

# **Mangawhai Community Plan – Funding Approval 2020-21**

**Meeting:** Kaipara District Council  
**Date of meeting:** 29 July 2020  
**Reporting officer:** Jim Sephton, GM Infrastructure Services

## **Purpose/Ngā whāinga**

To seek funding approval to proceed with the Mangawhai Community Plan (MCP) in the 2020/21 financial year – specifically the next stage of the Village to Heads Shared Path, Wood Street Streetscape and Insley Street intersections.

## **Executive summary/Whakarāpopototanga**

Three components of the MCP have been developed in 2019/20

- Village to Heads Shared Path - a Business Case has now been submitted to NZTA with signals that this is likely to be supported and will enable access to the National Land Transport Fund (NLTF). Priority sections for construction have been confirmed and the alignment through Mangawhai Community Park confirmed with stakeholders.
- Wood Street – Following the successful trial, the second stage has been developed and a funding application to NZTA under the Innovative Streets fund (90%) contribution has been successfully applied for.
- Insley Street Intersections – The detailed design has been completed following extensive engagement with landowners and incorporation of the shared path within this section. The increased costs are primarily due to the incorporation of the shared path and this approach has been agreed with NZTA.

A significant increase in subsidy from the National Land Transport Fund (NLTF) is expected. From \$2.5m to \$4.7m.

There is a gap of \$654k in local funding to complete the pre-implementation (consenting & design) and implementation (construction) of the priority sections for construction. It is recommended that this gap is addressed through allocation of Reserve Contribution which is appropriate given the fact that shared paths are a recreational facility and that a significant section will be in Mangawhai Community Park.

It is noted that there are sufficient funds to continue pre-implementation, however approval to proceed up to and including implementation (subject to NZTA approval) will allow procurement of Contractors which allow works to commence within this financial year (likely November).

## **Recommendation/Ngā tūtohunga**

That the Kaipara District Council

- a) Notes the Mangawhai Community Plan – Funding for 2020-21 report
- b) Approves allocation of an additional \$654,419 from Financial Contribution.
- c) Supports the Chief Executive to commencing procurement of physical works as per the Procurement Business Case which has previously been approved by Council.

## Context/Horopaki

The Shared Path, Insley Street Intersections and Wood Street Revitalisation Projects were all identified in the Mangawhai Community Plan and subsequently included in the 2018 Long Term Plan. This report has been brought to Council following the completion of business cases and design development so that the funding required can be confirmed.

The MCP was adopted by the Council in June 2017 following substantive public engagement. The projects identified in the MCP were included in the 2018 Long Term Plan.

Elected Members were updated on progress of the MCP in November 2019. This report noted that “The expectations of the MCP exceed that which is affordable within the current LTP. Although this gap can be reduced by maximising subsidy, there will be a need to reduce the pace at which projects are rolled out and reduce scope in some areas”.

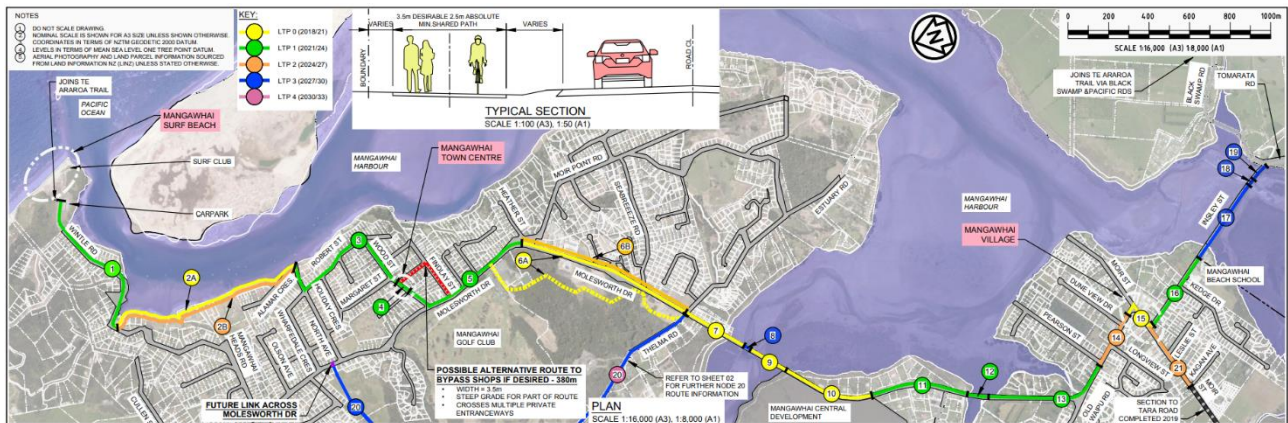


Further work has now been undertaken which provides clearer understanding of likely costs, subsidies and resulting prioritisation.

The ‘Procurement Plan for Accelerated Projects’ was approved by Elected Members in May 2020. This included the MCP and it was clarified that the award of any contract would be subject to approval of funding.

## Discussion/Ngā kōrerorero

The Mangawhai Heads to Village Shared Path Business Case has been developed in collaboration with NZTA and the final application submitted in June (included at Appendix A). The application includes some sections which were formally part of the ‘Coastal Walkway’, Thelma Road connections and also incorporates the section south of the Village which will connect to the Wellsford to Mangawhai section which Auckland Council are developing.



The total cost of the complete shared path is \$16.8m. This is proposed to be allocated across the current and future LTPs.

Investment levels over the 3-year funding periods		
3-year LTP period	Years	Investment
0	2018/21	\$4,465,200
1	2021/24	\$7,079,400
2	2024/27	\$2,917,550
3	2027/30	\$2,345,900
<b>Total</b>		<b>\$16,808,050</b>

The funding for the MCP in the current LTP only allowed for circa \$2m of shared paths, including Moir Street West has been completed (\$550k).

Through engagement with the advisory group and NZTA, Priority sections for construction have been identified for this last year of the LTP period. These are the sections which are most shovel ready and a priority for the community.

Section 2a	Beach access #10 to North Ave	The Coastal Walkway Advisory Group identified this as the priority section to complete first.	\$ 345k
Section 4	Wood Street	Interim installation of Wood Street Revitalisation which will help create a shared space environment which will be safer for all modes	\$500k
Sections 6a	Moirs Pt Rd to Estuary Drive	A path through the Mangawhai Community Park which will connect different zones and parking areas, combined with a path on the eastern side of Molesworth Drive (up to the existing footpath outside the ITM) Which will pick up the catchment to the east. Road crossings included to create the desired slow street environment	\$1,637k (50% in the park)
Sections 7 & 9	Estuary Drive to Molesworth Bridge Bridge to Mangawhai Central	The shared path will run on the east and is likely to require a new bridge and boardwalk in the marine environment. The focus at this stage will be getting the longer-term design completed (to support consents) but tie into the existing footbridge for now	\$ 873k \$ 555k
Section 10	Mangawhai Central	The shared path in this section will be constructed by Mangawhai Central as part of their construction works.	\$ 195k
Section 15	Mangawhai Village	The Insley Street Intersections have been developed to incorporate shared paths and crossing points	\$ 3,200k (Intersection + paths)

There was a desire to include sections 11, 12, 13 and 14 as these would provide a complete connection and address community feedback. However, there are currently insufficient funds to progress these sections.

**Section 2** – 2a will be developed as part of KDC coastal walkway project as an unformed path. It has been included because there is a gap in the network and an opportunity to do something in parallel to increasing parking at the boat ramp, provide toilets and other amenity improvements ahead of summer. (Note that the boat ramp parking and toilet is a separate project).

Further work in this section will be included as part of LTP2.

**Section 4** – Wood Street is being developed as an innovative street space. There is likely to be a greater focus on mixed use and higher amenity value in this space. A funding application for the interim stages of improvements at Wood Street has been awarded to KDC by NZTA. This allows for funds which were previously 100% FC to be reallocated.



### Currently Here



#### Demonstration Event

A small event is staged over one - two days to socialise and test a proposed use or a series of alternate uses and explore the potential of the project. Successful features and lessons learnt are incorporated into the next phase of the project. The areas of the design that don't work are refined and re-tested through an interim design.



#### Interim Installation

An updated design is installed for 3 - 6 months with more durable materials to observe and test changes in behavior, potential safety issues and effects on the road network and further refine the design.

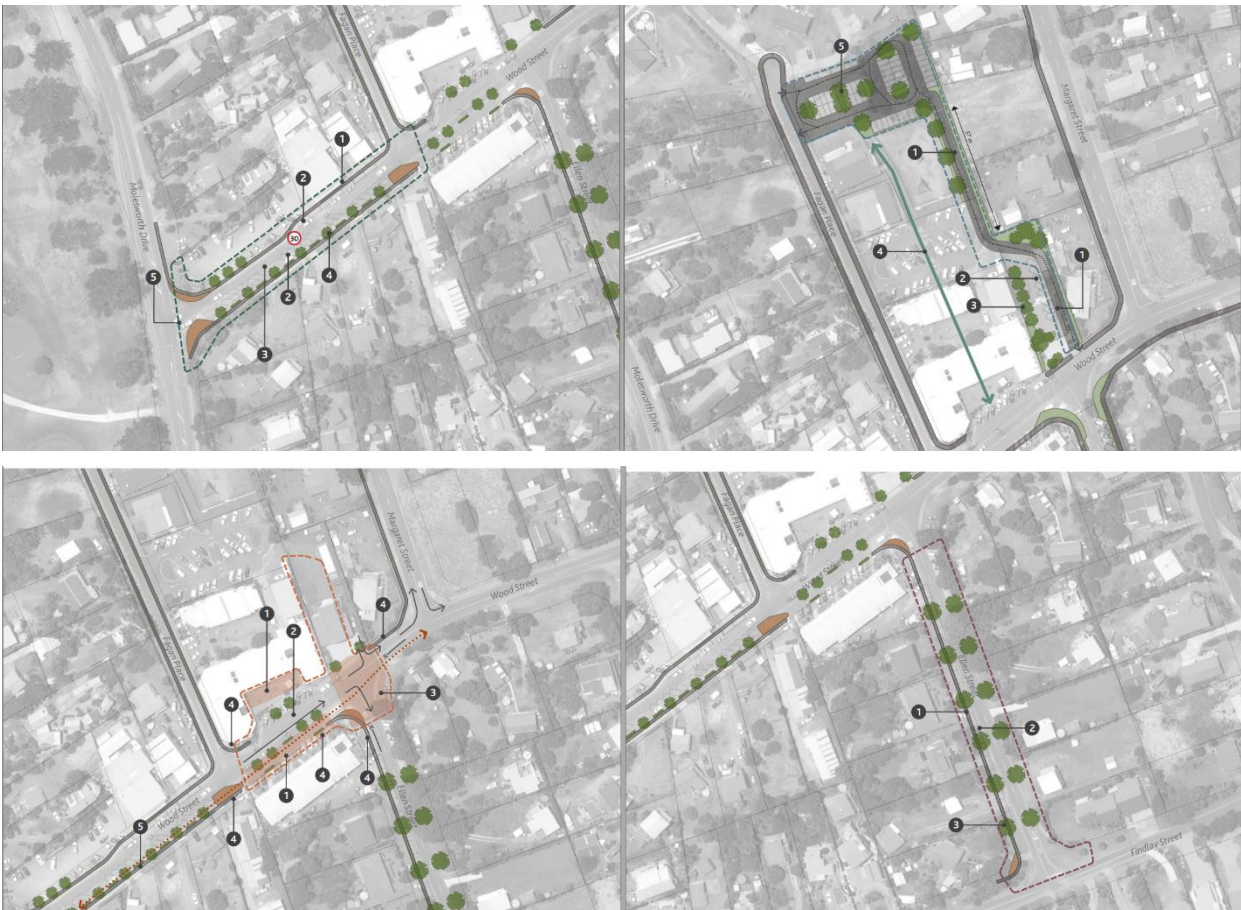


#### Permanent Installation

Lessons learnt during the interim installation are fed into the design of the permanent installation.

Completed as a summer trial in 2019/2020.

The \$500k investment in the interim installation will achieve many of the objectives of the MCP. Permanent installations will be included as part of the next LTP.

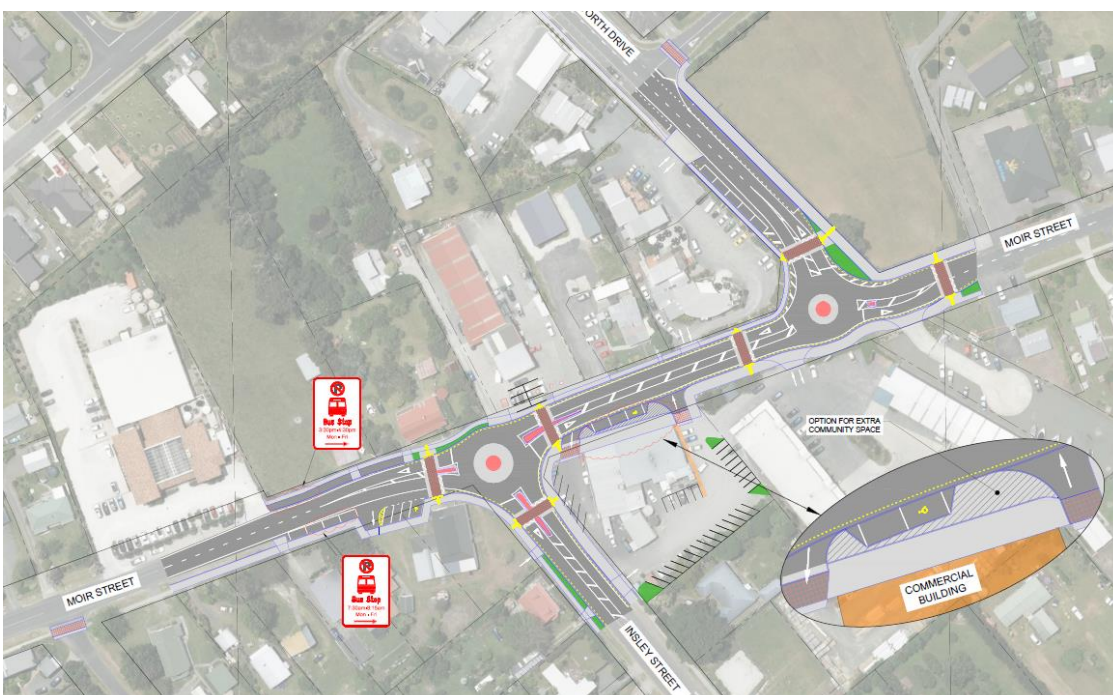


The path in the Park will connect different parking areas with different zones in the park as well as car parking areas. It was funded in the LTP as a 100% FC project however it will now be 61% funded through NLTF subsidy.



**Section 10** has been designed by Viranda and will be constructed by MCL Civil as part of the construction of the roundabouts on Molesworth Drive. The costs of this construction will be off set against development contributions.

**Section 15** includes the Insley Street Intersections which have been developed to incorporate the shared path and land acquisition is in progress. The revised estimate to incorporate the shared path and crossing points is \$3.2m





## Funding

The revised estimate for works are \$7.5m which is an increase of \$2.6m over what is currently budgeted in the LTP.

The majority will be addressed through increased NLTF subsidy of \$2.2m. Business cases had not been developed prior to the creation of the last LTP and there had been no alignment with NZTA. We now have three Business Cases which are currently being processed by NZTA

- Mangawhai Heads to Village Shared Path (61% funding)
- Wood Street Innovative Streets (90%) funding
- Insley Street Intersections and shared path (61% funding)

There is no change proposed to loan funding.

Depreciation has been reduced as the works on Wood Street will not structurally affect the pavement.

There is no impact on development contributions for this LTP. The Development Contribution Policy will be updated to reflect the remaining sections of the Shared Path programme which will allow a reasonable DC to be collected going forward.

The additional local share is proposed to make up of \$654k from reserve contribution. This is acceptable under current policy as shared paths are a recreational activity and are providing access to the coast. A significant proportion of the path also goes through the Mangawhai Community Park.

The finance team have confirmed that there is sufficient headroom to accommodate this in Mangawhai. It does not meet the significance criteria of \$3m.

The Table A below, illustrates the current and proposed funding.

Section	Current							Local Contribution
	Total	DC	Depn	FC	Loan	Rates	Subsidy	
	\$ -							
Shared paths	\$ 1,969,700	\$ -	\$ -	\$ 192,046	\$ 576,137	\$ -	\$ 1,201,517	
4 (Wood Street)	\$ 800,000	\$ -	\$ 264,000	\$ 264,000	\$ 272,000	\$ -	\$ -	
15 (Intersections only)	\$ 2,100,000	\$ 511,875	\$ -		\$ 307,125		\$ 1,281,000	
<b>Total</b>	<b>\$ 4,869,700</b>	<b>\$ 511,875</b>	<b>\$ 264,000</b>	<b>\$ 456,046</b>	<b>\$1,155,262</b>	<b>\$ -</b>	<b>\$ 2,482,517</b>	\$ 2,387,183
Spent								
	Proposed							
	Total	DC	Depn	FC	Loan	Rates	Subsidy	
Shared paths	\$ 3,793,850	\$ -	\$ -	\$ 903,465	\$ 576,137	\$ -	\$ 2,314,249	
4 (Wood Street)	\$ 500,000			-\$ 222,000	\$ 272,000		\$ 450,000	
15 (+ shared paths)	\$ 3,200,000	\$ 511,875		\$ 429,000	\$ 307,125		\$ 1,952,000	
<b>Total</b>	<b>\$ 7,493,850</b>	<b>\$ 511,875</b>	<b>\$ -</b>	<b>\$1,110,465</b>	<b>\$1,155,262</b>	<b>\$ -</b>	<b>\$ 4,716,249</b>	\$ 2,777,602
Difference	\$ 2,624,150	\$ -	-\$ 264,000	\$ 654,419	\$ -	\$ -	\$ 2,233,732	\$ 390,419

## Implementation

It is intended that these projects will be substantially complete within this LTP period, however some construction work will be completed in the latter half of 2021. The focus of procurement is to support local businesses and time is less important than good value and social outcomes (inc minimising disruption).

Section	Jul – Sep	Oct – Dec	Jan – Mar	Apr – Jun	Jul – Sep	Oct - Dec
2						
4						
6						
7&9						
10						
15						

The Procurement Business Case was previously approved by Council.

- Wood Street will be partly implemented through the O&M Contract (Broadspectrum) as well as local landscaping suppliers.
- The Shared Paths and Intersections will be tendered as a package.

## Options

Option 1 is to approve the recommendation as presented by Officers allowing the procurement of pre-implementation and implementation to continue within this LTP. It is noted that approval to award the contract for shared paths and intersections will still be required to come back to Council to approve award. The benefit of this option is that it provides an attractive package of work (\$7m), capitalises on available subsidy and creates more immediate job opportunities within Kaipara from a construction perspective. It also demonstrates to our community significant progress on the Mangawhai Community Plan.

Option 2 is to proceed with pre-implementation only and request Officers to request approval for Implementation funding separately. The implications of this are that construction start could be delayed and additional work will be required by Officers.

The recommended option is **option 1**.

## Policy and planning implications

None. The allocation of Reserve Funds from Financial Contributions is appropriate for a Shared Path facility.

## Financial implications

There are currently circa \$4m of RC available for the Mangawhai area. Allocating \$2m would increase net debt however FCs are intended to be utilised on infrastructure which improves community outcomes.

No impact on rates

## Risks and mitigations

There is a risk that we do not get NZTA funding. If this is the case, then the project will not progress.

There is a risk that we have a number of active projects in Managwhai which creates disruption and safety risk. This is being mitigated through the procurement of a Head Contractor for a package of work which will allow for works to be coordinated.

## **Significance and engagement/Hirahira me ngā whakapāpā**

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Although there is an increase in local share, this is less than the \$3m which would trigger significance policy. There is no fundamental change to the intent of the Mangawhai Community Plan or the LTP.

The Wood Street project will be developed through engagement with businesses and stakeholders. This will build on the momentum created through the trial.

Engagement with the community on the shared path will be undertaken. This will focus on explaining the logic of the route, refining the design to accommodate localised feedback and keeping the community informed.

Land acquisition for Wood Street will be completed and the public and affected parties informed on programme.



## Next steps/E whaiake nei

Subject to Council and NZTA approval, funds will be allocated against the projects.

A consultant from the KDC Professional Services Panel will be appointed to undertake the detailed design of the shared path. Stellar Consultants are proposed as they are already appointed for the coastal walkway (as subconsultants to Resilio) and have developed the shared path concept through the Mangawhai Community Park.

Tender documents will be developed with a Registration of Interest (ROI) issued in July, First stage (quality assessment) in August and second stage (for shortlisted) in September.

Physical works are expected to commence later in this calendar year. Some enabling works, such as tree clearance and utility works, may start earlier.

## Attachments/Ngā tapiritanga

	Title
A	Mangawhai Villlage to Heads Shared Path Business Case
B	Wood Street Innovative Street Application