

Flood Protection Capital Works Programme 2006/07: Half year Review

1. Purpose

The purpose of this report is to present a summary of progress with the Flood Protection capital improvement projects and their financial position at 31 December 2006.

2. Western Capital Projects

2.1 Progress Summary

On the Hutt River, the highlight for the second quarter was the award of a \$3 million contract for the Ava Rail stopbank reconstruction. The contractor commenced site establishment on 18 December 2006.

The total expenditure to December 2006 for projects on the Hutt River is \$490,000. The total budget for 2006/07 is \$3.4 million and the forecast is \$2.9 million.

Most of the expenditure budgeted for the second half of the year will be through the Ava Rail contract. Progress on this contract will be dependant on timely rock supply and good weather.

In Kapiti, all tidying up works in the Jim Cooke Park contract on the Waikanae River were completed and a draft designation document for the Chrystalls Extension stopbank on the Otaki River was sent for stakeholder comments.

2.2 Hutt Valley

Ava to Ewen

Alicetown stopbank (Budget \$155,000) - This project is currently under maintenance and the contractor is expecting to complete all maintenance works by March 2006. In October 2006, Hutt City Council was invoiced for \$158,540 being part of HCC share of stormwater upgrade costs. The final invoice for about \$15,000 is due to be sent to HCC in the 4th quarter.

Ava Rail stopbank (Budget \$2,254,000) – A \$3 million contract for the Ava Rail stopbank reconstruction was awarded in December 2006. Opahu pump station is now scheduled for completion in March 2007. GWRC works in the Opahu pump station contract are now substantially complete. Out of the GWRC contribution to the pump station, \$330,000 was paid and Hutt City will invoice us for the remaining \$165,000 in February 2007. Progress on Ava Rail stopbank project is dependant on the timely supply of about 15,000 tonnes of rock and good weather. The contractor has made satisfactory arrangements for the rock supply and at this stage, I expect the total budget to be spent.

Boulcott/Hutt feasibility study (Budget \$300,000)

The feasibility study was completed in December 2006, as programmed, with the recommendation of a favoured alignment. However, the Advisory Committee, after considering submissions from the two golf clubs, decided that more work is needed before eliminating other options from further study. We will now commence the preliminary design on two alignments so that a preferred alignment can be recommended to the HRAC in November 2007.

Whirinaki Crescent (Budget, \$611,000 – Forecast \$135,000)

This project will now be implemented in two stages. Stage 1 works, the flood wall and stopbank in the golf club land, is programmed for completion before June 2007. The remaining part of the stopbank will be constructed during the summer 2007/08. The forecast for 2006/07 is \$135,000. Current estimates indicate that the project costs will exceed the total budget by about \$200,000 to \$250,000. We expect to seek LCC approval of the increased budget in March 2007.

Upper Hutt City Plan change (Budget \$35,000)

Progress on this project is dependant on Upper Hutt City Council's staff commitment to this project. This project is currently delayed because of staff shortage in UHCC. UHCC has advised us that a new planner starting in February 2007 will work on this project.

Hutt Projects 2006/07 Expenditure to 31 December 2006

WBS Code	Description	Full Year Budget \$	2nd Quarter Expenditure \$	Comments
445/7/1/7	Non-structural measures	35,000	844	UHCC plan change process is expected to commence in the second half of 2006/07 with the appointment of a new UHCC Planner.
445/7/1/9/2	Strand Park land settlement		2,272	MOE land purchase costs
445/7/1/9/4/1	Alicetown stopbank construction	155,000	77,812	Construction complete and currently under maintenance. HCC was invoiced for \$158,540, another invoice for \$15,000 will be sent in the 4 th quarter.
445/7/1/8/1/2	Ava Rail stopbank	2,254,000	210,603	Ava Rail contract works commenced in December 06. Opanu Stream pumping station is scheduled for completion by March 2007. Project progress is dependant on rock supply and good weather.
445/7/1/9/5/2	Strand Park stopbank upgrade		71,787	Costs of design and tender documents for Stage 4 of Ava to Ewen project. Draft Tender docs will be completed in February 2007
445/7/1/15/1	Whirinaki crescent upgrade	611,000	39,534	The project will now be implemented in two stages. The new project completion date is June 2008. The forecast for 2006/07 is \$135,000. The forecast total project costs have increased by about \$200,000.
445/7/1/6/1	Boulcott/Hutt stopbank	300,000	86,892	Feasibility study was completed as programmed. However, HRAC needs more information to make a decision. Preliminary design of two alignment options will commence in March 2006.
445/7/1/2/1	Maoribank river bed stabilization	50,000		Work is underway to start this project in February 2007.
	Total	3,405,000	489,744	

2.3 Kapiti Projects

Jim Cooke Park (Budget \$10,000)

Physical works are complete including the final tidy up works. The expenditure forecast for 2006/07, \$130,000, is above the 2006/07 budget of \$10,000 due to a delay in making the final progress payments. However, the total project expenditure will not exceed the approved project budget of \$1.06 million.

South Waitohu (Budget \$274,000)

The project is currently delayed because of difficulties in getting Porirua Trust Board approval to construct the stopbank on their land. We believe that if the land issues can be resolved shortly then we should still be able to complete the project by June 2008, as programmed. The forecast for 2006/07 is \$50,000.

Chrystalls Extended Stopbank (Budget \$1,172,000)

A draft designation and resource application was sent to directly affected parties on 8 December 2006. Comments are currently being assessed and we expect to formally lodge the documents in early February 2007. Supplying stopbank fill materials to site would commence in late March depending on submissions received on the designation application. Most of the construction works will be in 2007/08. The forecast for 2006/07 is \$600,000.

Waikanae Land purchase (Budget \$180,000)

We expect to complete the purchase of the Howarth and Brown lands in 2006/07. The forecast for 2006/07 is \$80,000.

3. Wairarapa Capital Projects

3.1 LWVDS

The 2006-16 LTCCP provides for \$6.5 million of capital upgrade work to the Lower Wairarapa Valley Development Scheme over 8 years starting in July 2006.

The major flood events of July and August 2006 however caused about \$1.2million of damages to the scheme. A decision was made at the September Rural Services & Wairarapa Committee meeting to delay the \$585,000 of capital works until 2007/08 (or beyond) and concentrate on completing the flood damage repairs in the current 2006/07 financial year.

4. Flood Protection Capital Works Financial Summary for 2006/07

Category	Budget \$	Forecast \$	Variance
Hutt Flood Protection			
Non structural measures	35,000	35,000	0%
Alicetown stopbank	155,000	155,000	0%
Ava Rail stopbank	2,254,000	2,254,000	0%
Whirinaki Crescent	611,000	135,000	-78%
Boulcott/Hutt stopbank	300,000	300,000	0%
Maoribank river bed stabilization	50,000	50,000	0%
Strand Park upgrade		72,000	
Strand Park land settlement		2,000	
Other works (capitalised maintenance)	0	105,000	+100%
Sub total	3,405,000	3,108,000	-9%
Otaki river			
South Waitohu stopbank	274,000	50,000	-82%
Crystals extended stopbank	1,172,000	600,000	-51%
Otaki environmental strategy implementation	35,000	35,000	0%
Sub total	1,501,000	685,000	-54%
Waikanae river			
Jim Cooke Park alignment	10,000	130,000	0%
Land purchase	200,000	80,000	0%
Waikanae environmental strategy implementation	40,000	40,000	0%
Sub total	250,000	250,000	0%
Waiwhetu/Wairarapa			
Waiwhetu FMP	161,000	161,000	0%
Lower Wairarapa Development scheme upgrade	585,000	0	-100%
Waiohine bridge upgrade	300,000	150,000	-50%
Capitalised scheme works (mostly flood repairs)	0	368,000	+100%
Total	\$6,162,000	\$4,722,000	-23%

Overall from the above we are expecting a significant under spend in the Flood Protection capital programme. The underspend is a result in delays in projects because of land access issues and flood damage rather than project savings.

Work not completed in 2006/07 will need to be carried forward into 2007/08. This has been largely taken into account in the 2007/08 budget update process.

The forecast position will be further updated at the Period 9 (3rd quarter review).

5. Projects Requiring additional Approval

5.1 Whirinaki Crescent , Upper Hutt

The current approved project budget for the Whirinaki Crescent project is \$671,000. The current forecast estimate to complete this project is now \$917,000, an increase of \$246,000. A report for the Hutt River Advisory Committee is current being prepared to seek their agreement that the project be completed and that the additional funds be requested from Council.

The additional costs relate to land access requirements, inflation in constructions costs and probably underestimating landscape reinstatement costs when the work was originally costed. Overall however the costs of all Hutt Valley worked completed to date are, allowing for inflation, tracking under budget even with the forecast additional spend at Whirinaki Crescent.