July 2009
Tender evaluation completed and Council approval obtained (dependant on complexity of tenders received) by	26 August 2009
Contract award	3 September 2009
Works commence	Mid-September 2009

Table 1 - Proposed Programme of Work

5. Survey drawings for the proposed section of road stopping at Astley Avenue were approved by the chief surveyor. The Council commenced the required public notification process, with newspaper advertisements and the erection of signs on site. A period of 40 days was required for submissions on the proposal following the second of two public notices, which was made on Tuesday, 16 June 2009. The closing of the notification was 4.00 pm on Tuesday, 21 July 2009. There were many inquiries during the notification process, but no objection to the proposed road stopping. A final road stopping notice was advertised in the NZ Herald on 22 July 2009 declaring part of Astley Avenue to be stopped and the process has now been completed.

Land Acquisition

6. The process of obtaining entry to undertake roading works for Stage 1 at 5 Clark Street (Bricklane Restaurant) has become frustrated. The Council is proceeding to acquire the land by proclamation, and an external consultant has been engaged to undertake this work. Due to the beneficial owner's wishes to remain anonymous, Council officers have had to deal with the owner's trustees. Potential difficulties with this acquisition were perceived early in the acquisition process, and a contingency road development plan was developed so that works in Clark Street could commence without this property, if necessary. Acquiring the property by negotiated agreement is also being pursued. However, the fact that the Council cannot deal directly with the beneficial owner to reach a satisfactory outcome in time for the construction works in Clark Street to proceed has led to the need to invoke the Council's contingency road development plan. To this end, a contract variation is to be issued to omit the signal controlled access and change the entrance to 5 Clark Street to entry only.
7. Land acquisition for the Stage 2 Clark Street Extension has begun. The Council's approval to acquire land for Stage 2 was obtained on 14 July 2009 and the Auckland Transition Agency has confirmed the Council's decision. The Council's approval to acquire land at 1c Rankin Avenue was obtained on 10 August 2009, and an application will be made to Auckland Transition Agency as soon as the Council resolution has been generated.
8. The two child care facilities affected by Clark Street Extension remain the most critical of the Stage 2 land acquisitions. Detailed planning and options analysis is under way for both of these facilities. The Communications portfolio has prepared key messages for use in any media or public inquiries in this regard and meetings have been held with both operators.

Development and Implementation of the New Lynn Town Centre

9. The New Lynn Urban Plan is currently being developed in-house by the Council's Urban Design and Development team. It has been recognised that the New Lynn Urban Plan would be further strengthened if it were accompanied by a sustainability 'protocol' or framework to guide future development and as such Beyond Green have been engaged to advise the Council on its production.
10. Beyond Green are a leading United Kingdom based consultancy that has expertise in running sustainability workshops and developing sustainability protocols for areas of regeneration. Having these specialists in New Zealand provides an opportunity for the Council to learn from their skills and experience. They facilitated a workshop on Tuesday, 25 August 2009 with the output being the development of a draft sustainability protocol for New Lynn.

Crown Lynn Precinct

11. The Council has developed a Quadruple Bottom Line assessment for the location and delivery of a New Lynn Urban Park within the Crown Lynn Precinct. This work will be presented to the Council in the next month.
12. Council officers are continuing to work toward the resolution of appeals to Plan Change 17 with the landowners in the Crown Lynn Precinct. The main appeals points refer to reserve sensitivity and the provision of commercial floor space. There are currently three draft consent orders processing at this stage.

13. The New World supermarket, at 7 Clark Street, is due to be opened by the Mayor at the end of September 2009. This development provides retail in support of intensification in New Lynn and represents a significant investment by the private sector. This supermarket is the first significant redevelopment in the Crown Lynn Precinct.

Communications

14. An open day in New Lynn was scheduled on Saturday, 29 August 2009. The purpose of the open day was to provide information to the community, as part of the Resource Management Act 1991, on the construction of the Ambrico Place access road to 1b and 1c Rankin Avenue and the Clark Street Extension, including the new low level road bridge over the rail trench. ONTRACK have been invited to attend to provide information on the rail trench. A flier was distributed in early August 2009 in both English and Mandarin to advise the community about the open day.
15. The Councillors' visit to the trench on 5 August 2009 went well and another is being organised for the purposes of an historic photograph. An animation of the development was commissioned and will be used for public consultation, publicity and funding application purposes as part of the overall Communications plan.
16. The fifth issue of New Lynn Matters is being distributed this month, the New Lynn Liaison Group meetings continue to go well, and the Council's website is currently being updated with regard to the New Lynn TOD programme of works.

Relationship Management

17. The Symposium took place on 12-14 August 2009 in Wellington with over 220 financiers, infrastructure developers, developers, investors, political representatives and industry specialists attending. The Deputy Prime Minister, Minister for Infrastructure and Minister for Local Government were in attendance.
18. The Council was represented by a New Lynn TOD exhibit; the Chief Executive Officer presented a paper on Leadership and Governance with the topic being City Transformation and the Public-Private Realm: Working Examples in Auckland. The Symposium focused on the following key issues:
 - Understanding the economic payback from investment in national infrastructure;
 - Developing the national plan;
 - Understanding the value proposition of advanced procurement techniques from Alliancing to Private-Public Partnerships;
 - Learning from international experience;
 - Capturing opportunities for design innovation within our planning processes; and
 - Capitalising on the opportunities presented by the reform of Auckland government.
19. Private-Public Partnerships were a major topic of discussion at the Symposium. The Council was highlighted as a good working example encouraging public and private sectors to develop positive economic and social outcomes. The New Zealand Council for Infrastructure Development Chair and Chief Executive publicly acknowledged the Council's contribution, successful exhibit and its management of various projects.

ONTRACK Target Outturn Cost (TOC) Status

20. Following an extended period of negotiations, officers from the Council, Auckland Regional Transport Authority (ARTA) and ONTRACK have concluded the determination of costs for the TOC works that are to be constructed by ONTRACK on behalf of the Council and ARTA. Agreement between officers of the three organisations in regards to the apportionment of these costs has been reached. The cost share that is attributable to the Council is within the forecast budget.
21. Further value engineering that is currently under way will likely achieve additional savings that are yet to be quantified.

ARTA Status

22. Following completion of the detailed design of the bus/rail interchange (Option 1), ARTA engaged WT Partnership to complete a review of the interchange costs. ARTA indicated that following this cost update, a further value engineering process has commenced.

New Zealand Transport Agency Funding Applications

23. The Council's application for category 1 funding from the New Zealand Transport Agency (NZTA) for the TOC 2 works (including bridge decks and interchange) has been approved.
24. Another meeting is to be scheduled with NZTA to discuss progress on development contributions and project funding matters for further stages.

Legal Agreements

25. Draft agreements between ONTRACK and the Council and between ONTRACK and ARTA are being prepared. The final draft of these agreements incorporating the agreed cost apportionments and payment protocols for the TOC works are to be returned by ONTRACK to the Council and ARTA for signature by Friday, 28 August 2009. Application will be made to the Auckland Transition Agency for confirmation of these agreements by 10 September 2009 and ONTRACK is planning to award the TOC 2 contract variation by 16 September 2009. This agreement with the Council is foreshadowed by the Partnering and Funding Agreement signed with ONTRACK in November 2007.
26. The Council is also working with ONTRACK to obtain revised Deeds of Grant to allow bridges and services to cross the rail corridor through New Lynn. A Deed of Grant for services crossing the corridor, and for other Council works such as footpaths, has been received from ONTRACK, and will be checked by Council's Legal Department prior to signature. A Deed of Grant in respect of the bridges that will cross the corridor will be completed when the final dimensions of these structures are made available to ONTRACK.
27. The Chief Executive Officer of ARTA has agreed to the proposal of the Council's Chief Executive Officer that the detailed arrangements relating to the cost share and identification of responsibilities between the two organisations should be achieved through a further exchange of letters, and foreshadowed that this could occur within a few weeks. The organisations' relationship on this issue is currently guided by a previous exchange of letters that was undertaken in September 2007.

Risk Management

28. All identified risks have been collated into a risk register. Risk mitigation strategies have been put into place for the most critical risks. Risk monitoring and reporting is an ongoing activity together with identification and management of new risks. As new risks are identified they are assessed and reported in the risk register.

Consideration of Community Views

29. The Council continues to undertake a consultation programme with New Lynn landowners in proximity to the rail corridor, and has held three public consultation meetings. Council officers are working with communications advisors from both ONTRACK and ARTA to manage consultation, the media and general public concerns prior to and during the construction period to ensure that the views of the community are clearly relayed back to the Council.

STRATEGIC CONTEXT

30. The New Lynn TOD project is identified as one of the Council's top five projects and represents a substantial investment in the Long Term Council Community Plan 2009-2019.
31. The New Lynn TOD project delivers on the following community outcomes:
- Strong Economy;
 - Sustainable and Integrated Transport; and
 - Urban and Rural Villages.
32. The New Lynn project is aligned with the following strategies:
- Economic Wellbeing - a catalytic environment for a flourishing and resilient community;
 - Transport - a sustainable multi-modal transport system that is integrated with land use and contributes to Waitakere as an eco city;
 - Growth Management - a dynamic network of vibrant town centres and neighbourhoods with a social, physical and natural fabric providing housing choice and employment opportunities for all; and
 - The Auckland Regional Growth Strategy, whereby New Lynn has been identified as a regional growth centre.

CONSULTATION

33. Consultation and the updating of this report has taken place between the Units of City Services, Public Affairs, Corporate and Business Services, Strategic Planning and Finance.
34. Council officers continue to liaise with affected property owners and tenants on Clark Street with regard to the proposed land acquisitions required for the widening of Clark Street.
35. Council officers continue to liaise with ONTRACK in regard to matters affecting the community and assist ONTRACK with community consultation where possible.

RESOURCES

36. An amount of \$21,57 million was budgeted in the Annual Plan 2007/2008 for roading components, land purchase, contributions to ONTRACK for TOC works and communications. Of this amount \$19,60 million was carried forward into the Annual Plan 2008/2009. An additional sum of \$47,74 million was allocated in the Annual Plan 2008/2009.
37. The project budget for the 2009/2010 financial year is \$56,48 million which was carried forward from the 2008/2009 financial year and includes adjustments to reflect actual expenses from June 2009.
38. Further amounts are provided in the Long Term Council Community Plan 2009-2019 for the 2010/2011, 2011/2012 and 2012/2013 financial years.
39. No reinstatement to the project budget to equate to the previous Long Term Council Community Plan funding was allocated in the 2009/2010 financial year for the New Lynn TOD project due to a financial administrative omission and revised cash flow forecasting is being undertaken to ascertain whether this omission could lead to a cash flow shortfall during the 2009/2010 financial year and whether the funds reinstatement needs to be revisited over the Annual Plan 2010/2011 or if it can be mitigated through market force tender savings. While every effort will be made to cover this omission through value engineering initiatives, there can be no certainty that this will be achievable during the remainder of the programme. The result of this omission is a reduction of project budget from \$163,89 million to \$158,51 million and any residual shortfall after all value engineering initiatives have been exhausted will be taken from project contingency.
40. Three funding sources from NZTA, ARTA and development contributions are currently being investigated which will offset some of the estimated project costs. These amounts have yet to be confirmed but are estimated to be approximately \$80 million.

IMPLEMENTATION ISSUES

Timeline/Milestones

41. Current established key milestones for the transport interchange include:
 - Develop and sign-off agreement for TOC 2 process by end of April 2009. This is now likely to be September 2009 as noted above;
 - Detailed design TOC 2 completed by end of April 2009 (completed subject to specification of some provisional items);
 - Packages priced and pricing reconciliation completed by end of June 2009 (reconciliation process by ONTRACK was concluded in August 2009);
 - Approval of TOC 2 contributions (Council/ARTA) by end of August 2009;
 - ONTRACK to award TOC 2 contract variation by 16 September 2009;
 - Train track installed in trench and new rail station commissioned with temporary access facilities to street level - April 2010; and
 - Completion of transport interchange (including second track and TOC 2 scope) - October 2010.

42. Current established key milestones for the Council roading works include:
- Council roading works (Stage 1) commences - September 2009;
 - Council roading works (Stage 1) completed - October 2010;
 - Clark Street Extension (Stage 2) commences - early 2011;
 - Clark Street Extension (Stage 2) completed - early 2012;
 - Totara Avenue West (Stage 3) commences - mid 2012;
 - Totara Avenue West (Stage 3) completed - mid 2013; and
 - Option 2 trench cover - post rail electrification, approximately 2013.

Project Risks

43. Confirmation of funding from the Auckland Regional Council for the bus/rail interchange (Option 1) is required by the end of August 2009 in order to avoid delays to the TOC 2 interchange works.
44. Securing sufficient funding to achieve the interchange (Option 2).
45. ONTRACK has referred their intention to dispose of 1a Rankin Avenue to the Office of Treaty Settlements. If it is not possible for the Office of Treaty Settlements to give immediate approval, the proposed sale will be advertised publicly in October 2009, and the expectation is that the process may take four or five months from that time, following which Ministerial approval will also need to be gained.
46. Land/lease acquisitions for the Stage 2 low level bridge, namely Lollipops lease exit and Auckland Kindergarten lease exit needs to be confirmed by 30 March 2010 in order for NZTA funding process (raised from category 2 to category 1) to be completed.
47. Development of the Stage 2 low level bridge has identified that an alternative vehicle exit from the New Lynn Community Centre car park is required. Options are currently being investigated and there may be additional land required to accommodate this.
48. Auckland Transition Agency advised the Council that Auckland Transition Agency approval is required for all tenders and purchase orders associated with the New Lynn project. This may result in delays in awarding contracts and to the project. To date, several approaches from the Council to Auckland Transition Agency to develop a bundled-cost approval process have been unsuccessful. However, verbal indication has been given that small costs up to a value of \$5,000 need not be subject to confirmation by the Auckland Transition Agency. While this concession will undoubtedly expedite management issues, this concession will not adequately address the quantum of likely issues that will develop during a construction contract of this scale and will almost certainly lead to delays to activities on site whilst confirmation of decisions is obtained. Typical delay costs on construction projects of this scale could be in the order of \$10,000 per day and unless a more streamlined decision making process is established, delay claims from contractors will be the inevitable result. This risk applies equally to the Council's Stage 1 construction contract and to the ONTRACK TOC works.

AUCKLAND COUNCIL TRANSITION ISSUES

49. The decision making proposed in this report is not constrained by section 31 of the Local Government (Tamaki Makaurau Reorganisation) Act 2009, as it does not directly or because of its consequences: significantly prejudice the reorganisation, significantly constrain the powers or capacity of the Auckland Council or any subsidiary of the Auckland Council following the reorganisation, or have a significant negative impact on the assets or liabilities that are transferred to the Auckland Council as a result of the reorganisation.

Report prepared by: John Schermbrucker, Special Projects Manager.



REPORT FROM THE SUBCOMMITTEE

9 TOWN CENTRE SUBCOMMITTEE

THE SUBCOMMITTEE SUBMITS THE FOLLOWING REPORT OF ITS MEETING HELD ON MONDAY, 17 AUGUST 2009.

MATTERS CONSIDERED

A33-A35

The Subcommittee dealt with a number of items for which it has delegated powers to act and a copy of the minutes of the meeting is attached at pages A33 to A35.

It is recommended that the Infrastructure and Works Committee resolve to:

Receive the Meeting report of the Town Centre Subcommittee held on Monday, 17 August 2009.

DQ Battersby, QSM, JP
CHAIRMAN

