

MEMORANDUM OF THE NEW ZEALAND TRANSPORT AGENCY WAKA KOTAHI ON THE MT IRON HOUSING SCHEME

20 July 2026

1 Introduction

- 1 This memorandum contains the response of New Zealand Transport Agency Waka Kotahi (NZTA) to transportation issues raised in Paragraph 3 of Minute 5 of the Expert Panel (**Panel**) deciding the Mt Iron Housing Scheme application (**Application**) (NZTA reference 2025-1555), submitted by Mt Iron Junction Limited (**MIJL**) under the Fast Track Approvals Act 2024 (**FTAA**).

2 Roundabout Upgrade, Paragraph 3(a)(ii) and (iii)

- 2.1 We acknowledge the financial contribution MIJL have offered to contribute towards the roundabout upgrade. However, there is no short term/near future plan by NZTA to fund this project, and we do not have a mechanism to hold funds for an unknown amount of time. Of strategic importance to NZTA is that the land required to enable an upgrade of this intersection is not prevented by the proposed development occurring. NZTA seeks that this land is vested in NZTA as part of this Application. This is discussed further in the memo.
- 2.2 Following the issuance of Minute 5, NZTA requested MIJL provide an itemised breakdown of the costing that they relied upon to inform the dollar-amount that they offered to contribute towards the roundabout upgrade. At the time of drafting this memo, that itemised breakdown had not been provided.
- 2.3 NZTA obtained a high-level estimate from WSP of the cost to construct a partial and full second circulating lane at the roundabout. Only high-level estimates were possible within the constrained timeframe for responding to this Minute, and were based on recent constructed and unconstructed project costs, local knowledge, and engineering judgement. The high-level estimates, based on 2026 costings, are as follows:
- (a) Partial second circulating lane: approximately \$7.2M, including design and consenting but excluding any land acquisition. This estimate includes approximately \$2M for stormwater treatment and soakage. Of note: there are underground services around the intersection, including Chorus' trunk fibre optic, which would likely require relocation, and these relocations are typically costly.
- (b) Full second circulating lane: approximately \$10M, including design and consenting but excluding any land acquisition.

- 2.4 Every year beyond 2026 the cost would increase by approximately 3% per annum, to allow for cost escalation.
- 2.5 It is evident that the costing that MIJL used to inform the basis of their financial contribution towards the roundabout upgrade differs significantly from the estimate NZTA has received from WSP.
- 2.6 Because of the time constraints, NZTA has not been able to complete an assessment as to whether a 9.9% financial contribution, the percentage identified by MIJL, accurately reflects the proportional impact of the Application.
- 2.7 NZTA met with MIJL representatives on Thursday 16th July and advised them verbally that the estimate we had received from WSP for the roundabout upgrade significantly exceeds the costing that they used as the basis for calculating their financial contribution. NZTA wishes to advise the Panel that further time would be needed in order for NZTA and MIJL to potentially reach agreement on costings for the roundabout upgrade, than is available to meet the 20th July deadline for responding to Minute 5.
- 2.8 A financial contribution/developer agreement between the parties, which could be secured through a consent condition, was considered but was ultimately rejected for a number of reasons. MIJL representatives advised that such a condition wouldn't be suitable for them, as it is possible that MIJL would have fully developed and on-sold the Application site before NZTA was in a position to deliver the roundabout upgrade. We understand that it is for this reason that MIJL have offered an upfront financial contribution. While NZTA does have a mechanism to receive an upfront financial contribution, being via a Financial Contribution Agreement that both parties could enter into, the uncertainty around the timing for NZTA to undertake the upgrade (i.e. in the absence of a confirmed transport funding programme for this upgrade) such an approach would seem impractical in this instance.
- 2.9 In light of the above commentary, NZTA is of the view that the only way to ensure that the traffic effects of the Application on the roundabout are effectively mitigated in a timely manner would be for MIJL to cover the full cost of upgrading the roundabout.
- 2.10 NZTA engaged WSP to prepare an annotated plan showing the land within MIJL's site required to upgrade the existing roundabout to include either a partial or full second circulating lane, noting that this plan is indicative only and had been prepared under considerable time constraints. That plan is appended, and was shared with MIJL on Thursday 16th July.
- 2.11 The plan shows that land within MIJL's site *will* be required for either a partial circulating lane (which would involve a second lane on the SH84 approach to the roundabout, existing onto SH6 heading towards Lake Hawea) or a second full circulating lane are the same. In addition to land being required for a new sealed lane, land is also required to accommodate the relocation of existing highway stormwater infrastructure on the north side of the existing roundabout – namely new stormwater swales and a stormwater basin, as well as existing path extents and either 1V:3H batter slopes or retaining walls (70° slope) (both options are shown on the plan). The upgrade to

the existing roundabout will also necessitate relocation of underground services, like power, and Chorus infrastructure.

- 2.12 The location and extent to which the upgraded roundabout would encroach into MIJL's site is shown on the plan with a diagonal hatching pattern.
- 2.13 On the SH84 Wanaka arm the footprint needed for an enlarged roundabout encroaches into the development turning head and car parking. We anticipate that the encroachment could potentially be reduced with some massaging of the stormwater swale shape and retaining the slope; by doing this, it could likely retain the turning head with the likely loss of at least one car park. The approximate area of encroachment by the roundabout upgrade into the MIJL site on the SH84 arm is 620 m².
- 2.14 On the SH6 Albert Town-Hawea Road arm there would be some encroachment into the car park area within the Application site to enable the roundabout upgrade. While the plan shows the location of a new batter slope, a retaining wall along this length was also assessed (it's not shown on the plan). As the ground height difference isn't much in this location, a retaining wall option would only reduce the encroachment by ~1 m, so still encroaching into the car park area. The approximate area of encroachment by the roundabout upgrade into the MIJL site on the SH6 arm is 110 m².

3 Shared Use Paths on SH6 and SH84, Paragraph 3(a)(iv) of Minute 5

- 3.1 NZTA acknowledges the financial contribution MIJL has offered towards constructing a shared use path(s) from the Application site along SH6 and/or SH84.
- 3.2 NZTA notes that in paragraph 59 of his response to Section 53 Comments, Mr Carr states that he does not consider a shared walking and cycling route is justified alongside State Highway 6 to manage or mitigate an effect of the Project. He goes on to state that he considers that the vast majority of users of such a route will be Albert Town residents rather than residents of the Project. NZTA considers that it is likely that residents beyond the Application site will be drawn to the services that will be provided within the Application site and, for this reason, a SUP along SH6 is desirable.
- 3.3 Following the issuance of Minute 5, NZTA requested MIJL provide an itemised breakdown of the costing that they relied upon to inform the dollar-amount that they offered to contribute towards the roundabout upgrade. MIJL provided an itemised breakdown to NZTA on 16th July.
- 3.4 NZTA engaged WSP to prepare a plan showing possible shared use path (SUP) alignments along SH6 and SH84 (attached), as well as to provide a high-level estimate of the cost to construct those possible shared use paths scenarios. Of note, the shared path locations shown on that plan are only one possible scenario, and connect to MIJL's site near its outer perimeter with SH6 and SH84 respectively, and would rely on formation of internal path connections within MIJL's site.

- 3.5 Since having the appended SUP plan drafted, NZTA has liaised with both MIJL and QLDC on this matter. We understand that QLDC's preferred alignment for the SUP would be as set out in the Wānaka Network Optimisation Business Case. That is, the SH84 SUP connecting to the existing path at the roundabout and extending to the existing underpass on SH84 near Puzzling World, and the SH6 SUP also commencing at the roundabout and connecting to the path on Aubrey Road, with appropriate offsets from the carriageway to ensure a safe environment for SUP users.
- 3.6 NZTA would support either the SUP alignment option shown on the appended SUP plan or the alignment preferred by QLDC.
- 3.7 NZTA notes that to construct the SUPs alongside the highways, as preferred by QLDC, would likely require additional land from MIJL's site than has not been shown or accounted for in the roundabout upgrade plan referred to in Section 2 above and appended.
- 3.8 The appended plan identifies approximately 100m² of MIJL land would be required to fit a SUP along that section of SH84, as well as cut earthworks that would be required to fit a 2.5m wide SUP next to the SH84 sealed carriageway.
- 3.9 The appended SUP plan also identifies that a SUP alongside SH6 would need to negotiate QLDC's wastewater pump station where vehicle access is required intermittently. In addition, at the Aubrey Road end, land may be required from two adjacent landowners to maintain the surface water channel. If kerb and channel were constructed, to save width and property acquisition, a suitable stormwater solution would be required as there is currently no stormwater reticulation in the area, so likely soakage to ground.
- 3.10 The high-level estimates for construction of the SUP's, as shown on the appended plan, are detailed in the table below. These costs assume a 2.5m wide sealed SUP, constructed to NZTA design standards, and include lighting, land acquisition, minor earthworks and estimated consenting (resource consent or Outline Plan of Works) costs. These estimates are based on the outturn cost from recent constructed and unconstructed project costs, with some outliers removed, escalated up to today's dollar-values, with contingencies applied. It is possible that lighting may not be required; this aspect requires further consideration.

Route	Length (m)	High Level Estimate (2026 \$'s)	Comment
via Mt Iron Track	930	\$1,640,000	
via SH84	760	\$2,150,000	incl. land acquisition ~100m ²
SH6 to Aubrey Road	270	\$1,450,000	incl. land acquisition ~200m ² , not kerb & channel option

- 3.11 NZTA discussed SUP alignments with MIJL representatives on 16th July, and verbally advised them of the estimated cost we had received for the SH6 SUP, as an example of the significant gap between our respective costings. In that meeting, MIJL confirmed they had not yet liaised with QLDC in respect to SUP alignment.
- 3.12 It will be evident to the Panel that the cost estimates obtained by NZTA, for both the respective SH6 and SH84 possible SUP alignments, are significantly higher than the financial contribution

offered by MIJL. NZTA considers that, because there is such a gap between estimates, we don't think this aspect can be resolved with MIJL ahead of the 20th July deadline for responding to Minute 5.

- 3.13 NZTA considers that MIJL should fully fund the construction of the SUPs and that the funding and design aspects, where land administered by NZTA is involved, be managed through a developer agreement with NZTA. To that end, if the Panel ultimately decides the SUP alignment should be located within the state highway road corridor, which NZTA is not opposed to, NZTA requests that the Panel impose a condition of consent requiring MIJL to enter into a developer agreement with NZTA to fully fund the construction of shared user paths. The following draft condition wording is suggested:

Prior to the issuing of a certificate pursuant to Section 224(c) of the Resource Management Act 1991 of Stage 1 of the proposed development, the Consent Holder shall enter into a development agreement with the New Zealand Transport Agency that addresses the construction of shared use paths along State Highway 6 and/or State Highway 84.

- 3.14 The SUP plan appended to this memo also shows an underpass beneath SH6 (Albert Town-Lake Hawea Road). This underpass is not expected to be constructed by MIJL. Rather, NZTA sought that its indicative location be mapped to show whether additional MIJL would be required to build this underpass, as NZTA is aware that there are plans for other active transport networks that this underpass would support.
- 3.15 The underpass alignment is at an angle under SH6 to avoid existing and planned underground services, namely QLDC's "Project Pure" wastewater pipelines (upgrades progressing now). The underpass would need to be quite deep to avoid other underground services. The indicative underpass alignment passes under the stormwater swale on the northern side of SH6. Access ramps extending approximately 50 metres at each end of the underpass would be required to meet accessible grades. The ramp on the northern side would encroach into the MIJL development car park and would require retaining on the development side. The area of encroachment was quantified in the WSP cost estimate and is 175m². The alignment of that ramp is only one option, and further design work would be required to establish if an alternative alignment could be accommodated within the existing highway road corridor without the need for MIJL land. Although, for completeness, an alignment perpendicular to SH6 would result in the ramp encroaching further into the Mt Iron Junction development based on keeping the approaches largely in line with the underpass as per good underpass design practice for Crime Prevention Through Environmental Design (CPTED).