

 KAIPARA DISTRICT <small>The Ocean, The Harbour</small>	Title of Policy	Road Seal Extension Policy		
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	Author	Shawn Baker	Date authorised/adopted	29 November 2018
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1 Background

Currently the NZ Transport Agency (NZTA) generally does not subsidise seal extensions and as a consequence new seal extension work is not generally implemented. Options for seal extensions to occur are roads that are either sealed by developers as part of their development, at times by Council when funded via development and/or financial contributions, or privately funded by local ratepayers and/or residents.

Occasionally Council is approached by local ratepayers and/or residents seeking the mechanism for sealing of their respective roads. This Policy sets out the criteria, funding arrangements and timing of proposed private seal extensions.

Currently the cost of a seal extension is approximately \$500,000 - \$600,000 plus GST per kilometre, plus ongoing maintenance.

Using local ratepayers' and/or residents' funding can provide a good outcome for those seeking to have a road sealed.

There are several components to a seal extension; base course strengthening, stabilisation and sealing. A second seal coat is also required 2-3 years after the initial sealing to waterproof the seal extension.

It is recommended that this Policy be read in conjunction with the Kaipara District Council's Roading Policy.

The policy covers the following:

1. Background
2. Objective
3. Definitions
4. Guidelines
5. Funding Criteria
6. Future Maintenance

2 Objective

The objective of this Policy is to set out, in a clear and transparent manner, Council's criteria for considering private seal extension requests from ratepayers and/or residents. It will outline how and when Council will enter into arrangements with ratepayers and/or residents to ensure consistency, fairness and equity.

3 Definitions

- Council** means Kaipara District Council.
- Ratepayer** means landowners or occupiers who pay rates.
- Residents** means occupiers, may be the same as ratepayers and may or may not pay rates.
- Road** has the same meaning as set out in the Local Government Act 1974 and shall, where the context requires, include a street.
- Sealing** means the water-resistant top layer of a road, covering the metal pavement layers that make up the road structure.

4 Policy Statement

(1) Guidelines

The following requirements shall be met for privately funded seal extensions:

- The minimum length of road to be sealed shall be 100m;
- Where ratepayers and/or residents fully fund the private seal extension costs, including the cost of a second coat seal, Council will work with the community to progress the private seal extension project;
- Where a community has not been able to acquire 100% support from the affected residents/ratepayers to fund the full cost of the private seal extension, Council may consider a targeted rate to fund up to 50% of the total project costs i.e. a minimum of 50% of the project costs are required to be paid up front as a single payment;
- Where Council chooses to use a target rate to fund 50% of the costs, benefiting landowners will be provided an option to pay either as a lump sum, or through a targeted rate, provided that the total of the lump sum payments equal or exceed 50% of the total estimated costs;
- To progress an application for any potential rate to be levied, a community will need to demonstrate reasonable support from the affected parties. Reasonable support is defined as being over 55% of the affected parties willing to fund the private seal extension demonstrated by way of a signed letter to Council, from the affected party or their authorised representative;
- Where reasonable support has been gained, Council will then undertake an assessment of the project to estimate the project costs, identify all the affected property owners, and assess each property owner's cost contribution. The project costs shall also include the cost of a second coat seal to be undertaken within two to three years after the initial sealing (currently the average cost to reseal a road is \$28,000 + GST per kilometre);
- Council will notify each benefiting owner of the costs to that owner, set out as a lump sum payment or a targeted rate;
- Once the total costs to each owner has been notified to them, Council will poll all affected owners and shall only proceed when there is at least 75% written agreement from benefiting property owners;
- In the event that Council receives multiple applications in a financial year for private seal extensions, priority will be given on a first come first served basis with one potential private seal extension project being considered by Council in any financial year;

- Any application that meets the Council criteria for private seal extension will still need to be considered through a formal planning process, being an Annual Plan or Long Term Plan; and will need to be consistent with Council's Rating Policy. This is to ensure that any potential private seal extensions are considered at Council's sole discretion as part of Council's wider roading programme, and whether the project can be accommodated within Council's financial parameters;
- If a project is approved by Council, Council will undertake the procurement as outlined in its Procurement Policy;
- Where the tendered or final cost is significantly different from the original estimate agreed by benefiting property owners, Council will further consult with benefiting landowners with respect to any additional cost, or refunds;
- Where the Private Road Seal Extension Policy does not proceed, for example, if the community is unable to meet the 50% upfront funding threshold, Council will refund any lump sum payments received in accordance with Council Policy. Where the total actual cost is less than the estimated cost, any refund will be achieved by a reduction in the targeted rate.

5 Funding Criteria

The following funding criteria shall be met:

- Where there is *reasonable support* Council will assess the project, including the estimation of costs and the identification of benefiting landowners.
- Once Council has completed an assessment of the proposed private seal extension, Council will advise all benefiting landowners of the total cost, paid as either a lump sum or as a targeted rate. Council will need to obtain a minimum 75% written agreement of the property owners benefitting from the seal extension, so that Council is confident that the majority of the affected parties agree to paying either a lump sum or a targeted rate for the private seal extension prior to commencing the funding process;
- Council may consider a targeted rate to fund up to 50% of the total project costs over a period not exceeding 10 years. i.e. a minimum of 50% of the project costs are required to be paid up front by the benefiting owners or their representative;
- Where a targeted rate is agreed by Council, benefiting landowners will be given the option of a lump sum payment or a targeted rate attached to the property;
- The project shall not proceed until the combined up-front payments meet the minimum threshold of 50% of the total project costs as identified in the project assessment. Council will hold the contributed funds until the 50% threshold is met, or shall make refunds where it is agreed that the threshold will not be met;
- Any rates levied shall be apportioned over the benefiting properties that do not pay the full costs as a lump-sum on an equal basis using a uniform targeted rate.
- If successful, any rate that is levied on properties deemed as benefitting from the private seal extension that is to be paid over a period not exceeding 10 years shall be charged with interest as determined by Council from time to time;

- In some instances, Council may consider at its sole discretion to contribute up to 20% of the project costs. The criteria that Council will consider will include, but not limited to:
 - The classification of the road to be sealed and the wider community benefit of sealing that road, for example, is it a through road or a key diversion route?
 - If any funding is available through Council, how this cost will be met;
 - An assessment of the physical characteristics of the road (refer Table 1 below).
- Council will consult with the benefiting landowners as to any adjustments to the targeted rate or lump sum payments where there is a significant difference between the actual cost and the estimated cost.

6 Future maintenance

The sealing of a road has to be maintained to restore its waterproofing properties and level of service. To do this the section of road has to be resealed within two to three years of the initial seal coat (second coat seal), and then resealed every 12 to 15 years after that. Resealing not only includes the actual resurfacing of the road, it also includes line marking, pothole patching and surface water channel maintenance.

Council will then take over and fund the maintenance of the road once it has been sealed including a reseal every 12-15 years. Currently the ongoing maintenance of a sealed road attracts NZTA subsidy.

Table 1 – Assessment criteria and scoring for the physical characteristic of an unsealed road

Traffic Movements (AADT)	Score	Dwellings/km (<100m from road)	Score	Amenities ¹ /km	Score
1-50	2	1-2	1	1-2	1
51-100	4	3-4	2	3-5	2
101-200	6	5-10	3	6-10	3
201-500	8	11-15	4	>10	4
>500	10	16-20	5		
		>20	6		
Score		Score		Score	
Average Gradient ² (%)		Incidents ³		HCV ⁴	
<1	1	1	1	1-5	2
1-5	2	2-3	2	6-10	4
5.1-8	3	4-5	3	11-15	6
8.1-12.5	4	6-10	4	16-20	8
>12.5	5	>10	5	>20	10
Score		Score		Score	
Total Score ⁵					

¹ *Amenities* refers to amenities less than 100m from the road where dust may be a nuisance, and include;

- A community hall, marae, place of worship or reserve; or
- A place of work (e.g. dairy shed or commercial premises); or
- Road forms part of a school bus route; or
- Orchard or food crops; or
- A residential house.

² *Gradient* is used in this assessment as proxy for the maintenance cost of the unsealed road.

³ *Incidents* refers to the documented number of serious safety incidents or accidents that have occurred on the unsealed road in the previous five years.

⁴ *HCV* is recorded as movements of a vehicle with a gross vehicle mass of greater than 3.5 tonne vehicle/axis.

⁵ *Total score* is the sum of the scores of the six factors in the table.

The weightings for traffic movements and heavy vehicles (HCV) have been increased in the assessment to reflect usage and potential damage to the unsealed road which impact on the level of routine maintenance required. Any spurious or unreliable traffic data should be validated.

Commercial activities, tourism and associated events will be reflected in the scores assigned to Traffic Movements and Amenities.