



**Napier Regional Office
Media Release**

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**Large projects worth \$50 million forecast for HB state highways
in the next 10 years**

Five large projects, with a combined construction cost of over \$50 million, are forecast for construction within the next 10 years in Transit New Zealand's 2005/06 – 2014/15 10-year State Highway Forecast for Hawke's Bay, released today.

Top of the list is the overbridge at the intersection of Meeanne Road and the Hawke's Bay Expressway, which is programmed for construction in 2005/06.

Transit applied for funding for the project earlier this year, but Land Transport New Zealand deferred a decision, awaiting more information.

Transit regional manager (acting) Graham Taylor said Transit was investigating the issues raised by Land Transport NZ and hoped to report back to the Transit Board by September, with a view to then re-applying for funding.

"If Land Transport New Zealand approves funding for the project we'd look to get things moving during the next summer construction season," Mr Taylor said.

The other large projects forecast for construction within the next 10 years include the College Road to Silverstream Realignment and Passing Lane, planned for a construction start in 2007/08 and the Takapau Plains Seal Widening, forecast for a construction start in 2009/10.

Sealing SH38 to Lake Waikaremoana has an indicative construction start date of 2009/10, four years earlier than indicated in last year's 10-year plan. The realignment of the Matahorua Gorge on SH2 between Napier and Wairoa also moves into the 10-year period. The Tarawera Hill Realignment and Passing Lanes are forecast for investigation in 2008/09 and design in 2009/10.

"In total, nearly \$22 million will be spent on maintaining and improving state highways in Hawke's Bay in 2005/06, and the forecast total for the 10-year period is more than \$323 million," said Mr Taylor.

"This is significantly more than the \$227.2 million forecast for the 10-year period in the 2004/05 10-year plan, and is the result of extra funding for land transport from the increase in petrol tax from April this year.

"Because of this extra money, known as regional distribution funding, we can forecast a construction start for these large projects much earlier than would otherwise have been possible."

Mr Taylor said the forecast did not take account of the extra \$500 million for land transport announced by the government last week.

"This additional land transport funding is excellent news and comes on top of an already record level of investment nationally in state highways for 2005/06 and the years to come. Transit is working on proposals for how the extra funding could be spent and will release an

update incorporating the necessary changes to the state highway forecast in the coming weeks.”

Transit’s current 10-year forecast is divided into a firm one-year programme for 2005/06, which Transit is fully committed to delivering. The first three years will be known as the State Highway Plan and contains the best estimates of time and cost for the listed projects and activities. For the rest of the decade the forecast is less certain due to the potential for issues in the planning stages to affect timing and costs.

“The timeframe for the development and construction of the projects in the forecast is likely to change depending on the use of regional distribution funding.

He said although it was still several years before construction would start on the large projects advanced by regional funding, the funding would be used to fund several smaller projects in the next three years.

“Ultimately, Land Transport New Zealand decides which projects are funded using regional distribution funding. The level of regional distribution funding it is making available is reduced in early years, but gears up in later years to ensure all regions receive their full entitlement over the 10-year period.”

Mr Taylor said Transit would continue to focus strongly on the ongoing maintenance and operation of the state highway network, including improving narrow sections of SH38 around Lake Waikaremoana, continuing to work on risk analysis of subsidence and rock fall/slip sites and reduce these risks where possible and continue to focus on providing high-quality skid-resistant surfaces on winding and hilly parts of the network.

The 2005/06 – 2014/15 State Highway Forecast is the first prepared under the full provision of the Land Transport Management Act and Transit consulted more widely than in the past on its draft plan. Over 900 written submissions were received and the views of 100 organisations or individuals were heard at hearings in 17 locations nationwide.

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