

‘Shovel ready’ Infrastructure Projects: Project Information Form

About this Project Information Form

The Government is seeking to identify ‘shovel ready’ infrastructure projects from the Public and certain Private Infrastructure sector participants that have been impacted by COVID 19.

Ministers have advised that they wish to understand the availability, benefits, geographical spread and scale of ‘shovel ready’ projects in New Zealand. These projects will be considered in the context of any potential Government response to support the construction industry, and to provide certainty on a pipeline of projects to be commenced or re-commenced, once the COVID 19 Response Level is suitable for construction to proceed.

The Infrastructure Industry Reference Group, chaired by Mark Binns, is leading this work at the request of Ministers, and is supported by Crown Infrastructure Partners Limited (CIP).

CIP is now seeking information using this Project Information Form from relevant industry participants for projects/programmes¹ that may be suitable for potential Government support. The types of projects we have been asked to consider is outlined in Mark Binns’ letter dated 25 March 2020.

CIP has prepared Project Information Guidelines which outline the approach CIP will take in reviewing and categorising the project information it receives (Guidelines).

Please submit one form for each project that you consider meets the criteria set out in the Guidelines. If you have previously provided this information in another format and/or as part of a previous process feel free to submit it in that format and provide cross-references in this form.

Please provide this information by 5 pm on Tuesday 14 April 2020.

As an initial task the Infrastructure Industry Reference Group has been asked to prepare a report on infrastructure projects/programmes that are ready for construction and could, if the Government deemed it appropriate, be deployed as part of a stimulatory package. It should be noted that the full impact of COVID 19 on the economy will not be known for some time, and the Government’s decision to accelerate any construction-related spend will be determined by its assessment of priorities at the time. This information is being sought in good faith, but no undertaking can be made that the criteria or any other considerations will not change or that any projects coming forward from the Reference Group will be accelerated, or any of the Reference Group’s recommendations adopted. This situation we all find ourselves in is truly dynamic.

This document relates to the gathering of project information only and is not a Notice of Procurement. It does not form part of any procurement process. It does not commit the Government or CIP to take any further steps, or provide any financial or other assistance, in connection with any information in response to this document or the projects to which that information relates.

¹ We refer to “projects” throughout. This term includes programmes of work in all cases.

Section 1: Key Information [Criteria 2 and 3]

1. Project Title: Cron Street Extension , Cron Street Footpath Extension, Old Christchurch Road Seal Extension

2. Please provide your details:

| | | | |
|-------------------------------|--|-------------------|----------------------------|
| Organisation Name: | Westland District Council and Franz Josef Developments Ltd | | |
| Entity Type: | Local Govt & Infrastructure Developments | | |
| Contact Name and Role: | Grant Gibb (Director FJD) Karl Jackson (Westland District Council) | | |
| Email Address: | Privacy of natural persons | Telephone: | Privacy of natural persons |

3. Please provide a very brief description of the infrastructure project:

Cron Street Extension:
This infrastructural project is desperately needed to provide safe access to the existing Franz Josef Medical Centre, St John Ambulance station as well as the community meeting room. It will provide service connections to the proposed Fire station, Police station and Civil Defence as well as a possible Emergency helicopter landing site.

Cron Street Footpath Extension:
 This project is mutually beneficial to the above road extension project and provides a critical footpath link and parking expansion for the existing portion of Cron Street that suffers greatly from congestion during peak seasonal visitor times. This work will improve the visitor experience and safety of this narrow road by providing enhanced pedestrian capacity as well as extra parking.

Old Christchurch Road Seal Extension:
*The Old Christchurch Road is a vital link to Hokitika that serves as an alternative Route when State Highway 73 is closed between Kumara and Okuku Reserve.
 Recent dairy expansion at the central point of the road has caused dust and safety issues for locals and visitors with visitor drivers regularly losing control and running off the road.
 It also serves as a popular tourist destination as it provides a key access point to the West Coast Wilderness Trail. Presently there is a 12km section of the road that is unsealed. There is also a significant section that is steep narrow and winding where it comes off State Highway 73.
 Dust and safety has always been a concern for residents along this road, with regular correspondence to Council on this matter. In past Council has progressively extended the seal along this road as it could afford the works. Recent austerity measures meant that these progressive seal extensions ceased.
 The increase in heavy traffic associated with the Dairy industry has meant that portions of the unsealed road have needed to be widened to accommodate the larger vehicle dimensions. This in turn makes it difficult to keep the wider unsealed road in shape thus increasing general maintenance costs. Sealing of the road alleviates this problem as well as eliminates the dust, which affects the health of the residents.*

4. This project will be located in which Territorial Authority: Westland District Council area

5. Please confirm the project sector, category and type of infrastructure:

| Project Sector | <input checked="" type="checkbox"/> |
|--|-------------------------------------|
| Accommodation | <input type="checkbox"/> |
| Agriculture, Horticulture and Forestry | <input type="checkbox"/> |
| Alcohol Availability | <input type="checkbox"/> |

| Project Categories | <input checked="" type="checkbox"/> |
|--------------------------|-------------------------------------|
| Three waters | <input checked="" type="checkbox"/> |
| Transport | <input checked="" type="checkbox"/> |
| Buildings and Structures | <input type="checkbox"/> |

| | |
|---|-------------------------------------|
| Bioscience and Biotechnology | <input type="checkbox"/> |
| Construction | <input type="checkbox"/> |
| Energy | <input type="checkbox"/> |
| Film and Television | <input type="checkbox"/> |
| Imports and Exports | <input type="checkbox"/> |
| Information communications and technology | <input type="checkbox"/> |
| Manufacturing and Production | <input type="checkbox"/> |
| Retail Trade | <input type="checkbox"/> |
| Tourism | <input type="checkbox"/> |
| Wholesale Trade | <input type="checkbox"/> |
| Central Government | <input type="checkbox"/> |
| Local Government | <input checked="" type="checkbox"/> |
| Other | <input type="checkbox"/> |

| | |
|----------------------|-------------------------------------|
| Other infrastructure | <input checked="" type="checkbox"/> |
|----------------------|-------------------------------------|

| | |
|--|-------------------------------------|
| Project Type | <input checked="" type="checkbox"/> |
| Critical infrastructure | <input checked="" type="checkbox"/> |
| New infrastructure | <input type="checkbox"/> |
| Replacement/refurbished infrastructure | <input type="checkbox"/> |
| Repurposed infrastructure | <input type="checkbox"/> |

6. What is the total cost of the project (NZ\$M):

| | | |
|------|------------------------|--|
| NZ\$ | Commercial Information | |
|------|------------------------|--|

7. Provide a high-level breakdown of this spend (e.g. construction costs, professional fees, land, other etc.):

Cron Street Extension Project: Commercial Information

Land will be vested with Westland District Council

Cost by Category:-

| | | | |
|--------------------------|----|-----------|------------------------|
| Preliminary & General | | | Commercial Information |
| Earthworks | | | Commercial Information |
| Roading | | | Commercial Information |
| Stormwater | \$ | | Commercial Information |
| Stream containment | \$ | | Commercial Information |
| Sanitary Sewer | \$ | | Commercial Information |
| Water Reticulation | \$ | | Commercial Information |
| Power, Telecom, Lighting | \$ | | Commercial Information |
| Maintenance | \$ | | Commercial Information |
| Contingency | \$ | | Commercial Information |
| On & off-site overheads | \$ | | Commercial Information |
| Total Cost = | | \$ | Commercial Information |

Cron Street Footpath Extension: Westland District Council

| | | |
|---|----|------------------------|
| Construction of 2.5m wide (Post Covid specification) concrete footpath 500m | \$ | Commercial Information |
| Construction of 3 x 75m Parking Bays along Cron Street | \$ | Commercial Information |
| Engineering Fees | \$ | Commercial Information |
| Contingency | \$ | Commercial Information |
| Total Cost = | | \$ |

| Old Christchurch Road Seal Extension: Westland District Council | |
|--|---|
| <i>Pavement works in preparation for Sealing</i> | \$ Commercial Information |
| <i>Sealing of 12.7km of road</i> | \$ Commercial Information |
| <i>Culverts to be replaced or upgraded 37 @</i> | \$ Commercial Information |
| <i>Corners to be re-engineered</i> | \$ Commercial Information |
| <i>Bank trimming</i> | \$ Commercial Information |
| <i>Engineering Fees</i> | \$ Commercial Information |
| <i>Contingency</i> | \$ Commercial Information |
| Total Cost = | \$ Commercial Information |

8. Briefly outline the value the project will deliver in terms of employment contribution.

These contracts will provide employment to the following contractors

- Roading contractors*
- Kerb and channel and footpath constructors*
- Plumbing and drainlayers*
- Street light and power contractors*
- Telecom contractors*
- Surveyors*
- Civil engineers*
- Civil draughtsmen*
- Council staff*

These contracts are all construction related activities that create immediate work for existing contractors. This in turn creates further employment opportunities in the support sectors for heavy machinery servicing, materials supply, workers in Franz supporting local food and accommodation establishments.

9. Briefly describe how the project is currently/ intended to be funded:

Cron Street Extension Project: Commercial Information
Was going to be via development loan which will not likely be available now due to Covid-19 affecting the tourism market which is the main industry in Franz Josef.

Cron Street Footpath Extension: Westland District Council
This was to be funded through Low Cost Low Risk activity class within the WDC NLTP at Comm % subsidy. With the construction season normally coinciding with the tourist season this project would need to be carried out during the “off season” which carries extra weather risk. Since Covid 19 has effectively decimated the tourist traffic in this area for the coming construction season this work could be carried out during better weather.

Old Christchurch Road Seal Extension: Westland District Council
Previously this project would be split into at least 3 sections and staged over a period of time subject to available local share funding. NZTA standard contribution rate would be Comm %. Affordability for this type of work places a strain on ratepayers with Councils often choosing to defer this activity which has happened in past.

10. Has this project previously applied for funding with any part of Government? Yes: No:

- If Yes, please describe which part of government (i.e. PGF, NZTA FAR etc.), the outcome of the discussions and who such discussions were with (what Ministry and official).

Section 2: Construction Readiness [Criteria 1]

11. Please briefly explain the status of the project including confirmation that the project will fall into one of the three categories of readiness (see 12 below).

Cron Street Extension Project: Commercial Information
 This project has full construction drawings completed by Commercial Information and the physical components have been priced out Last year.
 The tender documents have been written but will need some slight alterations and the construction plans also need some slight alterations but nothing major.
 It will be controlled by the engineer with some inspections by Council staff if required so physical work on site could start as early as Commercial Information from financial approval.

Cron Street Footpath Extension: Westland District Council
 This project is very simple by nature and could be ready within Commercial Information of lockdown being lifted so construction could be started prior to Commercial Information

Old Christchurch Road Seal Extension: Westland District Council
 Typically survey and design works for road reconstruction take place in the off season (winter months). Provided an engineering firm has capability and capacity to carry out the survey and investigation as soon as lockdown is over then this could be presented to the market for tender by Commercial Information with an award by Commercial Information and construction carried out Commercial Information.

12. Confirm which of the following categories the project best falls into.

| Status | ✓ | Further commentary (briefly set out barriers to commencement) |
|---|--------------------------|---|
| A. Projects which currently are (or were) in the construction phase but have been put on hold due to COVID 19 and are likely not to progress, or to progress at a much slower rate or scale/scope, if not supported post COVID 19 | <input type="checkbox"/> | |
| B. Projects which have a high expectation of commencing the construction phase within the next six months (by 31 October 2020), but are unlikely to do so due to COVID 19 | ✓ | See note 11 |
| C. Projects which could have been expected to commence the construction phase within the next 12 months (by 30 May 2021), but are unlikely to do so due to COVID 19 | ✓ | See note 11 |

13. Confirm the status of key milestones

| Status | | ✓ | Expected Date |
|----------------------------------|---|-------------------------------------|------------------------|
| Procurement | <i>Suitable tender complete</i> | <input type="checkbox"/> | |
| | <i>Tender evaluation in progress</i> | <input type="checkbox"/> | Commercial Information |
| | <i>Request for Tender in the Market</i> | <input type="checkbox"/> | Commercial Information |
| | <i>About to put out a Request for Tender to the market</i> | <input checked="" type="checkbox"/> | |
| Detailed Design | <i>Detailed Design Complete</i> | <input checked="" type="checkbox"/> | Commercial Information |
| | <i>Detailed Design Underway</i> | <input type="checkbox"/> | Commercial Information |
| | <i>Detailed Design to commence</i> | <input type="checkbox"/> | Commercial Information |
| Designations/Consents | <i>Approved</i> | <input checked="" type="checkbox"/> | |
| | <i>Lodged</i> | <input type="checkbox"/> | |
| | <i>In preparation</i> | <input type="checkbox"/> | |
| Land Acquired | <i>Yes</i> | <input checked="" type="checkbox"/> | |
| | <i>Being negotiated under PWA (please indicate stage below)</i> | <input type="checkbox"/> | |
| | <i>Has not commenced</i> | <input type="checkbox"/> | |
| Business Case or Investment Case | <i>Approved</i> | <input type="checkbox"/> | |
| | <i>Draft</i> | <input type="checkbox"/> | |
| | <i>Underway</i> | <input type="checkbox"/> | |
| | <i>None</i> | <input checked="" type="checkbox"/> | |

14. Briefly outline any other comments on the key project timetable or key milestones

Cron Street Extension Project: Commercial Information

- This project has no key barriers to becoming shovel ready except for funding which is hugely impacted by the Covid-19 outbreak which will put pressure on future sales to tourism-based businesses.
- I believe that no resource or building consents are not required for this project so the project could get under way within Commercial Information of funding approval and completed within Commercial Information. This is assuming that this work will be completed as an "acquisition by agreement" under part 2 of the Public Works Act 1981
- If started by Commercial Information it could be completed by Commercial Information

Cron Street Footpath Extension: Westland District Council

- This project also has no key barriers but it is also planned to coincide with a planned water upgrade on the same street. This grouping of works is intended to limit the disruption to the area.
- No consents are required for this activity
- If started by Commercial Information it could be completed by Commercial Information

Old Christchurch Road Seal Extension: Westland District Council

- Survey and design of this project could commence as soon as the Covid-19 restrictions are lifted (subject to engineer/surveyor availability).
- There may be land required for curve easing on parts of this project this may cause delays in delivery.
- This project will be weather dependant and if delayed may need to be split into separable portions to complete over 2 seasons. If the construction season is good it could potentially be completed by Commercial Information

Section 3: Overall Benefits and Risks [Criteria 4]

Please advise at a high level whether a project brings real value (in an economic, social and/or environmental sense) to New Zealand as a whole or the region in which it is located in line with Treasury’s Living Standards Framework² and Sustainable Development Goals³. Please take into account, where relevant, the draft 2021 Government Policy Statement on land transport, available at <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/gpsonlandtransportfunding/gps-2021/>, and the priorities that it establishes.

15. Briefly outline the social, environmental and economic benefits of the project to the local region and New Zealand and overall value for money.

Franz Josef caters for approximately 1 million visitors during the year and this requires the services of St John, DHB, Fire and emergency as well as Civil defence to have great and safe access to their existing and proposed service buildings. These all need new services and roading to allow them to operate safely and efficiently.

This is why this road and infrastructure needs to be constructed as a high priority project for the locals and the travelling public.

16. What is the expected contribution to local/ national employment?

It is estimated that this project will employ approximately ^{Comm} people for the duration for the build with some have more input than others.

This infrastructure upgrade could then present opportunities for other businesses to be established so ongoing construction will be required as well as staff to work in these new businesses.

17. What are the risks associated with the project? Each risk should be ranked as high, medium or low and include a short explanation as to why it was given that risk rating.

| Risk | Low/ Med/ High | Further commentary on risk |
|--|----------------------|--|
| A. The risk of the project not commencing within the advised timescale | Low | <i>Plans are drawn for project 1 and there is a proven need for this to go ahead with the backing of Council. Project 2 is very simple so planning is not particularly onerous. Project 3 is sealing of an existing road with minor curve easing so also relatively simple just large.</i> |
| B. The risk the project will not be completed on time, to cost or to specification | Medium | <i>Plans and specs cover the contract and it will be signed off by an engineer. Weather may cause delays for any one of these projects</i> |
| C. Risk the project will not realise the benefits outlined above | Low | <i>Project 1: St John and Medical Centre are already operating in the area and will benefit hugely by this infrastructure upgrade and extension as will the residents living around this area. Project 2&3 the benefits are clear, simple and easy</i> |

² <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework>

³ <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/>

| | | |
|--|--|--------------------|
| | | <i>to achieve.</i> |
|--|--|--------------------|

18. Are there any other key project risks or any other information which would be useful background or context at this stage?

Obtaining acceptable funding is the only risk to this project's success
 Old Christchurch Road improves a 10km shorter link to Hokitika.

Section 4: Impact of COVID-19

19. Please briefly comment on the likelihood and timing of the project recommencing once the COVID 19 Response Level is suitable for construction to proceed

Once the Covid- 19 restrictions are removed this project will be able to be started immediately depending on funding and availability of contractors/engineers.

20. What is the best estimate of the impact (financial/social/environmental) COVID 19 has had on the project and on local industry associated with the project?

Covid -19 will put a halt on many if not most construction and roading projects in this region due to Franz Josef being mainly a tourism-based economy. By stalling this project then the Franz Josef area will face less opportunities of creating the much-needed health and well-being centralisation and also business opportunities going forward. We have to complete this project now so it adds a sense of optimism into the town to encourage other business to have faith that we are progressing

21. Has this project already, or is likely to benefit from already announced Government led financial support for businesses (e.g. wage subsidy scheme/business finance guarantee scheme) Yes: No:

- If Yes, please describe the scheme and extent of the support you have received/expect to receive.

22. Briefly outline the top 2-3 things that the Government can do to help progress this project. Please consider both financial and non- financial levers such as lowering regulatory barriers, adjusting Government procurement practices, fast-tracking resource consent processes.

This project will be totally vested back into the Council hands at the completion and as such should be seen as a perfect opportunity for Central Government to help Franz create the much-needed facilities to enable the region to care for and support the tourist as they pass the region and head off to the rest of new Zealand. As part of this very important tourist-based economy that extends to all parts of NZ I believe that Central Government should contribute the full cost of this project in the form of a grant.

Public Works Act land acquisition given more powers for public good infrastructure projects including ensuring where other government agencies are involved there is a requirement for cooperation. Not anticipating any issues but could be beneficial.

Same for resource consents and building consents where infrastructure is proposed for the public good.

Please indicate clearly whether you consider any information you have provided in this form to be confidential. Confidential information will not be publically released, other than in anonymised form, except to the extent that any release is required by law.