

In confidence

Pūhoi to Warkworth PPP Update

ELT Owner: Brett Gliddon, General Manager Transport Services
Issue Owner: Mark McKenzie, PPP Programme Director

Whāinga | Purpose: For noting

This paper updates the Board on the status of the Pūhoi to Warkworth (P2WK) Public Private Partnership Project as of July 2022.

Take matua | Key points

- s9(2)(h) [Redacted]
- Works Completion remains the key focus for successful delivery of the Project. The trial at the southern switch identified some flaws to be addressed in the Work Completion Test framework (WCT). Lessons learned from Transmission Gully have also been actively applied to the monitoring, management processes and reporting. s9(2)(g)(i) [Redacted]
- s9(2)(j) [Redacted]

He kōrero mō tēnei kaupapa | Background

s9(2)(j) [Redacted]

NX2 are reporting site workforce levels have largely recovered from the impact of Omicron. The Waka Kotahi site monitoring team continue to track site workforce levels daily but are still unable to reconcile the site workforce numbers tracked against the equivalent numbers NX2 is reporting in their monthly report.

The impacts of the current Covid-19 Protection Framework (traffic lights) system continue to be assessed under the Project Agreement and discussed with NX2. The information provided to date by NX2 is lacking the detail required to support the claimed impact of Covid, information provided is subject to ongoing assessment by external legal advisors and prolongation experts.

Kia mōhio mai koe | What you need to know

Covid-19 Implications - Site

NX2 reported at the June 2022 Project Governance Group (PGG) meeting that the impact of the

Omicron “wave” is lessening with numbers required to isolate (absence) down to single figures. This aligns with the observations from the Waka Kotahi site monitoring team. Whilst the direct impact on the site appears to be lessening, NX2 are still reporting ongoing impacts to their broader supply chain.

Our site monitoring team continues to compile data on the effects of the delay including site records of plant, resources, activities, and anything else that could be important to substantiating or refuting any prolongation claim.

s9(2)(h)

s9(2)(j)

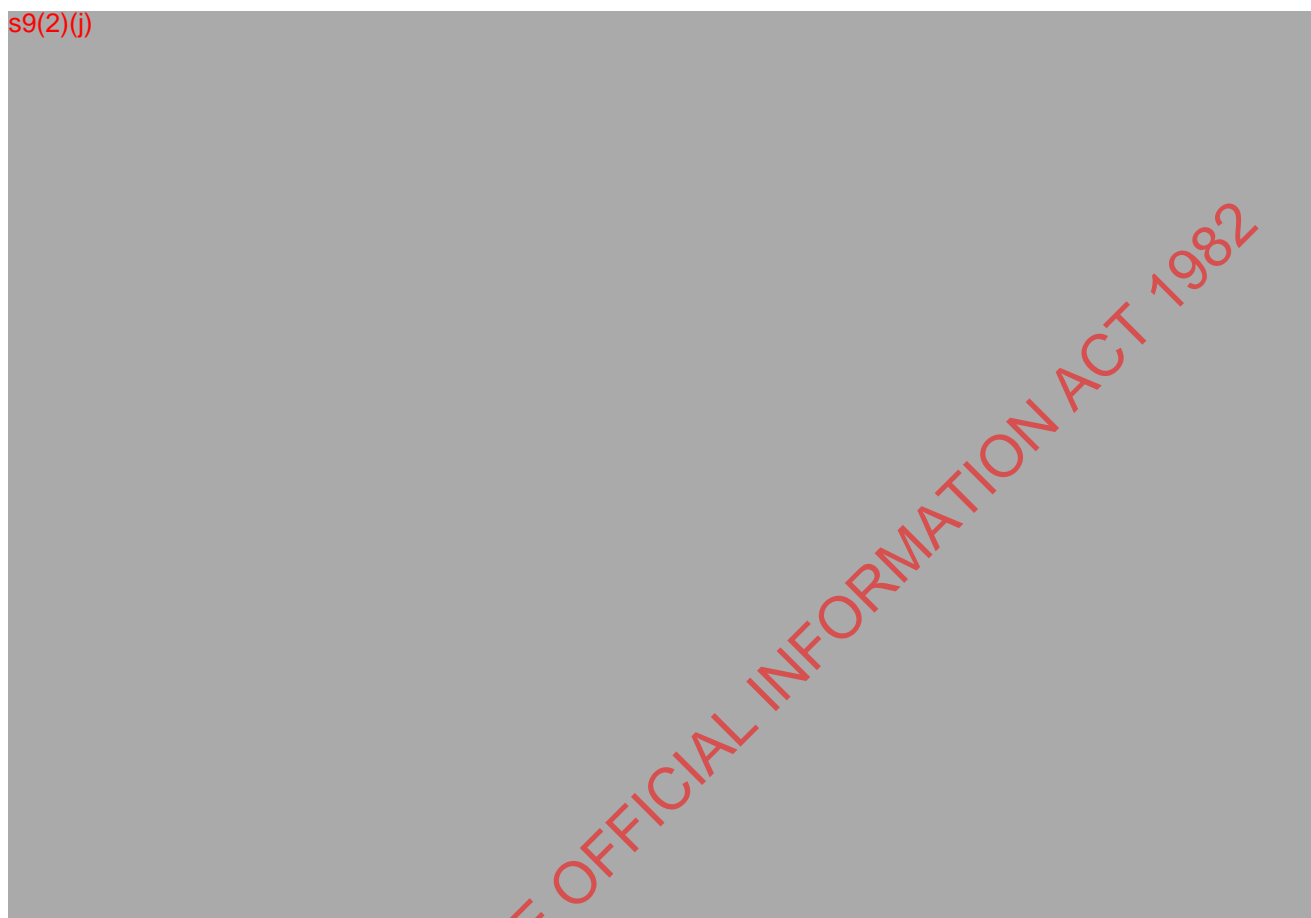
Engineered slopes

CJV’s geological engineer peer reviewers (PSM) visited site in late April 2022. This visit combined with CJV providing greater clarity around design queries and remedial actions taken has resulted in an updated peer review report in May 2022. This update has concluded that remedial designs are robust and remaining uncertainties are becoming less critical. This position is supported by NX2’s peer reviewer. Our internal SME review also concur with this position and have noted confidence is improving as greater documentation is becoming available.

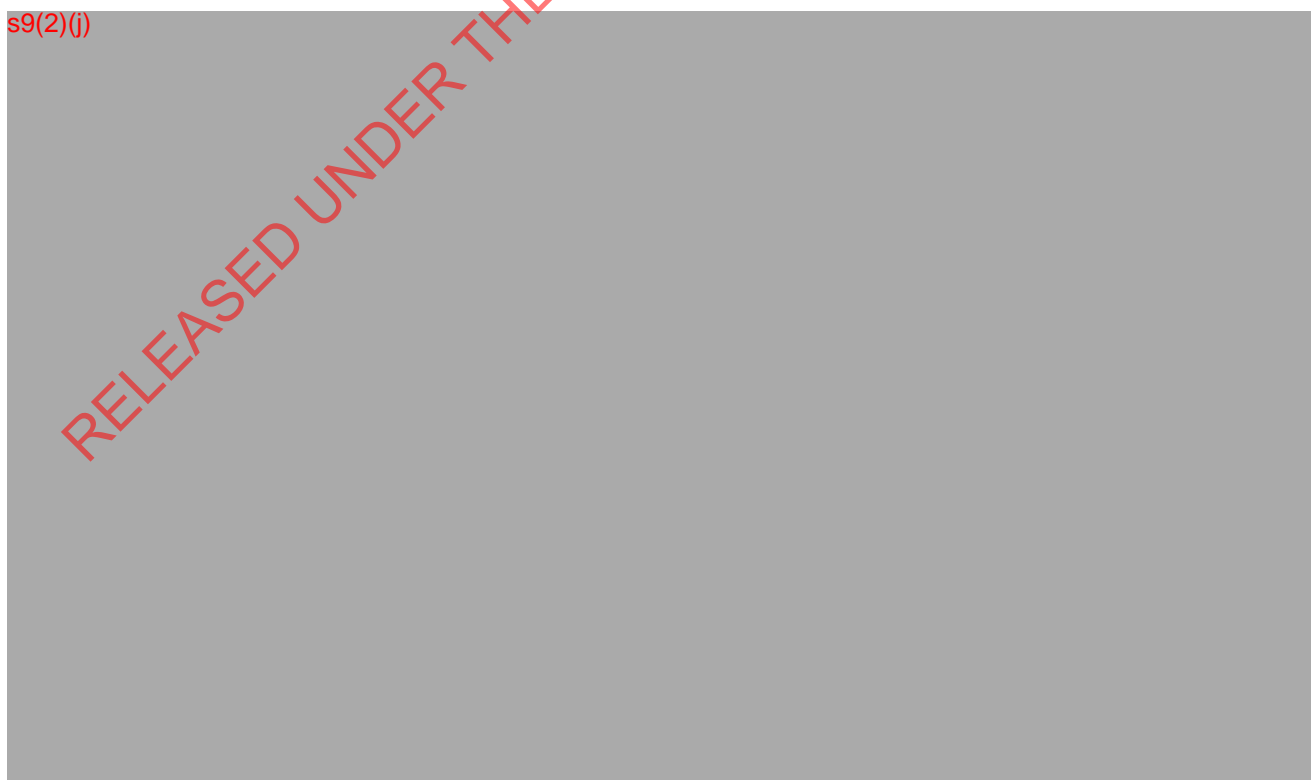
The next step is to seek the IRs position as to whether they are satisfied the design complies with works requirements and can meet the works completion test. Our internal SMEs are now focusing on the maintenance aspect of the engineered slopes to ensure Contractor has control in place to maintain the 100-year design life of the slopes and the long-term risk is managed during the Operating Term.

During the recent wet weather two more slips have occurred. One on the shoulder of the alignment which slipped onto the carriageway shoulder. The other adjacent to the API forestry track. The slip on the alignment was a small slip but slip across two shear planes showing the vulnerability of the geology to clean shear plane block releases. The other more significant slip occurred in an engineered fill area off the alignment which will prove a much bigger job to stabilise.

s9(2)(j)



s9(2)(j)



s9(2)(j)

Operational Readiness

Stage 2 of operational readiness planning is ongoing with the detailed readiness report being prepared. That report will detail the impact of the new motorway on the local network operations and what we are likely to see once the road is opened.

Communications and media planning is in early stage of strategy development, along with discussions with Auckland Transport regarding revocation of the existing SH1 post road opening.

He whakaaro anō | Other key considerations

Hauora me te haumarū | Health, safety & wellbeing considerations

We remain concerned over the number of significant near misses/high potential events in recent months as what we believe to be completion fatigue takes hold of the site workforce. We have raised this at the PGG and at project level. We have requested evidence of controls around workforce wellbeing and fatigue management. Effort will also be required to continually refresh the safety messaging across the project through to project completion.

Ngā tūraru matua | Key risks and how we will manage them

Key risk	Management
Failure to achieve Works Completion Certification	This remains management's number one key issue. Bolstering of the WC team combined with greater level of reporting (via the monitor's dashboard and at PGG) have been implemented to look to manage this issue. s9(2)(h)

Ngā whakapiringa | Attachments

Attachment 1	Site Monitor Dashboard
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