
From: Bryan Patchett
Sent: Wednesday, 25 June 2014 3:24 p.m.
To: Katie Reid (Katie.Reid@parliament.govt.nz)
Cc: Official Correspondence
Subject: Ara Tūhono – Pūhoi to Wellsford – Construction timing

Hi Katie,

Here are key messages about construction timing for Pūhoi to Wellsford.

Regards, Bryan

Ara Tūhono – Pūhoi to Wellsford – Construction timing

Pūhoi to Warkworth construction timing under pay-go revenue

As stated in the Transport Agency Statement of Intent 2014-17, the proposed construction start timing of the Pūhoi to Warkworth section, under the pay-go revenue system, is 2017/18.

This timing was confirmed following the recent revenue work carried out by the NZTA/MoT/Treasury which culminated in the 3-3-3 cents/litre FED and RUC increases. Notwithstanding the above, the actual construction start date, under pay-go, will be dependent on actual revenue collected, and the timing and final costs of other activities in the State highway improvements programme.

Readiness to proceed to construction

At the end of August 2013 the Transport Agency lodged an application with the Environmental Protection Authority (EPA) for resource consents and a designation to build the Pūhoi to Warkworth section. A final decision on the statutory approvals is expected in late 2014.

We are currently also progressing with further geotechnical investigations, and other works to get the project to a 'ready to construct' state. It is likely that the project will be ready to proceed to construction before sufficient funding becomes available in 2017/18.

Construction timing as a Public Private Partnership (PPP)

We are currently investigating the opportunity to progress the Pūhoi to Warkworth section as a PPP. A final business case is expected to be presented to the NZTA Board at their October 2014 meeting. Following any approval by the Board, we would seek Cabinet approval from the end of 2014 onwards. If approved by Cabinet, construction would be likely to commence in the 2016/2017 construction season, following completion of the tender process.

Industry resourcing to tender as a PPP

Over the last 6 months we have continued our regular engagement with the industry on our proposed forward works programme. This has highlighted an industry resource constraint, based on their ability to tender our proposed activities (rather than resources to construct them, which are sufficient). As a result of this dialogue, we