

STAFF REPORT

TO: Chair and Members, Engineering Services Committee

FROM: Gary Clark, Transportation Manager

REFERENCE: RD3603

DATE: 20 September 2010

SUBJECT: **Turners Bluff – Riwaka-Kaiteriteri Road – Funding Request
RESC10-09-05**
Report prepared for meeting of 30 September 2010

1 PURPOSE

- 1.1 The purpose of this report is to provide information on progress with Turners Bluff and to gain approval from the Committee to proceed with this project. The report also outlines some of the matters relating to land and funding.

2 BACKGROUND

- 2.1 The Riwaka-Kaiteriteri Road carries significant traffic volumes during the summer months extending from October through to March. The camp ground at Kaiteriteri expects at least 91,000 visitors this coming year. No set funding has been set aside for any physical works on this section of road. The major construction works from Cederman Drive through to Martin Farm Road were removed from the final Ten Year Plan.
- 2.2 However Council did request that any physical works be carried out at the southern end of the road in the first instance. No funding was set aside for any physical works. Any improvements were expected to come from the maintenance and operations budget and the minor improvement works budget.
- 2.3 There are several locations at the southern section of this road that need realignment and improvements to meet the summer traffic volumes. Summer flows can be as high as 12,000 vehicles per day. Turners Bluff was identified by both staff and Councillors as the most critical. This was due to the very narrow nature of the road width and significant drop off on the outside edge of this section of road.
- 2.4 Council staff commissioned MWH to carry out preliminary road designs and also requested a geotechnical report to determine the stability of the road at this location. The geotechnical report highlighted a significant amount of instability in this area and expected the road to have some slippage within a year. In recent times several slips have occurred at Turners Bluff on the seaward side of the road. The road at this location including these slips is being monitored. In recent weeks some slippage has occurred at Turners Bluff which has required minor earthworks to ensure two vehicles can pass each other safely clear of the road edge, albeit slowly.

- 2.5 MWH has completed plans that provide a road alignment that has a design speed of around 60km/hr and requires land from an adjoining land owner to enable the project to proceed. Design plans are attached to this report.
- 2.6 Council staff have been in consultation with the adjoining landowner to find a way to meet their needs along with providing a road project that provides for the future demands of this route. There is general agreement from both Council and the landowner that something needs to be done. The landowner has also agreed to provide the necessary land subject to some conditions.
- 2.7 The only matter to be resolved relates to the treatment of the current overhead power lines that traverse across the road and private land. The owner would like these power lines put underground. The cost of undergrounding the power lines has been estimated at around \$210,000. Council budgets are limited and the main benefit from undergrounding would be to the landowner. Council staff have considered providing some subsidy to assist the landowner with the undergrounding of the power lines, however will not fully fund this part of the project due to extent of benefit.
- 2.8 The new road alignment is based on a design speed of 60kph. The work involves cutting back the bluff and filling in a gully on the Kaiteriteri side of the bluff.
- 2.9 A concept design with indicative schedule of prices was advertised for tender in January of this year. The contract was not let as Council had not secured agreement with the adjoining landowner for land acquisition. There were other issues regarding temporary power relocation and undergrounding that needed resolution. Further to this the lowest-price tenderer could not provide substantive evidence for some of their non-priced attributes.
- 2.10 The estimate for the work was \$727,500 with funding coming from the following sources:
- Emergency Works - \$300,000
 - Drainage Renewals - \$57,500
 - Minor Improvements - \$250,000
 - Associated Improvements \$120,000
- 2.11 The project was put on hold until the power location matters could be resolved. Consultation has continued with the adjoining landowner to find a way forward so the project can be completed.
- 2.12 New Zealand Transport Agency (NZTA) personnel have recently visited the site to confirm that Council was able to gain some subsidised funding for the works. Initially Council sought emergency works funding from NZTA. During their inspections early this year they decided that the project would be more appropriately funded from the Preventative Maintenance Activity Group.
- 2.13 Council recently sought funding for preventative maintenance from NZTA for the road realignment project to secure a long-term solution to this section of roadway. This funding was sought before the recent land movement and small remedial works necessary to keep the road open.

- 2.14 NZTA carried out another inspection after the minor earthworks to provide a safe route had been carried out. They then decided that preventative maintenance funding was not appropriate.
- 2.15 It had been Council's intention to use funding from the Agency's subsidised funded Works Category - *Preventative Maintenance in-lieu of Emergency Funding*. Due to the continued slumping of the road surface it was necessary to undertake remedial work by cutting back the embankment without encroaching into the landowner's property. This work widened the inside curve on the road to move the traffic away from the crumbling edge. This recent work was considered only as a temporary fix.
- 2.16 However after a recent site visit NZTA deemed that this work had fixed the problem. NZTA consider no further funding towards a permanent fix using *Preventative Maintenance* funding will be forthcoming unless the road edge slumps away altogether or the road falls into the sea necessitating an urgent fix which would be eligible for funding under the NZTA *Emergency Works* criteria.
- 2.17 It would be fair to say that securing funding from NZTA for this project has been frustrating. The route through Turners Bluff still has the same risks with the same level of instability at this location. Unfortunately NZTA's decision has meant that the major portion of funding for this project is now no longer available unless another event happens.

3 COMMENT

- 3.1 It is Council's intention to upgrade Riwaka-Kaiteriteri Road by improving the alignment especially on the curves which are tight and often see near-misses as larger vehicles such as buses, coaches and vehicles towing trailers negotiate the tight bends with oncoming vehicles.
- 3.2 In the Draft Ten Year Plan three stages were identified with Stage 1 being indefinitely deferred in favour of Stages 2 and 3 which are respectively, the realignment of the road from Turners Bluff to Tapu Bay and a new section of road from Cederman Drive to Martin Farm Road. Stage 1 was for upgrading the road between Cederman Drive and Martin Farm Road. However no physical work is planned until Year 11 (2019/20) both Stages 2 and 3, with Stage 2 having a budget of \$1.8 million and Stage 3, \$1.2 million, both values quoted with no allowance made for cost inflation.
- 3.3 The work at Turners Bluff is the first 400m section of approximately 850m total section length for Stage 2.
- 3.4 The main reason for bringing this work forward is the instability of the road on the seaward side cliff face.

4 PROGRAMME AND COSTS

- 4.1 For the work to proceed this financial year there is a need to secure funding from a variety of sources. Due to the programme timing and the need to avoid the summer peak periods, any construction work will need to be timed for February 2011. This will

also provide sufficient time to finalise land owner negotiations and appoint a successful tender if funding can be secured.

- 4.2 The project costs have been estimated at around \$660,000 excluding the power lines works. The undergrounding of the power lines is estimated at around \$210,000 and the overland power line option is estimated at around \$60,000. It would be reasonable for Council to fund around \$80,000 to subsidise the underground power line work based on costs to do any power work and other costs incurred under Public Works Act if to take the land. Accordingly the total budget needed to complete the works is around \$740,000 assuming that the overland power option is constructed.

5 FUNDING OPTIONS

- 5.1 The only subsidised funding streams available are from Minor Improvements maximum allocation \$250,000 and Drainage Renewals which this component has been estimated at approximately \$65,000. Council staff have asked NZTA to clarify their decision and assist in providing a reasonable solution to the long term route security for this road. This is based on the fact that if nothing is done then the likely result is an application for the full subsidised amount for *Emergency Works* when it does slip. It is hoped to have their response when I present this report to the Engineering Services Committee Meeting.
- 5.2 The following matters below provide an alternative funding scenario for the Committee to consider if NZTA provide no subsidised funding and the Committee still wants the project to proceed.
- 5.3 Funding Makeup
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|-----------------------------------|------------------|
| • Minor Improvements (Subsidised) | \$250,000 |
| • Drainage Renewals (Subsidised) | \$65,000 |
| • Loan Funding | <u>\$425,000</u> |
| Total | <u>\$740,000</u> |
- 5.4 It should also be noted that Council would expect during the tendering process that the competitive market may also provide some cost savings.

6 RECOMMENDATIONS

- 6.1 **THAT the Engineering Services Committee supports the project at Turners Bluff proceeding, providing agreement is forthcoming from the land owner as noted in the report RESC10-09-05.**
- 6.2 **THAT the Engineering Services Committee recommends to Council that loan funding of \$425,000 be approved.**

Gary Clark
Transportation Manager