

## WRC Resolution - 5 October 2001

*Resolved that Council:*

- (1) *Receive the report and note its contents.*
- (2) *Recognise the importance to the Region of maintaining a safe, secure and reliable passenger rail service, and note that the current fragility of this service now requires a clear response from the Wellington Regional Council as the responsible agency.*
- (3) *Agree, that finalisation of the best long-term option **for** purchasing **rail** services in the Wellington Region should be left open pending a reasonable period **of** experience in the "post Tranz Rail " environment.*
- (4) *Agree, that the option chosen in the short-medium term should be structured so as to not preclude the option offranchising in the longer **term**.*
- (5) *Note, that the Booz Allen report has identified a number **of** advantages associated with pursuing the WRC's proposed public/private partnership in the short-medium term.*
- (6) *Note, that the issue **of** WRC's perceived conflict **of** interest in having 'an ownership interest in rail, while also being a substantial funder is seen as manageable by both Booz Allen and the Office **of** the Auditor-General.*
- (7) *Note, that the Mayors **of** the Region, on behalf **of** the Territorial Local Authorities,*
  - (a) *unanimously support the Wellington Regional Council entering into negotiations with Tranz Rail.*
  - (b) *favour. the Council moving to a franchise model in the long-term while reserving their position on the option that the Council should pursue in the short-medium term as between:*
    - *WRC's 50%/50% public/private partnership with a 10-year Rail Con tract.*
    - *WRC acquiring 100% **of** Tranz Metro (Wellington) and then entering into a 3 year short-term operator contract.*
  - (c) *believe that additional information is needed before a final decision on the best short-medium term option should be taken.*
- (8) *Note, that in pursuit of WRC's proposed public/private partnership the Council:*
  - (a) *does not close off the possibilities of moving partially or fully, to either 100% ownership or 0% ownership at a future time.*
  - (b) *recognises the continuing interest of Mayors in the Region in seeing a successful outcome to the current rail situation.*

- (c) *will mitigate the risks associated with purchasing Tranz Metro (Wellington).*
  - (d) *will not at this stage irrevocably commit the Wellington Regional Council to any particular ownership model.*
- (9) *Approve, the continued implementation of the WRC's proposed public/private partnership as outlined in the documentation contained in Attachment 1 to report PE01. 743.*
- (10) *Approve, the broad steps outlined in section 8.1 of this report that would be required (including public consultation), recognising that officers will need to seek further authorisations from Council as the implementation process unfolds.*
- (11) *Approve, the partner selection process outlined in section 8.2 of this report, and request officers to commence this process as soon as practicable.*
- (12) *Authorise, officers to progress negotiations with Tranz Rail on an interim rail contract for the period to 30 June 2002, in the context of the potential acquisition of Tranz Metro (wellington).*
- (13) *Instruct officers to report on Wellington Urban Rail Services to an early meeting of the incoming Council.*