

Decision released from confidential session			
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
Sports and Recreation Committee	18Jun2020	Council	25Jun2020
Report Title and number			
Poorman Valley Stream Shared Path Construction – Main Road Stoke to Neale Avenue			
Documents released			
Report R16971 and attachment A2306138			
Decision			
Resolved CL/2020/090			
<i>That the Council</i>			
<ol style="list-style-type: none"> 1. <i><u>Approves</u> the purchase of approximately 100 square meters of land from Oceania Healthcare Limited for \$40,000 (plus GST, if any) with legal and survey costs to be borne by Council, all funded from the Subdivision Reserves Land Purchase Account; and</i> 2. <i><u>Agrees</u> that the Chief Executive be delegated authority to complete negotiation of the purchase; and</i> 3. <i><u>Agrees</u> that the Poorman Valley Stream Shared Path between Main Road Stoke and Neale Avenue proceeds; and</i> 4. <i><u>Agrees</u> that Report (R10308), Attachment (A2306138) and the decision be made publicly available once negotiations are concluded.</i> 			
<u>Skinner/Brand</u>			<u>Carried</u>



REPORT R16971

Poorman Valley Stream Shared Path Construction - Main Road Stoke to Neale Avenue

1. Purpose of Report

- 1.1 To request approval to purchase additional land for the construction of the Poorman Valley Stream shared path between Main Road Stoke and Neale Avenue included in the Annual Plan 2019/20, to provide information on the estimated costs of the construction and to seek final approval to proceed with the work.

2. Summary

- 2.1 The Poorman Valley Stream shared path is a project in the Council's Long Term Plan.
- 2.2 As part of the 2019/20 Annual Plan deliberations the Council asked that details of the project be referred to the Sports and Recreation Committee prior to confirmation of the project.
- 2.3 The Poorman Valley Stream shared path will provide a safe and pleasant cycling and walking route linking Marsden Valley through Isel Park to the Railway Reserve and Stoke schools. The estimated cost of the project, which includes a contingency for construction market volatility and Covid-19 impact, has increased since the original estimates. A subsidy of \$400,000 from the NZTA Minor Improvements Programme enables the project to be completed within the now agreed figure of \$1.2m notified in the 2019/20 Annual Plan.
- 2.4 Officers have been in discussion with the neighbouring landowner, Oceania Health (Whareama Rest Home), to purchase approximately 100 square metres of land along the boundary between the Oceania land and Council's esplanade reserve. This additional land will enable an improved path alignment, an extended construction period envelope and reduced ongoing maintenance. Land purchase costs will be offset by these savings. These discussions are now well advanced and budget approval is required to complete the purchase. Payment will be from the Subdivision Reserves Land Purchase Account.

3. Recommendation

That the Sports and Recreation Committee

- 1. Receives the report Poorman Valley Stream Shared Path Construction - Main Road Stoke to Neale Avenue (R16971) and its attachment (A2306138).***

Recommendation to Council

That the Council

- 1. Approves the purchase of approximately 100 square meters of land from Oceania Healthcare Limited for \$40,000 (plus GST, if any) with legal and survey costs to be borne by Council, all funded from the Subdivision Reserves Land Purchase Account; and***
- 2. Agrees that the Chief Executive be delegated authority to complete negotiation of the purchase; and***
- 3. Agrees that the Poorman Valley Stream Shared Path between Main Road Stoke and Neale Avenue proceeds; and***
- 4. Agrees that Report (R10308), Attachment (A2306138) and the decision be made publicly available once negotiations are concluded.***

4. Exclusion of the Public

4.1 This report has been placed in the public excluded part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:

- Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities
- Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

5. Background

5.1 A shared walking cycling pathway along Poorman Valley Stream between Main Road Stoke and Neale Avenue has been considered for several years.

- 5.2 There is currently no access along Poorman Valley Stream between Main Road Stoke and Neale Avenue. This creates a gap in the provision of a connection between popular parks, walkways and schools. Pedestrians and cyclists must use Songer or Putaitai Streets to move between Isel Park and Greenmeadows Reserve to Neale Avenue Reserve and the Railway Reserve.
- 5.3 Completion of a shared pathway will allow a more efficient and safe flow of walkers and cyclists between Isel Park and Neale Reserve. It will provide an alternative off road route so cyclists can choose to avoid Putaitai Street safely.
- 5.4 Increased residential development in the upper Marsden Valley has further signalled a desire to provide a scenic walking cycling route linking the Valley via Isel Park and the Stoke shopping centre to the Railway Reserve and the Stoke schools - Nayland College, Broadgreen Intermediate and Nayland Kindergarten.
- 5.5 The project was originally included in the 2012-22 Long Term Plan with a total budget of \$428,000 phased over several years. Investigations commenced in 2016 with design beginning in 2018 but was judged to be over engineered and not cost effective. The design was redeveloped resolving these issues.
- 5.6 Officers were then made aware of the planned redevelopment of the adjacent rest home, Whareama, and an opportunity to improve the path. The purchase of additional land from Oceania Healthcare will allow significant improvements to be made to the current design and a reduction in future maintenance.
- 5.7 At the Council's Annual Plan 2019/20 deliberations meeting revised figures were presented, where Council resolved:

"Approves in principle an increase in budget to construct the Poorman Walkway (Main Road Stoke to Neale Avenue) for \$1.2m spent over two financial years 2019/20 \$800,000 and 2020/21 \$400,000 subject to confirmation of the Sports and Recreation Committee."

6. Discussion

Additional land purchase

- 6.1 The 2019/20 Annual Plan budget of \$1.2M was to construct the shared pathway entirely within Council's esplanade reserve. On learning in August 2019 that Oceania intended to redevelop their Whareama site, 81 Neale Avenue, officers entered into discussions regarding purchasing additional land for construction of the shared path. (Refer to Attachment 1 A2306138)
- 6.2 Council officers obtained a valuation of \$40,000 (plus GST, if any) for the 100 (approximately) square metres of land from an independent registered valuer. Oceania has accepted a conditional offer at that

valuation, subject to input into the design of the boundary fence and gate, and installation of lighting and landscaping. This agreement is subject to Council approval. Further costs of subdivision, approximately \$35,000, apply, making a total of approximately \$75,000 payable by the Council.

- 6.3 Taking into account some further design work, the cost of obtaining the land, allowances for the low level security lighting along the rest home boundary and landscaping, Council's consultants estimate a small reduction in overall project costs from the purchase.
- 6.4 Building on the Oceania land will allow for a reduction in the work required to be undertaken in the stream itself resulting in fewer environmental impacts and no timing restrictions to avoid the fish spawning season. There will also be reduced engineering costs, no need for stream bypass measures and better landscaping and planting outcomes. There are also quality improvements resulting from the purchase with better outcomes for pedestrians and cyclists using the path. The alignment will be straighter and, by improving sightlines, safer for users. It will also be more elevated above the stream thereby reducing the chance of flooding.
- 6.5 The additional purchase will be vested as Esplanade Reserve and is therefore an appropriate charge to the Subdivisions Reserve Land Purchase Account. Funds are currently available.

Revised costs

- 6.6 Preliminary estimates to construct the shared path, with low level security lighting, land purchase, and additional detailed design due to the additional land being available, show that the project is achievable within the \$1.2M allocation for construction in the 2019/20 and 2020/21 financial years.
- 6.7 The project has been paused while discussions were underway with Oceania and, depending on Council approval of the purchase, there will be further delays while the detailed design is revised. Construction is forecast to commence in early 2021 but could be dependent on Oceania's timetable. Budgets have been revised:
- From: 2019/20 \$800,000 and 2020/21 \$400,000
To: 2019/20 \$175,000 and 2020/21 \$765,000.
- 6.8 The project will receive a subsidy of \$400,000 from the NZTA Minor Improvements Programme, a fund that supports improvements to the roading network. This reduces the Council contribution from an estimated \$1,045,000 to \$645,000, including a contingency.

A revision of the detailed design has resulted in a revised estimate of Project costs as detailed below:

Please note that the table below covers the whole of project costs from 2016/17 through to 2020/21.

Item	Estimate
Physical works	\$ 520,000
Professional fees: Including Investigation, Design, Resource Consent, Consultation, Construction Monitoring	\$ 300,000
Contingency : Covers Construction Market Volatility and Potential COVID-19 Impact	\$ 150,000
Sub-total	\$ 970,000
Land Purchase and Subdivision Costs	\$ 75,000
TOTAL	\$ 1,045,000
Less NZTA Subsidy	\$ 400,000
Projected Council Contribution Total	\$ 645,000

7. Options

- 7.1 Council has the options of approving the shared path or not approving the project. Proceeding with the shared path, with the purchase of additional land from Oceania, is the recommended option.

Option 1: Proceed with the shared path with the land purchase (the recommended option)	
Advantages	<ul style="list-style-type: none"> • A high quality safe and pleasant walking/cycling route linking Marsden Valley through Isel Park to the Railway Reserve and schools will be provided • Provides a link to Isel Park and the Greenmeadows Centre for the residents of Whareama Rest Home • Decreased development costs • A higher path elevation will reduce flooding impact resulting in decreased ongoing maintenance costs • Better path alignment
Risks and Disadvantages	<ul style="list-style-type: none"> • Land purchase and subdivision costs • Having to work within Oceania's timeframes

Option 2: Proceed with the shared path without the land purchase	
Advantages	<ul style="list-style-type: none"> • A basic walking/cycling route linking Marsden Valley through Isel Park to the Railway Reserve and schools will be provided • Provides a link to Isel Park and the Greenmeadows Centre for the residents of Whareama Rest Home
Risks and Disadvantages	<ul style="list-style-type: none"> • Increased ecological impacts from the need to work in the streambed • Lower quality shared path • Increased development costs • Increased ongoing maintenance costs resulting from flooding of a lower pathway
Option 3: Do not proceed with the shared path	
Advantages	<ul style="list-style-type: none"> • The budget remains unspent • Officer time available for other projects
Risks and Disadvantages	<ul style="list-style-type: none"> • Established local recreational and school commuter cyclists will continue on-road between Isel Park and the Railway Reserve • New subdivisions in the upper Marsden Valley which have contributed financially to growth will not have safe off road access to the Railway Reserve and schools • Rest home residents will not have a safe pleasant walkway linking to Isel Park and the Greenmeadows Centre

8. Conclusion

- 8.1 The Poorman Valley Stream shared pathway will provide a safe and pleasant cycling and walking route linking Marsden Valley through Isel Park to the Railway Reserve and Stoke schools.
- 8.2 Purchase of additional land from Oceania land will allow for a reduction in the work required to be undertaken within the stream bed resulting in fewer environmental impacts and no timing restrictions to avoid the fish spawning season. Engineering costs will be reduced and better landscaping and planting outcomes will result. The path alignment will be straighter and, by improving sightlines, safer for users. It will also be more elevated above the stream thereby reducing the chance of flooding over the pathway.
- 8.3 The estimated cost of the project increased in 2019 following completion of the detailed design. However a subsidy of \$400,000 from the NZTA

Minor Improvements Programme and the inclusion of a 20% contingency, due to the volatile construction market in Nelson, enables the project to be completed within the budget with some potential savings.

9. Next Steps

- 9.1 The land purchase process will be completed. Finalisation of the detailed design and resource consent will be completed early in the next financial year. Construction should begin in early 2021 but will be dependent on Oceania's redevelopment timetable.

Author: Andrew Petheram, Property, Parks and Facilities Asset
Manager

Attachments

Attachment 1: A2306138 Poormans Stream Shared Path - Property Plan for Potential Land Purchase - 22Nov2019

Important considerations for decision making

1. Fit with Purpose of Local Government

The shared path will promote the social wellbeing of the community by providing a safe enjoyable walking, wheelchair and cycling route to other community facilities.

2. Consistency with Community Outcomes and Council Policy

This project has been consulted on and included in the Annual Plan 2019/20 and 2020/21.

It meets our Community Outcome of 'Our communities have access to a range of social, educational and recreational facilities and activities' by providing a shared path linking the community to community, heritage, recreational and education facilities.

A theme of Nelson 2060 is 'A Sustainable City of Beauty and Connectivity'. The Poorman Valley Stream shared path further enhances that theme by providing safe linkages in an upgraded streamside environment.

3. Risk

The risk of not achieving the project goal is low.

4. Financial impact

Budget provision of \$1,200,000 has been provided through the 2019/20 and 2020/21 Annual Plans.

5. Degree of significance and level of engagement

This matter is of low significance. Consultation has been undertaken through the 2018-28 Long Term Plan and the 2019/20 Annual Plan.

6. Climate Impact

Creating a pedestrian and cycle link between Main Road Stoke and Neale Avenue will generate new active travel journeys, potentially removing some vehicle trips from the road network.

7. Inclusion of Māori in the decision making process

Iwi have been engaged with during development of the pathway design and support the intent of the project. Purchasing the Oceania land and reducing impacts on Poorman Valley Stream should further reduce iwi concerns.

8. Delegations

The Sports and Recreation Committee has the following delegations to consider -

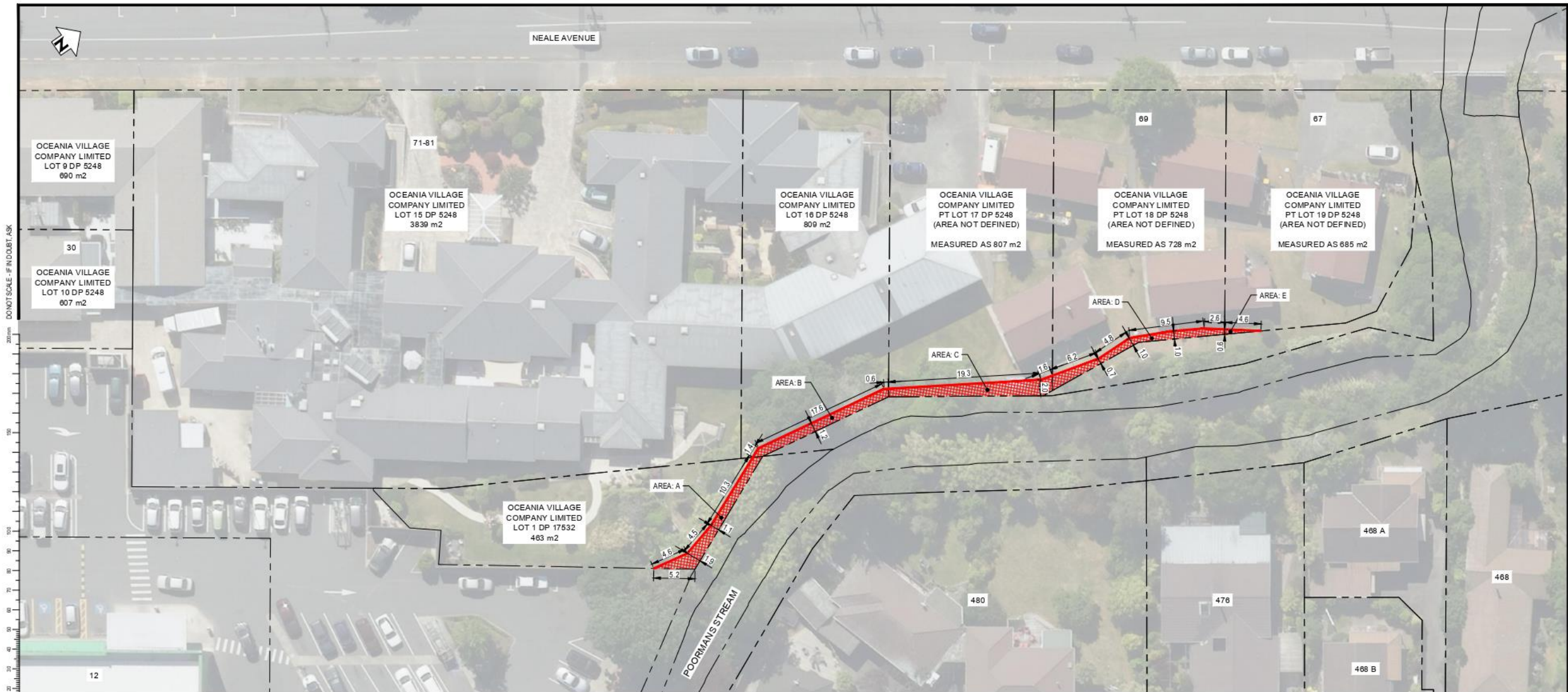
Areas of Responsibility:

- *Parks and reserves*

The Council has requested the Sports and Recreation Committee considers and if appropriate confirms final approval to proceed with the work. However the land purchase is a matter for Council -

Powers to Recommend:

- *The purchase or disposal of land or property relating to the areas of responsibility, other than in accordance with the Long Term Plan or Annual Plan.*



ORIGINAL SIZE A1

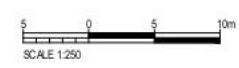
LAND REQUIREMENTS/ LEGAL DESCRIPTIONS			
AREA ID	AREA	LEGAL DESCRIPTION	REQUIREMENT
A	24 m2	NL11C/286 LOT 1 DP 17532	NEW FOOTPATH
B	22 m2	NL11C/286 LOT 16 DP 5248	NEW FOOTPATH
C	33 m2	NL11C/286 PT LOT 17 DP 5248	NEW FOOTPATH
D	23 m2	NL11C/286 PT LOT 18 DP 5248	NEW FOOTPATH
E	2 m2	NL11C/286 PT LOT 19 DP 5248	NEW FOOTPATH
TITLE LAND AREA: 7334 m2 TOTAL AREA REQUIRED: 104 m2			

NOTES

- LEGAL BOUNDARIES AS SHOWN HAVE BEEN SOURCED FROM LINZ DATA SERVICES AND GIS INFORMATION. UNTIL CONFIRMED ON-SITE BY A LICENSED CADASTRAL SURVEYOR ALL PROPERTY BOUNDARIES SHOWN SHALL BE READ AS INDICATIVE.
- ALL AREAS AND DIMENSIONS SHOWN ARE INDICATIVE AND SUBJECT TO FINAL SURVEY.

LEGEND

- EXISTING PROPERTY BOUNDARY
- PROPOSED PROPERTY BOUNDARY
- ▨ PROPOSED LAND REQUIREMENT FOR NEW FOOTPATH



NOT FOR CONSTRUCTION

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