

Kaiwaka Footbridges Approval of Additional Funding

Meeting: Kaipara District Council
Date of meeting: 28th July 2021
Reporting officer: Joanne Reid, Delivery Manager

Purpose | Ngā whāinga

To seek approval for \$150,000 of funding from Kaiwaka Financial Contribution Reserves to be allocated to the Kaiwaka Footbridges project.

Executive summary | Whakarāpopototanga

In November 2020, the Ministry of Business, Innovation and Employment (MBIE) approved \$750k funding from the Infrastructure Reference Group (IRG) fund for the construction of two bridges in Kaiwaka.

The Tender Evaluation process for the design and build contract has been completed and the Preferred Tenderers price is \$150,000 above the available budget from the IRG funding.

This paper seeks Council approval to fund the additional \$150,000 required for Kaiwaka Footbridges project via Kaiwaka Financial Contribution Reserves.

Recommendation | Ngā tūtohunga

That the Kaipara District Council

- a) Approves the allocation of \$150,000 from Kaiwaka Financial Contribution Reserves to the Kaiwaka Footbridges project.

Context | Horopaki

In 2014 Kaipara District Council undertook a Community Planning exercise in Kaiwaka. From this, a township Improvement plan was developed and shared with Iwi, Taumata Council and community representatives, then finalised in November 2016.

With State Highway 1 (SH1 Auckland/Northland corridor) splitting the township, the lack of safe crossings to the township and across the waterways currently present's a high risk. Pedestrian bridges were identified as the safest way to achieve these crossings.

In November 2020, MBIE approved \$750k funding from the Infrastructure Reference Group (IRG) fund for the construction of two bridges in Kaiwaka and the associated pathways. By implementing these pedestrian bridges, we align to the walking and cycling strategy, plus provide linkages to the Ancient Kauri Trail, supporting growth and economic development for the township.

In April 2021 a target price design and build Tender was issued to four pre-selected Tenders. Two submissions were received. Negotiations and price refinement then followed with the lowest price Tenderer, which has resulted in a proposal that is \$150,000 above the IRG budget.

Discussion | Ngā kōrerorero

The existing project budget allowed \$600,000 for the design and build contract, following negotiations and price refinement the preferred tenderer final price is \$725,000.

The tendered cost is greater than initially budgeted due to a requirement for both bridges to be higher than initially anticipated and additional structural (foundational) requirements due to the height and geotechnical analysis of both bridge locations.

This funding request of \$150,000 includes a contingency allowance of \$25,000.

By contributing \$150,000 of funding for the project it will enable a \$900,000 project to be delivered.

Options

Option 1: Approve the allocation of \$150,000 from Kaiwaka Financial Reserves to the Kaiwaka Footbridges project.

Option 2: Decline the funding allocation and request the Project Team further negotiate with the Preferred Tenderer to reduce cost.

Option 2 is not recommended as cost reductions would be achieved through the removal of accessible access boardwalks on both bridges, replacing these with stairs.

The recommended option is **option 1**.

Policy and planning implications

N/A

Financial implications

It is proposed for \$150,000 funding to be allocated from the Kaiwaka Financial Reserves.

It is estimated that there will be \$611,000 of Kaiwaka Financial Reserves for the 2021/22 financial year. There are currently 4 projects identified to receive funding from this stream (shown below).

To enable the allocation of \$150,000 to Kaiwaka Footbridges Project, we would reprioritise the projects allocated within the Kaiwaka Financial Reserves funding stream. This would allow another years contributions to be received and with projects reprioritised funding will still be able to be provided.

Kaiwaka Financial Reserves funding:

Likely balance at 30 June 2021	\$548,313
Income estimated for 2021/22	\$63,000
Total	\$611,313

Projects already allocated within the Kaiwaka Financial Reserves:

Rangiora Reserve (2021)	(\$40,000)
Rangiora Park (2022)	(\$200,000)
Carpark (2022)	(\$250,000)
McClellan Reserve (2021)	(\$100,000)
Total	(\$590,000)

Risks and mitigations

There is a risk of delay to the project if Option 2 is selected and renegotiation/ re-design is required to reduce final tender cost. This delay would put the availability of funding at risk as we would be operating outside of our MBIE contractual milestones, which stipulates a contract award in July 2021.

The increased project budget of \$900,000 includes a contingency allowance of \$25,000.

Impacts on Māori

Te Uri O Hau have completed a Cultural Impact Assessment which supports the project.

Significance and engagement | Hirahira me ngā whakapāpā

The decisions or matters of this report are considered to have a low degree of significance in accordance with Council's Significance and Engagement Policy. No feedback is required, and the public will be informed of Council's decision via the agenda and minutes publication of this meeting, on the website and through other channels if appropriate.

Next steps | E whaiake nei

- Assign \$150,000 of funding from the Kaiwaka Financial Contribution Reserves to the Kaiwaka Footbridges project
- Award the Contract for the design and construction of the Kaiwaka Footbridges project
- Reprioritise projects in the next Annual Plans when required