



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Bass Highway West of Westbury - Duplication Between Birralee Road Overpass and Exton

Brought up by Mr Brooks and ordered by the House of Assembly to be printed.

MEMBERS OF THE COMMITTEE

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House of Assembly

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1 INTRODUCTION

The Committee has the honour to report to the House of Assembly in accordance with the provisions of the *Public Works Committee Act 1914* on the -

Bass Highway West of Westbury – Duplication Between Birralelee Road Overpass and Exton

2 BACKGROUND

- 2.1 This reference recommended the Committee approve works on the section of the Bass Highway between the Birralelee Road Overpass and Exton to upgrade this section to a dual carriageway.
- 2.2 This section of the Bass Highway is a single carriageway, with a single lane in each direction. The adjacent sections of the Highway, to both the east and west, are dual carriageways with two lanes in each direction. The change from single to dual carriageway at these points causes driver confusion and, subsequently, both head-on and loss-of-control crashes.
- 2.3 The project will involve the conversion of 3.2km of Bass Highway single carriageway to dual carriageway, and will include the installation of flexible safety barriers along this section of the Bass Highway. Conversion to a dual carriageway will reduce the driver confusion currently occurring due to changes between single and dual carriageways on a short section of highway.
- 2.4 The objectives of the proposed works are to improve driver safety by:
- the elimination of head on crashes;
 - reducing the severity of loss of control crashes.
 - the development of a consistent road environment; and
 - providing a minimum Australian Road Assessment Program (AusRAP) 3 star safety standard for this section of the National Highway.
- 2.5 The full submission of the Department of State Growth in support of this reference can be found on the website of the Committee at:-

<http://www.parliament.tas.gov.au/ctee/Joint/works.htm>

3 PROJECT COSTS

- 3.1 Pursuant to the Message from Her-Excellency the Governor-in-Council, the estimated cost of the project is \$9.6 million.

Project Element	Preliminary Cost Estimate	
	\$ M	
Client costs	0.63	
Construction	7.20	
Contingencies	P50 0.46	P90 1.54
Subtotal Project Estimate	8.29	9.37
Escalation	0.0	0.0
Total Project Outturn Cost, to nearest \$0.1 M	8.3	9.4

4 EVIDENCE

4.1 The Committee commenced its inquiry on Thursday, 21 May last with an inspection of the site of the proposed works. The Committee then returned to the Deloraine Community Complex Meeting Room whereupon the following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

- Sven Meyer, Project Manager, Transport Infrastructure Services, Department of State Growth; and
- Richard Burk, Manager Traffic North, Transport Infrastructure Services, Department of State Growth.

Overview

4.2 Mr Meyer and Mr Burk provided the following overview of the proposed works:

Mr MEYER - Essentially this program is a conversion of a single carriageway to a dual carriageway. At the moment there is dual carriageway on the eastbound and on the westbound and there is a section in the middle of 3.2 kilometres where we are going to retain the existing carriageway to become the westbound carriageway and construct a new eastbound carriageway on the northern side.

It will have an installation of median safety barriers down the middle. Currently this section of the road has a two star rating under the Austroads methodology and it has had eight casualty crashes in the last 10 years, including one fatality and three serious accidents. Quite a few of those crashes have been either head on or close to head on.

The objective of the project is to eliminate the head on crashes and to reduce the severity of the road crashes, and provide a consistent road environment travelling north and south, or east to west. That's the objective of the project.

Mr BURK - There are a number of places along the Bass Highway where we could have done further works but this was chosen because it avoids confusion for the general community. Instead of going two carriageway, one carriageway, two carriageway, as Sven has explained, it is providing a consistent experience for drivers through this whole stretch at relatively low cost. It is a short section and a relatively easy retrofit. The fatal crash that occurred was the type of crash this treatment will completely overcome, so we think it is the best next project to do.

Design

- 4.3 The Committee questioned the witnesses on the initial design of the Bass Highway, which included sections of dual carriageway interspersed with sections of single carriageway, such as that section which is the subject of the proposed works. Mr Burk provided the following explanation:

... .. It is one of the problems we have with highway design and traffic engineering. We only have so many dollars and we have to deploy those as best we can. Sometimes we have to make decisions that aren't optimal and we have to work with the funds we have. In the past it has been resolved that it was a reasonable thing to drop it back to one carriageway. It is quite a long stretch of highway between Deloraine and Launceston and, as is the case anywhere in the state now, trying to deploy the funds as efficiently as possible.

- 4.4 The Committee noted the pull-off bay on the northern side of the Bass Highway just prior to the Westbury turnoff was to be redeveloped. The witnesses indicated that the pull-off bay had been designed as an information bay, but had not been used as such, and was creating confusion, with drivers mistaking it for the off-ramp to Westbury:

Mr MEYER - Essentially, that pull-off area and information booth is towards the very end of the project, where we go back into the two lanes. I have a diagram here which explains the intentions of what we are going to do. It was designed as a tourist information booth. It has been there for about 10 years and over that time it hasn't been utilised as an information booth and has created confusion with road users because it is a pull-off bay prior to the pull-off to Westbury. People see the turnoff to Westbury and they accidentally turn off to the information bay and then turn back onto the carriageway. We will be turning it into a truck pulling-off bay but there will be a solid white line down the middle, so the confusion will disappear for the average road user. Council is on board with that. We have had discussions with them and that is the resolution.

Mr BURK - It should avoid any confusion that it's an off-ramp because you will have that continuous edge line on the left-hand side.

Road Surface

- 4.5 The Committee noted some concern had been expressed in the community and the media over the quality of the road surface seal on re-developed sections of the Midlands Highway. The Committee questioned the witnesses on the seal that would be used for the proposed works and the following exchange took place:

Mr BURK - With this site, I imagine it would get a prime and seal. The surface would be primed, then later bitumen and fresh aggregate would be put on. We expect the contractor to follow the specs and produce a quality product.

..... I imagine with this job we would put down a prime and seal and that would be a 14 millimetre aggregate, the largest aggregate size, and that would not have any other overlay put on it. That would be the first part sealed. We would expect that to last in excess of 10 years and then we could come back when we do a reseal and put another layer on that. I think that would be the treatment we would use here.

Mr MEYER - Just to confirm that that is the case. What is different between this project and a business site project is that we are constructing a whole new dual carriageway off line, off the traffic, which means the contractor does not have to spend too much time with traffic management issues. We are also trying to get this tender out early to give the contractor lots of time to do this 3.2 kilometres dual carriageway and to have the primary seal done while the weather is still damp. The only implication for users of the road is what they call the tie-ins. When they tie these two sections at either end.

CHAIR - That won't impact on traffic flow on road works?

Mr MEYER - Yes, but only for a short period. Essentially, they will build one new carriageway, divert traffic off to the new carriageway and primary seal it all at once.

- 4.6 The Committee also questioned the witnesses on the aggregate used in road surface seals, noting that recent projects appeared to use an aggregate that was noisier to drive on than that which had been used extensively in the past. The witnesses indicated that there had been a change to the aggregate used in road surface seals, as it was a more cost effective product and provided greater skid resistance and seal longevity:

Mr BURK - The department has done a bit of research on sealing aggregate and what gives the best result. We want good skid resistance with our seals and what has been identified is sealing aggregates with a PAV or polished aggregate value, I think it is 56, gives better skid resistance and better life in your seals. We have been rolling that out but some people have noticed that it is quite noisy. Yes, it does seem to be noisier. You have to think about the safety benefits here. That extra skid resistance gives us extra life and the ability for a driver to bring their vehicle to a stop.

Ms OGILVIE - More quickly in a shorter space?

Mr BURK - Yes, especially in wetter conditions because of its good skid resistance.

CHAIR - It is not because it is cheaper, it is for safety purposes and better braking response?

Mr BURK - I would have to check with our asset management department but I think they would be saying it may be more cost effective as well because you will get that extra life out of it. Because it is starting at a higher skid resistance by the time it gets to 10 years, it is still going to have a higher skid resistance than a lower PAV rated aggregate.

.....With the national highway, we aim to provide our highest level of service and make the environment as safe as we possibly can because you have vehicles at high speed and the higher the skid resistant aggregates are considered best practice.

.....One of the products they have been using is Gaspersic material that has been taken from a quarry on the west coast. There is not a big market for sealing aggregate in Tasmania. It is a long haul from the west coast for the sealing aggregate but it is one of the few aggregates that has that longevity, it keeps its roughness. If you have a look at a traditional crushed dolerite stone, after 10 years, the surface is polished and there is wear.

Consultation

4.7 The Committee questioned the witnesses on the consultation undertaken for the proposed works:

CHAIR -It was mentioned, while we were onsite, the land has been owned by the department and the government for a time. Also you mentioned there will be no impact to existing farmers for access to their land or residents wanting to access their properties. I would also like to know whether you had any consultancy to advise the community or engagement.

Mr MEYER - Yes, we looked at the impact on stakeholders and in this case the directly impacted stakeholders were two landholders who will be impacted by the construction. There will be no impacts on the landholders on the existing carriageway because we are not touching the side of that. The impact is purely on the construction of the new section. We have talked to both of them numerous times and the only major impact is the underpass. When they built the existing road they already closed off direct accesses to the highway and as a result of that one of the landholders has an underpass to link his two sides of his property. We will be extending that as part of these works.

CHAIR - I note there are no representations made to the committee from anyone within the community. Was there any negative feedback that you are aware of?

Mr MEYER - No. The development application has been lodged with the council. It was advertised in the newspapers, on television, telephone calls, but there were no representations. The council recently approved the planning permit with no restricting conditions.

Project Costs

4.8 The Committee questioned the witnesses on the project management costs for the proposed works. The Committee's concern was that there appeared to be a duplication of costs whereby an internal resource was funded for the Department from the State Budget and then cost recovery was applied for the same internal resource from the budget allocated for capital works. In answering the Committee, the witnesses countered that if there were no projects being funded, then there would be no project managers required and therefore project management was a legitimate project cost:

Mr FARRELL - Could you explain to me the project management that goes back to State Growth of \$108 000? That is fairly normal practice I would imagine for building roads. What does that go towards? Does that go back in as a budget item or does it cover the cost of expert advice?

Mr MEYER - My understanding is that the State Growth project management fees is the state government's contribution towards the project of 20 per cent and also there is a fee that is catered for in-house for credit management.

Mr BURK -When we do a project we have in-house people within State Growth, like the asset people, the traffic people, the project management people, who are employed by the state government. There are also consultants engaged and they do flora, fauna, environment, Aboriginal heritage, surveys, geotechnical and design. They have people who are managing that process. That cost engaging the consultants is a lot of the project management. Engineering survey of the whole site, there are all those costs in, broadly speaking, project management.

Ms OGILVIE - We have seen with other projects where the funding has come from the federal and state governments' planning and within the department a project manager has been appointed to the project. The project manager, the employee, is then put against the total money coming from the Federal Government. It would be my contention that it is really double-dipping. If it has its own staff why are we putting that salary against a Federal Government project cost. I have asked a few people, so if you are happy to shed some light on that I would be grateful.

Mr BURK - I work in the traffic engineering branch so our time is not time billed, but do you fill out timesheets, Sven?

Mr MEYER - Yes, that was correct. The project manager's fees are time billed to the project.

Ms OGILVIE - Okay. I have experience in infrastructure myself in terms of communications and I understand your project accounting, but I am finding it difficult to reconcile the fact that as a state government we are funding that salary and then we are also booking that cost against a federal government component. Is there a single answer to that?

Mr BURK -It is a legitimate cost. It is a real task that needs to be done, coordination of a project through all the different phases, getting a consultant to do this and there are different consultants involved. If we didn't do it in-house, if Sven wasn't doing it, we would be paying a consultant to do the overall coordination.

Ms OGILVIE - Okay, because of the way you have your workforce structured you have to bring people in to do that project-based work, is that it?

Mr BURK - Yes.

Mr MEYER -Project managers are there to manage projects, so without projects you don't have project managers.

Mr BURK - State Growth has been through a downsizing recently where 174 positions were earmarked to go in the last 12 months, or this 12-month period, and if there weren't projects to manage, the project management staff would have been reduced. The staff level does match the demand.

Ms OGILVIE - The work.

Mr BURK - Yes.

CHAIR - What I am questioning is to why it goes on as a project cost for a project when really it is not an additional cost, it is the job of that department to supply resources to do it. That, I think, was the question that was asked.

Ms OGILVIE - It was, yes.

CHAIR - It is more a question at Estimates, I would say, where we can ask the relevant department head and the minister on why it is done that way and how it is works.

Ms OGILVIE - That it is my preference that if we have the secure and solid job doing their projects and have their salaries coming in, for me it is more of an accounting treatment question.

CHAIR - Yes, that is what we're interested in. We're not criticising or questioning whether it is justifiable or not. Obviously it is, because we're going to build roads, maintain roads and upgrades.

Ms OGILVIE - I take your point, so the core competencies need to stay within the department and there will be times when the scope becomes much larger as massive projects come on board, so you would bring people in or would you contract people in as well?

Mr BURK - Yes, and we do that. We bring in project managers on contract variously, especially when we have a lot on. A lot of the smaller projects, the \$100 000 projects, we manage in house and we don't time charge. When you get into these major projects there are a lot of hoops to jump through and a lot of tasks to solve, and we have this project services branch, a team of project managers, and it seems appropriate that their time be costed against the job, otherwise there would be consultants doing it.

4.9 The Committee questioned the witnesses on the costs for landscaping and traffic facilities detailed in the Department's submission and sought some clarification on the actual works these items covered:

CHAIR - ... Can you outline what the \$146 000 landscaping is for?

Mr MEYER - That is for the median strip, the management of that, and the change to the information bay.

CHAIR - What about the fencing? I take it you would have to move the fence we have discussed.

Mr MEYER - Yes, that is correct. When we construct the new carriageway to put grass seed down, bushes and those sorts of things, and it is to supply and erect the new fences and gates.

CHAIR - What are the traffic facilities?

Mr BURK - That is all the line marking, signs, cats eyes, wires.

Mr MEYER - The wire barriers.

Mr BURK - All those traffic facilities.

Tenders

- 4.9 The Committee questioned the witnesses about the project tender process, and were pleased to note that potential tenderers would be given adequate time to develop and submit their tenders:

CHAIR - When will it go to tender?

Mr MEYER - July.

CHAIR - When will those tenders be submitted? When will the close for the submission of the tenders be? How long will businesses have to do the tenders?

Mr MEYER - Six weeks for this one.

CHAIR - Is that the standard turnaround time?

Mr MEYER - No, it's normally three and a half weeks.

CHAIR - I am glad it's six because some of the feedback I have from businesses and particularly the smaller operators is they don't have time to submit the tenders.

5 DOCUMENTS TAKEN INTO EVIDENCE

- 5.1 The following documents were taken into evidence and considered by the Committee:

- Bass Highway West of Westbury, Duplication between Birralea Road Overpass and Exton - Department of State Growth - Submission to the Parliamentary Standing Committee on Public Works, April 2015; and
- An aerial photograph detailing the redesign of the information bay on the northern side of the Bass Highway near the Westbury turnoff.

6 CONCLUSION AND RECOMMENDATION

- 6.1 The Committee is satisfied that the need for the proposed works has been established. Once complete, the works will improve driver safety by providing a consistent road environment and reducing driver confusion, which in turn, will reduce both head on and loss of control crashes.
- 6.2 Accordingly, the Committee recommends the project, in accordance with the documentation submitted, at an estimated total cost of \$9,600,000.

**Parliament House
Hobart
4 June 2015**

**Adam Brooks MP
Chairman**