



AGENDA

Infrastructure Committee Meeting Tuesday, 13 October 2020

Date Tuesday, 13 October 2020

Time following the Environmental Services Committee

Location Council Chamber
Timaru District Council Building
2 King George Place
Timaru

File Reference 1379349

Timaru District Council

Notice is hereby given that a meeting of the Infrastructure Committee will be held in the Council Chamber, Timaru District Council Building, 2 King George Place, Timaru, on Tuesday 13 October 2020, at the conclusion of the Environmental Services Committee meeting.

Infrastructure Committee Members

Clrs Sally Parker (Chairperson), Paddy O'Reilly (Deputy Chairperson), Allan Booth, Peter Burt, Barbara Gilchrist, Richard Lyon, Gavin Oliver, Stu Piddington, Steve Wills and the Mayor Nigel Bowen

Quorum – no less than 2 members

Local Authorities (Members' Interests) Act 1968

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Andrew Dixon

Group Manager Infrastructure

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- 1 Apologies**
- 2 Identification of Items of Urgent Business**
- 3 Identification of Matters of a Minor Nature**
- 4 Declaration of Conflicts of Interest**
- 5 Chairperson's Report**

6 Confirmation of Minutes

6.1 Minutes of the Infrastructure Committee Meeting held on 1 September 2020

Author: Jo Doyle, Governance Advisor

Recommendation

That the Minutes of the Infrastructure Committee Meeting held on 1 September 2020 be confirmed as a true and correct record of that meeting.

Attachments

- 1. Minutes of the Infrastructure Committee Meeting held on 1 September 2020**



MINUTES

Infrastructure Committee Meeting Tuesday, 1 September 2020

Ref: 1379349

**Minutes of Timaru District Council
Infrastructure Committee Meeting
Held in the Council Chamber, Timaru District Council Building, 2 King George Place, Timaru
on Tuesday, 1 September 2020 at 9.41am**

Present: Cr Paddy O'Reilly (Chairperson for this meeting), Cr Sally Parker, Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Richard Lyon, Cr Gavin Oliver, Cr Stu Piddington, Cr Steve Wills, Mayor Nigel Bowen

In Attendance: **Community Board Representatives**
Temuka Community Board – Stephanie McCullough – arrived at 9.44am

Council Officers

Acting Group Manager Infrastructure (Erik Barnes), Chief Executive (Bede Carran), Senior Programme Delivery Manager (Ashley Harper), Land Transport Manager (Andrew Dixon), Drainage and Water Manager (Grant Hall), Programme Delivery Manager (Lili Delwaide), Governance Advisor (Jo Doyle)

1 Apologies

The apologies of Ross Munro of Pleasant Point Community Board, McGregor Simpson of Geraldine Community Board and Stephanie McCullough of Temuka Community Board for lateness were noted.

2 Identification of Items of Urgent Business

There were no urgent business items.

3 Identification of Matters of a Minor Nature

There were no minor nature items.

4 Declaration of Conflicts of Interest

There were no declarations of conflicts of interest.

5 Chairperson's Report

The Chairperson has attended the Temuka/Waimate Rugby final, met with Craig Motley in regards to Temuka swimming pool, attended the NZ Transport agency meeting in Christchurch and the RMA 101 in Ashburton.

Resolution 2020/22

Moved: Cr Paddy O'Reilly

Seconded: Mayor Nigel Bowen

That the Chairpersons report be accepted.

Carried

6 Confirmation of Minutes**6.1 Minutes of the Infrastructure Committee Meeting held on 21 July 2020****Resolution 2020/23**

Moved: Cr Barbara Gilchrist

Seconded: Mayor Nigel Bowen

That the Minutes of the Infrastructure Committee Meeting held on 21 July 2020 be confirmed as a true and correct record of that meeting.

Carried

7 Reports**7.1 Progress Report: Pareora Pipeline Renewal, Downlands Water Supply Scheme Upgrade and Winchester Geraldine Roundabout**

The Committee was updated on the progress of three key infrastructure projects; the Pareora pipeline renewal, the Downlands water supply scheme upgrade, and the Winchester/Geraldine roundabout projects.

The Senior Programme Delivery Manager, Land Transport Manager and Programme Delivery Manager advised that this is the first step of project reports from the new set up programme delivery team, feedback is sought on the information that the Committee would desire.

The reports will be presented to each Council meeting, and projects will be selected and tailored to suit and will be made available on the Council website.

The Pareora pipeline renewal was discussed, concerns about unstable land and future proofing of the pipeline were raised. Engineering design work is working on mitigating these concerns and ensuring resilience for the future. Special use pipe that can move and flex with land movement is being considered as a long term solution to this critical asset.

Un-authorised users of the current pipeline were discussed. A survey has been undertaken, and there is one section where authoriser users are drawing untreated water, the option of a mini treatment plant at the top end is being considered. Another option is also to extend the Downlands scheme for those not receiving treated water, and this upgraded level of service will be at the cost of the user. There are not many unauthorised users, and they are being offered connections on the Downlands scheme as well.

Not all parties have signed the affected parties form associated with the Downlands scheme, an independent commissioner will hold a hearing on this matter.

Resolution 2020/24

Moved: Cr Steve Wills

Seconded: Cr Sally Parker

That this report be received and noted.

Carried

8 Consideration of Urgent Business Items

There were no urgent business items.

9 Consideration of Minor Nature Matters

There were no minor nature items.

10 Exclusion of the Public**Resolution 2020/25**

Moved: Mayor Nigel Bowen

Seconded: Cr Peter Burt

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
11.1 - Temuka Vine Street Car Park	s7(2)(b)(ii) - The withholding of the information is necessary 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 s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Commercial sensitivity To enable commercial or industrial negotiations

Carried

Resolution 2020/26

Moved: Cr Sally Parker

Seconded: Cr Barbara Gilchrist

That the meeting moves out of Closed Meeting into Open Meeting.

Carried

11 Public Excluded Reports

11.1 Temuka Vine Street Car Park

12 Readmittance of the Public

The Meeting closed at 10.16am.

.....
Chairperson

7 Reports

7.1 Rangitata River Flood Protection Contribution

Author: Andrew Dixon, Land Transport Manager

Authoriser: Erik Barnes, Acting Group Manager Infrastructure

Recommendation

That the Timaru District Council cost contribution to Environment Canterbury towards further flood protection works on the Rangitata River of \$59,000 excluding GST be approved.

Purpose of Report

- 1 To consider a financial contribution to Environment Canterbury (ECan) for further flood protection works on the Rangitata River following the December 2019 Flood event.

Assessment of Significance

- 2 This matter is considered of medium-low significance in terms of Council's significance policy. Although the financial contribution and residents or ratepayer affected is low there is a medium significance in regard to the community affected and financial impact should the Rangitata River flood protection measures be breached again.

Background

- 3 The major flood event of December 2019 broke out of the Rangitata River main channel in three key locations, causing a significant amount of damage to flood protection, roads, rail, farm, electricity supply and other assets. Most of the roads crossing the south channel, which was where the main flow of the river breakout flowed, were damaged. Immediate works (Phase 1) were undertaken to return break out flows to the main channel where it can pass safely under the main bridges and to the sea.
- 4 The immediate works that were completed following the flood event remain very vulnerable to future high flow events and breaches in the river are likely in the short term. Most of the work done to date consists of channel alignments and unconsolidated gravel bunds and stopbanks that have been pushed into position with a bulldozer. They have a risk of erosion / scour failure even before overtopping with floodwaters.
- 5 These works are located along the Rangitata River from the Arundel area to the Rangitata Island area.
- 6 A suite of further physical works is proposed by ECan that would reduce the level of Rangitata River flood risk back to that which existed prior to the December damage. It is proposed that this cost be apportioned amongst the works beneficiaries that includes Timaru District Council (TDC).

Discussion

- 7 ECan have recommended a works package with a total cost estimate of \$2.7 million be undertaken over the next 18 months. This package is to “make the river safe” effectively returning the flood protection to the pre-December flood level of service being generally a 20 year return period event.
- 8 There is a potentially significant benefit to Timaru District Council with the implementation of these works. The December 2019 flood event resulted in approximately \$2 million of damage to our road network. Further river breaches is likely to further damage roads and potentially bridges.
- 9 The beneficiaries of this work are far wider than the 70 or so ratepayers who are currently funding the Rangitata Rating District. In particular there are six key asset and public utility owners that ECan are asking to co-fund the Phase 2 works. For the physical works package to proceed, ECan need agreement from the affected asset owners to finance their cost shares.
- 10 The asset owners include the property owners in the rating district, NZ Transport Agency, KiwiRail, Rangitata South Irrigation Limited, Transpower, Chorus, Electricity Ashburton, Timaru District Council and Ashburton District Council.
- 11 It is proposed that the costs are shared based on the capital value of the asset weighted by the risk (likelihood and consequences) related to the impact of future flooding on the assets. The cost apportionment methodology was reviewed by all parties and following a number of changes agreement was reached.
- 12 The Timaru District Council (TDC) share was based on the road and bridge assets that were at risk from a river flood event. The TDC share of the improvement works was initially 6% or \$164,800.
- 13 Environment Canterbury has been successful in securing “in principal” Covid Recovery funding from central government for the Rangitata River. The funds include, subject to appropriate consultation and agreement, provision for immediate works to further reduce the flood risk, further investigations, future works and environmental enhancement works. The funding is at a co-investment rate of 64% meaning we need to facilitate 36% local share.
- 14 This government assistance will reduce the cost share for all parties. The proposed cost apportionments have reduced significantly with the TDC share now \$59,000 (excluding GST). The cost apportionment is shown in the following table:
- 15 Revised Cost Apportionment with COVID Recovery Funds (August 2020)

Entity	Weighted Proportion of 36% Balance	Financial Contribution	Proportion of Total Cost
COVID Recovery Funds (funding is “agreed in principle” and subject to final contract)	-	\$1,726,000	64%
Rangitata Rating District (ECan)	33%	\$317,000	12%
NZTA (Bridges plus 4km of Highway)	30%	\$288,000	11%
RSIL (Ponds and Intake Works)	15%	\$146,000	5%
KiwiRail (Bridges plus 4km track)	7%	\$72,000	3%
TDC (50% of Bridge and 111km road)	6%	\$59,000	2%
Transpower	8%	\$80,000	3%
ADC (50% of Bridge)	1%	\$9,000	0.3%

EA Networks	0%	\$0	0%
Others (Vodafone / Chorus / Spark)	0%	\$0	0%
TOTAL	100%	\$2,697,400	100%

Options and Preferred Option

- 16 The funding requested by ECan for the Rangitata river flood protection works of \$59,000 excluding GST is unbudgeted expenditure. However, this cost can be managed within the current approved roading budgets.
- 17 The cost represents very good value as the potential consequence of the river protection works not being completed is further damage to our roads from future more frequent flood events. This repair cost would be significantly higher than the ECan funding request.
- 18 Two options are available:
- 19 Option 1 is to support the proposed Rangitata River protection works and approve the TDC funding share of \$59,000 excluding GST of these works requested by ECan. There is significant benefit to TDC with the proposed protection works. This is the recommended option.
- 20 Option 2 is to decline to pay a share of the proposed Rangitata protection works. This may delay the works proceeding and continue to put our assets and others at risk of a future high flow event.

Consultation

- 21 ECan has engaged with all stakeholders on this issue and the proposed financial contributions. Feedback from the stakeholders has been considered and some changes have been made in the apportionment of the costs.
- 22 The river is of significance to iwi. Although part of the stakeholder group, it has been recognised that further engagement is required with iwi on the future long term flood protection works. The engagement will be led by ECan and further flood protection works are on hold until some agreement on the river management is achieved.

Relevant Legislation, Council Policy and Plans

- 23 Timaru District Annual Plan 2020-21

Financial and Funding Implications

- 24 The proposed Timaru District Council cost share of \$59,000 can be funded from current approved roading budgets.

Other Considerations

- 25 For the proposed Phase 2 works, climate change has not been included in any design calculations or assumptions. That is because the design brief, and our existing environmental permissions, allow us to reinstate damaged infrastructure, with an implied understanding that no betterment or increase in level of service will occur. A more thorough review of the scheme flood protection service standard will be undertaken following Phase 2, and will consider climate change effects in detail.

Attachments

Nil

7.2 Progress Report: Pareora Pipeline Renewal, Downlands Water Supply Scheme Upgrade and Winchester Geraldine Roundabout

Author: Ashley Harper, Senior Programme Delivery Manager
Lili Delwaide, Programme Delivery Manager

Authoriser: Andrew Dixon, Group Manager Infrastructure

Recommendation

That this report be received and noted.

Purpose of Report

- 1 The purpose of this report is to inform the Committee on the progress of three key infrastructure projects; the Pareora Pipeline Renewal, the Downlands Water Supply Scheme Upgrade, and the Winchester/Geraldine Roundabout projects.

Assessment of Significance

- 2 This matter is not significant in terms of the Significance and Engagement policy.

Discussion

- 3 Progress reports are attached for the Pareora Pipeline Renewal project, the Downlands Water Supply Scheme Upgrade project and the Winchester/Geraldine Roundabout project.
- 4 The 2020/21 budgets for the above projects are:
 - a. \$8 million for the Pareora Pipeline Renewal;
 - b. \$25.3 million for the Downlands Water Supply Scheme Upgrade (at 100%);
 - c. \$2 million for the Geraldine / Winchester Roundabout.
- 5 The attached progress reports cover all aspects of the projects up until the 30th of September, 2020 except for the financials that cover the month of August only, unless indicated otherwise.
- 6 The progress reports include an overview of the project and its context as well as a detailed update on latest progress and current status.

Attachments

1. Pareora Pipeline Renewal Progress Report September 2020 [!\[\]\(f0543fe51acd79be3858008749d93a88_img.jpg\)](#) [!\[\]\(b452a1210835992e25e075124622531b_img.jpg\)](#)
2. Downlands Water Supply Scheme Upgrade Progress Report September 2020 [!\[\]\(7bc2b99ff222bd0a25e1cf77d692b0e7_img.jpg\)](#) [!\[\]\(2a8e852b9c8306ea71a116afe600d421_img.jpg\)](#)
3. Winchester-Geraldine Roundabout Progress Report September 2020 [!\[\]\(ae4b925a6b10795b21150db3177cb91b_img.jpg\)](#) [!\[\]\(5797a37c829d4ce48ff4c5017f3d10fa_img.jpg\)](#)

KEY PROJECT

Pareora Pipeline Renewal

Progress report – Issue 2 – September 2020



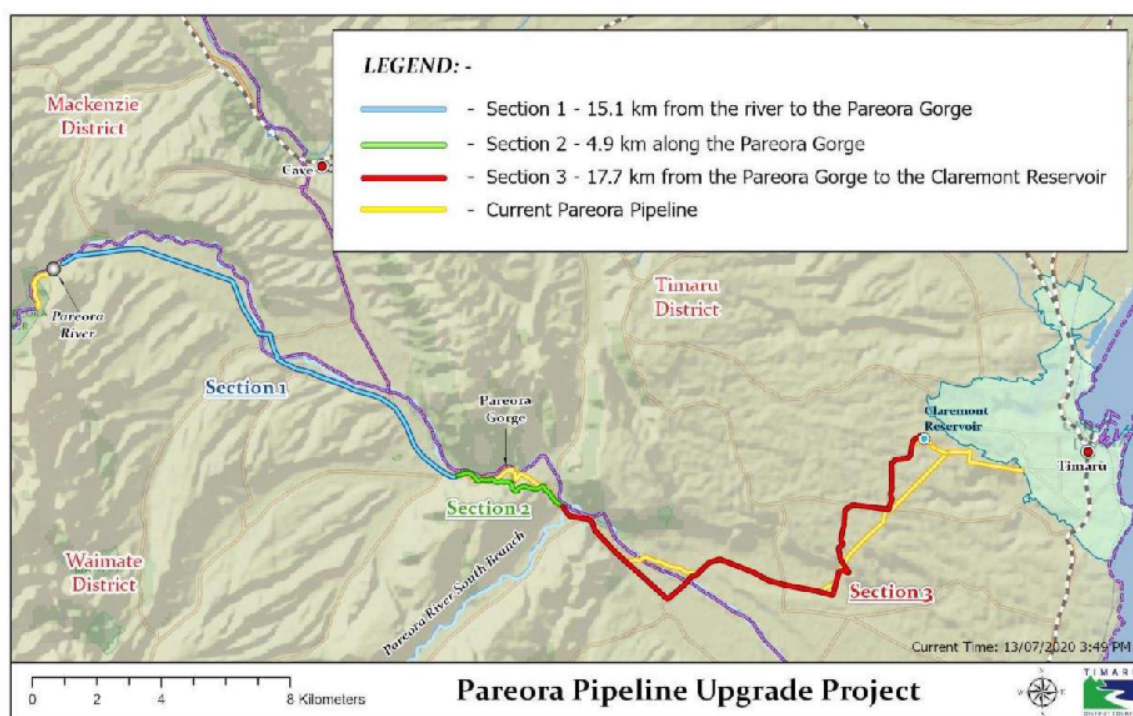
OVERVIEW

The Pareora pipeline is a critical component of the Timaru water supply, providing the bulk transfer of raw water from the Pareora River intake to the Claremont water treatment plant and storage reservoirs. This source provides approximately 60% of water consumed in the Timaru supply on an annual basis.

The existing Pareora pipeline, installed in the 1930s, is in very poor condition in some sections. It passes through some unstable land in the Pareora Gorge, and is a significant risk to the communities' water supply if it were to fail.

In addition, the existing pipeline has a history of leakage and increasing maintenance requirements. Through the adoption of the Long Term Plan 2018-28, Council has approved the renewal of the Pareora Pipeline. Approximately 37km of pipeline needs to be replaced with a nominal 500mm diameter pipe.

For procurement purposes, the pipeline is divided onto 3 sections, as shown on the map below.



PROJECT TEAM

Project Sponsor: Andrew Dixon - **Project Lead:** Grant Hall - **Project Manager:** Selwyn Chang

\$20.9M

Total 2018-2028 LTP
Budget

\$1.4M

Spent (as of 30 August 2020
– 2020/21 Budget \$8M)

Design
100%
Completed

Page 1

KEY PROJECT

Pareora Pipeline Renewal

Progress report – Issue 2 – September 2020



PROJECT UPDATE

- Tenders received for Section 1 have been evaluated and contract will be awarded early October, following presentation of a report to the Tenders and Procurement Committee.
- Investigations for alternative technology, i.e. suitability of lining, have been completed and confirmed the suitability of the lining methodology for Section 2. A report is being prepared for the Tenders and Procurement Committee to present the preferred procurement method.
- The Archaeological Authority for Section 1 has been granted.

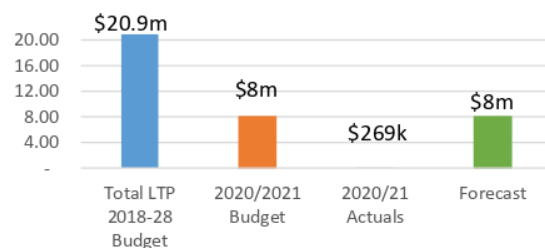
Project Stage		Status & Estimated Duration	Completion Date
Investigations	✓	Completed	
Consenting and Approvals	🚧	All roading authorisations and private land entries have been negotiated and agreed. The Archaeological Authority for Section 1 has been granted. The application for Archaeological Authority for Section 3 has been lodged. The application for resource consent has been lodged for Section 1 and will be lodged for Section 3 in October. The consenting and approvals requirements for Section 2 are dependent on the methodology.	2020
Design	✓	Design is completed for Sections 1 and 3. Design for Section 2 is nearly completed, pending on the decision for the preferred methodology (lining vs trenching).	Oct 2020
Tendering	🚧	Section 1 has been advertised and evaluated. Section 3 will be advertise in October 2020. Preferred procurement methodology for Section 2 is yet to be approved.	Aug 2020 – Dec 2020
Construction	📅	Estimated duration: Section 1 – 40-45 weeks; Section 2 – 12-15 weeks (with liner), Section 3 – 40-50 weeks	Sep 21 – Dec 21
Commissioning	📅	Will follow construction.	

LEGEND: ✓ Completed 🚧 In progress 📅 Not yet started

PROJECT FINANCIALS

The project is funded by loan, within the Urban Water Supply financial accounts. The loan in turn will be financed by urban water supply ratepayers via the Uniform Annual Charge for urban water.

Pareora Pipeline Project Financials - as of August 2020 - [M\$]



PROJECT RISKS

CONSENTING – It has been identified that there is a small risk of having to manage native lizards on the alignment of Section 3 which could result in construction timing constraint. An expert is visiting the site in October 2020.

KEY PROJECT

Downlands Water Supply Scheme Upgrade

Progress report – Issue 2 – September 2020



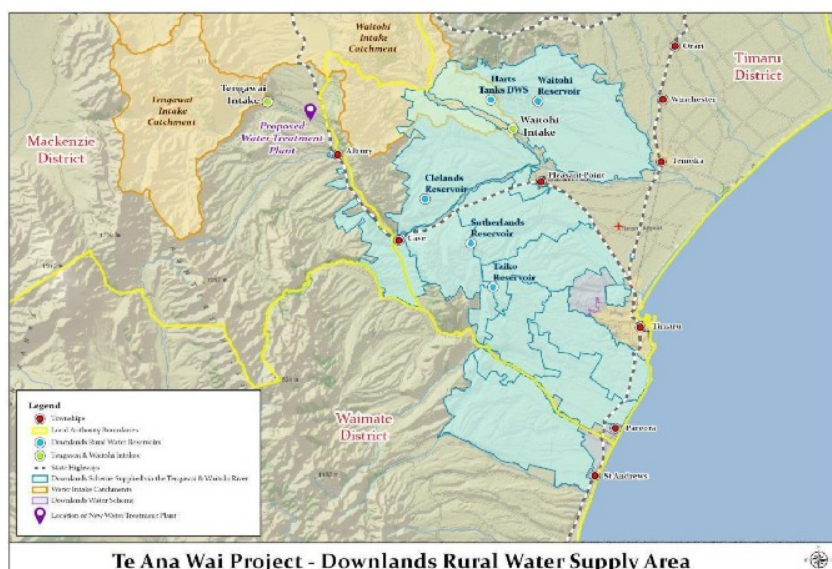
OVERVIEW

Timaru District Council manages the Downlands Water Supply Scheme on behalf of the Timaru, Waimate and Mackenzie District Councils.

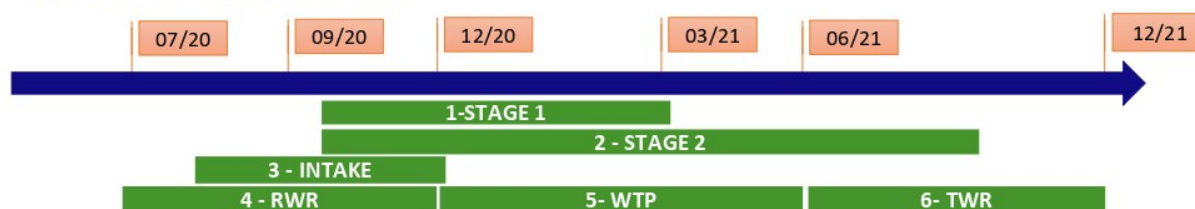
The Downlands Rural Water Supply currently supplies stock and drinking water to over 2,500 properties. The scheme dates back to the 1930s, and no longer complies with the Drinking Water Standards for New Zealand 2008 (Revised 2018) (DWSNZ). Parts of the asset are close to end of life. In addition the available supply is currently fully allocated.

The Scheme upgrade was approved as part of the 2018-2028 Long Term Plan, and it is now reaching the end of the design and consenting phase. The project comprises the 6 contract work packages listed below:

- Trunkmain Upgrade**
 - 1 Stage 1 – 3.5km from Cave to Davison Road
 - 2 Stage 2 – 15.3km from Cave to WTP
- Te Ana Wai Intake Upgrade**
 - 3 New Pump station, new galleries, refurbishment of existing galleries and upgrade of 110m AC section of raw water pipe.
- Te Ana Wai Water Treatment Plant**
 - 4 Raw Water Reservoirs
 - 5 Water Treatment Plant
 - 6 Treated Water Reservoir



PROJECT TIMELINE



PROJECT TEAM

Project Sponsor: Andrew Dixon - **Project Lead:** Grant Hall - **Project Manager:** Octa

\$26M

Total 2018-2028 LTP
Budget

\$1.1M

Spent in 2020/21
as of 30 August 2020

95% Design
2% Construction
Completed

Page 1

KEY PROJECT

Downlands Water Supply Scheme Upgrade

Progress report – Issue 2 – September 2020



RECENT PROGRESS

Intake – Design is complete. Construction of the in-river works is complete, with the balance of the work to be tendered in October 2020. Construction is scheduled from November 2020 to March 2021.

Raw Water Reservoir – Design is complete. Construction contract tendered and awarded to Rooney Group Limited. Land Designation is proceeding with a Commissioner Hearing imminent following the Limited Notification process. The hearing is scheduled for October 1st, 2020.

Water Treatment Plant – The Design & Construct Contract has been awarded to Marshall Pall Consortium. Design is progressing with a HAZOP Workshop planned for 15 October. Commissioning of the new WTP is still on track for June 2021.

Treated Water Reservoir – A Performance Specification for Design & Construct contract tender is being drafted for tender in October 2020.

Stage 1 Pipeline – Construction Contract awarded to Hadlee and Brunton. Procurement of liner material is proceeding. Construction is due to start in October.

Stage 2 Pipeline – Consenting is underway. Design has been completed and this will be tendered in October with construction planned from November 2020 through June 2021.

	Trunkmain		Intake	WTP		
	Stage 1	Stage 2		RWR	TWR	WTP
Prelim. Investigations	✓	✓	✓	✓	✓	✓
Consenting	✓					
Design	✓	✓	✓	✓		
Tendering	✓			✓		✓
Construction						
Commissioning						

Not started
 In progress - on schedule
 In progress - behind
 Warning
 Awaiting Sign-Off
 Completed

PROJECT FINANCIALS

\$7.8m (30%) has been committed to date but planning delays have meant the rate of expenditure is slower than what was planned.

PROJECT RISKS

CONSENTING – Not all affected parties approvals were able to be obtained. The Land Designation is a risk as investment has been committed to land, design and construction of the Raw Water Ponds and the Water Treatment Plant.

CASHFLOW – The Planning delays have prevented planned construction expenditure. Contractor resource availability once planning issues are resolved will determine whether the original timeframes can be maintained.

KEY PROJECT

Winchester / Geraldine Roundabout

Progress report – Issue 2 – September 2020

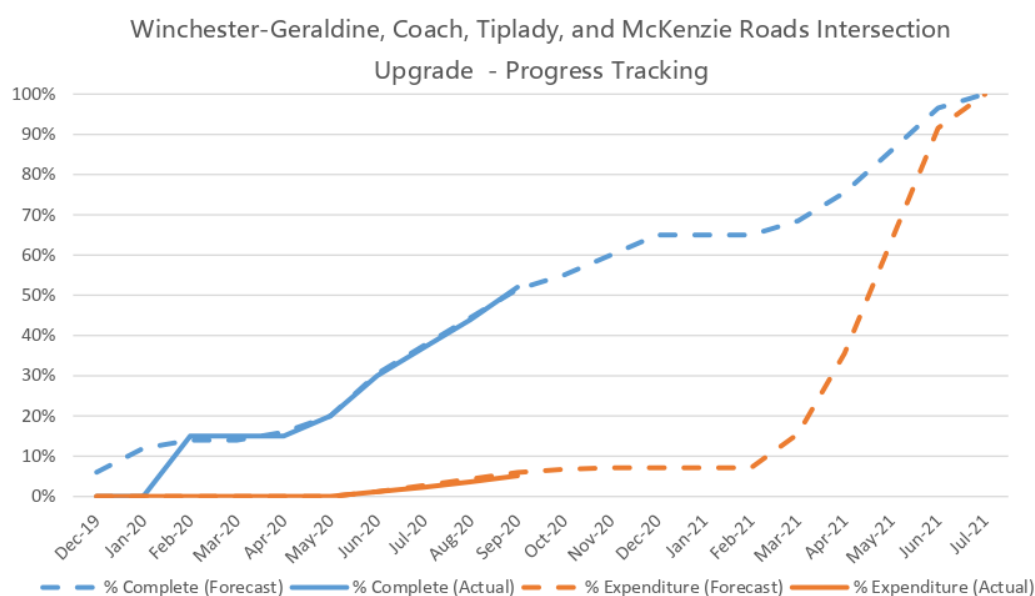


OVERVIEW

Winchester-Geraldine, Coach, Tiplady, and MacKenzie Roads intersect approximately 6km south of the Geraldine Township. This intersection has been identified as a high risk intersection by NZ Transport Agency. This outcome correlates with the high vehicle crash history at this intersection - in the last ten years there have been eight injury-causing crashes, with three of them resulting in serious injuries. As a result, this intersection has been identified as high-risk and in need of upgrading. Though the Safer Networks Programme (SNP) it has been determined that the best treatment for this site is the installation of a rural roundabout. Due to the SNP category, this work is being funded at 75% by NZTA and 25% by TDC.

PROJECT UPDATE

- Detailed design is nearing completion. Draft drawings and contract documentation have been received and the internal review is complete.
- An advanced notice to tenderers was issued via Tenderlink. Tender documents to be uploaded 6 October, tenders close 5 November.
- Collaboration with other utility providers is continuing, in particular Alpine Energy to ensure power is relocated prior to the contract commencing. Additionally, an existing private irrigation line which runs under the site may need to be relocated.



PROJECT TEAM

Project Sponsor: Andrew Dixon - **Project Manager:** Adam Ward

\$2M

Total 2020/21 Annual
Plan Budget

\$127.8k

Spent to Date (*as of
30 September 2020*)

52%

Completed
(*as of 30 September
2020*)

7.3 Government Policy Statement on Land Transport 2021-2031**Author:** Andrew Dixon, Group Manager Infrastructure**Authoriser:** Erik Barnes, Acting Group Manager Infrastructure**Recommendation**

That the report be received and the funding implications noted.

Purpose of Report

- 1 To brief the Infrastructure Committee on the final Government Policy Statement on Land Transport 2021/22 – 2030/31 (GPS 2021) and the funding implications for the Timaru District Council.

Assessment of Significance

- 2 This matter is considered of low to medium significance in terms of Council's significance policy. This is due to the potential financial impacts for all ratepayers.

Background

- 3 The GPS on Land Transport 2021/2022-2030/2031 (GPS 2021) was recently adopted by government and sets out the priorities, objectives and funding levels for land transport. It establishes funding ranges for land transport activity classes and identifies the results expected from this investment for the next ten years. The GPS is reviewed by government a minimum of once every three years.
- 4 The funding allocated is the revenue from fuel excise duty and road user charges. This revenue has had little growth in recent years as vehicles are becoming more efficient, electric vehicle numbers are increasing, and increased use of smarter heavy vehicle tracking systems that only record road user mileage when on the road and not when driving on private land. The recent pandemic has also had a significant impact with reduced vehicle use during lockdowns.
- 5 The Government's commitments make it clear that transformation of the land transport system is a priority. GPS 2021 presents a number of changes in direction and sets a national purpose for a transport system that improves wellbeing and liveability. The GPS outlines the direction through establishing the national transport outcomes, which include: healthy and safe people, inclusive access, economic prosperity, resilience and security, and environmental sustainability. The GPS 2021 utilises the outcomes framework to set four strategic priorities, to include: safety, better travel options, improving freight connections, and climate change. A summary of the GPS 2021 is included with this report as attachment 1.

Discussion

- 6 The overall GPS 2021 purpose of the transport system aligns well with LG Act purpose of local government and the Timaru community outcomes, promoting a transport system that improves wellbeing and liveability.

- 7 The GPS 2021 significantly increases funding for public transport that is targeted in large metro cities. There is also a significant increase in State Highway maintenance but local road maintenance receives a nominal “inflationary” increase only.
- 8 There is a new category of funding targeted at meeting the road to zero safety targets which seems to be a reallocation of funding noting that the local road and State Highway improvements funding categories have decreased.
- 9 Another point to note is that there is now funding allocated to rail that has been previously funded separately.
- 10 The GPS 2021 does not determine which projects will be funded, or how much funding any particular project will receive. Rather, the GPS sets ranges of funding which Government will make available for different types of activity for the next three years and indicatively for years 4 to 10. Waka Kotahi (The New Zealand Transport Agency) then determines which projects receive funding and to what level within those overall funding ranges.
- 11 Financial assistance is subject to a bid process and is nationally contested. We expect confirmation on this at the end of June 2021.
- 12 NZTA policy is that any improvement project less than \$2.0 million is a minor project and therefore part of our “Low cost-Low Risk” (LC-LR) activities programme. Timaru District Council local road improvements planned in the next 3 years are all less than \$2.0 million and therefore LC-LR projects.
- 13 The new GPS 2021 has not had a significant impact on Timaru District Council financial assistance bids to NZTA. Our business case that supports our funding bid was focussed on maintaining the assets we have at the desired level of service our community needs.
- 14 A draft financial assistance bid for 2021/22 to 2023/24 has been submitted to NZTA. This reflects the current Council expenditure and proposed increases in some activities such as road pavement maintenance, pavement renewals, road safety. These increases are supported by robust data evidence that has been collected over the last three years.
- 15 The initial response from NZTA has been met with surprise with the bid quantum higher than anticipated. This is predominantly due to Waka Kotahi not fully funding the current Timaru District programme.
- 16 It is worth noting that Timaru District is operating as one of the most efficient organisations in our peer group and known nationally for innovation and data quality.
- 17 The strategy is investment in renewals (Capital) to reduce maintenance (operating) expenditure.

Options and Preferred Option

- 18 It is important that funding is allocated to ensure that our community well beings and Activity Management Plan strategies, projects and targets are delivered. The financial assistance funding from NZTA has yet to be determined and until this time options cannot be determined.
- 19 The national allocations for individual activities are constrained and NZTA are unable to allocate above the maximum specified in the GPS 2021. Government in conjunction with the Ministry of Transport set these allocations so any concerns should be directed to the Minister of Transport.

Consultation

- 20 Consultation with the community will be undertaken during the Long Term Planning process.
- 21 There will be engagement discussions with NZTA over our funding bid over the next six months.

Relevant Legislation, Council Policy and Plans

- 22 Land Transport Management Act 2003
- 23 National Land Transport Programme 2018-28
- 24 Canterbury Regional Transport Plan 2018-28

Financial and Funding Implications

- 25 It is unlikely that NZTA will fully fund our proposed programme given the Government funding constraints in the GPS 2021. This is likely to result in Council having to fully fund the expenditure requirements over and above the final NZTA allocation or reduce the scale of the programme. It should be noted that this has been the case over the last three years.

Other Considerations

- 26 The GPS 2021 is based on the policies of the current Labour led coalition government. If the government was to change after the election this month it is highly likely that the GPS 2021 would be reviewed and changed.

Attachments

- 1. **Government Policy Statement on Land Transport 2021 Summary**

GPS

ON LAND TRANSPORT

The role of the Ministry

The Ministry of Transport is the government's system lead on transport. The Ministry advises on the total set of transport interventions and levers including investment, regulation and others.

As system stewards, we work to consider the long-term outcomes for the entire transport system. These outcomes are described in the Transport Outcomes Framework, which applies the Living Standards Framework to the transport system. This framework makes it clear what government is aiming to achieve through the transport system.

TRANSPORT OUTCOMES FRAMEWORK



The Ministry supports the Minister of Transport to produce a Government Policy Statement on land transport (GPS). The GPS details how Government expects the National Land Transport Fund (the NLTF) to contribute to a well-functioning land transport system over 10 years.

The Ministry leads advice on investments that have implications for the Fund beyond 10 years and transport investments (including land transport investments) that are funded outside the GPS and the NLTF.

As part of the wider government commitment to the Māori-Crown relationship, the Ministry has a responsibility to engage with Māori and consider Māori outcomes.

Developing the GPS

The GPS sets out the Government's priorities for expenditure from the NLTF. The GPS is developed by the Ministry of Transport on behalf of the Minister before public engagement begins.



How does it work?

The GPS is reviewed every three years and guides investment in transport by providing a 10 year outlook of how spending is prioritised in the transport network.

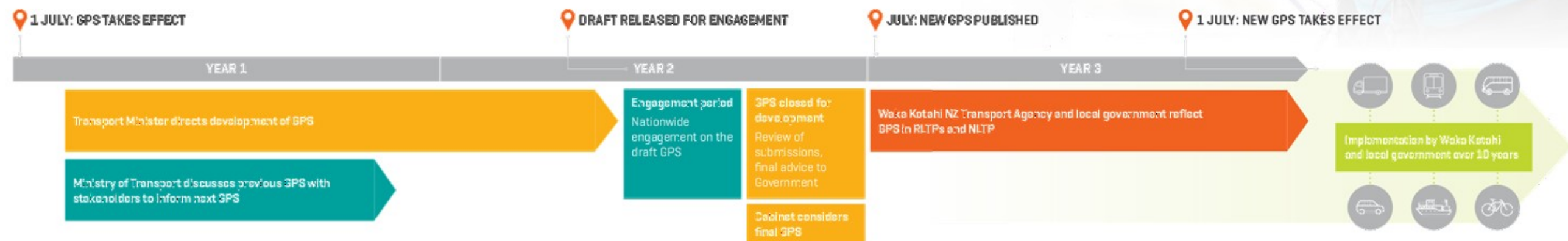
Guided by the GPS strategic priorities, Waka Kotahi supports local government to create quality Regional Land Transport Plans (RLTPs), which it uses to create the National Land Transport Programme (NLTP).

When Waka Kotahi and local government make decisions on transport investment they give effect to the strategic priorities set out in the GPS.

As the largest co-funder of NLTP projects, local government has an essential role in building strong, evidence-based projects and programmes for investment.

This work is supported by the role of regional councils, territorial authorities and unitary councils in leading long-term planning for their area.

GPS Timeline



Te Kāwanatanga o Aotearoa New Zealand Government

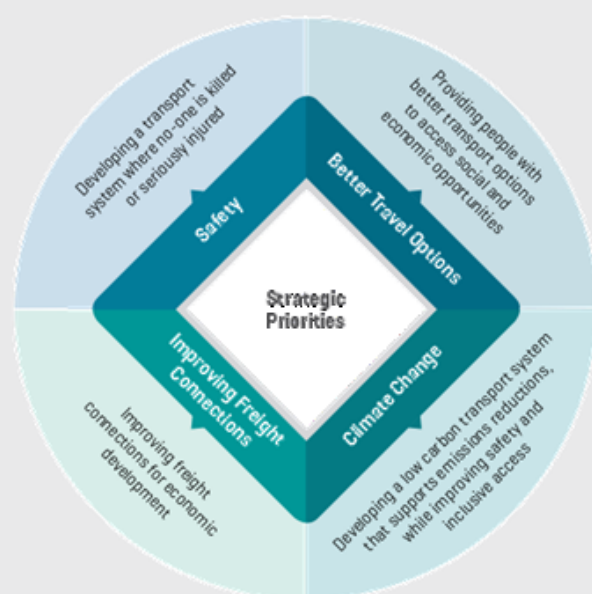


GPS 2021 AT A GLANCE



What are the strategic priorities?

The Government Policy Statement on land transport 2021 builds on the direction set in GPS 2018 and continues the Government's commitment to safety within the transport system. The Policy Statement also prioritises better travel options in our towns and cities, and supports investments for improving freight connectivity through rail and coastal shipping. By including Climate Change as a strategic priority, the GPS highlights the Government's commitment to reducing greenhouse gas emissions in the transport system.



SUPPORTING REGIONS

Road to Zero

Implementing the Road to Zero strategy (where 70 percent of improvements will be outside of Wellington and Auckland).

Freight network

Improving the freight network for primary producers to markets.

Maintaining the network

Sufficient funding to maintain networks to the condition required to ensure a safe, resilient and accessible network.

Investment in land transport

Activity Class Updates



Road to Zero brings the safety related activity classes together to invest for a 40% reduction in road deaths and serious injuries.



Public Transport has been split into services and infrastructure activity classes. This includes completing transitional Metro rail projects.



The Coastal Shipping activity class will support New Zealand coastal shipping to operate on a level playing field with other freight operators.



The Rail Network activity class will be used to implement the Rail Plan by providing funding to KiwiRail to maintain and renew the national rail network.

ACTIVITY CLASS FUNDING RANGES

Activity class	Expenditure reporting line		GPS 2021 funding ranges						Forecast funding ranges			
			2021/22 \$m	2022/23 \$m	2023/24 \$m	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	2028/29 \$m	2029/30 \$m	2030/31 \$m
Road to Zero	Safety Infrastructure	Upper	910	940	980	1000	1040	1070	1080	1110	1140	1170
	Road policing	Lower	820	840	870	900	930	960	970	1000	1020	1050
	Automated enforcement											
	Road safety promotion											
Public Transport Services	Service operation	Upper	600	630	700	820	900	920	950	970	1000	1030
	Service improvement	Lower	390	410	420	430	440	450	470	480	490	510
Public Transport Infrastructure	Existing	Upper	770	650	660	780	830	850	810	810	850	870
	New	Lower	450	450	370	340	340	350	350	350	370	380
Walking and Cycling Improvements	Walking and cycling	Upper	180	175	195	115	115	115	120	120	120	120
		Lower	95	90	105	75	75	75	80	80	80	80
Local Road Improvements	Existing	Upper	300	250	260	260	130	130	140	140	140	150
	New	Lower	100	100	100	110	50	50	50	60	60	60
State Highway Improvements	Existing	Upper	1250	1000	1000	950	900	800	650	550	450	450
	New	Lower	800	800	800	750	700	600	450	350	350	300
State Highway Maintenance	Operate	Upper	960	980	1000	1020	1040	1060	1080	1110	1150	1180
	Maintain		740	750	770	800	830	870	910	950	980	1020
	Renew											
	Emergency	Lower										
Local Road Maintenance	Operate	Upper	760	780	800	820	840	860	880	900	930	950
	Maintain		650	670	680	700	720	730	750	770	790	810
	Renew											
	Emergency	Lower										
Investment Management	Planning	Upper	85	90	95	95	95	95	95	95	100	100
	Sector research	Lower	70	75	75	75	80	80	80	85	85	85
	Management											
Coastal Shipping	Coastal shipping	Upper	15	15	15	0	0	0	0	0	0	0
		Lower	10	10	10	0	0	0	0	0	0	0
Rail Network	Rail network	Upper	170	170	170	170	170	170	170	170	170	170
		Lower	120	120	120	120	120	120	120	120	120	120

Government Commitments

GPS 2021 identifies four Government Commitments that will be delivered through the NLTP across total investment in activities. The four priority programmes are:

- Auckland Transport Alignment Project (ATAP)
- Let's Get Wellington Moving (LGWM)
- Road to Zero (around 70 percent of improvements will be outside of Wellington and Auckland)
- Implementing the New Zealand Rail Plan.

INVESTMENT PRINCIPLES

The strategic priorities of GPS 2021 are supported by guiding principles that underpin how investments should be made:

- decisions need to be transparent
- decisions need to represent value for money
- decisions need to make the most of our existing system but use planning and lead investment (where necessary) to build a better future
- use innovation.

- 8 Consideration of Urgent Business Items**
- 9 Consideration of Minor Nature Matters**

10 Exclusion of the Public

Recommendation

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
11.1 - Public Excluded Minutes of the Infrastructure Committee Meeting held on 1 September 2020	<p>s7(2)(b)(ii) - The withholding of the information is necessary 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</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>Commercial sensitivity</p> <p>To enable commercial or industrial negotiations</p>

11 Public Excluded Reports

11.1 Public Excluded Minutes of the Infrastructure Committee Meeting held on 1 September 2020

12 Readmittance of the Public