1. **What does co-funding mean?**

   NZTA and councils co-fund roads across New Zealand.

   Our Council cannot afford to fund the recovery from Cyclone Gabrielle independently, as the impact on rates would be too significant. We rely heavily on NZTA to co-fund transport repairs caused by weather events, so it is crucial that we align with NZTA's funding requirements and processes.

   We had to work closely with NZTA to understand the specific funding criteria applicable to the recovery efforts following Cyclone Gabrielle, including investigating repair solutions and gaining individual funding approval for each damaged site. This process has taken time and required careful planning and documentation to ensure all repair solutions meet NZTA's standards and criteria to qualify for co-funding.

2. **How has council come up with the estimates costs to rebuild Burnside Bridge?**

   Council's estimate is based on a square metre (m^2) rate. The rate is comparable to other recently completed, in construction or estimated costs for bridge replacements in the region.

Bridge Name	Client	Approx Length	Approx Width	Area	Total Project Cost	Cost per square metre	Lane configuration	Spans
Gwavas Bridge	CHBDC	25	7	175	$ 2,700,000	$ 15,429	2 lane	1
Matapiro Bridge	HDC	61	9	549	$ 5,300,000	$ 9,654	2 lane	2
Dartmoor Bridge	HDC	120	5.8	696	$ 15,000,000	$ 21,552	1 lane	4
Puketapu Bridge	HDC	120	11	1320	$ 25,000,000	$ 18,939	2 lane + cycle	4
Rissington Bridge	HDC	78	9.4	733	$ 13,000,000	$ 17,730	2 lane	3
				Average cost per square metre		$ 16,661		
Burnside renewal		100	5.7	570	$ 9,496,668	$ 16,661		
				P50 for NZTA economic assessment	$ 9,600,000			
				P95 for NZTA economic assessment	$ 10,900,000			
BridgeIT Quote		100	5.7	570	$ 2,750,000	$ 4,824.56	1 lane	

3. **Why do some sources say the bridge can be built for a lot less than the estimates used by Council?**

   There is a big difference in what the estimates developed by Council allowed for and what an independently sourced estimate from BridgeIT allowed for.

   The BridgeIT estimate was based on:

   - A simplified bridge concept aligned with their typical delivery model (medium-span, low-complexity structures)
   - No investigation into site and geotechnical information
   - Assumptions around reduced compliance, design standards and procurement requirements compared to a fully specified public infrastructure project

As such, it does not account for the full scope, risk profile, consenting requirements, design standards, resilience considerations and procurement processes that would be expected for a replacement bridge of this nature.

Put simply, it didn't include all the things that are needed to build a public road bridge in this location.

When Council asked for an estimate from BridgeIT allowing for all the factors required for a public road bridge, their estimate was $6-9 million.

4. **How does NZTA use cost-benefit analysis to allocate funds to road repairs?**

NZTA uses cost-benefit analysis (CBA) to evaluate the economic efficiency of transport investments, ensuring taxpayer funds achieve maximum public value.

NZTA's CBA calculates the monetary value of projected benefits of a given project over many decades, such as reduced travel time, improved safety, and lower emissions, AGAINST costs, such as construction and maintenance. The result is expressed as a benefit-cost ratio (BCR), with projects typically requiring a BCR ≥ 1 even to be considered by NZTA.

A BCR >1 does not guarantee NZTA funding support. Projects must also meet other criteria such as 'strategic fit' and 'effectiveness'. This means - are we focusing on the right problem and if so, have we got the right solution.

5. **What data was used in this assessment? What would have been needed to make this work for NZTA so they co-funded it?**

The economic viability of this bridge replacement is **extremely low**. The bridge is on a low volume road with a reasonably short detour route and its replacement cost is high. For this project to be economically viable, a combination of factors would need to be different such as:

- Much longer detour route
- Much higher traffic volume
- Much lower bridge replacement cost

The NZTA assessment considers the 'strategic fit' and 'effectiveness' of the solution, as well as its 'efficiency'.

The BCR (benefit-cost ratio which means - value for money) assessment incorporates many pieces of data, including traffic volumes and vehicle running costs, detour length and infrastructure costs.

6. **What does 89% FAR mean and how does it work? And why does it matter?**

NZTA provides Council with a FAR (funding assistance rate) of 59% of funds to complete general maintenance and repairs on our roading network, and ratepayers fund the balance of 41%. When the district experiences infrastructure damage following a significant event

such as Cyclone Gabrielle, NZTA will enhance the FAR and provide us with a higher co-funding percentage.

We have an 89% FAR rate approved for Cyclone Gabrielle recovery projects. This means that NZTA contributes 89% of the total approved costs for a project, while the remaining 11% must be funded by Council or other sources. This higher FAR reduces the financial burden, ensuring that essential transport recovery can proceed without placing excessive strain on local ratepayers.

It matters because it's the way Council can make infrastructure projects more affordable for ratepayers.

7. **If the bridge is removed and farm vehicles continue to drive through the Makaretu River, what is being done to protect the river?**

   Hawke's Bay Regional Council (HBRC) is responsible for managing and protecting the region's rivers, including the Makaretu River.

   HBRC has an Environmental Code of Practice for river control and waterway works. It's ongoing asset management programme includes river maintenance, which could potentially encompass measures to mitigate any damage caused by vehicular traffic.

8. **What about a Bailey Bridge?**

   Bailey bridges are temporary structures supplied by NZTA. The Bailey bridge stock across the country is a valuable commodity and NZTA prioritises their use and deployment to facilitate urgent access reinstatement. Access in this instance was not lost as a short detour was available.

9. **Can we replace just part of the bridge?**

   Council considered this option as part of the recovery assessment. However, because the remaining structure is more than 100 years old and at the end of its useful life, replacing only part of the bridge would result in high ongoing maintenance costs. This type of solution also resulted in several potentially insurmountable technical challenges and the concept was not supported by NZTA.

10. **What other options did Council and NZTA consider?**

    Council investigated:
    - Complete replacement
    - Repair
    - Partial repair
    - Bailey bridge
    - River ford
    - An alternate estimate for complete replacement from a supplier put forward by a community member

11. **What did NZTA say? Why are they not co-funding it?**

    NZTA accepted estimates provided by Council as fair but formally declined funding for both repair and replacement. **The project does not meet NZTA's investment criteria, competing national priorities and limited funding availability.**

    The criteria NZTA applies:

    - Strategic Fit (is this the right problem to focus on?)
    - Effectiveness (Is this the right solution?)
    - Efficiency (Is it worth the money?)

12. **Can Council fund the bridge on its own?**

    Yes - but with major consequences for ratepayers. A $9.6m project would require a 2-3% rates increase across the entire district. Council would also need to pay 100% of ongoing maintenance for the next 100+ years without NZTA co-funding. This would mean reducing funding available for other critical infrastructure.

13. **How many engineering or bridge building companies have provided estimates?**

    Two – international consultancy Stantec and New Zealand bridge building company Bridge IT.

    Note: BridgeIT has been quoted in the media stating that the whole bridge could be replaced for $2.75 million. BridgeIT has since written to Council categorically stating that a new public road bridge in this location cannot be built for $2.75 million and would likely cost between $6-9 million. To determine a more accurate estimate, geotechnical investigation, testing, flood modelling, detailed design and consenting would need to be completed to fully understand the necessary scope of a new structure.

14. **What are the next steps for Burnside Bridge?**

    A formal decision report will be presented to Council at an upcoming Council meeting. Officers' recommendation is to demolish the bridge.

15. **What do Councillors need to advocate to Government?**

    The Mayor and Councillors will need community support and will also seek support from other councils across the country in advocating for Government to review the balance of compliance and cost when it comes to funding local infrastructure, asking Government to consider the issue and make it a priority.