

<b>AGENDA ITEM 21   BOARD DECISION PAPER</b>	
<b>To:</b>	Board
<b>From:</b>	Mark Laing, EGM Finance Mark Lambert, EGM Integrated Networks
<b>Reviewed:</b>	Dean Kimpton, Chief Executive
<b>Date:</b>	15 November 2023
<b>Title:</b>	Meadowbank Kohimarama Connectivity Project – Gowing Drive

### Aronga / Purpose

1. To seek approval for a budget increase of the Meadowbank Kohimarama Connectivity Project (MKCP) and delegation of authority to the Chief Executive.

### Tuku mana / Delegation

2. Board approval is sought under Delegated Financial Authority 1.3, 2.1, 2.2, 2.3 and 2.4 as the total budget for the project exceeds \$20.0m.

### Ngā tūtohunga / Recommendations

That the Auckland Transport Board (board):

- a) Approves a project budget increase of \$11.4m for the Meadowbank Kohimarama Connectivity Project, increasing the total estimated cost from the February 2021 Detailed Business Case concept design 2020 price estimate of \$21m to a P50 detailed design estimate of \$32.4m as a result of enhanced engineering requirements and inflation for the southern connection at Gowing Drive and Eastern Rail Line underpass.
- b) Notes that \$23.0m is required within the revised total cost estimate to complete the remaining Meadowbank Kohimarama Connectivity Project components comprising the southern connection at Gowing Drive and the Eastern Rail Line underpass over 2023/24 to 2024/25.
- c) Notes that the Meadowbank Kohimarama Connectivity Project (MKCP)

was identified as a priority project as part of the August 2023 board meeting consideration of capital programme delivery and risks, with \$24.0m included across 2023/24 to 2024/25.

- d) Notes that co-funding will be sought from Waka Kotahi New Zealand Transport Agency for the cost estimate increase, recognising the risk that this may be declined due to a low Benefit Cost Ratio. Risk also exists around \$8m of Regional Fuel Tax funding needed for the project.
- e) Approves the project to proceed subject to:
  - approval of Waka Kotahi New Zealand Transport Agency co-funding of 51% for the cost estimate increase, and
  - confirmation of the \$8m Regional Fuel Tax funding or other supplementary funding contribution in the event Regional Fuel Tax is not available.
- f) Delegates authority to the Chief Executive to commence with public consultation and consenting of the project, with a caveat that construction of the project remains subject to funding approval.
- g) Delegates authority to the Chief Executive, subject to funding approval, to finalise and approve a procurement plan, release of tender, approval of tender evaluation report and to execute physical works contracts over \$20.0m within the revised total budget estimate of \$32.4m.

### Te whakarāpopototanga matua / Executive summary

3. The key objective of MKCP is to provide a safe way to walk and cycle across the Pourewa Valley, which separates Kohimarama and Meadowbank, and to add a new local walking and cycling connection into the Glen Innes to Tamaki Drive (GI2TD) shared path (refer Attachment 1). The new infrastructure will offer safer and more sustainable travel choices for local trips (school and recreational) and longer regional trips (via GI2TD and the Tamaki Drive cycleway).
4. Meadowbank and Kohimarama are located either side of Pourewa Valley, which alongside the Eastern rail line, creates a natural barrier between the two communities. This limits the north-south travel, specifically for active modes, leading to car dependency for school travel, which adds to peak-hour congestion affecting St John's Road and Remuera Road.

5. An engineering solution involving new paths, boardwalks, bridges and a rail underpass is required to connect the communities.
6. The northern connection of the MKCP project was delivered together with section 2 of GI2TD which has enabled active mode access from the Kohimarama suburb to the GI2TD cycleway, however the southern connection (Gowing Drive) remains incomplete.
7. Access between the suburbs is only available through a circuitous manner at the GI2TD access points located at Tahapa reserve or St Johns Road. The new link will provide a time-competitive alternative to driving.
8. The Gowing Drive southern connection, which links Meadowbank to the GI2TD shared path is in detailed design. An underpass is required for this connection to cross the Eastern Rail Line.
9. Property acquisition (92 Gowing Drive) is complete as the property entered the market. Detailed design for Gowing Drive has progressed in accordance with AT design standards and is substantially complete, permitting detailed cost estimates to be completed.
10. The estimated total cost of the project has increased by \$11.4m from \$21m (Detailed Business Case (DBC) P95 2020 estimate) approved by the board in February 2021 to \$32.4m (detailed design P50 estimate). This is due to functional engineering requirements not fully understood at the DBC stage of the project and includes:
  - a. a large diameter stormwater pipe beneath the Eastern Rail Line to reduce flooding in the underpass;
  - b. increased shared path length and larger retaining infrastructure to facilitate appropriate shared path gradients due to the steep site topography; and
  - c. inflationary cost escalations since the 2020 cost estimates were prepared.
11. The project has expended \$9.4m to 30 June 2023, with a P50 cost estimate to complete the remaining phase of the Gowing Drive connection of \$23.0m over 2023/24 to 2024/25.
12. The project was included in the list of priority projects considered by the August 2023 board to progress subject to ensuring overall capital expenditure remains within the annual budget and included a funding requirement of \$24.0m over 2023/24 to 2024/25.

13. The overall project had a Benefit Cost Ratio (BCR) of 1.13 at the DBC stage. A Waka Kotahi New Zealand Transport Agency (Waka Kotahi) co-funding application will be progressed, including a reassessment of the economic evaluation. Subject to this application, it is recommended that the MKCP progress with co-funding for the cost estimate increase.
14. Subject to approval and capital programme funding availability at the point of construction ready, the implementation phase for the Gowing Drive connection is planned to commence from mid-2024 to mid-2025. Eastern Line track access will be negotiated for Christmas 2024.

### Ngā tuhinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
February 2021 Board	Meadowbank-Kohimarama Connectivity Project	Approval the Detailed Business Case (DBC). Delegation was provided to the Chief Executive to enter into design and construction phases of the project estimated to be \$21m (P95 2020).
August 2023 Board	Capital Programme - Delivery and Risks	Endorsed continuation of a select number of projects (including MKCP), noting that that the risks will need to be continually monitored. The capital programme scenario included \$24m over 2023/24 to 2024/25 for MKCP.
November 2023 Design and Delivery Committee (committee)	Meadowbank-Kohimarama Connectivity Project	The committee received an overview of the connectivity project alongside an explanation on the project cost increase.  The committee acknowledged the benefits of connecting the Meadowbank and Kohimarama communities, the GI2TD shared

		path, and providing easier and safer active mode access to local schools.
--	--	---

## Te horopaki / Background

15. An active mode connection between Kohimarama and Meadowbank across the Pourewa Valley, connecting to the GI2TD - Te Ara Ki Uta Ki Tai (the path of land and sea) already built, is a priority project for the Ōrākei Local Board (OLB). The project objectives are to:
- Provide a safe and attractive active mode connection between the Meadowbank and Kohimarama communities, especially to local schools.
  - Improve accessibility to wider employment and recreational destinations from the CBD through to Glen Innes via GI2TD shared path.
  - Improve health and wellbeing by promoting active mode and public transport options, via access to the GI2TD shared path.
16. MKCP is anticipated to attract approximately 700 daily walking / cycling trips through two key functions:
- North-south active mode connection between the largely residential suburbs of Kohimarama and Meadowbank (refer Attachment 1):
    - The Pourewa Valley creates a natural barrier between Kohimarama and Meadowbank but with existing connections that provide circuitous and lengthy journeys near the Meadowbank train station (via the GI2TD shared path) or via high volume arterial roads (St Johns/Kohimarama Road) that carry circa 20,000 vehicles per day.
    - Selwyn College and St Thomas (Primary/Intermediate) School (with roles of 1,460 and 850 respectively) have enrolment zones that span both sides of the Pourewa Valley. Census data indicates that travel to local schools by cycling is only around 50% of the national average, with AT Travelwise Reports indicating that significant numbers of St Thomas students would like to bike or scooter to school.
- Connections from the suburbs of Kohimarama and Meadowbank to the new East-West GI2TD shared path:
    - Only 2-3% of Kohimarama and Meadowbank residents work within their suburbs and for a significant portion, options to access frequent public transport or the Rapid Transit Network is difficult. The GI2TD shared path provides access to Meadowbank and Glen Innes train stations but local access points to GI2TD are 4km and 2km apart on the north side and south side respectively.
    - Auckland's Tamaki Drive shared path provides high quality direct active mode connection to the city centre and inner-city beaches and when completed the GI2TD shared path will provide a key walking/cycling spine linking to the inner eastern suburbs. However, incomplete local access points to GI2TD limits the opportunity to capitalise on that investment.
17. The cross-valley connection will contribute to achieving a greater number of safe active mode school and local trips (while limiting exposure to the arterial roads), people being able to make healthier travel choices, promoting community wellbeing and supporting access mobility with high standard paths.
18. The cross-valley connection is accomplished via the MKCP with two shared path connections originating from Meadowbank and Kohimarama connecting to GI2TD shared path approximately 200m apart (refer Attachment 1):
- The northern shared path connection, John Rymer Place, links the GI2TD shared path to Kohimarama, was completed in mid-2022 in alignment with the GI2TD shared path.
  - The Gowing Drive connection (southern connection) links Meadowbank to the GI2TD shared path and is currently in detailed design. The 92 Gowing Drive property was acquired late 2021 as the property came on the market. An underpass is required for this connection to cross the Eastern Rail Line.
19. A general arrangement plan for the detailed design is shown in Attachment 2. The design has progressed to the point where cost estimates have been updated and identify significant cost increases as a result of both enhanced engineering and technical solutions being required and inflationary escalation since the DBC was prepared at 2020 values.

## Te hononga ki te “Statement of Intent 2023 - 2026”/ Alignment to Statement of Intent 2023 - 2026

20. MKCP aligns most closely with the following statements of performance expectations:
- Better understanding of the communities we serve - MKCP is well supported by the ward councillor, local community and is a key project of the OLB.
  - Leveraging our existing network using data by technology and insights - by delivering walking and cycling connections which contribute to an increase in cycle counts and a reduction in vehicle emissions through encouraging mode shift, through leveraging access to the existing GI2TD shared path.

## Me mōhio koe / What you need to know

21. The proposed Eastern Rail Line underpass and constraints of rail block of line windows, site access challenges and gradients of the site to permit construction of an effective active mode shared path present cost and construction delivery challenges. To resolve the construction stage challenges a construction contractor has been engaged to work with the designer during pre-implementation.
22. As the detailed design for the southern connection has progressed, the estimated total cost of the project has increased from \$21.0m (DBC P95 estimate) to \$32.4m (detailed design P50 estimate). The cost increase can be broadly broken down in the following components:
- Stormwater:** Inclusion of additional stormwater pipe beneath the rail track to reduce stormwater flow through the underpass.
  - Shared path/ boardwalk length:** Increased shared path/ boardwalk length (and size) compared to the DBC option to achieve appropriate gradients/ design requirements.
  - Retaining walls:** The length and height of the retaining wall has increased to meet the grade requirement of the shared use path. The terrain of the property is steep and required significant cut to meet the maximum allowable grade. This has required a longer and higher retaining wall to retain the adjoining property compared to the DBC.

- Other:** Increase in professional services, contract management, project management and other ancillary costs to work through the detailed design challenges.
- In addition, inflationary escalations have been factored in compared to the 2020 DBC cost estimate.

23. The P50 cost estimate to complete the remaining pre-implementation and implementation phase of the Gowing Drive southern connection is \$23.0m. This is part of the total revised cost estimate for the project of \$32.4m.
24. Subject to approvals in this paper, the implementation phase for the Gowing Drive southern connection is planned to commence from mid-2024 over a 12-month construction period with completion planned mid-2025. Eastern Line track access will be negotiated with KiwiRail for the Christmas 2024 block of line.

## Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

25. The board previously approved a total project budget of \$21.0m, which includes actual costs (included in the Regional Land Transport Plan) to date of \$9.4m for the pre-implementation and implementation phases for the northern connection, land acquisition of 92 Gowing Drive and pre-implementation phase for the southern connection.
26. The P50 detailed design cost to complete the project is \$23.0m with a forecast cost of \$1.0m to complete the pre-implementation phase in FY23/24 and \$22.0m to complete the implementation phase in FY 24/25. This includes a contingency of 30%.
27. The estimated total cost of the project has increased by \$11.4m from \$21.0m (DBC P95 estimate) to \$32.4m (detailed design P50 estimate).

Costs P50 (actual and forecast – including 30% contingency)	Spend to date at 30 June 23	FY 23/24 (design – Gowing Drive)	FY 24/25 (construction – Gowing Drive)	Whole of project
*Original RLTP allocation - \$21m	*\$9.4m	\$1m	\$22m	\$32.4m

28. The overall project had a BCR of 1.13 prior to the revised project budget. A Waka Kotahi funding application will be progressed subject to board approval. The funding application will reassess the economics and project benefits, which

are expected to increase following a recent update to Waka Kotahi's *Monetised Benefits and Costs Manual* (MBCM).

29. The project is partially funded by \$8.0m of Regional Fuel Tax. There is potential risk around this funding.
30. MKCP is one of 11 projects endorsed by the board in August 2023 to continue subject to ensuring overall capital expenditure remains within the annual budget with the capital programme scenario identifying \$24.0m potentially required over 2023/24 to 2024/25.

### Ka whaiwhakaaro ki te Tiakanga Taiao / Climate change and sustainability considerations

31. MKCP will contribute to reduction in transport related greenhouse emissions and vehicle kilometres travelled across Tāmaki Makaurau through enabling mode shift from private vehicles, enabling better access to Meadowbank Station and greater access to quality walking and cycling routes.

### Ngā whakaaweawe atu anō / Other impacts

Relationship	Consulted Y/N	Views and Perspectives Received
Māori	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<p>Mana whenua have been actively engaged as part of the design process with opportunities identified to include artwork within the underpass and on the adjacent retaining walls</p> <p>Engagement with Mana Whenua will continue as the project team refines these opportunities with an Iwi artist.</p>
Elected members	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<p>Engagement with the OLB and Councillor Desley Simpson has occurred throughout the project, with direct input received from the OLB into the draft consultation material for Gowing Drive. There is a strong level of</p>

		<p>political and community support for the project.</p> <p>Elected members have expressed their dissatisfaction that the project is not going to be delivered in alignment with KiwiRail Eastern line works as originally planned.</p>
Council Organisations	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	<p>Engagement with Council's premium consenting team has occurred as part of pre-application process – this has informed a consultation strategy which seeks impacted landowner/ property owner approval to support the consenting process.</p>




### Ā muri ake nei / Next steps

32. Subject to board approval; commence with public consultation and consenting, noting that construction of the project remains subject to funding approvals.
33. Subject to funding approval; finalise and approve a procurement plan, release of tender, approval of tender evaluation report and execute physical works contracts over \$20m within the revised total budget estimate of \$32.4m.
34. Track access opportunities to deliver the underpass will be further co-ordinated with KiwiRail. It is anticipated construction will occur during the 2024 Christmas block of line, subject to funding availability.

### Ngā whakapiringa / Attachments

Attachment #	Description
1.	Gowing Drive location plan
2.	Gowing Drive connection general arrangement plan

**Te pou whenua tuhinga / Document ownership**

Submitted by	Recommended by	Approved for submission
<p>Mark Banfield  <b>Group Manager            Infrastructure Project            Delivery</b></p> 	<p>Mark Laing  <b>Executive General            Manager Finance</b></p>  <p>Mark Lambert  <b>Executive General            Manager Integrated            Networks</b></p> 	<p>Dean Kimpton  <b>Chief Executive</b></p> 