

## **TRANSPORTATION**

### **10.45am Auckland City Council – Transport Division Doing Business in a Sustainable Environment – Neil Forgie & Tim Lott**

#### **Abstract**

In 2007 the Transport Division of Auckland City Council prepared its first formal Strategic Procurement Plan. The five year term maintenance contracts were coming to an end and Auckland City found itself competing for scarce infrastructure resources in a regional market that is expected to grow particularly in the time period up to the 2011 rugby world cup. The plan considered the market environment and the potential impact this could have on Auckland City's ability to adequately provide for the "basic needs of the city" in a sustainable way.

The plan proposed two radical changes in the way councils traditionally do business. The first is the introduction of a new approach where Auckland City is seeking to be a "client of choice". This role reversal has seen the establishment of a dedicated fulltime team of construction procurement specialists who through industry consultation has attracted much interest in the innovative way work is being offered.

The second radical change has been the introduction of a maintenance alliance operating in an intense and complex urban environment. The hierarchy of barriers established through traditional contracts have been demolished by the no blame culture of the alliance. Already, game breaking performance is showing through in some areas.

#### **Neil Forgie**

Transport Infrastructure Delivery Group construction procurement manager. Neill is a chartered professional engineer, a Land Transport NZ certified tender evaluator with many years experience in senior roles in construction management and procurement.

#### **Tim Lott**

Transport Infrastructure Delivery Group manager. Tim is a chartered professional engineer. His career as a civil engineering contractor took him to Europe, Africa, and the Middle East. Before joining Auckland City Tim was a director of PricewaterhouseCoopers management consulting practice designing and implementing business transformation solutions.

### **11.25am Performance Measurement for the better utilisation of New Zealand's existing Transport Infrastructure – Matt Ensor**

#### **Abstract**

With a growing requirement for Road Controlling Authorities (RCAs) to focus on making better use of our existing transportation infrastructure there is a corresponding need to have effective methods of measuring the operational performance of the transport network. This paper looks at best-practise guidance from the US Department of Transportation on the concept of "objective-driven performance-based planning" and how it is relevant to RCAs through the objectives of the latest New Zealand Transport Strategy (NZTS 2008).

This includes evaluating the range of performance measures / metrics that are available to RCAs based on operations data and the greater availability of data produced from Intelligent Transportation Systems (ITS). There is coverage of next-generation ITS tools including ARTIS, ANPR and SMR, which are reducing the cost of collecting and analysing operations data for the reporting of network and corridor performance.

The paper concludes that New Zealand will need to invest in further ITS infrastructure to enable better optimisation of the use of our existing infrastructure, although with the latest ITS technology this investment is now many magnitudes lower in cost than in the past.

**Matt Ensor**

General Manager (Transportation) at Beca. His qualifications are in Civil Engineering from the University of Auckland and in Social Science from Massey University. He has worked in the Transportation Engineering field since 1989 and is a member of the Institution of Transportation Engineers (ITE) and the IPENZ Transportation Group National Committee. His areas of specialisation include Intelligent Transport Systems, network funding and performance measurement, and transportation policy.

**12.05pm**

**Transit New Zealand Auckland South Network Management Asset Report 2008 – Chris Grainger**

**Abstract**

The delivery of a Network Maintenance Asset Contract (NMA) for the former Transit New Zealand (Transit) has identified that there are significant benefits to be gained from operating contracts with alliance style relationships, regardless of contract form. The initial delivery of the NMA contract used traditional master – servant communication and with a lack of knowledge transfer from previous organisations who were involved, the difficulties in acquiring resources and managing project related problems were not addressed in a co-operative, best for project, manner. Defensive attitudes by all parties together with high staff turnover created an impediment for the team development that would led to performance lift.

After more than two years of delivery in this non-trusting relationship, a number of key individuals came into the team that led to a radical change in contractual relationships. Each party began to listen and appreciate the problems of the other parties. A unified approach and understanding to problem solving, resulted in outstanding delivery, akin to the high performance teams seen in true alliances.

In addition to benefits to delivery, there are further benefits achieved by the improved relationships between the client, consultant and contractor. Employees learn more, are happier to innovate and problem solve without continually referring to the client. The client is kept more frequently updated on progress, problems and solutions, whether actual or potential. A joint approach to solving these improves performance, reduces risk and enables the development of mutual confidence, which is a cornerstone of the contract model. Teams are motivated where they deliver work for profit which they can influence without fear of suppression.

It is clear from our experience that the use of alliancing principles is the future of contracting. In saying this, the use is not necessarily limited to term contracts or maintenance activities but, more generically, the principles should apply to every form of contract. Trust must be assumed by each party from the outset. The benefits from this arrangement are stability of the workforce, maximised innovation and minimised risk to every party. There does not need to be a formal alliance for an alliance style delivery to occur. Recognition of world realities by all parties and a joint desire to solve problems through open empathic communication creates support, respect and trust which led to more positive outcomes than traditional delivery methods.

Personal empathic relationships that empower and build trust are the key to successful contracts, regardless of the contract form.

**Chris Grainger**

Chris has been with MWH NZ for over 6 years in various transportation team leader and group manager roles. He has over 33 years experience and has long specialised in road

safety engineering and contract management, and more recently in road network management. His skills have taken him to Asia for periods of time and now he uses these to identify, develop and grow new business opportunities for the company in the road safety and transportation network management fields. He also takes an active interest in mentoring and training graduate and student engineers. Chris is currently a member of the Alliance Management Team for the Auckland Road Maintenance Alliance – West which is an Auckland City Council initiative for the road network management of one third of the city's network.