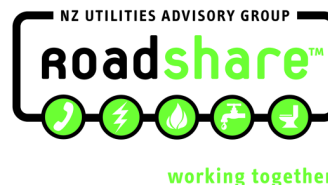




**Local Government New Zealand**  
*te pūtahi matakōkiri*



## Utilities in the road corridor – the new context

# NOTES FROM WORKSHOP DISCUSSIONS

Monday 19 February, 2007  
Brentwood Hotel , Wellington

### Contents

Kauri 3: Chairman Mike Underhill	Page 2
Kauri 1: Chairman Basil Morrison	Page 5
Kauri 2: Chairman Michael Gross	Page 7

### **Kauri 3: Chairman Mike Underhill**

Assisting: Michelle Cave, MED, Fiona Knight, NZUAG

Attendees: Barry Williams, Auckland CC; Brett Way, Central Hawkes Bay DC; Bob Shearing, ChCh CC; Pieter Besuijen, Dunedin CC; Fiona Vessey, FNDC; Geoff Cobb, Gisborne DC; Dean Burwell, Hauraki DC; Ross Nicholson, Horowhenua DC; Ron Muir, Hutt CC; Matt Bell, Manawatu DC; Hugh Townsend, Manukau CC; Stephen Williams, Masterton DC; Graeme Pool, New Plymouth DC; Chris Glanfield, North Shore CC; Chris Pepper, Palmerston North CC; Peter Bailey, Porirua CC; Ian Marshall, Queenstown Lakes DC; Ian Hayes, Rotorua DC; Andrew Mazey, Selwyn DC; Adrienne Staples, South Wairarapa DC; Peter Thomson, Tasman DC; Andrew Dixon, Timaru DC; Lachlan Wallach, Upper Hutt CC; Neil Cook, Wairoa DC; Rochelle Edwards, Waitakere CC; Adam Lawrence, Wellington CC; Brett North, Wellington CC; Mike Batchelor, Whangarei DC; George Jason-Smith, Maunsell; Kelly Smith, Waterman Technologies; Warren George, DIA; Derek Todd, Counties Power; Ken Saunders, Electricity Ashburton; Chris Way, Marlborough Lines, Dan Hynson, PowerCo; Catherine Marks, Chen Palmer; Lee Goddard, Waipa Networks; Paul Westbury, lawyer; Ian Cox, Transit NZ; Tim Siau, Transit NZ; Tony Shaw, Greater Wellington RC.

#### **Topic 1: Legislation governing principal objectives and specific outcomes for transport corridors**

The concept of a world class road and utility infrastructure should be included in the objectives in the legislation. Objectives should include the “fair and efficient allocation of costs”. The scope should be narrow, and exclude items like amenities. Clarity is essential to avoid any downstream disputes – if we get it right, there should be no need to use dispute provisions.

Consistency is the key word – especially with non-utility legislation because this legislation covers only a small part of RCA activities, which is addressed in other legislation, notably:

- The Land Transport Management Act objectives and provisions
- The Local Government Act
- Long term consultative community plans (LTCCP)
- Need a consistent message from MED on two current projects – broadband access and utilities access.

Ensure a clear separation between the overall Government objectives, and the details to be included in guidelines, Codes of Practice, etc.

Do not include sustainability in this legislation – will bog things down. Rather focus on long and short term efficiency.

The legislation should enable strategic planning of the transport corridor between all parties, and assist them to manage the essential relationship.

Related issue: putting ducts for future use in corridors when they are available through RCA or other utilities activities. But will today’s infrastructure meet tomorrow’s needs?

#### **Topic 2: addressing the differences that create inconsistencies**

Agree that legislation must be consistent. Build on from the discussion above. Must cover long term objectives.

Challenge for MED to ensure the new Act is consistent with and complies with the requirements of several competing pieces of legislation:

- Building Act and related legislation and regulations

- Commerce Act, including Commerce Commission requirements
- Resource Management Act
- Land Transport Management Act
- Local Government Act
- Transit NZ Act

Agents for connections (such as plumbers and drainlayers) must also be included. Unlikely that these would be employed by Network Utility Operators.

### **Topic 3: Guidelines, Codes of Practice, Reasonable conditions**

Use the Code of Practice for Temporary Traffic Management (COPTTM) as the example for this. Has provisions for large and small activities, for heavily/ lightly trafficked roads.

Lack of consistency is identified by utilities as a barrier for infrastructure development.

Need National Standards / Codes/ Guidelines that allow for local geographic conditions. Local variations should not be able to be set according to local whim but according to some clear criteria prescribed in the legislation. Acknowledged the sense and usefulness of the Auckland codes (AUOG) used by 7 councils.

All standards/codes etc should be mandatory for all participants – RCAs, utilities, corridor managers etc. Noted the difference between standard conditions for approval (eg RON), and standard conditions for procedures (eg Working in the Road).

Development of Codes needs an open, rigorous process with robust debate, and input from all sides. Standards NZ type process was endorsed as meeting these requirements.

Start with the existing SNZ Handbook 2002:2003 Working in the Road, and progress this. Include both above ground and underground utilities. Must be achieved concurrently with the legislation. Identify what can be readily agreed with (Can-do concept), and focus on the remaining issues.

If agreeing Reasonable conditions will be contentious, maybe keep as separate document from the standard for operational procedures.

### **Topic 3A: Cost allocation**

Concept of horses for courses – needs to be flexible. Recognise also the human element.

Costs incurred by:

- Administration – RONs, monitoring, audit etc
- Costs of relocating utilities
- RCAs not relocating utilities and then damaging them

Relocating utilities – lots of issues:

- Whose choice is it to relocate?
- Does the utility really need to move?
- The depth of the installation
- Bridge replacements – can leave utilities hanging on the old bridge?
- Poles versus road safety

Agreed in principle that if the RCA wants a utility moved, it should pay, subject to the age of the utility and potential for betterment of the utility. Transit pole are outside this agreement

Agreed we need a Code of Practice for cost allocations.

- KISS
- Keep separate from the review of WTR as this may take longer to develop and resolve contentious points. Could become a schedule to WTR
- Provide for trade-offs
- Horses for courses – have different sections according to different parameters
- Keep motorways and rail track separate
- Transparency of costs essential
- Include service levels in Codes

#### **Topic 4: Dispute procedures**

We expect standards and guidelines to be sufficiently clear that disputes provisions should not need to be used.

Want a process which is timely, and not costly. Participants should be required to undertake a sincere attempt to resolve issues before getting into any formal disputes process. Do not want a vexatious device.

One stated dissension from this view.

#### **Topic 5: Enhanced access to motorway / rail corridors**

MED need to check the proposals against the Transit Act to ensure consistency.

Transit reminded to have consistency across all its regions and offices

Want access to On Track abandoned rail lines – treat these the same as paper roads and make them available for utility use.

Note that while the proposal is for corridor access, and not the actual track, at times access to the actual track will be needed for maintenance etc.

#### **Topic 6: strategic planning / coordination of works**

Communications the key word here. Need processes to talk and share information – the social aspect of these was stressed as helping relationships.

Noted that most organisations required to prepare forward plans and work plans so no excuse. NZUAG framework seen as a helpful one – several geographical areas working cooperatively – Taranaki, West Coast etc.

## **Kauri 1: Chairman Basil Morrison**

Assisting: David Fraser, NZUAG

Attendees: Andrew Guthrie, Ashburton DC; Tony Robertson, Buller DC; Terry Howes, Christchurch CC, Chris Bopp, Clutha DC; Lars Fog, FNDC; Norm Beazer, Franklin DC; Murray Hasler, Gore DC; Adrian de Laborde, Hauraki DC; John Whyte, Hurunui DC; Blair King, Kaipara DC; Colin Giles, Manawatu DC; Steve Murrin, Marlborough Roads, Neville Boag, Matamata-Piako DC; Carl Whittleston, New Plymouth DC; Siri Rangamuwa, North Shore DC; Graeme Tong, Palmerston North CC; John Leighton, Porirua CC; Bill Horne, Rodney DC; Bruce Dobson, Ruapehu DC; Andrew Pascoe, South Waikato DC; Philippa Barriball, TCDC; Grant Hall, Timaru DC; Neil Taylor, Waikato DC; Bill Lewis, Wairoa DC; Mark Ammon, Waitomo DC; Michael Stavros, Wellington CC; Stephen Hodgens, DigSafe; Brian Steed, MWH; Brett Beagley, Works Infrastructure; Bill Greenwood, Land Transport NZ; John Keenan, Delta; Peter Berry, EEA; Stephen Parker, GANZ; Derek Atkinson, Network Waitaki Ltd; Caroline Ramsey, PowerCo; Mark Larsen, Telecom; Ewen Gebbie, Vector; Kevin Oswin, Vector; Mark Batt, Standards NZ; Jack Hansby, Transit; Dale Nicholls, Transit; Richard Wade, Transit

### **Topic 1: Legislation governing principal objectives and specific outcomes for transport corridors**

Principal objectives provide the framework. There was concern from one participant that “interests” was not specific enough. High level centralised objectives must be supported by legislation and consistency across all legislation is key. eg objectives should not be inconsistent with Land Transport Strategy or objectives for energy efficiency, and economic development etc.

### **Topic 2: addressing the differences that create inconsistencies**

seen as an essential task .

### **Topic 3: Guidelines, Codes of Practice, Reasonable conditions**

National consistency essential – can be achieved through having a national template with an ability to cater for appropriate variations for the local situation.

Must take account of the big picture:

- Public good
- Community desires
- Opportunities
- Most infrastructure is currently valued
- Capital value rating seen as one way of charging a “lane rental” for utilities

Coordination is essential to avoid unplanned expenditure – unexpected costs can be imposed on one party when they are unaware of work to be carried out by another.

### **Topic 3A: Cost allocation**

- Need guidelines with principles and limits
- National code of practice covering operational aspects – simple formula to apply.
- Suggestion put forward that cost sharing agreements could be formulated around the depreciated value of the assets involved and this approach is already used in some areas. There was a question raised as to whether this was possible with Telco's.
- There is a difference between roads and utilities in terms of access. Roads have free and open access for all whereas there is a one to one relationship for most of the utilities with their customers and through this a direct opportunity for cost recovery.
- Is there a role for special conditions that would allow for negotiation to cover unusual circumstances?
- In respect of Utilities access to land, two situations were identified – existing land and new land. The question was asked whether Utilities should be looking to contribute to the purchase costs of land required for new motorway alignments rather than road users meeting the cost in full. Should the same apply to local roads.

### **Topic 5: Enhanced access to motorway / rail corridors**

Issues include:

- Along versus across – (across is normally easier to manage/approve)
- Toll roads – what happens here?
- Hierarchy of roads may have some impact on requirements – seen as similar to a code of practise where standards recognise the hierarchy and other features specific to the road involved
- Appropriate mechanisms for discussion must be in place - parties must be willing/made to participate constructively.

### **Topic 6: strategic planning / coordination of works**

Noted that some access is demand driven and impossible to plan long term ahead. Nevertheless, coordination meetings are essential.

Smart growth- a 50 year planning horizon in Western Bay or Plenty has provide a good basis for experienced practitioner to advise utilities of locations that are unlikely to have conflict issues in the future. Longer term planning of this nature would be beneficial.

Ownership of information – the owner of the infrastructure should be the owner of the information

Option A of the MED paper is generally preferred (by about 70% present), however, another better approach may emerge as the national template is developed. No one supported Option B.

A spatial information protocol is required to enable the data to be transportable and displayed on different GIS systems.

Utilities must develop and share their forward work programmes, particularly planned renewals.

## **Kauri 2: Chairman Michael Gross**

### **Assisting: Wayne Newman, Cresmere Consulting**

Attendees: Des Hughes, Auckland CC; Karen Bothwell, Central Hawkes Bay DC; Weng Kei Chen, Christchurch CC; Peter McPherson, Clutha DC; Allan Shadbolt, FNDC; Alan Wallace, Franklin DC; Tinga Borrell, Hamilton CC; Tim Tinker, Hastings DC; Gene Thompsen, Hauraki DC; Dwayne Fletcher, Hutt CC; Geoff Strand, Kapiti Coast DC; David Stroud, Manawatu DC; Hamish Pringle, Masterton DC; Alec Louverdis, Nelson DC; Phil Consedine, North Shore City; Prasad Sappa, North Shore CC; Kirsten Wierenga, Palmerston North CC; Leon Vorster, Porirua CC; John Law, Rodney DC; Andrea Nichol, Ruapehu DC; Ravi Mangar, South Wairarapa DC; Ray Cannon, Tararua DC; Steve Ruru, Thames Coromandel DC; Horace Parker, Upper Hutt CC; Don Young, Waimakariri DC; Adam Moller, Waitakarere CC; Peter Dodge, Wellington CC; Wayne Murphy, Wellington CC; Alex Finn, WBoPDC; Johan van Nieuwburg, Fulton Hogan; Wayne Gunn, Transfield Services; Priscilla Agius, DIA; Kerry Wood, MoT; Brendan Quinn, Electricity Ashburton; Tanya Ashby, ENA; Brian Tapp, Marlborough Lines; Shane Watson, Orion; Michael Whaley, PowerCo; Alister Dixon, TelstraClear; Ross Malcolm, Vector; Julian Kersey, Vodaphone; Tony Zonneveld, WERL Networks; Sue Trezise, Sue-lutions; Fabian Marsh, Transit NZ; Dave Robertson, Transit NZ;

### **Topic 1: Legislation governing principal objectives and specific outcomes for transport corridors**

Function of Corridor Network Controller (CNC) - will be to balance the expectations of the community and the providers of services and utilities to that community. This is already specified as a function of a TLA in the Local Government Act 2002.

Terminology is a little confusing with the word “network” in both definitions. Suggest Utility operators and Corridor controller. The emphasis should be on the corridor, because various networks will remain outside control of CNC.

The exercise of corridor control function by local government will require a degree of separation from the road controlling and other service provision functions to obtain both equivalence of treatment and transparency of process. While some councils already operate as corridor controllers, others insist on the primacy of the road function responsibility, and they would need to change.

The technical capability already exists to overlay information on all aspects of a corridor into plans, but some RCA's are resistant to accepting responsibility for additional information, and some lack the resources to do so. There is also the issue of liability for accuracy of information provided. While new information provided to CNC's by NUO's might be detailed and comprehensive, neither parties want to be held accountable for the accuracy of historical information.

The provision of accurate and up-to-date information from NUO's to CNC's poses a technical challenge with multiple operating systems around the country, and the sheer number of likely CNC's if every RCA and Ontrack becomes a CNC.

### **Topic 2: addressing the differences that create inconsistencies**

Agreed; needs to be done.

### **Topic 3: Guidelines, Codes of Practice, Reasonable conditions**

The need for consistency of treatment and conditions was accepted, but any national standard must be able to allow for variables of local conditions.

The preference was for something practicable and definitive, with very restrained use of terms like fair and reasonable in order to be able to achieve a consistent national standard from one CNC to the next.

The need to separate the roles was illustrated by the example that a requirement to remove all poles off a road corridor would be reasonable in terms of road safety, but, particularly in rural areas, there is a need to balance this with cost efficiency and practicality when defining reasonableness.

Enforcement issues for CNCs over NUOs and any intermediaries include:

- Contractors digging in the road
- CNCs monitoring performance of all utilities impartially
- Need for some teeth and powers to enforce without an additional cost placed on the local communities

### **Topic 3A: Cost allocation**

The transfer of additional resource requirements onto some RCAs will impose added costs – will these be recoverable directly, or recovered by savings in costs through greater efficiencies in corridor management?

Loss of asset life costs – in all cases, “causer” should pay unless prior agreement exists for cost sharing or for betterment. This includes relocation by an RCA and damage to a road by an NUO. TLAs, RCAs, and NUOs have full valuation of assets, although local authorities are probably ahead of the utilities. Utilities will need to lift their game, so that they can assess the cost of accelerated depreciation of the asset’s life.

### **Topic 5: Enhanced access to motorway / rail corridors**

TLAs also want access to motorway and rail corridor, especially disused ones.

The CNC function should be separated from Transit and Ontrack, in the same way as is proposed for local authorities. Opportunity for a single corridor controller in any one area, which would be administratively simpler for all concerned, and clearly separates the corridor management function from transport route management. Especially important for transparency in these two organisations.

### **Topic 6: strategic planning / coordination of works**

Effective corridor management would require systematic coordination to allow for long term planning, minor works coordination, and practical responses to unplanned events – regular consultation, personal contacts and goodwill.

RCAs operate to longer planning periods than NUOs. Commercial drivers are consumer demand and supplier competition. This can result in sudden change in the NUO requirements and plans, as they need to be responsive to customer demands.

Confidentiality of forward works planning remains an issue. NUOs are prepared to supply as-built information, but are still unwilling to share their intentions with their competitors. CNC’s management of information would need to operate at 2 levels – freely available for existing infrastructure, but commercially sensitive for planned services.