

13. **CHRISTCHURCH TRANSPORT MODEL UPDATE: MULTI-PARTY FUNDING AGREEMENT AND DELEGATED APPROVAL OF TENDER**

General Manager responsible:	General Manager City Environment
Officer responsible:	Transport and City Streets Manager
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PURPOSE OF REPORT

1. The purpose of this report is to seek the approval of the proposed Multi-Party Funding Agreement related to the upcoming update of the Christchurch Transport Model, and to seek delegated authority to accept the recommended tender.

EXECUTIVE SUMMARY

2. The current Christchurch Transport Study Model (CTS) is a computer-based sub-regional transport model, used to conduct transport planning work varying from policy development, such as the Regional Land Transport Study, through strategy studies, such as NROSS, to individual project analysis such as the Southern Motorway. It is jointly owned by the Council, ECan and Transit NZ and was developed in the early 1990's, with data from surveys and the census in 1991. This information on which the model is based is now considered old enough to be considered a high risk in project evaluations and justifications, and would be unacceptable if left until the 2011 census period to update.
3. Therefore the intention to replace the current CTS model has been justified amongst staff of the model owners with a view to coincide the project with the 2006 census. Good progress has been made over recent months, with the project now well scoped.
4. To ensure that the best use of the period around next year's census can be made, the process to engage a lead model building consultant has begun. Tender documents were released publicly on 5 November and the tender period closed on 6 December. An evaluation programme for the tenders received indicates that a recommended preferred tender will likely be identified around 16 December.
5. The value of the work is estimated to be beyond the normal threshold of officer delegations for approval of tenders. To enable the confirmation of the contract with a successful tenderer in sufficient time to allow surveys to be planned for around the census time, it is necessary to approve the successful tender as soon as possible (and not await the next available Council meeting next year). Therefore it is suggested that the Council delegate authority to approve the successful tender to the General Manager City Environment and one other General Manager.
6. As noted above, the current CTS model is a jointly owned model, between the Council, ECan and Transit. The replacement model is proposed to similarly be a jointly owned model with the same partners and the addition of the Waimakariri District Council.
7. Section 3.2.10 of the Land Transport New Zealand (LTNZ) Programme and Funding Manual, which prescribes the rules for acquiring LTNZ funding, stipulates that multi-party projects involving more than one road controlling authority or approved organisation receiving financial assistance from Land Transport New Zealand for the activity is conditional on the Funding Partners entering into a formal funding agreement developed in consultation with the appropriate Land Transport New Zealand regional manager.
8. A formal funding agreement has been developed (attached) in consultation between the local LTNZ regional manager and the four partners to the proposed model development. The agreement outlines the general obligations of each partner under the agreement, the proposed split of the funding and other costs, the proposed project management structure and other general matters of interaction between the partners related to this project (e.g. management of information, termination, dispute resolution, assignment, etc.).
9. The basic funding arrangements are that the Waimakariri District Council is committing a set amount to the project as a minor partner and the remainder of the funding and costs are split evenly between the three major partners. This basic arrangement has been in place for many years on the current CTS model and operates satisfactorily.

10. The agreement is being circulated amongst the project partners for signing currently, and this is to be completed prior to the confirmation of a tender for the main model build contract, noted above.

FINANCIAL AND LEGAL CONSIDERATIONS

11. The Council's funding contribution for the replacement of the model is provided for in the current budget, and the LTNZ application for subsidy is proceeding well with positive assistance from LTNZ staff. LTNZ recently approved funding for the Auckland transport model update in a very similar situation to the Christchurch situation.
12. The Legal Services Unit has reviewed and provided considerable input to the Multi-Party Funding Agreement, and is satisfied with the document for adoption and signing.

STAFF RECOMMENDATION

It is recommended:

- (a) That the Council delegate authority for the acceptance of the Christchurch Transport Model build contract to the General Manager, City Environment and one other General Manager.
- (b) That the Council support the attached Multi-Party Funding Agreement.