



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Mud Walls Secondary Road - Road Reinstatement

*Presented to His Excellency the Governor pursuant to the provisions of the
Public Works Committee Act 1914.*

MEMBERS OF THE COMMITTEE

Legislative Council

Mr *Harriss* (Chairman)
Mr *Hall*

House of Assembly

Mr *Booth*
Mr *Brooks*
Ms *White*

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1. INTRODUCTION

To His Excellency the Honourable Peter Underwood, AM, Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia.

MAY IT PLEASE YOUR EXCELLENCY

The Committee has investigated the following proposal: -

Mud Walls Secondary Road – Road Reinstatement

and now has the honour to present the Report to Your Excellency in accordance with the Public Works Committee Act 1914.

2. BACKGROUND

This reference recommended that the Committee approve the widening and strengthening of approximately 10.2 kilometres of road at the northern end of Mud Walls Secondary Road, located in the Coal River Valley in the municipality of Southern Midlands.

The project extends from the existing railway crossing just north of Colebrook to the Ringwood Creek culvert. The road provides access to agricultural and rural properties in the valley and links Colebrook Main Road to the Midland Highway.

The overall objectives of the project are to:-

- Improve pavement strength;
- Improve pavement drainage;
- Improve safety; and
- Reduce maintenance costs.

The full submission of the Department of Infrastructure and Resources in support of the reference is published on the website of the Committee at:

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

3. PROJECT FUNDING & COSTS

Mudwalls Secondary Road
 Cost Estimate
 Project No. 1280-1-47

Base Estimate							Comment	
	unit	qty	Rate	Amount				
2 Development Phase								
a	Project Management							
b	Preliminary Design	Item	\$ 343,712	\$ 343,712		This line to be removed in final estimate		
c	Detailed Design	Item	\$ 408,639	\$ 408,639		Includes consultant project management costs		
d	DIER Project Management	Item	\$ 40,000	\$ 40,000		Includes consultant project management costs		
	Subtotal: Development Phase			\$ 792,351		DIER provided rate		
3 Property Acquisition								
	Acquisition	Item		\$ 143,049		Based on \$3500 per ha plus \$2500 per property in fees plus survey.		
	Subtotal: Property Acquisition			\$ 143,049				
	Total Pre-Construction Costs			\$ 935,400				
4 Delivery Phase								
a	DIER Project Management	Item	\$ 60,000	\$ 60,000		DIER provided rate		
b	Contract Administration	Item	\$ 258,720	\$ 258,720		44 weeks, Superintendent 2 per week @ 220/hr, Supt. Rep 1 day per week @ 180/hr, Supervisor 4days per week @ 125/hr		
c	Client supplied Insurances, Fees, Levies	Item	\$ 21,080	\$ 21,080		Contract Insurance (\$36,837,510,000)		
	Subtotal: Delivery Phase Client Costs			\$ 339,800				
5 Construction								
	Total Client's Costs			\$ 1,275,200				
Contractor's Direct Costs								
a	Environmental Works			\$ 119,799				
b	Temporary Works / Traffic Management			\$ 297,880				
c	Public Utilities Adjustments			\$ 28,040		Aurora Quote Dated 19/09/2011 = 14125.61, Telstra Quote Dated 29/09/2011 = 13914.76		
d	Bulk Earthworks			\$ 1,106,496				
e	Drainage			\$ 756,269				
f	Pavements			\$ 2,331,155				
g	Road marking, signage, furniture			\$ 106,851				
h	Landscaping			\$ 811,661				
i	Supplementary Items			\$ 165,554				
	Total Contractor's Costs			\$ 5,723,703				
6 Client Supplied Materials or Services								
	Total Contractor's Costs			\$ -		None		
8 Client Supplied Materials or Services								
	Total Construction Cost (TCC)			\$ 5,723,703				
9 Total Construction + CA Cost								
	Total Construction + CA Cost			\$ 6,063,504				
10 Base Estimate								
	Base Estimate			\$ 7,000,000				
	Contingency - inherent risks						P90	
	Contingency - contingent risks						P50	
12	Total Contingency			\$ 542,800			\$954,000	
							\$534,372	
							\$684,851	
							\$977,172	
							\$1,638,851	
13	Project Estimate			\$ 7,980,000			\$8,640,000	
14 Cashflow: Start Construction Jan 2012, Finish Construction April 2013								
	Escalation (applied to Project Estimate)							
	% escalation (compared to base estimate + contingency)							
				\$ 220,000			\$ 240,000	
							3%	
15	Total Outturn Cost			\$ 8,200,000			\$ 8,880,000	

4. EVIDENCE

The Committee commenced its inquiry on Wednesday, 9 November last. The following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

Department of Infrastructure and Resources

- Gunadasa Ginneliya – DIER
- Dion Lester – Pitt & Sherry
- Juan Lee – Pitt & Sherry

Southern Midlands Council

- Cr. Tony Bisdee OAM, Mayor
- Andrew Benson, Acting General Manager

Overview

Mr Ginneliya provided the following background and overview of the project:-

It was a council-owned road and it was transferred to the department in 1999. Since early 2000 the department spent nearly \$10 million for various rehabilitation work and some safety improvement work such as replacing some of the existing post and wire fencing with guard fencing and some culvert replacement and also maintenance of the road.

The department also introduced a load limit to restrict heavy vehicle movement through this road. There is the load limit between the Midland Highway and just before the secondary road commences. That is primarily to prevent the movement of heavy vehicles on that road.

Prior to the 2010 election there was a local community group who actively lobbied for a commitment to improve the deteriorating condition of the road. As some of you are aware, the conditions are appalling, especially a section north of the Colebrook rail crossing. In January 2010 the Government announced an election commitment of \$8 million to improve the condition of the road. Subsequently, the Mud Walls Road project was included into the community road and west coast road programs. This is in the public domain. I am happy to table as a document the community roads and west coast roads program. Mud Walls Road is one of the projects in that program.

Subsequently in December 2010 Pitt & Sherry were commissioned to commence the concept design right through to detailed design and tender documentation. The primary objective of this project, as highlighted in the community roads program, is restoration of the pavement, structural capacity and road surface condition on the northern section of the Mud Walls secondary road to address deteriorating and failing pavement. With that objective we started the project. In the early stages, various assessment options and investigations were carried out. After going through several options we were able to come up with the most cost-effective and value-for-money option. While doing that, the project divided into two sections, as you may have seen in the report, sections 1 and 2 or A and B. One section commences from the rail crossing to Lovely Banks junction and the next section commences from Lovely Banks Road to Ringwood Creek culvert.

As a part of the design process, potential consulting engineers were requested to produce a statement of departure from the design standard. It is a standard practice

within the department now that if a road is not being designed to the current relevant standard, a document has to be prepared highlighting what other standards we are not able to meet in terms of the geometric improvement et cetera. It has to be assessed by the department and signed by various parties, including the general manager. I should be able to table that document as well.

The justification not to implement any geometric changes was primarily based on justifications given in that report: low traffic volumes, a low accident history and status of the road - primarily a category 5 local road.

The concept design was presented to the local community, as agreed at the very beginning, for comment. There were a few people who turned up to submit their comments. Some expressed that they are unhappy that we are not upgrading and there are no geometrical improvements to the road. However, they were pleased to see that at least the road condition is being fixed compared to what it is now, especially that 10 kilometres north of the rail crossing.

All service authorities - Telstra and Aurora - have been contacted about service relocation, which is underway already, and agreements have been signed with those parties. Landowner discussions have been held, including with the consultants, and all issues raised by landowners have been taken into consideration in the design.

Revised estimate

Mr Ginneliya advised the Committee of the necessity to revise the estimate:-

The original estimate submitted to this committee was primarily a concept design which was not refined. Since that time the consultant has done more design work and we have had more site visits and discussion with the department, with the project sponsor. Various steps have been taken to revise those estimates so with that, the cost of the cement, the P50 estimate has now landed at \$8.2 million and the P90 estimate has landed at \$8.880 million.

Design issues

Mr Lee made the following submission to the Committee detailing the design issues:

The project ... is about 10 kilometres split into two pieces from the rail crossing just north of Colebrook through to some dams between Colebrook and the Midland Highway. We looked at several options including overlays, widening on both sides and widening on one side and various options of different overlay thicknesses to refine the costs and get them within budget. It was determined that the best way forward would be to widen on one side, which would reduce the amount of acquisitions and make the construction process a little bit easier.

The acquisitions total about 6.5 hectares and are mainly on the western side but there is a little bit towards the end of the project on both sides but all the widening is contained to one side. Further to that -

The Committee asked the witnesses to confirm that there was no realignment work included in the proposed works. Mr Lee responded:-

That is correct ... we did look at realignment and the justification for not doing so - all of the things that needed to be done were outlined in the report that Gunna just tabled, which is the design exception report, showing all of the curves that needed to be fixed,

et cetera. We are removing trees from both sides of the road to reduce the incidence of collision with obstacles and the other primary objective of this project was to fix the drainage because the road is predominantly falling apart due to the fact that water is flowing underneath it and deteriorating the road pavement. So we are upgrading all of the culverts and providing table drainage on both sides.

We believe the existing pavement is quite sound down below 200 millimetres so we are going to mix up the top section of road and recompact it and then overlay it with more base A, so there will be full pavement reconstruction on the widened section but not over the existing section of the cross-section.

Because the pavement was so out of shape it was easier to widen and excavate only one side and do all the reshaping rather than trying to reshape and dig out little bits on both sides. So you are digging out a lot of one side and nothing on the other side, which reduces the construction costs so you're not dealing in little areas.

The Committee questioned the witnesses as to whether the speed limit of 80 kph would apply to the road and what safety measures are proposed to be used. Mr Lee responded:-

No, we don't put posted speed signs up but we do have kerb warning signs on the deficient kerbs. We do what's called a 'speed model' on the existing road and it tells you what speed, theoretically, people could and would travel on that road. So we don't post the actual speed limit but we know there will be restrictions at certain corners.

... we're providing the speed warning signs on those particular (bad) corners and chevron alignment boards. They're the yellow ones with the big arrows. (And a continual centre line marking)

Environmental assessments

Mr Lester provided the following evidence in respect of environmental considerations:-

The roadside environment is relatively benign along this area. What items are there or were discovered during the background surveys have also largely been avoided. There is no threatened species or flora species impacted by the roadworks. There are a couple of hundred square metres of tussock skink habitat that will be impacted and beyond that the majority of the site is suffering from fairly heavy weed infestation. So the main environmental flora and fauna issue associated with this road is actually appropriate pre-treatment of the construction site for weeds.

From an Aboriginal heritage perspective the site was also surveyed. There were no Aboriginal heritage sites discovered. There were three areas of potential archaeological sensitivity located adjacent to the road. There is a very marginal impact on those areas and the vast majority of them will be marked as exclusion areas so they will not be impacted by the proposed works.

There were two historic heritage listed sites towards the northern end of the job. In both instances there will be some very minor roadworks associated with the drainage and some land acquisition but no impact on any heritage features. Both those heritage properties are listed by virtue of items that are quite some distance from the road.

There is one other site that is not listed called the 'Ringwood' property that is thought to be associated with an 1830s inn and there is some potential for archaeological

sensitivity there but, again, the roadworks have managed to avoid any impact on that site.

From a permit point of view no development application was required. The Southern Midlands Council planning scheme has an exemption for roadworks of this nature. The impact on the two heritage-listed properties was granted an exemption from a works application under the Historic Cultural Heritage Act. No permit was required under the Aboriginal Relics Act and there has been a permit issued to relocate any tussock skinks prior to construction works. Beyond that it is pretty much improved agricultural land along there, so that is it from me.

Bike lane

The Committee questioned the witnesses as to whether a dedicated bike lane would be included. Mr Lester responded “No”, Mr Ginneliya added:-

I have occasionally seen some cyclists there. But what we are doing in this job is consistent with what we have done in the past on Mud Walls Road. It is not the first section we are rehabilitating. We have rehabilitated a number of sections, one section south of Colebrook, another section north of Colebrook and some other repairs, pothole repairs et cetera. This is very inconsistent with what we have done and we do not intend to widen more to provide - because the minimum lane width requirement for cycle lanes is 2.5 metres for the standard. That would require further widening and further acquisition and additional costs incurred.

Aboriginal cultural heritage

The Committee referenced the submission of the Department which stated that there are some specific locations where there is an “elevated potential for Aboriginal heritage sites to be present” and questioned the witnesses as to the significance of that statement and where these locations are and what the impact of any significant finds might be. Mr Lester responded:-

The field survey did not discover any visible items of Aboriginal relics. One of the aspects that they do in association with the field survey is characterise the landscape and the environment based on what they understand about the traditional use of the land and where certain spots are more attractive or otherwise. So there are three places towards the northern extent of the road where there are, I guess you would call them, relatively flat elevated areas that have potential for archaeological deposits. Nothing was noted in the field survey and it was deemed by the archaeologists and confirmed by Aboriginal Heritage Tasmania that there was no value in undertaking subsurface surveys which would ordinarily be the process that you would do because there are very shallow soil deposits there. These areas have been highlighted by the archaeologists as somewhere where potentially there was some traditional use but that there was no value in investigating it further. If we are talking on scales of significance it is relatively minor. There might be a relic or two. Instead the way that they are being dealt with is the impact has been minimised in those areas to less than three metres, nibbling away from the edges because it is fairly minor roadworks. Plus there are unanticipated discovery finds in place for the contractor. So that if anything is discovered through the construction then there are management measures in place through their contract to deal with that.

There have been Aboriginal surveys undertaken by an archaeologist and an Aboriginal heritage officer recognised by the community. They were originally slated for about a year and a half ago and they were put on hold by the department in respect of the

request by the two Aboriginal Heritage groups, TAC and TALSC, that no further works occur. That request continued for some time and what has happened in reality is that the vast majority of practitioners have returned to work without any particularly strong message from those two groups, TAC and TALSC. The lion's share of practitioners in this area have returned to work within the last three months, and that was about the point in time when the investigations for Mud Walls occurred. The investigations for Mud Walls road were delayed from an Aboriginal Heritage perspective for more than 12 months on the basis of respecting that moratorium.

... there are statutory requirements in the Aboriginal Relics Act around (the discovery of relics) and around notification of Aboriginal Heritage Tasmania, plus an appropriate Aboriginal community group. There is a well-defined process within that act that needs to be followed which, as you quite rightly point out, involves a person who is recognised by the community and with the appropriate qualifications to inspect that find. Then it is up to the Aboriginal community and the Regulator, Aboriginal Heritage Tasmania or the Director of National Parks to determine the way forward.

Southern Midlands Council

The Mayor of the Southern Midlands Council, Councillor Bisdee, made the following submission:-

Our submission is totally in support of the project. I think there has been a lot of publicity about the Mud Walls Road and the Pass and I think for those people who have travelled it acknowledge the unsafe condition of the road and this was a commitment by the Government at the last election, as DIER have pointed out. We think it is an appropriate expenditure of public moneys for a number of reasons and of course safety is one. It is an important link road between the eastern shore and the Hobart Airport and the north of the State and it is used a great deal by freighters and residents of the eastern shore.

Also, I think the Coal River Valley is a very important part of our municipal area. It is certainly a growth area for us and the great expansion of the viticultural industry is there as well as the stone fruit industry and the orchards. There has been a huge investment of funds in that area and I believe that the investment warrants the upgrading of the road as the northern part of entrance to the Coal River Valley.

Also it is a very important irrigation area with the Craighourne Dam now delightfully full after 10 or so years of drought and being empty. All that has been resurrected and is playing its rightful and beneficial part in the development and agricultural production of that area.

From the tourism industry's point of view, linking the historic towns of Oatlands and Richmond and onwards to Port Arthur is very important. While a lot of tourists hire cars in the State, they are not allowed to travel on gravel roads and I believe that there has been some dissatisfaction by tourists about the state of that road when using hire cars. GPS systems will usually take the shortest route to any destination and if that destination happens to be on the eastern shore or south of that area, the GPS will pinpoint that as the appropriate road to travel rather than coming to Bridgewater and down the National Highway onto the Brooker Highway and into Hobart and then out over the Tasman Bridge.

I think those aspects are very important for us and of course we want to see that take place. Personally, I just have a couple of issues. One is about what upgrading is going to take place at the Lovely Banks Road intersection and whether that is going to be upgraded because that is very much a substandard intersection where the traffic does

not align with the highway. They are coming uphill onto the highway and it is quite a dangerous intersection.

Also the DIER engineer pointed out that there is going to be no realignment. There is an extremely bad corner by the old Ringwood shearing shed. There is a shearing shed very close to the existing road and there are two very bad corners there. I accept that most of the other parts of the road could suffice without major realignment but I think in this particular area it would be a small deviation to make to cut off two of the worst corners north of the Colebrook railway line. While they have not incorporated that in the design, and I am sure that that would increase the cost of the project, I think it is something that perhaps should be looked at. To do that I would sooner see perhaps that section shortened a little to compensate financially for the cost of this realignment, particularly this corner and that one, because the rest of it is okay.

The Acting General Manager, Mr Benson added:-

The road is a major route and it is flagged by, as we know, a wine route and a heritage route. It is part of what could be termed the Pugin Trail if people are following from an historical perspective the Pugin church in Oatlands, down to Colebrook and certainly there is an impact on the Richmond church as well, so it is a heightened area for tourist travel. That was probably the main reason. Given the Southern Midlands focus on heritage issues, having the largest number of intact Georgian buildings in the country in a village setting, people are drawn from Richmond to Oatlands as an alignment that is preferred for people following that sort of historical perspective.

Certainly the road does need a lot of work. It is hard to think that \$8 million does not go too far these days but certainly the community would be most appreciative of this contribution of the State Government to upgrading this particular portion of road.

The Committee questioned the witnesses as to whether, in their opinion, the proposed works were adequate. Cr. Bisdee responded:-

Probably it is not the ultimate but in this day and age and considering fiscal restraints, perhaps it is the best we can get. With the freight component, there is a load limit on the road at the moment.

... It is 20 tonnes and it is up to DIER as to whether they leave that in place. I expect they will. What we had problems with before were huge B-doubles travelling that road to the Tasman Peninsula with stock feed from Longford. There were also some log trucks on it but that has stopped all of that. The road just could not stand it and something had to be done, so the 20-tonne limit was placed on the bridges. Whether DIER will leave that in place is a decision for them. They could probably tell us today but I have no indication as to whether they are or not. As to the question of whether it is going to be enough, I have a personal concern that we've heard from Juan that the top 200 mm of the road is going to be reinstated, but in an earlier statement he did mention that water is causing the problem because of drainage, and hopefully improved drainage will fix that. Just the same, like all rural roads it is really the foundation that is a problem in a lot of cases, not the travelling surface. Obviously with the process of stabilisation with the addition of lime and things like that it is certainly improved. While I would like to see parts of the foundation replaced, I am sure the cost of that would be prohibitive. I can only accept the engineer's advice that what is proposed will provide a sufficiently robust road and travelling surface that won't have to be repaired in three or four years time because something has failed on it. To me, some of the areas should be dug out and replaced - I am talking about the foundation - but is prohibitive cost-wise.

... Also, we must acknowledge that this is only a part of the road. DIER has upgraded two other sections, as Guna referred to, and they have stood up very well; they have done a very good job with those. They were shorter sections and a lot of the sub-base was replaced and there was also realignment. I have a reservation that 10 kilometres is a long way and \$8 million isn't much money, but I am in no position to say, 'Let's not do it'. I accept the design and I would hope that the issue of the corners, two in particular, would be addressed within the budget and that the Lovely Banks junction be upgraded to a safer junction, again within the budget. I think from that point of view I accept the engineer's assessment that what they are going to do will provide a much better travelling surface and a sounder foundation for the road.

The Committee recalled Mr Ginneliya and questioned him as to whether the \$2 million funded from the Capital Investment Program will be utilised to address the matters which the mayor identified. Mr Ginneliya responded:-

The mayor said there are two issues: realignment of the Ringwood corners and the upgrading of the junction. One option to look at is to cut down from there and do the junction and the realignment of the curves. However, it doesn't look good and is not value for money. We are leaving some potholes in certain areas to upgrade the junction and the curves. If you look at the accident history of the junction, there has been no accident in the past. An entire section of 10.2 kilometres has reported five accidents over the last five years. Accident history is very low, traffic volumes are very low, so based on that is the DIER assessment that although there is a deficient inside distance it just does not rank, compared with other junctions within the State, as a place of priority for safety upgrading. In the original assessment in the early days when we were looking at options we considered that it would cost in the order of \$400 000 to upgrade the junction only. We had to acquire more land on one side to realign the junction, we would need to remove a crest to improve the sight distance, so it will cost us money similar to upgrading of that junction.

To go back to your question of whether we can get that extra \$2 million, I would not be able to give you a commitment now because at that time when we attributed \$10 million we were tossing around the question - budget is \$8 million and at that time our cost estimate was \$10 million so how do we deal with this project. Then the asset management section said yes, we may be able to rearrange some of the projects in 2013-14 financial year and should be able to reallocate funding. It meant that we may have to stop some of the line marking or something else in 2013-14 to reallocate funding.

It is not the original money that we were getting from the Treasury, it is rearranged funding within the forward program to finish the job. We are confident to tell you of the project within \$8 million, but whether I can still get that \$2 million I need to go back and talk to the divisional manager. At the same time there will be more design work, more time, more acquisition issues and we will not be able to go to tender as we planned or scheduled. If the funds are found we may be able to go to tender in May, June, July in 2012 and we will be postponing, possibly, the program by another six to nine months. That will be the situation, Mr Chairman.

5. DOCUMENTS TAKEN INTO EVIDENCE

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

- Submission to the Parliamentary Standing Committee on Public Works – Mud Walls Secondary Road – Road Reinstatement;
- Southern Midlands Council – Submission dated 4 November 2011;
- Colebrook Progress Association – Submission dated 3 November 2011;
- Mud Walls Road Action Group – Submission dated 10 November 2011;
- Mudwalls Secondary Road – Cost Estimate;
- Community Roads and West Coast Roads Program; and
- Application for Departure from a Guideline, Standard or Planning Scheme.

6. CONCLUSION

The need for the proposed works was clearly established. The project will provide improved safety and reduced pavement maintenance costs through strengthening and improvements to pavement drainage.

The Southern Midlands Council together with the Mud Walls Road Action Group submitted that additional works ideally should be included as part of the project. The Committee is able only to approve or not approve the project as submitted, and clearly, the scope of the proposed works will undoubtedly improve the road and the Committee is not of the view that the reference be not approved on the basis that other works should have been included. The Committee does however, commend to the Department the further consideration of the evidence of the Southern Midlands Council and the Mud Walls Road Action Group.

As evidenced, the Committee was concerned to obtain clear clarification as to the nature and surety of the investigation of any Aboriginal cultural heritage that had been undertaken and the processes that would ensue were finds of cultural significance to be made. The evidence of Mr Lester was that, “nothing (of significance) was noted in the field survey and it was deemed by the archaeologists and confirmed by Aboriginal Heritage Tasmania that there was no value in undertaking subsurface surveys which would ordinarily be the process”. No evidence was received from the Aboriginal community that may give rise to any concern of the Committee that appropriate consideration had not been given

to the protection of heritage. The Committee is satisfied on the evidence received that appropriate consideration has been given to this issue.

The Committee recommends the project in accordance with the plans and specifications submitted.

**1 December 2011
Parliament House
Hobart**

**Hon. A. P. Harriss M.L.C.
Chairman**