



MINISTERIAL BRIEFING NOTE

Subject	Meeting with Mayor Bernie Wanden, Horowhenua District Council
Date	3 August 2022
Briefing number	BRI-2515

Contact(s) for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1 st contact
Linda Stewart	Director Regional Relationships (Taranaki/Manawatū/Hawkes Bay/Gisborne)	s 9(2)(a)	s 9(2)(a)	✓

Action taken by Office of the Minister

- ☐ Noted
- ☐ Seen by Minister
- ☐ Agreed
- ☐ Feedback provided
- ☐ Forwarded to
- ☐ Needs change [please specify]
- ☐ Withdrawn
- ☐ Overtaken by events

3 August 2022

Hon Michael Wood – Minister of Transport

MEETING WITH MAYOR BERNIE WANDEN, HOROWHENUA DISTRICT COUNCIL

Purpose

1. This briefing informs you ahead of your meeting with Mayor Bernie Wanden, Horowhenua District Council (HDC), on 11 August 2022 to discuss the Ōtaki to north of Levin (Ō2NL) project.

Background

2. The Ō2NL project is a transformational project which supports the planned and future growth of the region while significantly reducing deaths and serious injuries and providing a much-needed alternative route.
3. The new Ō2NL will be a 24-kilometre four-lane highway from the end of the Peka Peka to Ōtaki Expressway to north of Levin. A walking and cycling path will run the length of the new highway.
4. The project is funded through the NZ Upgrade Programme (NZUP). The allocated budget for the project is \$1.5 billion, including contingencies. The costs will continue to be refined.
5. Like the rest of New Zealand and other parts of the world, Waka Kotahi NZ Transport Agency is facing the challenges related to the impacts of COVID-19; a constrained labour market, supply chain issues and cost escalations. The Government allocated increased contingency and put in place processes to help manage cost pressures across all NZUP projects in mid-2021. Waka Kotahi is progressing the NZUP projects, including Ō2NL, while closely monitoring the impact the changing cost environment may have.
6. By the end of 2030, the new highway will enable safer and more resilient travel from Ōtaki to north of Levin. It will also increase transport options for regional and through traffic and support economic growth in the region.
7. Reviews of the Detailed Business Case (DBC) are underway prior to seeking approvals from the Waka Kotahi Board, Hon Grant Robertson, Minister of Finance, and yourself in August 2022.
8. Design is progressed to consent-level detail, with Notice of Requirement for highway designation and Resource Management Act consent applications to be lodged later in 2022.
9. Construction commencement is programmed for 2025 and completion of the new highway for 2029.
10. The new Ō2NL highway is integral to supporting the significant growth the Horowhenua District is experiencing, and planning for. Integration of transport, land and spatial planning is underway with immediate projects being collaborated on, including plan changes such as Tara-Ika, which

intersects with the Ō2NL alignment, and the active transport strategy for the district. This integrated land use and transport planning will also contribute to the reduction of enabled emissions and vehicle kilometres travelled across the district.

11. Tara-Ika is a growth area to the east of Levin, which is to receive Crown Infrastructure Partners funding, and is adjacent to the new highway.
12. Early work on revocation has been progressed as part of a long-term integrated transport solution for the area.
13. Greater Wellington Regional Council has been developing the Wellington Rail Programme Business Case, an overarching 30-year strategic rail plan for the region and cross-region connections, and the Lower North Island Rail Integrated Mobility (LNIRIM) DBC, which recommended improvements to long distance services, rolling stock, and infrastructure, including between Wellington and Palmerston North. The LNIRIM DBC proposal (which is before Treasury, and there may be an announcement in 2023) is to increase the frequency of Palmerston North to Wellington train services from the current one return service per weekday to four return peak hour services per weekday. HDC generally support the mayoral forum in Manawatu-Whanganui, however they have not joined the letter asking for the Capital Connection to proceed.
14. In line with Waka Kotahi policy, the suitability of tolling is being considered. s 9(2)(f)(iv)
15. Almost \$3 million is available for Gladstone Road resilience work, including 1.2km of road realignment and replacing five retaining walls.

HDC involvement in Ō2NL

16. HDC is closely involved with Ō2NL project, as well as initial investigations into the long-term role of the existing state highways through the revocation process.
17. HDC support of the project include their involvement in:
 - option selection of the new route
 - reviewing technical reports assessing the effects of the new project
 - providing a member to advise on the Project Steering Committee
 - working with Waka Kotahi and others to master plan the region with Ō2NL as a key component.
18. A plan change was recently adopted by the HDC to plan for and manage the Tara-Ika growth area (east of Levin). The plan change decision, made by a panel, rejected a number of provisions agreed between Waka Kotahi and HDC to integrate planning for the Ō2NL Project and the Tara-Ika growth area. Prior to this, Waka Kotahi lodged a Notice of Requirement for a two-kilometre section of the Ō2NL project in order to provide certainty to the Council for their planning and growth processes and route protection for the part of the project that traverses the Tara-Ika plan change area.
19. The Notice of Requirement for the full 24km Ō2NL project is due to be lodged in September 2022. A decision is still being made on whether Waka Kotahi will appeal the Tara-Ika plan

change, s 9(2)(g)(i)

20. Early discussions on revocation are reflected in a programme business case, which will be going to HDC for endorsement.
21. A principal development agreement is currently being developed between Waka Kotahi and HDC. This will include agreement on cost, programme and responsibilities as a basis for integrating key projects in the district.
22. In addition to the new highway, a programme of road safety improvements and speed reviews in the area is underway. This includes:
 - Construction of a new roundabout and installation of wide centrelines and side barriers on an approx. 9km stretch of SH57 are underway, with a construction cost of approx. \$15 million.
 - Median barriers, side barriers and wide centrelines on an approx. 12km stretch of SH1 from Ōtaki to Levin are expected to start in the 2022/23 construction season, with construction cost estimated at approx. \$10 million.
 - Public consultation has been carried out on proposed speed limit changes for both SH1 and SH57. Public sentiment was mixed and the HDC submission on SH57 called for investment in infrastructure rather than a change to speed limits. The HDC submission on SH1 Ōtaki to Levin specifically didn't support the proposal 'in its entirety' and raised a number of issues, including on infrastructure.
 - Community engagement on the proposed safety improvements from Levin to Foxton concluded in July 2022. Waka Kotahi is now proceeding to collate and review all feedback received.
23. HDC and Waka Kotahi will continue working closely together to ensure that Ō2NL and planned growth in the region can be integrated effectively.
24. On 18 July 2022, Waka Kotahi received a letter of endorsement from HDC for the Ō2NL DBC (see appendix A). Our proposed response is currently before the Board Chair for approval, which is likely to advise HDC that the revocation works, and any future improvements to account for growth, will be prioritised against other projects and funded by the National Land Transport Fund or other alternative funding streams (if approved), rather than NZUP funding.

It is recommended that you:

1. **Note** the contents of this briefing



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Linda Stewart

Director Regional Relationships (Taranaki/Manawatū/Hawkes Bay/Gisborne)

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Hon Michael Wood, Minister of Transport

Date: 2022

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