

# Minutes of the Public Transport Committee Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Friday, 25 August 2017 commencing at 9.00 am.

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## Present:

**Chairman:** L Thurston

**Deputy Chairman:** N Bruning

**Councillors:** P Thompson, J Nees, S Crosby, K Winters, A von Dadelszen

**Ex Officio:** Chairman D Leeder

**Appointees:** Crs D Thwaites (Western Bay of Plenty District Council), T Molloy (Tauranga City Council), M Gould (Alternate, Rotorua Lakes Council), Attendance in part: T Tapsell (Rotorua Lakes Council)

**In Attendance:** Crs M McDonald (Bay of Plenty Regional Council); F McTavish (General Manager Strategy & Science), M Taylor (General Manager Corporate Performance), G Maloney (Transport Policy Manager), A Dixon (Management Accountant Team Leader), M Furniss (Senior Transport Operations Officer), M Winters (Transport Operations Officer), S Neate (Transport Marketing Officer), C Cassidy (Tauranga City Council), A Talbot, C O'Keefe (NZ Transport Agency), J James (Public Relations Consultant), S Kameta (Committee Advisor); Attendance in part: Crs J Cronin, D Love (Bay of Plenty Regional Council), L Baldock (Tauranga City Council)

**Apologies:** Cr D Thwaites (Western Bay of Plenty District Council) and Cr T Tapsell (Rotorua Lakes Council) for late arrival and Cr L Thurston for early departure.

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## 1 **Opening announcement**

The Chairman welcomed and invited Councillors Baldock, McDonald and Cronin to sit at the table and sought leave of the Committee that they be given speaking rights.

### **Resolved**

**That the Public Transport Committee:**

- 1 Invites Councillors Baldock, McDonald and Cronin to sit at the table and be given speaking rights for the meeting.**

**Thurston/Molloy  
CARRIED**

## 2 **Apologies**

### **Resolved**

**That the Public Transport Committee:**

- 1 **Accepts the apologies for lateness from Councillors Don Thwaites and Tania Tapsell and apology for early departure from Councillor Thurston tendered at the meeting.**

**Thurston/Molloy  
CARRIED**

## 3 **General Business and Tabled Items**

There were no General Business or late items tabled.

## 4 **Public Forum**

The Chairman advised that Glen Crowther from the Sustainable Business Network had requested to speak in the Public Forum, but as he had been delayed, sought the leave of the Committee for his public forum address to be deferred to accommodate his arrival.

## 5 **Declaration of conflicts of interest**

No conflicts of interest were declared.

## 6 **Previous Minutes**

### 6.1 **Public Transport Committee minutes - 23 June 2017**

#### **Resolved**

**That the Public Transport Committee:**

- 1 **Confirms the Public Transport Committee Minutes of 23 June 2017, as a true and correct record.**

**Gould/Bruning  
CARRIED**

## 7 **Suspension of standing orders**

With the leave of the Committee, the Chairman advised that standing orders would be temporarily suspended to allow the Committee to undertake a workshop on the Western Bay Public Transport Blueprint bus network.

### **Resolved**

**That the Public Transport Committee:**

- 1 **Temporarily suspends standing orders to workshop matters relating to the Western Bay Public Transport Blueprint bus network.**

**Thurston/Crosby  
CARRIED****Attendance**

Chairman Leeder entered at 9:12 am.

**Workshop**

*Refer PowerPoint Presentation Objective ID A2681038*

During the workshop staff presented an overview of key messages, critical components for public transport and considerations for Council's Long Term Plan.

Key topics discussed were: regional fare review, living wage, electric buses, Western Bay and Tauranga network services and subsequent financial considerations.

**1) Regional Fare Review**

Staff advised:

- Recommendations were sought on levels of investment to prepare for bus procurement and awarding new contracts in 2018. Sufficient lead-in time (9-12 months) was a normal practice to allow contractors to prepare services.
- Financial starting points - current fare recovery was struggling to meet the Long Term Plan targets. Council currently funded the net cost of its public transport activity 60% targeted rates and 40% from general funds. Other cities had a 100% targeted rate for public transport. A number of scenarios could be considered for both Tauranga and Rotorua and staff recommended that a targeted rate should be included for Western Bay residents. Given the level of investment, staff recommended the treatment of targeted rates be consulted through the Long Term Plan (LTP). Cost estimates were provided, noting actual costs would only be known when bus contracts were procured.
- Staff were seeking guidance on the fare structure to enable further analysis to be provided for the Committee's consideration.

**Attendance**

Councillor Nees exited at 9.26 am and Councillor Tapsell arrived at 9.32 am.

Members provided comment and feedback:

- As actual costs would only be known at the time of contract procurement, any decision would need to be philosophical, with many factors to consider;
- If pricing changed, transitioning and incentivisation would be vital.
- The key driver should be growing the business as opposed to farebox recovery.

**Attendance**

Councillor Thwaites arrived at 9.40 am.

**2) Living Wage**

The Committee at its June meeting had requested staff explore the concept of the living wage for bus drivers. Staff presented matters for consideration and sought guidance whether to continue to explore further.

Feedback from members:

- Further work and information was requested;
- Precedent setting and ramifications across Council contracts was questioned; staff advised it could impact all Council contracts.
- Primary driver is to get people using buses;
- Focus should shift to achieving a better customer service outcome versus simply paying people more.

### 3) Electric Buses

Direction was requested on the deployment of hybrid or electric buses as part of the new bus contracts. Comparisons were provided on the various technology options, costs and risks. It was noted Tauranga City Council were investigating the potential of an underground hub, which would favour electric buses.

#### Attendance

Councillor Nees re-entered at 10:09 am.

Feedback from members:

- The importance of providing leadership in moving towards a carbon neutral environment and fuel efficient fleet was raised and it was accepted this may need to happen in a staged approach. Integrating electric and hybrid models was favoured, along with 1-2 buses to be trialled and evaluated.
- Consideration for different operating models to minimise and offset the cost to contractors was sought.
- Consideration of other issues and the need to collaborate with Tauranga City Council.

### 4) Extending Contracts

Staff advised the bus contracts were due to end in July 2018 and recommended extending them to December 2018 to allow better lead-in time for new contracts to source vehicles, terminals and to reduce timing risk around the tender process.

### 5) Western Bay Services

Members were informed of the baseline changes, additional options and costs and the rationale in anticipation of patronage increases. It was noted that figures did not include inflation or changes in fare and that adjustments in service changes would be made if and where required.

### 6) Bayhopper Services

Staff recommended that LTP consultation examine funding sources and fare levels; and exclude Tauranga network changes, as extensive engagement had already been undertaken and no further contract extensions were required.

Staff sought direction on network implementation options and costs, along with the staff recommendation for a baseline and staged approach, which would address the most recurring requests from the feedback received. Staff did not consider any misalignment or additional change to service levels would be necessary in Years 1 to 4, but may need reviewing in the longer term.

Comment from members considered the three Councils' LTPs needed to be aligned and that policy decision-making should be distinct from LTPs processes.

## 7) Network implementation options

Staff outlined the financial implications and timing of service changes for Tauranga and the sub-region, which would be recommended for consideration in the LTP process.

Members provided feedback and received clarification:

- Sought a 2-yearly review of public transport to signal staged changes;
- Some concern was raised on truncating the city loop service at the Hospital, rather than Greerton. Staff advised that Greerton was very well served by other services and until TCC implemented bus priority measures in Cameron Road to speed bus travel, extending the City Loop would not result in an efficient service.

## 8) Tauranga School Buses

Members received an update on the new school bus service proposals. It was noted that SchoolHopper had initially started with 45 school services; the original proposal was to reduce that to 11 services, with the current proposal for 25 services and that further work was required with schools. Schools were generally in support of the proposals, with several wanting further clarification and to meet with staff. Regarding special character schools, the Ministry of Education had indicated they would provide funding assistance if criteria were met.

The workshop concluded and the Chairman sought to restate standing orders.

## Resolved

**That the Public Transport Committee:**

- 1 Reinstates standing orders.

Thurston/Crosby  
CARRIED

## Adjournment

The meeting adjourned at 10:59 am and reconvened at 11:16 am.

### Attendance

Chairman Leeder was not in attendance at this time.

## Order of Business

The Committee Chairman advised that Mr Glen Crowther from the Sustainable Business Network was now in attendance and would make his public forum address to the Committee.

## 8 Public Forum

### 8.1 Glen Crowther – Sustainable Business Network

*Refer PowerPoint Presentation Objective ID A2684495*

Mr Glen Crowther spoke about passenger frustration with the current service and the challenges and complexities for the community to follow engagement processes with

the respective councils on multiple plans and current transport issues. He considered an integrated structure was needed and that the region needed to prepare and adapt for climate change. He believed the Government's target for reducing emissions by 30% below 2005 levels by 2030 did not go far enough, but that even 30% required a much bigger investment in public transport than what was proposed, which still would not allow for increased congestion from projected population growth.<sup>1</sup>

Mr Crowther hoped the Smart Transport Forum being held on 28 September would be well attended and integrated into planning frameworks.

### **Attendance**

Councillor Cronin withdrew from the meeting at 11:25 am.

Mr Crowther believed design options should provide for reductions in cars and school traffic and should incorporate a rapid transit service for Pāpāmoa through to Te Tumu. He considered all external costs (such as environmental externalities) had not been factored in appropriately and that public transport should be heavily subsidised through taxes and rates, as increased user pays would unlikely work.<sup>2</sup>

In response to a question raised, Mr Crowther considered having free buses would be a paradigm shift for affordability, which the community could easily grasp.

## **9 Reports**

### **9.1 Western Bay Public Transport Blueprint bus network approval**

*Refer PowerPoint Presentation Objective ID A2681038; and Tabled Document 1.*

The report sought approval on networks to be tendered for the Western Bay sub-region and recommendations to Council for budgets within the Long Term Plan (LTP).

The Committee received a new set of recommendations to consider (refer Tabled Document 1), which reflected proposed costs if Council agreed to extend current contracts, which had not been accounted for within the new blueprint networks.

A member opposed the truncation of the City Loop Service at Tauranga Hospital (recommendation 7c) and supported the service going through to Greerton.

### **MOTION**

**Moved:** Councillor von Dadelszen      **Seconded:** Councillor Nees

**That truncation of the City Loop Service at Tauranga Hospital not occur.**

Staff advised their preference was to wait and allow the extension to be appropriately provided for, with costs and priorities for installation of bus priority measures to go through Tauranga City Council's Long Term Plan process.

The mover of the motion clarified his opposition of truncation in Year 1 of the LTP 2018/28. In response to the advice and clarification received, the seconder of the motion withdrew her support for the motion and sought an amendment for cessation of truncation in Year 2 of the LTP, which was accepted by members.

### **AMENDMENT**

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<sup>1,2</sup> Correction, Public Transport Committee Meeting, 23 November 2017

**Moved:** Councillor Nees

**Seconded:** Councillor Thompson

**Endorses the following variation to the Western Bay of Plenty bus network as described in the report for implementation in Year 2 of the 2018-2028 Long Term Plan:**

**a. Introduce City Loop Service to Greerton.**

The amendment was PUT with a **SHOW OF HANDS** requested and recorded as follows:

**For the Motion**                **6**  
**Against the Motion**        **4**

The AMENDMENT was **CARRIED**.

A **DIVISION** was called and recorded:

| <b>FOR (6)</b> | <b>AGAINST (4)</b> |
|----------------|--------------------|
| Thompson       | Thwaites           |
| Nees           | Crosby             |
| Tapsell        | Bruning            |
| Thurston       | Molloy             |
| Von Dadelszen  |                    |
| Winters        |                    |

The Committee considered the remaining recommendations in part and resolved as follows:

## **Resolved**

**That the Public Transport Committee:**

- 1 Receives the report, Western Bay Public Transport Blueprint bus network approval.**

### **Living Wage**

- 2 Requests staff continue to progress work on how customer service outcomes can be improved with the Western Bay Transport Blueprint procurement and report back to BOPRC Council on 26 September 2017.**

**Winters/Crosby  
CARRIED**

### **Electric Buses**

- 3 Requests staff to continue to progress work on deploying hybrid or electric buses as a key component of achieving a carbon neutral environment for the Bay of Plenty region.**
- 4 Requests that staff report back on how these buses can be progressively introduced within the new Western Bay of Plenty bus contracts and report back to BOPRC Council on 26 September 2017.**

**Nees/Bruning  
CARRIED**

## Western Bay Services

- 5 Endorses the Western Bay of Plenty District bus network as described in Part 5 of this report as the preferred network, with an estimated gross operating cost estimate of \$560,000 per annum and an estimated funding gap to Council of \$112,000 per annum for the 2018/19 financial year.
- 6 Endorses the following variation to the Western Bay of Plenty District bus network as described in this report for implementation in Year 4 of the 2018 – 2028 Long Term Plan:
  - a. Saturday services for Katikati, Ōmokoroa, and Te Puke in at an estimated operating cost of \$200,000 per annum.

Nees/Bruning  
CARRIED

## Tauranga Urban Services

- 7 Endorses the Tauranga urban service Option 3A as described in this report as the preferred network from the start of the new contracts in 2018/19, including:
  - a. Minor route change to the Crosstown Connector at no additional cost;
  - b. Retain existing service frequencies on Route 59 of 60minutes with an estimated operating cost reduction of \$455,000 per annum
  - c. Implement Gold Line service at an estimated operating cost of \$180,000 per annum;
  - d. Increased weekend frequencies on urban service to every 30min at an estimated operating cost of \$920,000 per annum; and
  - e. Extend operating hours on all urban service to 8:00 pm weekdays and weekends in at an estimated operating cost of \$430,000 per annum.

Crosby/Thompson  
CARRIED

- 8 Endorses the following variation to the Western Bay of Plenty bus network as described in the report for implementation in Year 2 of the 2018-2028 Long Term Plan:
  - a. Introduce City Loop Service to Greerton.

Nees/Thompson  
CARRIED

- 9 Notes that this service level has a total gross operating cost estimate of \$ 13.2 million per annum and an estimated funding gap for Council of \$1.5 million in the 2018/19 financial year.
- 10 Endorses the following variation to the Tauranga urban services as described in this report for implementation in Year 4 of the 2018 - 2028 Long Term Plan:



- a. Extend operating hours to 9:00 pm weekdays (some routes) at an estimated operating cost of \$270,000 per annum.
  - b. Extend operating hours to 11:00 pm on Friday and Saturday at an estimated operating cost of \$160,000 per annum
- 11 Notes that staff will work with residents of Ballintoy Park Drive to find a public transport solution that meets the community's requirements.

Nees/Thompson  
CARRIED

### School Bus Services

- 12 Endorses the proposals in Part 7 of this report subject to ongoing discussions with schools and notes once they have a total gross operating cost estimate of \$1.1 million dollars per annum and an estimated cost to Council of \$255,000 per annum for the 2019/20 financial year onwards.
- 13 Notes that if the Schoolhopper contracts are extended to December 2018, the total gross operating cost estimate for the 2018/19 financial year is about \$2.0 million dollars and an estimated cost to Council of about \$630,000.
- 14 Notes that the following schools have agreed to support the implementation of the proposed school bus networks:
- Mount Maunganui College
  - Mount Maunganui Intermediate
  - Tauranga Intermediate
  - Otumoetai College
  - Otumoetai Intermediate
  - Tauranga Boys College; and
  - Tauranga Girls College
- 15 Notes that officers will continue to work with the following schools and parents to find suitable school proposals:
- Aquinas College
  - Bethlehem College
  - Saint Marys
  - Saint Thomas More
  - Pāpāmoa College
  - Pāpāmoa Primary; and
  - Maungatapu School
- 16 Notes that staff will continue to work with the Ministry of Education and schools to establish the best funding mechanism for students now eligible for assistance from the Ministry as a result of changes to the public bus network.
- 17 Notes that the traffic impacts resulting from changes in the school service are likely to be minor across the network, noting that there are transport infrastructure requirements relating to school proposals that will need to be endorsed by Tauranga City Council.

Thompson/Thurston  
CARRIED

That the Public Transport Committee recommend that the Regional Council:

- 1 Agrees that consultation through the 2018 - 2028 Long Term Plan process will address issues relating to the funding of passenger transport services across the region including the outcomes of the Regional Fare Review.
- 2 Agrees that further consultation on the Tauranga Urban, school services, and Western Bay District services will not be required through the 2018 - 28 Long Term Plan process.
- 3 Agrees to fund the Western Bay of Plenty District bus network as described in Part 5 of this report as the preferred network. The estimated gross operating cost estimate for 2018/19 is \$560,000 per annum and the estimated funding gap to Council is \$122,000 per annum.
- 4 Agrees to fund the Tauranga urban service as described in section 8.4 of this report as the preferred network. The estimated gross operating cost estimate for 2018/19 is \$13.2 million per annum and the estimated funding gap for Council is \$1.5 million.
- 5 Agrees to fund Tauranga school buses as described in Part 7 of this report. The estimated gross operating cost for 2018/19 is about \$2.0 million dollars and the estimated cost to Council is \$630,000.
- 6 Agrees to fund a new Travel Safe bus programme for Year 7 and 8 students to encourage independent bus travel at an unbudgeted cost to Council of \$100,000 per annum for Years 1 through 3 of the 2018 - 2028 Long Term Plan.
- 7 Agrees to fund a trial crossing guard programme for schools to improve safety of school students and encourage independent travel at an unbudgeted cost to Council of \$30,000 in Year 1 of the 2018 - 2028 Long Term Plan.

Thurston/Thompson  
CARRIED

### Attendance

Councillor Thurston left the meeting at 12:05 pm and Councillor Bruning assumed the Chair.

## 9.2 Procurement Plan for Western Bay of Plenty Public Transport Tender

The report sought Council approval of the Procurement Plan for the Tauranga Public Transport Tender. Members took the report as read and accepted the recommendations without further comment.

### Resolved

That the Public Transport Committee:

- 1 Receives the report, Procurement Plan for Western Bay of Plenty Public Transport Tender.

**2 Endorse the Procurement Plan.**

**That the Public Transport Committee recommend that the Regional Council:**

- 1 Approve the Procurement Plan for Western Bay of Plenty Public Transport Tender.**

**Thompson/Crosby  
CARRIED**

**9.3 The 2017 Bus Satisfaction Survey**

Transport Policy Manager Garry Maloney informed the Committee of findings of the 2017 Bus Satisfaction Survey, the opportunity for some initiatives of the Western Bay Blueprint to be brought forward to improve reliability, while other issues would be deferred until new contracts were procured.

Members queried improving service reliability through technology applications. Mr Furniss advised that NZTA was investing in new technology in Auckland and Queenstown and that staff would discuss potential opportunities for Tauranga with NZTA. The Track-A-Bus real time system in Rotorua was noted and commended.

**Resolved**

**That the Public Transport Committee:**

- 1 Receives the report, The 2017 Bus Satisfaction Survey.**

**von Dadelszen/Nees  
CARRIED**

**9.4 Bus Fare Increase 2017/18**

The report sought a decision that the Committee recommend to Council that it not increase fares on bus services for the 2017/18 financial year.

**Resolved**

**That the Public Transport Committee:**

- 1 Receives the report, Bus Fare Increase 2017/18.**

**That the Public Transport Committee recommend that the Regional Council:**

- 1 Not increase fares for customers of its contracted bus services in the 2017/18 financial year.**

**Thompson/von Dadelszen  
CARRIED**

## Tauranga City Council Cycle Action Plan

*Refer PowerPoint Presentation Objective ID A2678862.*

Tauranga City Council (TCC) Senior Transport Planner Clare Cassidy presented on the Tauranga City Council Cycle Action Plan and outlined the proposed goals, key principles, infrastructure and supporting measures. Timeframes for stakeholder and community engagement was planned in May-November 2017, with projects prioritised by January 2018 for incorporation into Long Term Plan consultation in March 2018.

Ms Cassidy clarified factors being considered included cycle routes separate to roads, connectivity to other cycle routes, prioritisation criteria and use of shared footpaths and that network issues were being addressed in collaboration with NZTA.

### Resolved

**That the Public Transport Committee:**

- 1 Receives the report, Tauranga City Council Cycle Action Plan.**

**Thompson/Winters  
CARRIED**

### 9.5 Bike Racks on Buses

The report provided further information on the uptake and use of bike racks on buses that had been installed in other regions.

Senior Transport Officer Mike Furniss advised of an error on page 196 of the agenda. Under section 4.5 of the report in regard to the Waikato region, a decision had been made not to deploy bike racks on urban buses.

In response to a question raised, Mr Furniss confirmed it was logical and cost effective to implement installation at the start of a contract. As outlined in the report, it was confirmed that bike racks on buses had been fitted on some Bay of Plenty services.

### Resolved

**That the Public Transport Committee:**

- 1 Receives the report, Bike Racks on Buses.**

**von Dadelszen/Thompson  
CARRIED**

### 9.6 2016/17 End of Financial Year Public Transport Achievement Report

The report updated the Committee on how well individual regional public transport services were performing. It was clarified that patronage on the Matapihi and Mangatawa services had declined and had been proposed to cease under the Western Bay Blueprint network proposal.

### Resolved

**That the Public Transport Committee:**

**Receives the report, 2016/17 End of Financial Year Public Transport Achievement Report.**

**Crosby/Winters  
CARRIED**

**9.7 Waihi Beach Trial Service**

The report provided information on the uptake and use of the Waihi Beach Trial Service and proposed changes to the service.

Responding to questions, Transport Operations Officer Melissa Winters advised that the new trial service proposal would be accommodated by an 11-seater van at a cost of \$20,000 per annum, which was provided for within budgets. Staff considered existing shelters were adequate, with no intention to install a structure at Waihi.

It was noted that discussions had been held with Waikato region previously about joint funding, but there had been no interest at that time. They had been informed of the new proposal however; no feedback had been received.

**Resolved**

**That the Public Transport Committee under its delegated authority:**

- 1 Receives the report, Waihi Beach Trial Service.**

**Nees/Winters  
CARRIED**

**9.8 Other performance matters**

The report provided information on other public transport performance matters that may be of interest. Regarding bus complaints, Senior Transport Officer Mike Furniss explained there were a range of causes, which could not be easily resolved. He advised visibility of shelters had been raised and staff were working with Tauranga City Council on the matter.

**Resolved**

**That the Public Transport Committee under its delegated authority:**

- 1 Receives the report, Other performance matters.**

**Bruning/Molloy  
CARRIED**

**9.9 Other Matters of Interest**

The report advised of matters of interest not elsewhere reported. Regarding Tauranga Harbour ferry initiatives, further work would be undertaken with Tauranga City Council.

**Resolved**

That the Public Transport Committee under its delegated authority:

- 1 Receives the report, Other Matters of Interest.

**Bruning/Crosby  
CARRIED**

## 10 Public Excluded Section

**Resolution to exclude the public**

**THAT the public be excluded from the following parts of the proceedings of this meeting.**

**The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

| <b>General Subject of Matter to be Considered</b>                            | <b>Reason for passing this resolution in relation to this matter</b>   | <b>Grounds under Section 48(1) LGOIMA 1987 for passing this resolution</b> |
|--|--|--|
| <b>7.1 Public Excluded Public Transport Committee Minutes - 23 June 2017</b> | <b>Please refer to the relevant clause in the open meeting minutes of 23 June 2017.</b>  | <b>Good reason for withholding exists under Section 48(1)(a).</b>          |
| <b>7.2 Western Bay of Plenty Public Transport Procurement Options</b>        | <b>To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</b> | <b>Good reason for withholding exists under Section 48(1)(a).</b>          |
| <b>7.3 The Living Wage</b>   | <b>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</b>                                      | <b>Good reason for withholding exists under Section 48(1)(a).</b>          |

**Bruning/Nees  
CARRIED**

**The meeting closed at 12:45 pm.**