



The Whale Trail ®

Final Report



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1 Introduction

The Marlborough Kaikōura Trail Trust, (the trust), is pleased to provide this Final Report on the Technical Study for The Whale Trail.

The Whale Trail ® project epitomises our region's spirit of resilience, optimism, and commitment to a better future – one built on sustainable business, respect for our environment, closer communities, and stories that are captured and retold.

We thank the government for providing us with the opportunity and financial support to undertake the Technical study.

We remain very positive and committed to the long-term vision of an exceptional cycling and walking trail from Picton to Kaikōura.

2 Progress

With respect to progress the trust is proud of the achievements across a number of significant work streams.

In terms of stakeholders we continue to experience strong support from our local councils. The proposed cofunding of \$Commerci capital and \$Comm per annum operating support from the Marlborough District Council is at the higher end of local council funding for similar projects. Kaikōura District Council continue to encourage our efforts and investigate if it is possible to provide financial support.

In addition our grant of \$Commer from Com has supported our ongoing operation as a Trust.

The key associated tourism organisations such as the Destination Marlborough and Destination Kaikōura are strong advocates for the proposed trail.

There is also overwhelming support from local business owners and our local community. Across the six community feedback sessions held in 2019 we measured 97% support for the proposed Whale Trail.

Importantly we also have strong support from our key strategic partners KiwiRail and NZTA. 24% of the trail utilizes the rail corridor and there are three significant bridges which are proposed to attach to KiwiRail bridges. Despite the scale and significance of the land and assets required, in December 2019 KiwiRail provided 'in principle agreement' for all of the requirements for the proposed trail route. This was the result of over two years of dedicated effort, working together to understand the constraints and opportunities. KiwiRail provided a project manager and a rail engineer to work with us on this complex proposal. A summary fo the KiwiRail engagement process is set out in the technical report.

Looking ahead we see the trust and KiwiRail working strategically together to maximise opportunities for the trail and rail services to provide a great recreational experience, commercial opportunity and a unique alternative transport solution across the Marlborough and Kaikōura region.

NZTA continue to support the project and engage with us constructively both at a regional level and through those staff who have cycling walking responsibilities at national level.

Following the decision made by NCTIR to not complete the shared use path we are seeking to fully understand the implications for our project and have had some useful preliminary discussion with NZTA.

The trust engaged master trail builder, Hamish Seaton, in February 2019 as the trail engineer. Hamish was tasked with identifying and evaluating route alternatives to provide a proposed route and the cost of constructing the trail and associated facilities. Hamish has walked or cycled the entire proposed route. This extensive field work supports the detailed assessment of feasibility and cost estimates for the trail and its supporting infrastructure.

Hamish is hugely experienced having designed and managed construction of similar trails and others in very sensitive environments. We are pleased to have him on our team and he is very excited about the exceptional trail that can be created.

The trail crosses 40 rivers and streams that require bridges. Gaining confidence in the feasibility and cost estimates of these proposed crossing has required extensive engineering analysis. The trust has been very fortunate to have this bridge workstream led by a highly experience and now retired bridge engineer Ian Bond. The preliminary design work already undertaken by Holmes Consultancy and underway by [Commercial] adds real substance to the technical evaluation process. It will also enable the trust to progress through to the detailed design phase when required.

A [Commercial] of the trail is located on private land. We have engaged with all the [Commie] private landowners who are required to provide access to their land. [Comme]% of these landowners have already signed agreements to grant easements and we are working through final terms and arrangements with the remaining parties.

[Redacted Commercial Information]

[Redacted Free and frank opinions]

[Redacted Free and frank opinions]

Our conversations on the proposed Whale Trail with all relevant Iwi across the top of the south have been very positive.

Our technical report provides an up to date overview of engagement and current status. This details that we have support of several of the Iwi with rohe in the northern part of our trail. Letters of support are attached **Commercial Information** .

Commercial Information
[Redacted]

Overall we assess our progress compared to that planned as follows

- ✓ Identified a preferred route
- ✓ Determined it was technically feasible
- ✓ Complied a detailed trail cost and high-level project budget
- ✓ Obtained 7/7 in principle agreements from KiwiRail
- ✓ Support from NZTA - potential for co funding
- ✓ Reviewed financial estimates subsequently produced a revised business case
- ✓ Identified consenting requirements
- ✓ Finalized the key elements of the Whale trail and initial collateral – website
- ✓ Secured support over a significant portion of private land

Commercial Information

Commercial Information

3 Budget

The attached statement for expenditure compared to budget is from our finance report to the February Board meeting. Most of the variances relate to project phasing and timing or that the items were overbudgeted.

The exception is the marketing and storytelling component and the business case. Once we commenced the technical study we identified that the draft business case and associated financial modelling was not to the standard that other similar projects had undertaken and the trust could have confidence in.

After consultation with the PGF the trust engaged **Commercial Information** to undertake a business case analysis. This work encompasses our detailed trail costings and information from other elements of the technical study.

Commercial Information
[Redacted]

We will undertake a reforecast for the full year in **Commercial Information**

Profit and Loss
Marlborough Kaikoura Trail Trust
 For the period 1 July 2019 to 10 February 2020

	Actual	Budget	Variance
Income			
MBIE Funding	Commercial Information	Commercial Information	Commercial Information
Commercial Information			
Interest Received			
Total Income			
Operating Expenses			
Administration Support			
Advertising			
Bank Charges			
Computer Expenses			
Construction - Business Case			
Construction - Hapuka/Clarence			
Construction - Kiwi Rail Contract			
Construction - Track Design			
Consultancy			
General Expenses			
Insurance			
Legal Expenses			
Marketing and Story Telling			
Office Expenses			
Secretarial Expenses			
Survey Fees			
Iwi and Stakeholder Engagement			
Sundry Expenses			
Travel Local			
Website Expenses			
Contingency			
Total Operating Expenses			
Surplus	Commercial Information		

4 Next Steps

The trust will continue work with Iwi to explore whether it is possible to co-develop a trail.

The trust will conclude outstanding negotiations for access across private land.

The trust will continue to engage with key strategic partners KiwiRail and NZTA.

The trust will continue to explore options for construction funding including making an application to the Provincial Growth fund.

5 Media Marketing Communication activities

Commercial Information

The completion of the technical study is a milestone and the trust will update key stakeholders such as the Councils and ^{Commercial}, as a co-funders, on this progress.

Any further communication activities would need to be discussed at board meetings and authorised.