

Please Quote Ref: SH/9/1/TG
JM:KC03

6 March 2001

The Chairman
Wellington Regional Council
P O Box 11646
WELLINGTON

Attention: S Macaskill

Dear Sir

ALLOCATION OF RESPONSIBILITIES: TRANSMISSION GULLY MOTORWAY

Background and Purpose

In October 2000, the Transit Authority resolved to proceed with planning, investigation, preliminary design and land acquisition actions necessary to permit the calling of tenders for the early construction of the project once funding and any required legislation had been arranged by Wellington Regional Council (WRC).

WRC in it's Regional Land Transport Strategy is committed to pursuing the early construction of TGM.

This letter aims to set out the general guidelines for the co-operation of the parties. It defines the responsibilities of the parties, and the overall management procedures that will be established to implement that collaboration. It has been discussed with WRC officers and I would appreciate your formal acceptance of this as a basis for the WRC/Transit relationship on the TGM Project.

Current Objective

The current objective of WRC is to establish the means of funding and form of any supporting legislation to allow for the construction of TGM as early as possible ("early construction").

Transit supports early construction of TGM should the funding and any enabling legislation or regulation become available, and will undertake other activities necessary to achieve early construction.

The activities envisaged as necessary to achieve the current objective include:

- a) Confirming the designation under conditions which permit early construction;

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- b) Advancing land acquisition and/or leasing plus necessary entry agreements for advance mitigation, site investigations, and early construction;
- c) Developing more accurate estimates of costs, benefits and project risks;

How without TDF Funding?

- d) Determining a mechanism for funding the project and a corresponding procurement contract form;
- e) Obtaining Resource Consents consistent with early construction and the procurement contract form;
- f) Obtaining any required legislative authority;
- g) Developing Procurement Contract documentation;
- h) Calling and evaluating tenders for the procurement;
- i) Letting and supervising the contract for the procurement.

Transit and WRC recognise that the achievement of the objective and completion of the activities listed above will require actions from both organisations and interaction with Ministry of Transport (MOT) for legislation and Government policy development. Transfund in its capacity as the funder of investigation, planning and design activities undertaken by Transit, and as potentially the organisation responsible for the provision of any agreed Government contribution to the capital cost.

Organisational Responsibilities

The parties recognise the general areas of responsibility of the various parties as:

WRC to:

- a) Undertake preliminary assessments to establish a commercial model(s) to be used to establish general level of funding requirements over and above toll revenue, and possible alternative combinations of toll/regional government/and national government financial contribution.
- b) Establish, with input from Transfund and Transit and in consultation with TLA's in the region and in negotiation with the Minister of Transport, an acceptable mechanism for the funding of the construction, and general orders of assumed financial contribution from the various sources;
- c) Establish the requirements, if any, for special legislation to permit construction of TGM by the funding and procurement method adopted, and arrange for the passing of such legislation noting MOT's role Transfund New Zealand. Transfund/MOT will also need to assist WRC in the development of the funding mechanism.

Transit to:

- a) Obtain the resolution of the Appeals on the designation to an acceptable outcome;
- b) Negotiate the necessary land acquisition, compensation and entry agreements;
- c) Obtain resource consents and prepare procurement documentation.
- d) Assist with any funding proposal.
- e) Call and evaluate tenders for the procurement, recommend preferred tenderer, let and supervise the procurement contract.
- f) Work with MOT on any legislation/policy work that may be required.
- g) Secure necessary funding for the pre-construction activities including further investigations.

Project Steering Group (PSG)

The management of the interaction between Transit and the WRC shall be the responsibility of a Steering Group to comprise representatives of each party plus other experts, specialists TLA representatives and involved persons as mutually agreed. Transit will also be responsible for providing secretarial support to the Steering Group.

The Steering Group will typically meet monthly.

Transit will prepare a monthly status report covering all key actions being undertaken by all parties. Transit will consult with nominated officers to obtain the information required for the status report.

The representatives on the Steering Group will be responsible for disseminating within their organisations copies of Steering Group Meeting minutes and otherwise reporting as appropriate to their respective organisations.

Project Direction and Progress

Each member of the PSG is responsible for the briefing of it's controlling body (eg Wellington Regional Council Land Transport Committee, Transit Authority,) as appropriate and for the obtaining of the necessary authorisations.

Each party agrees to provide information to each other, copies of any press releases or other public information releases (such as newsletters), prior to the release.

Public Consultation

WRC and Transit will co-operate in the presentation of the project to the public.

Public consultation will be required as part of the process of obtaining Resource Consents. This will be undertaken by the Transit and/or their Project Consultant.

The Transit Project Manager will co-ordinate the preparation of the *Communication and Media Strategy* in discussion with WRC.

Financial Responsibilities

Transit and WRC will each meet their own costs for activities undertaken by their staff in connection with the Steering Group, and advice provided by other Transit and WRC personnel to the Steering Group.

Transit and WRC will each be responsible for arranging funding to meet the costs associated with their activities to achieve the objective.

Yours faithfully



Dave Rendall
REGIONAL MANAGER

cc: Tony Brennand – Wellington Regional Council