

Mayor and Councillors
COUNCIL

31 JANUARY 2013

Meeting Status: **Public**

Purpose of Report: For Decision

RESOURCING OF NZTA EXPRESSWAY PROCESSES

PURPOSE OF REPORT

- 1 This report sets out 2012/13 expenditure to date on the three New Zealand Transport Authority (NZTA) Expressway projects and seeks approval for further funding for the remainder of the financial year.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger Council's Significance Policy.

BACKGROUND

- 3 The Council has been involved in responding to proposed NZTA expressway projects since late 2009. Since mid 2010 the Council has participated in the MacKays to Peka Peka Alliance and has provided technical comment on the Peka Peka to Ōtaki proposed Expressway. It has made pre-application submissions into those processes. During 2012/13 it submitted into and participated in the Transmission Gully Board of Inquiry. The Council also submitted into and participated fully in the MacKays to Peka Peka Board of Inquiry process.
- 4 During 2010/11 the Council allocated \$300,000 to the Expressway process. This was used to fund project management support, to fund back-up resources for the District Plan process for staff called on to input into the Expressway project, and to seek some limited external advice on key matters.
- 5 In 2011/12 Council allocated \$300,000 to the Expressway project and then a further \$190,000 as a result of pressures arising from the application/ Board of Inquiry stages for the three processes beginning to overlap each other (SP-11-437 refers) and the impacts on the District Plan review. Key staff have been involved in both processes.
- 6 The MacKays to Peka Peka Expressway Board of Inquiry process will reach its conclusion in mid April. Final legal submissions were made to the Board on the 22 January 2013 and the remaining time will be used by the Board to prepare its decision report. The NZTA is also continuing with its proposed application to the Environmental Protection Agency to lodge its application for the Peka Peka to Ōtaki in early February 2013. Council's regulatory staff have already prepared a pre-lodgement report for the Environmental Protection Agency just prior to Christmas.
- 7 The MacKays to Peka Peka Board of Inquiry process has incurred higher than estimated costs as a result of significant emphasis by the Board on conferencing processes. This required more time from technical experts and legal advisors. In addition, after a period of slowdown on the Peka Peka to Ōtaki Expressway

project, the NZTA has made the decision to bring forward the lodgement of its application to the Environmental Protection Agency. This has the effect of bringing forward the need to engage technical experts and legal advice into the 2012/13 financial year.

- 8 This paper seeks additional funding for the 2012/13 year to enable necessary input into the Peka Peka to Ōtaki Expressway project.

CONSIDERATIONS

- 9 It has been difficult to estimate the likely costs arising from the Board of Inquiry processes as they have developed. Estimates for the MacKays to Peka Peka Expressway process were initially based on experience in the Transmission Gully process. In September 2011 it was estimated that the process would cost about \$210,000 in the 2012/13 financial year. The main cost drivers have been:
- use of technical expert input into the preparation of Council's submission to the process. This has been key to strengthening Council's submission when compared with the Transmission Gully process;
 - legal advice and input into the preparation of Council's submission;
 - extended technical expert conferencing at the direction of the Board. This has had the benefit of significant gains in such areas as baseline ecological monitoring, extension of landscaping maintenance, increase in offset areas and social impact monitoring, particularly through the construction stage;
 - emphasis by the Board on development of conditions arising from conferencing and discussion between parties. This has involved significant legal and planning input. While the latter has been provided in house, it did necessitate providing back-up resources as Emily Thomson was also working on the District Plan review.
- 10 Initially \$75,000 was allocated from the existing Expressway budget to be used for formal input into the Peka Peka to Ōtaki project. All but \$15,000 of this has had to be used to fund remaining costs associated with the MacKays to Peka Peka Board of Inquiry. Expenditure to date can be summarised as follows:

Area of Expenditure	Expenditure	Comment
Legal	\$195,000	Covers 'tail end' of Transmission Gully and all of Mackays to Peka Peka legal costs
Technical Experts	\$180,000	MacKays to Peka Peka project only
Project management / administration	\$ 73,000	Covers all Expressway projects
Total To Date	\$448,000	Leaves \$15,000 remaining from \$463,000 budget.

- 11 The NZTA intends to lodge its application for the Peka Peka to Ōtaki project in mid-February. It is estimated that an additional \$149,000 is needed to ensure that Council can prepare its submission and engage technical experts with costs mainly associated with site visits and early analysis. It will also cover submission preparation, legal review and associated project management and administration.

Financial Considerations

- 12 It is proposed that this additional funding be allocated from the rates surplus which is currently projected to be in the order of \$560,000 at year end. A formal update on Council's financial position for the first half of the financial year will be reported to the next Corporate Business Committee in February 2013.

Legal Considerations

- 13 There are no legal considerations.

Delegation

- 14 The Council has the authority to make the decision sought in this paper.

Consultation

- 15 There are no consultation matters arising from this report.

Policy Implications

- 16 There are no policy matters arising from this report.

Tāngata Whenua Considerations

- 17 There are no tangata whenua considerations arising from this report.

Publicity Considerations

- 18 There are no publicity considerations arising from this report.

RECOMMENDATIONS

- 19 That the Council approves further allocation of \$149,000 from the projected rates surplus to the Expressway budget to ensure input into the NZTA Peka Peka to Ōtaki Expressway Project

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