



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Lilydale to Scottsdale, Hurst Creek to Oak Dene Road – Road Deviation

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 *Best*
Mrs *Napier*
Mr *Sturges*

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INTRODUCTION

To His Excellency the Honourable William John Ellis Cox, Companion of the Order of Australia, Reserve Forces Decoration, Efficiency Decoration, 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: -

Lilydale to Scottsdale, Hurst Creek to Oak Dene Road – Road Deviation

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

BACKGROUND

Over recent years the Department of Infrastructure, Energy and Resources (DIER) has carried out a number of studies to determine the optimum route into the north east of the State. As a result of these studies the Lilydale Main Road / Golconda Road option was chosen as the preferred route. This reference to the Committee dealt with the proposed deviation between Hurst Creek and Oak Dene Road, a section of this route.

The most recent North East Tasmania Study (NETAS) identified road projects for Lilydale Main Road and Golconda Road to enable this route to be upgraded for the expected increase in volume of light and heavy vehicles.

One of the projects identified in the NETAS report was the upgrading of the western approach to Scottsdale from Blumont Park to Bridport Main Road (approximately 10km). The NETAS report identified a number of corridors for the upgrading, including the current road alignment and major deviations from the existing road. GHD Consultants conducted a further study, in 2002, to refine the possible corridor options and to determine environmental, property, agricultural and land impact issues for the options. The assessment involved consultation with Council, industry, the community and property owners.

In December 2002 DIER commissioned Pitt & Sherry to develop concept designs for the possible road corridors and to assess the concept designs in regard to specific traffic engineering, road design and cost issues. Following this assessment, DIER selected a preferred corridor for preliminary and detailed design – the Blumont Park to Bridport Main Road section of the Lilydale/Golconda corridor. The preferred corridor has been separated into a number of different sections.

The first section, Bridport Main Road to Hurst Creek, involved upgrading the existing section of Golconda Road along Hurst Creek, replacing the existing Listers Lane / Golconda Road junction and realignment of Lister Road north of Hurst Creek. The

Parliamentary Standing Committee for Public Works has previously approved this section.

Following the Chief Magistrate's recent decision not to close the Golconda Road/Listers Lane junction, a new design is being prepared by Consultants that will enable this junction to remain open.

The next section of the corridor - the proposed deviation between Hurst Creek and Oak Dene Road – is the subject of this report.

PROJECT OBJECTIVES

The objectives of the project are as follows:

- Replace sections of the existing road that are considered to be sub-standard for the existing traffic movements;
- Improve safety for road users;
- Improve the road geometry between Hurst Creek and Oak Dene Road; and
- Reduce travel time for road users.

Project Location

The approximate project area is located between the **Bird** River Bridge in the west and Hurst Creek in the east, approximately 2 km west of Scottsdale.

Project Justification

The justifications for this project are improved safety for this section of the road and to consolidate Lilydale/Golconda Main Road as the major strategic freight and commuter transport link into the northeast.

The project incorporates the following significant safety improvements for the road users:

- Bypassing of a section of the existing Golconda Road that has relatively poor geometry and a number of accesses and junctions with substandard sight distances.
- Widening of the traffic lanes, especially on curves, to allow for the tracking of heavy vehicles within the lane.
- Provision of nominally 3.0m lanes and 1.0m sealed shoulders to provide a minimum of 8.0m of sealed width across the road.
- Provision of turning lanes at the Oak Dene Road junction.
- When complete the project will deliver improved safety, increased structural capacity, reduced travel times and improved road transport efficiency making the Lilydale/Golconda Route the primary access road to the North East of Tasmania.

THE EXISTING SITUATION

The Road

The Lilydale/Golconda corridor was established in the North East Tasmania Access Study Corridor Study Report as the preferred freight and passenger access route between Scottsdale and Launceston - the route is the most beneficial economically while minimising the social impacts.

Golconda Road in this area provides local access to the communities at Lietinna and Scottsdale and is an important connection to Bridport main Road through Lister Road.

- A road safety audit was undertaken as part of the NETAS Corridor Study Report, and found the following:
- The horizontal and vertical alignment on sections of Golconda Road create a variety of safety issues;
- The width of the traffic lanes is generally adequate for light vehicles only;
- A number of the side road and property accesses are gravel and have insufficient sight distance; and
- There is insufficient drainage in a number of locations.

Traffic Conditions

Table 1

Traffic Data

Traffic Characteristics	Value
Traffic flow (two way)	1103 AADT
Percentage trucks	11.7%
Percentage semi	3.6%
Percentage B-double	0.6%

This data has been derived from counts for Golconda Road from Pipers Brook Road to Scottsdale in 2000.

Crashes

Table 2 outlines the crash information for Golconda Road between Oak Dene Road and Listers Road during the past 5 years.

Table 2

Crash Data

Vehicle involved	Surface Condition	Severity of crash (/6)	Number of vehicles involved
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Car	Wet	4	1
Wagon	Dry	4	1
Truck	Dry	1	1
Car	Dry	4	1

The Road Side

The abutting land use is rural, predominantly grazing and cropping. Most of the land is cleared with some trees along the roadside and creek lines, and a few scattered in the paddocks.

There are a number of property owners that will be affected by the proposed project; land acquisition is required from six property owners.

No sites of Aboriginal cultural heritage value were identified in the project area during the Aboriginal cultural heritage survey.

An historic heritage survey of the site did not identify any places in the Register of the National Estate, National Heritage List, the Commonwealth Heritage List or Tasmanian Heritage Register.

A botanical survey of the area was undertaken in February 2003 and an additional survey in November 2003 to extend the area of the original survey. Relevant aspects of these reports are summarised following.

The plant community Sedgy *E. ovata* (Black Gum) forest, considered endangered at the State and Regional levels, occurs in the area. Four plant species of conservation significance have previously been recorded within 5 km of the area. These species are: *Caladenia tonelli* (Robust Fingers), *Pterostylis grandiflora* (Superb Greenhood), *Hyolepis muelleri* (Harsh Ground Fern) and *Myriophyllum amphibium* (Broad water milfoil). Introduced grasses, herbs, agricultural species and a variety of weeds are relatively widespread in the area. No plant species of conservation significance were recorded from the project area in either of the surveys.

A fauna habitat assessment of the area was undertaken in February 2003 in association with the botanical survey. An additional survey was undertaken in November 2003 to extend the area covered in the first survey. In these assessments vegetation was related to fauna habitat with respect to threatened fauna species, either known from the area or considered to potentially occur there.

The area may provide some suitable habitat for the following species of conservation significance:

- Eastern Barred Bandicoot (*Perameles gunnii*): woodlands and open grassy sites
- Green and Gold Frog (*Litoria raniformis*): Hurst Creek and the associated farm dams
- Eastern Quoll (*Dasyurus viverrinus*): bush-pasture interfaces.

- Masked Owl (*Tyto novaehollandiae castanops*): may roost in remnants having older trees.

THE PROJECT

Proposed Works

The proposed works involve the construction of 1 km of new highway. At the western end the new highway will match into the existing highway adjacent to the Brid River Bridge. At the eastern end the works will match into the section of Golconda Road which was recently upgraded as part of the overall Lilydale Road / Golconda Road improvements.

The section of Golconda Road to be bypassed will be connected to the highway with a junction at Oak Dene Road (at the western end of the works).

A direct route for the bypass has been selected to provide travel timesavings for road users whilst minimising the impact on landowners. The horizontal and vertical alignment of the new road has been designed to meet current design standards and guidelines.

Junctions, Accesses and Stock Underpasses

Oak Dene Road

The existing junction with Oak Dene Road will be reconstructed to provide a dedicated right turn lane on the highway. Oak Dene Road will be widened and sealed for a length of 100m from the junction.

As part of upgrading works at the junction, improvements to the drainage will be carried out to prevent gravel and sand being washed onto the road and highway.

Property Accesses

In addition to the above junction there are a number of property accesses that are proposed along the new road. These accesses have been provided in consultation with the property owners to allow access to properties affected by the new route so that the impact on farming operations and land management in general is minimised.

Stock Underpasses

Stock underpasses are to be provided for 2 landowners, where movement of stock will be affected by the new alignment.

Service Relocations

Water Mains

There are no Council water mains located within the site, however a number of irrigation lines and individual property water supplies will require relocation as part of the works.

Telstra

There are Telstra optic fibre and copper lines within the site. The optic fibre cables and local copper cables will not be impacted by the proposed work.

Aurora

There are Aurora overhead services adjacent to the Golconda Road, near Oak Dene Road junction and at the eastern end of the project area. These services will need to be relocated in some areas so as to be clear of the earthworks and to be sufficiently clear of traffic lanes.

PROJECT COSTS

The major project components and estimated costs are as follows:

Project Specific	\$665,500
Earthworks	\$830,000
Drainage	\$279,500
Pavement	\$569,500
Bituminous Surfacing	\$75,000
Traffic Facilities	\$119,000
Landscaping	\$76,500
Miscellaneous	\$64,000
Aurora Relocations	\$40,000
Acquisition	\$150,000
Professional Fees for Design, Contract Administration and DIER	\$400,000
Contingency	\$270,000
TOTAL	\$3,539,000

Environmental and Social Implications

Environmental Issues

There will be limited impact on the natural or built environment by the proposed works. The following processes and actions will be incorporated into the project:

Drainage and Water Quality

The proposed works are unlikely to have any significant long-term impacts on water quality in the Brid River or Hurst Creek. There will, however, be some short-term impacts on water quality in these streams associated with construction activities.

In accordance with Section 35.1 of The State Policy on Water Quality Management 1997, all road construction works will employ measures consistent with best practice environmental management to prevent erosion and the pollution of streams and waterways by runoff from sites of road construction. Sedimentation controls will be used, where required, to reduce the particulates in surface water run-off from entering local waterways. All drainage from the site drains will be directed to outfalls with sediment traps. These controls will be established prior to commencing the works and will be removed following completion of the earthworks, once disturbed soil has stabilised.

Botanical Values

No species of national or state significance were recorded from the project area or are thought likely to occur.

There will be a small impact on the plant community *Sedgy E. ovata* (Black Gum) forest, considered endangered at the State and Regional levels, on the southern side of Golconda Road opposite Oak Dene Road. Clearing for road construction will be kept to the minimum practicable level to minimise any impact on botanical values in the area.

All weed areas will be identified and requirements for treatment of the various declared weeds and environmental weeds will be included in the construction contract documents.

Zoological Values

Impact on fauna habitat in the area will be minimal as there will be very little removal of vegetation in the area as a result of the proposed works.

There will be no impact on the riparian habitat of the giant freshwater lobster (*Astacopsis gouldi*), as the project does not involve any works within the creeks in the area.

Widening and raising of the road at the Hurst Creek crossing point will have some impact on potential habitat for the Green and Gold Frog as the road will be widened into the southern edge of the dam on Hurst Creek, on the northern side of Golconda Road. This potential impact is, however, considered to be minor. The road has been designed to provide a balance between impact on the dam on Hurst Creek and impact on vegetation to the south of the alignment, west of Hurst Creek. Appropriate sedimentation control measures will be undertaken to ensure that any impact on the dam is kept to the minimum practicable level possible.

Aboriginal Heritage Values

There will be no significant impact on Aboriginal cultural heritage values in the area as no Aboriginal sites or cultural landscape values were identified in the modified landscapes adjacent to the Bass Highway.

Historic Heritage Values

An historic heritage survey undertaken in the area of the proposed works did not identify any historic heritage and cultural landscape issues. There will be no impact on any historic heritage values as a result of the proposal.

Topography and Visual Impact

The road design has incorporated the minimum possible cut and fill consistent with appropriate gradients, sight distance and good design in order to minimise impacts on the local topography. The proposed works have been designed to minimise any impacts on landscape values to ensure that the visual amenity of the area is maintained. Accordingly, potential impacts on the roadside plantings have been kept to a minimum practicable level consistent with good road design.

Social Implications

Potential social and economic impacts as a result of the proposed works will be positive, the aim of the works is to improve safety and traffic flow on Golconda Road, including the Oak Dene Road junctions.

Once complete, the works will provide improved safety on this section of Golconda Road by providing wider traffic lanes, an improved junction at Oak Dene Road and increased sight distances at the accesses.

The completed works will provide economic benefits, as these improvements will significantly increase safety on this section of the highway. The Lilydale/Golconda Main Road will become the major strategic freight and commuter transport link in the North East.

There will be some short-term social impacts arising from inconvenience associated with the road construction activities.

Property Matters

All potentially affected property owners have been consulted and are generally in acceptance of the proposed acquisitions. There have been discussions with the affected property owners to determine what accommodation works are necessary and to enable acquisition of the necessary land. Every effort has been made to ensure that individual concerns have been addressed.

The accesses to the abutting properties will be adjusted to facilitate the construction of the roadworks and to ensure that each access has adequate sight distance.

Planning Approval

The project area is located in the Dorset municipality and within the jurisdiction of the Dorset Planning Scheme 1996. DIER, in cooperation with the Dorset Council, has obtained an amendment to the Dorset Planning Scheme 1996 to provide a 100m wide corridor along the route within which a road can be constructed as a permitted activity. This process was chosen by DIER to provide the local community with the opportunity to raise concerns and provide comments and input to the project at an early stage in the design process.

Through the process of final route selection and detailed design it is apparent that some areas of the new works will be outside the designated corridor. Acquisition of the required property for the project is underway and it is intended to proclaim the land as a highway once the land is acquired. Once this is completed the land required for the road will be deemed a Road Resource Unit under the Dorset Planning Scheme 1996. Major Road Works are a Permitted use for development in this zone and a Development Application will be lodged with Dorset Council for final approval.

Public Consultation

This project is the result of one of the most extensive public consultation processes undertaken as part of a road planning study in Tasmania. The consultative program has involved a number of different studies over an extended period. The most recent of these have included:

- Ratio Consultants 2000, Frankford and Birrale Main Roads Strategic Assessment Study;
- GHD 2002, North East Tasmania Access Study: Corridor Study Report;
- GHD 2002, NETAS Stage 2 – Western Approaches to Scottsdale; and
- DIER 2003, Northern Tasmanian Integrated Transport Plan Stage 1 – Strategic Direction.

These well researched and qualified reviews and consultations have identified one strategic road link into North East Tasmania – the Lilydale/Golconda Main Road - as being needed for the benefit of economic and social development of north eastern Tasmania.

EVIDENCE

The Committee commenced its inquiry on Thursday, 16 November last. The Committee inspected the site of the proposed works and heard the following witnesses who made the Statutory Declaration and were examined by the Committee in public at the Dorset Council Chambers:-

- John Martin, General Manager, Dorset Council; and
- Graeme Nichols - Project Manager Department of Infrastructure, Energy and Resources.

On Wednesday, 13 December last at Henty House, Mr Les Lette, Resident of Browns Road, Scottsdale, was called, made the Statutory Declaration and was examined by the Committee in public. Mr Nichols was recalled.

Project Overview

The Project Manager, Mr Graeme Nichols, provided the following overview of the proposed works:-

... The project objectives are to replace sections of the existing road that are considered to be substandard for the existing traffic movements, improve safety for road users, improve the road geometry between Hurst Creek and Oak Dene Road, and reduce travel time, which will be not substantial but a slight improvement.

Project justification is improved safety for this section of the road and to consolidate Lilydale-Golconda Main Road as the major strategic freight and commuter transport link into the north-east. The safety improvements are: bypassing a section of the existing Golconda Road that has relatively poor geometry; a number of accesses and junctions with substandard sight distances; widening the traffic lanes, particularly on curves, to allow for tracking of heavy vehicles within the lane; provide 3-metre lanes with a 1-metre sealed shoulder to provide a minimum of 8-metre sealed width across the road, as per stage 1; and provide a substantial junction at Oak Dene Road with a right-turn slot.

The existing road is fairly poor over this section of Golconda Road. The Golconda Road corridor was established in the North-East Tasmanian Access Study report as the preferred freight and passenger access route between Scottsdale and Launceston. The route is the most beneficial economically, while minimising social impacts. Golconda Road in this area provides local access to the communities at Lietinna and Scottsdale and is an important connection to Bridport main road through Listers Road or lane. There seems to be a bit of debate - it is known locally as Listers Lane but on all the maps it is known as Listers Road.

A road safety audit was undertaken as part of the NETAS corridor study and found the following: horizontal and vertical alignments on the section of Golconda Road create a variety of safety issues; the width of traffic lanes is generally adequate for light vehicles only; a number of the side roads and property accesses are gravel and have insufficient sight distance; there is insufficient drainage in a number of locations. The traffic volumes at present are not huge. There are 1 103 vehicles per day and of those 11.7 per cent are trucks. Of all vehicles, 3.6 per cent are semitrailers and 0.06 per cent are B-doubles.

... There have been four crashes on the section of road between Oak Dene Road and Listers Road over the past few years, three of which have been more substantial crashes.

You are fairly familiar with the roadside. There are no sites of Aboriginal cultural heritage value; there are no sites that have been identified as having historic value. There is a summary of the botanical values. There is some black gum forest down near the Brid River that we are going to impact on. It is probably worth noting that no plant species of conservation significance were recorded from the project area. Equally, it could be habitat for a number of species but we haven't identified those particular species in the area. It does not mean they do not frequent these areas but we haven't found them.

The proposed works involve 1 kilometre of new highway at the western end and will match into the existing road at Brid River bridge and the eastern end of the works will match into a section of Golconda Road which was previously upgraded as part of stage 1.

The section of Golconda Road which we are referring to as old Golconda Road will link into Oak Dene Road and access the new section of Golconda Road by the Oak Dene Road junction. So Oak Dene Road will be reconstructed by the dedicated right-turn lane on the highway and Oak Dene Road will be widened at the bottom end and sealed for a length of 100 metres from the junction. There will also be improvements to the drainage. There is quite a bit of material coming down off Oak Dene Road as it is very erodable so by sealing it and providing better drainage we should be able to improve that situation.

There are property accesses and there are a number of accesses provided for Lette and Brown in particular and in conjunction with those accesses there will be stock underpasses and stockyards to provide movement of stock under the road.

Regarding service relocations, there are no council water mains. There are some irrigation lines that we are providing for and individual water supplies are being catered for. There is no proposed work for Telstra and for Aurora we are having an overhead line relocated fairly soon. That crosses the highway and will cause a problem as it impacts on the road.

We are anticipating that construction will begin in April and there will be completion in December 2007. There is a breakdown of costs with a total cost of \$3.5 million and a 10 per cent contingency on construction.

Regarding environmental issues, drainage and water quality mainly relates to the construction of the road and how we prevent silt and undesirable materials getting into streams and waterways. It would be a fairly normal way of dealing with that, with sediment traps and sediment basins to collect that material and then that is dealt with at a later stage.

Regarding botanical values, as I have said before, at Oak Dene Road there is a bit of black gum forest that would be impacted on but it is not considered to be of great botanical value.

Regarding zoological values, the impact on fauna habitat will be minimal and there will be no impact on the giant freshwater lobster which does frequent the Brid River. There are no particular impacts on those and as there are no particular impacts on Aboriginal heritage, historic heritage, I will just read out the bit on topographical and visual impact.

The road design has incorporated minimum possible cut and fill, consistent with appropriate grade-sight distance and good design in order to minimise the impacts on the local topography. The proposed works have been designed to minimise any impacts on landscape values to ensure that the visual amenity of the area is maintained. Accordingly, potential impacts on the roadside plantings have been kept to a minimum practical level, consistent with good road design.

Potential social and economic impacts as a result of the proposed works will be positive. The aim of the works is to improve safety and traffic flow on Golconda Road including the Oak Dene Road junction. Once completed, the works will provide improved safety on this section of Golconda Road by providing wider traffic lanes, an improved junction at Oak Dene Road and increased sight distances at the accesses. The completed works will provide economic benefits and will significantly improve safety on this section of the highway.

The Golconda Road will become a strategic freight and commuter transport link in the north-east. There will be some short-term social impacts arising from inconvenience associated with the road construction activities. All potential affected property owners have been consulted and are generally in acceptance of the proposed acquisitions. We have discussed with them accommodation works and every effort has been made to ensure individual concerns have been addressed. The accesses to abutting properties will be adjusted to facilitate construction of the roadworks and to ensure that each access has adequate sight distance.

On the question of planning approval: the development application has been submitted and we do have a planning permit from the Dorset Council. It is also worth noting that whilst the Dorset planning scheme was changed to accommodate a 100 metre-wide corridor we have actually now proclaimed this corridor, which basically means that the road is a permitted use within the corridor. So that planning approval stage is complete.

Regarding public consultation, there is a list of the studies that have been done dealing with the north-east Tasmania access. I might also mention that in about a week's time we are going to put up a public display of this and the junction for William Street, so that will be done by the end of the month.

Budget

The Committee questioned Mr Nichols regarding the budget for the proposed works, in particular an explanation was sought for the item entitled 'project specific'. Mr Nichols responded:-

(The Department has) divided them up into the parts that go into the specification for contract and 'project specific' is part one. Earthworks, for instance, is part two, drainage part three and so forth. 'Project specific' includes the stock underpasses, the stockyards and it may also include the rock blankets we are placing in Hurst Creek; works into the Coote's dam and anything that is not described in our standard schedule of items - pavement is separate - surfacing but anything that is particular to this job. Nor does it include guard fence and things like that, it is basically just different items so there is a fair bit of cost in the stockyards and the stock underpasses and probably the rock blanket.

Land Acquisition

The Committee questioned the witness as to the valuation methodology used for the acquisition of land required for the proposed works. Mr Nichols responded:-

The valuation is done by the DPIW valuer. Then the landowner is given the opportunity to have his own valuer assess the value of the land and injurious effects, at our cost. If those two values are different, the Crown valuer and the private valuer get together and discuss why they are different and then they move towards a common position.

... I wouldn't have expected (the difference between the two) to be huge because we already have a road going through their properties and we are providing stockyards and underpasses that they don't have at the moment. I think it would be fairly minor.

Clarification was sought by the Committee as to whether that part of the road which currently runs through Mr Brown's land on the Scottsdale side would no longer be used as a road and would consequently be transferred to the ownership of Mr Brown. Mr Nichols responded:-

That is correct.

... I think they may want the road retained there for their own use but otherwise we will pull it up and return it to pasture.

... We have no interest in retaining that.

North-Eastern Access

The Committee questioned Mr Nichols regarding the total expenditure to date upon the improvement of the 'north-eastern access road'. The following exchange occurred:-

Mr NICHOLS - *I think, including this section, we are up to about \$15 million or so. Then we have the William Street junction so that might bring it up to about \$16 million. So we have about \$4 million and we have asked council to indicate what projects they would like to have built with that. It is nowhere enough to build the next section.*

Mr HALL - *No.*

Mr NICHOLS - *The difficulty with the next section is that it needs to be done in one piece. Once we leave Oak Dene Road -*

Mr HALL - *Through to Blumont road.*

Mr NICHOLS - *we are really through to Blumont Park. There is an opportunity to get off about 2 kilometres before Blumont Park but we do not gain a great deal. We have spent most of the money by the time we get to that end.*

Mr HALL - *Would you consider this project that we are considering today, 1 kilometre for \$3.5 million or a bit more, to be pretty expensive for what is being achieved there? Is it more to do with the terrain, do you think?*

Mr NICHOLS - *It certainly is. We are doing a fairly major cut at the top, we are affecting landowners and we are rebuilding a junction. It is a significant construction activity. It is about \$2.5 million worth of construction work, plus contingency, plus fees and acquisition.*

And later during the hearing.

Mrs NAPIER - *I have some questions about the costings. It seems to be a very expensive 1 kilometre of road that we are building. The original estimate for Blumont Park was going to cost \$10 million. If we accept that this will give us the Oak Dene Road intersection, what is the kilometre distance between Oak Dene and Blumont? What is the most recent cost estimate?*

Mr NICHOLS - *From Hurst Creek to Blumont Park, my latest estimates were \$14 million.*

Mrs NAPIER - *That is in current dollars - 2006 dollars?*

Mr NICHOLS - *It is probably about a year to 18 months out of date.*

Mrs NAPIER - So that is saying that the remaining section is likely to cost \$10.5 million on 2005 dollars?

Mr NICHOLS - At least, yes. By shortening it by 2 kilometres I think we were only saving about \$2 million. We had a look at that and there wasn't a lot to be gained in shortening it by 2 kilometres. We were looking at various places like this where we could stage the construction so we could get to the next stage but it wasn't possible to do that. It was that once we leave Oak Dene Road we would have to -

Mrs NAPIER - I think you wanted to stay north of the railway line, didn't you, otherwise you would have an intersection across the railway line?

Mr NICHOLS - That is right, we would have to have an underpass. I do not think they are ready to say that the railway is going to close; it could start up again.

Mrs NAPIER - They would keep the option open, I think.

In your estimates, in terms of the NETAS funding, you are saying there is \$4 million remaining after this \$3.6 million is spent?

Mr NICHOLS - Yes. There is approximately \$4 million, I think -

Mrs NAPIER - That is allowing for \$750 000 for the William Street intersection?

Mr NICHOLS - I think it would be about \$3 million to \$4 million, yes.

Mrs NAPIER - When you look at professional fees in your budget breakdown, the professional fees for design contract, administration and DIER are \$400 000. Whilst I accept that, relative to the cost of the actual road of \$3.5 million, given that it is only for 1 kilometre of road, it still seems like a fairly high figure relative to the amount of road we are going to get.

Mr NICHOLS - Yes, but the construction cost is high because of the complexity of building it and, because it is more complex, there are also additional fees in there. Design fees seem to be running out at about 10 per cent of the construction cost, so there is \$250 000. The internal fees tend to be mainly my costs and the property officers and the supervision costs, which tend to run at 4 per cent to 6 per cent of the construction cost.

Mrs NAPIER - So it should eat any more into the contingency fund?

Mr NICHOLS - No.

Mrs NAPIER - The contingency fund is more likely to be for engineering and construction.

Mr NICHOLS - The contingency here is for construction. I was just adding that up and \$400 000 would seem to be about right - about 16 per cent of the construction cost. That would be the total for design, supervision and any other internal costs.

CHAIR - Before we go off that, Sue, I want to investigate that a little further myself. Graeme, could you be precise for me with regard to that \$400 000? You said consultants' fees were about 10 per cent?

Mr NICHOLS - Yes.

CHAIR - Ten per cent of what? Ten per cent of everything less the contingency, taking the contingency off \$3.539 million?

Mr NICHOLS - I was talking about the construction cost which is about \$2.5 million. Sorry, it is \$3.5 million, minus \$270 000, minus \$400 000, so that is \$670 000; so it is about \$2.8 million. It is about \$2.7 million.

Mrs NAPIER - It is \$2.7 million for actual construction?

Mr NICHOLS - Yes, and the contingency is on construction, and that is about 10 per cent.

CHAIR - Just on that then, Mrs Napier has raised the important point. We are really only talking about 1 kilometre of road. Your response to that was that there are some complexities here and yet the layman in me suggests that all we are doing is providing a fairly substantial cut, a bit of fill elsewhere and realigning a road.

Mr NICHOLS - There is also a junction to design and two stock underpasses were fully designed, too.

CHAIR - Yes, but stock underpasses are pretty much off-the-shelf issues, aren't they? That is not an overstatement for me to say that, is it?

Mr NICHOLS - No, I have instructed them to design the box units because there has been an issue with getting contractors to do it as a design-and-construct effort. They organised the design themselves in this case. I have instructed the consultants to design the crown units so we give them a full design for the box units.

CHAIR - What will be different with the design of these underpasses compared to underpasses on other roads where you have x amount of earth above?

Mr NICHOLS - That is the main difference, just the amount of fill. There might be different loading conditions but generally the fill and the truck loading on them.

CHAIR - Just to pursue that a little further, does the department ever negotiate a project-specific fee structure with these consultants, rather than just the flat 10 per cent, 11 per cent or 12 per cent, whatever it might be? We are talking about a pretty simple form of construction here, but there are components in the job, like earthworks.

Mr NICHOLS - It was not negotiated on the percentage basis. I gave you that impression but I was covering that \$400 000 by saying that it is generally about 10 per cent of construction costs, but that is not necessarily what we specifically paid them.

CHAIR - How have you negotiated with this particular project?

Mr NICHOLS - The fees have been done on a time basis. It would have been very difficult to have done this project on a lump sum because it has changed so much as it has developed.

CHAIR - It is true to say, though, that generally consultant fees end up around about the 10 per cent or 11 per cent and that is pretty much a rule of thumb?

Mr NICHOLS - That is what I was really saying. At the end of the day, they do tend to come in at about 10 per cent.

CHAIR - The earthworks component of this is significant because you are cutting fairly deeply through the first part of the project. If I was to analyse other projects where earthworks might be really low and yet the design component was extensive and there was extensive civil consideration to be made by an engineer or an engineering company, then maybe their fees are justified. I am just concerned as to the justification for the fees.

Mr NICHOLS - There are also geotechnical investigations included, which are fairly expensive, and geotechnical reports to do that. There was quite a bit of work done on this section linking old Golconda Road to Oak Dene Road, to ensure that we did not cut off the dam water supply, which is a spring. It is not fed by drains, it is fed by springs. There is still a lot of work involved in a job like this. I think we would find it hard to extract the exact costs on this project because they virtually signed up for the complete project and on a time basis, so we do not have exact costs. I guess the fee that they have put in here is worked out on the basis that I said.

Mrs NAPIER - What would your costs be on the Oak Dene Road intersection?

Mr NICHOLS - I could not tell you, sorry. Do you mean design costs?

Mrs NAPIER - No. There is the design and presumably a component of this cost in terms of professional fees for design is going to the

multipronged nature, I suppose, of the Oak Dene Road connection, and then there is the issue of the cost of construction.

Mr NICHOLS - *I cannot give you a cost for the junction specifically. Where would you stop? What would you include in that Oak Dene Road junction as such? Would you include all the work - the section going up Oak Dene Road, up old Golconda Road?*

Mrs NAPIER - *Yes, I think you would. I think you would look at the cost of the full intersection and connect it back onto the old Golconda Road.*

Mr NICHOLS - *How much of the section would you include in it?*

Mrs NAPIER - *I was just a bit alarmed when I saw the \$3.5 million for 1 kilometre of road. It was originally said that 2008-17 was to be the time in which this road could be completely redeveloped. Looking at these kinds of figures per kilometre, it is going to be a long time before this road gets done. The cost of the redevelopment of the Lilydale-Golconda Road is nothing like what was originally projected.*

Mr NICHOLS - *But this kilometre of road is far more expensive than the next section will be, which is basically a greenfield site with very little complexity, no junctions as such. There is an overpass planned at Carins Road and a culvert at Sawdust Creek and not much else. It is just straight travelling.*

Mrs NAPIER - *Certainly in terms of truck traffic, and I accept that your figures in 2000 show it is not that high, it is rarely that you drive on that road without running into trucks. If we can get to Blumont Park - and I know that isn't the immediate role of this committee - that will make a huge difference in terms of safety for driving for ordinary commuters. That has to be at least a target, I would have thought. I was alarmed about the cost of 1 kilometre relative to what the final cost is going to be.*

Mr NICHOLS - *I do not think you can apply that costing to the rest of the section. It is a far more straightforward construction beyond this point.*

Mrs NAPIER - *Originally when we approved the previous section there was a figure of \$4.3 million, and I know the dam work ended up being much more expensive than was projected because originally the dams and retaining wall areas were going to cost something like \$1.8 million. What was the final construction cost for that Listers Road section?*

Mr NICHOLS - *I think we are looking at about \$5.5 million on that particular section.*

Mrs NAPIER - *\$5.5 million to where this current road is?*

Mr NICHOLS - *Yes.*

Mrs NAPIER - So there is not that much of a blowout.

Mr NICHOLS - No. Road construction costs have been increasing substantially over the last five or six years. There is a lot more construction work around at the moment. I think previous to 2000 the contractors were pegging back their prices. With the amount of construction that is happening in the State over the last six years they have just moved forward and the price has just escalated.

Mrs NAPIER - It is \$5.5 million and that was quite a complex job - the dams and so on.

Mr NICHOLS - Yes, it was.

Mrs NAPIER - I am not sure whether there is much we can do about a bill of \$3.5 million. I would have to say that the projected cost is concerning. With the contingency of \$270 000, you did not provide a contingency in the last project nor in fact the project-specific stuff; are you doing that on all projects now?

Mr NICHOLS - We always have a contingency in the costing but I do not know why it does not appear on that one, to be frank. Certainly it is pretty normal. When we get to this stage we have about a 10 per cent contingency on a road construction job.

Mrs NAPIER - If it comes in at a cheaper price then presumably that can go into that balance?

Mr NICHOLS - Yes, but it is rare. Ten per cent seems to be a figure that we use and also we do actually use it during construction. There are always untoward ground conditions and differences in quantities that seem to use up that 10 per cent. Road building, unfortunately, is not a very exact art.

Mr Lette's Dam

The Committee received a submission from Mr and Mrs Lette regarding the impact of the proposed works on the capacity of a dam on their property. The following exchange took place:

Mrs NAPIER - They are indicating, and I quote:

'It is not compensation which is a major concern at this stage but the loss of capacity in the dam. An offer by us to the department at our cost to raise the height of the dam wall to ensure that storage capacity remains has been rejected by the department.'

They indicate that water supply is vital to them. Is it anticipated that there would be a water culvert under that section of the road that crosses where that creek comes down?

Mr NICHOLS - We are rebuilding the culvert anyway because, as you saw today, it is not of sufficient capacity to carry the water. Hurst Creek carries quite a bit of water at times of flood, so I presume that the water would be going across the road at that section at present. We are upgrading the culverts. The issue is having water get into our embankment fill and we have to protect against that. We said to Mr Lette that it would cost us \$150 000 to build a rock mattress to the level of his new dam, which is a substantial cost and impost to the taxpayers that we were seeking to recover from him.

Mrs NAPIER - If it was to be done, then you would want Mr Lette to provide the cost for whatever adjustments needed to be made to the design to allow for an increased capacity to the dam?

Mr NICHOLS - Yes. At the end of the day the final say on all this is with the Dorset Council.

Mrs NAPIER - Is it your judgment that if no road was redeveloped - in other words, if we continued with the existing road - there wouldn't be a capacity to increase the height of the dam anyway?

Mr NICHOLS - Yes. I think if he raised the dam by a metre it would be up over the road. It would not be satisfactory at all.

Mrs NAPIER - But a culvert is going to be organised. I think that is where you are putting a rock bank or a rock bed.

Mr NICHOLS - Yes, that is right, a rock mattress. We are doing that anyway but we have to raise it by another metre to meet his new dam height.

Mr HALL - His new dam height?

Mr NICHOLS - He intends to raise the height of his dam. Is that what the letter is alluding to?

Mr HALL - Yes. I think, as Mrs Napier read out, 'an offer by us to the department at our cost to raise the height of the dam wall has been rejected by the department'. Surely, raising the height of the dam wall would fall within the Water Management Branch of DPIWE.

Mr NICHOLS - My understanding, from comments made by the man at DPIWE, is that he does have rights to more water than he is storing at present.

Mrs NAPIER - So it is an issue of design?

Mr NICHOLS - Yes. The question is that if he raises the wall of his dam he will be flooding back into the road reservation more than he is presently, and also affecting road embankments.

Mr HALL - Just to get to the nub of the problem as it stands at the moment, when the new road is constructed, will his water capacity be decreased in the current dam? That is their concern.

Mr NICHOLS - I would say it would be very minimal in the current dam because most of the area that we will be damming will be the marshland.

Mr HALL - The actual water storage is on the bottom side of the road.

Mr NICHOLS - Yes, it is on the bottom side and also removed from the road. There is about 10 metres or so between the northern side of the road and his actual clear water that is marsh and water plants and such.

Mr HALL - I suppose their concern is that by excavation and other works being done there that it may impinge on water flows. Is that possible? Has any work been done on that at all?

Mr NICHOLS - I cannot see how that would be an issue. We are actually improving water flow from one side of the road to the other -

Mr HALL - Yes, but it is back up in that marshy area where it is probably spring fed and it may interfere with some spring flows there, I do not know, but that is possible.

Mr NICHOLS - No, I think he is relying upon the flow down the creeks. It is quite a reasonable catchment although it is very heavily dammed the catchment, at least going up Hurst Creek. There would be more water coming from the other side, not from Hurst Creek, but there is another tributary coming in. This creek goes up here and there is another section over here, I think, between the railway and this hill. There is another bit in here that may increase his flows.

Mrs NAPIER - He has that full waterfall of a hill as well.

Mr NICHOLS - Yes, and he also has water coming down on this side of the hill, too, that does not need to go through the road. This is his dam here and this is the kind of marshy area in here that is green and there is another marshy area here on this side. I do not think that the present capacity is really greatly affected and if he raises it by 1 metre I do not think that is a great issue either. It is not an issue for his capacity, it is more of an issue for us, in terms of protecting the embankment here.

Mr HALL - You may be correct in that assumption. Has Mr Lette raised the issue with DIER?

Mr NICHOLS - We had a conversation with him some time ago and I wrote to him to say what our position was. I have not had any further conversation with him. Pitt and Sherry may have, but I am not aware of those discussions.

Mr HALL - Now that the issue has been raised, I would have thought it was something that your department may have talked about with the Water Management Branch of DPIWE to get another view on that.

Mr NICHOLS - They have approached me.

Mrs NAPIER - My question was whether it was built into the compensation figure that would help explain the \$150 000 that is identified for land acquisition. Some of that would go to Lette and some would go to Brown.

Mr NICHOLS - To Brown, Crichton and Coote and maybe a bit to Kettle, too. As I think I said, the Water Management Branch approached me and said they wanted to discuss this. I said that at the end of the day the permission had to be given by the road owner, which is the Dorset Council. I know that he has talked to Larry Smith at Dorset Council about the matter and Larry has discussed it with me, which is correct.

Mrs NAPIER - So if you were the road owner - and I know you are not but you could be and all the studies we have looked at imply that the State will take over the road as the north-east corridor - would you want to see an expansion of that dam?

Mr NICHOLS - Not without a rock blanket in there to protect the embankment.

Mrs NAPIER - The issue is that if Mr Lette wishes to have an expansion of the dam then you would require that he pay for a rock blanket?

Mr NICHOLS - Yes, to contribute to that.

At the meeting of the Committee on 13 December, Mr Lette made the following submission to the Committee:-

The dam has been there for 40 years. It was built to Rivers and Waters Board specification and council approval. There was no written approval from the council 40 years ago, it was just word of mouth from whoever the mayor was.

The dam holds 4.6 megalitres, which you realise is not a very big dam. DIER estimated the water on the southern side at 0.12 megalitre. When Mr Nichols was questioned on that he said, 'A minimal amount'. On the northern side he said, 'There's only a heap of sags on that side'. That is the side the dam is on; that is a swamp, which floats up and down.

Any calculation must consider the cumulative effect of that loss. If you pump the dam down, of course it goes it down. But suppose you get a week of wind, the dam comes up, and I lose that 0.2 of a megalitre each time. If that happens 20 times during the year you can see the cumulative effect. If it rains - and you don't pump when it rains - the dam fills up and runs over the spillway. It could happen 20 times a year and if you multiply that by 0.2, which is a very small amount, it could end up 4 megalitres for the year, which is the capacity of that dam.

I am not seeking anything more than a lost water capacity. The increase of the height of the dam wall will do this. It will also mean that I will not suffer any financial loss as a result of the dam works. I am prepared to do the dam works myself, at my cost, to make up for the water that I think I am going to lose.

DIER say I have no legal right to be compensated for loss of the water which backs up through the culvert. The mere fact that there has been no formal agreement may not be sufficient to deny me the right to continue to do so.

The dam is about a metre down from where the road is now. Mr Nichols said, 'The road floods'. I am 60 years old and I have never seen the road flood, even when a dam above me burst. It goes over my dam wall first. He didn't mention the fact that above the old road there will be a four-metre fill, so if I put a metre on my dam there will still be four metres of roadfill above the dam.

There will be a stock underpass constructed very close to the creek, which will take a heap of water anyway, plus the culvert. The stock underpass will be below the level of the wall, the top 4 metres. It has to be below the road for the stock to go under so if we had a huge flood it would go through the stock path as well as the culvert.

It was mentioned that 'you want to get on with the job'. About this time last year we started talking and every time I met with Graeme, he kept on shifting the goalposts. Firstly he said, 'You won't get a permit to build the dam'. I am on the bottom end of Hurst Creek, which incidentally has not run this year. No water came down into my dam from Hurst Creek, it comes from a spring on the southern side. He said 'You won't get a permit', so I went to the Water Management Branch of DPIWE in April and Steve Pryor said, 'No worries, I'll take it back to everybody'. He took it back and came back and said, 'It's not a problem'. The dam is only a sump really, like the up and down level. I paid my \$1 000 deposit but I cannot put anything in the paper yet ...

... So we got over that one, that was okay. Then three weeks ago, Graeme said, 'It's a council road, they won't let you put that water there', which is already there anyway. So I rushed around to the council, and found it was not a problem with them.

Greg did mention this report which suggests that it could be blocking a spring. We are not really blocking the main spring off; there is a small soak there where the road is going to go and it will block off that, which is fairly irrelevant. The main spring comes from the southern side down; there are no springs on the northern side coming into the dam; they all come from under that road.

(the main concern is the loss of) 0.2 of a megalitre but, as I said, it is the cumulative effect. If it blows, I cannot irrigate on a windy night and I am not going to waste water or if it rains I will not water for a week and I will lose the 0.2 of megalitre each time it happens.

The Committee recalled Mr Nichols to respond to the evidence of Mr Lette.

... I think it is probably important to go through these points that I raised in my letter of 17 March: firstly, the loss of water is really a matter for evaluation and that will be taken into account in the compensation when we do those calculations for the land we are acquiring from Mr Lette. I cannot really pre-empt those calculations - I am not a qualified valuer myself, so that is how that will be addressed. I think it is also important to note that the road is a council road. It is an unusual situation that the State Government is funding and building an upgrade on this road, but at the end of the day the road reservation, as we see it, belongs to the council. What I have said to Mr Lette is that the matter has been referred to council because it is their road, not ours. If they agree to let Mr Lette flood their road, that is between the council and Mr Lette. All we have said in this letter is that we do not support Mr Lette's raising the dam by one metre because it will cost us an extra \$150 000. The rockfill is to protect the road embankment. If Mr Lette floods the road embankment, then we could have the water pumping up through the embankment and fouling the pavement.

The Committee questioned Mr Nichols as to whether an additional 1 metre of rock fill would be required to ensure that the water did not seep up into whatever material was put above the rock. Mr Nichols responded:-

That's right. We just put normal embankment fill above the rock fill. We would build it in a similar fashion to the Sorell Causeway where we do have inundation from tides. We built rock fill up to high-tide level and then we put geotextile on that as a separation layer between the rock fill and the normal embankment above the geotextile and then the pavement on top of that to stop the water pumping up through the normal road embankment and saturating that road embankment and causing a failure.

... We are putting in a rock fill up to the existing dam level. With another metre we need to put in that much more rock fill.

... because the road is 8 metres wide, plus we would have guardrails each side, so that is 10 metres at the top. Where it is 4 metres high, it will be 2 metres above that. It is a slope of 1.5 to 1 in 3, that is 16 metres at the top,

and another 1.5 metres at each side, so that is 19 metres wide at the bottom. So you can see how for each metre that we put this rock fill in, we have an extra 17 or 18 cubic metres of rock fill, and rock fill in Scottsdale is fairly hard to come by. It is not a readily available resource. I think we have been bringing it up from Launceston from the old Boral Quarry.

Dorset Council

The General Manager of the Dorset Council, Mr John Martin, made the following presentation to the Committee in support of the proposed works:-

... Basically, council sees that the proposed works are an extension to the previous reconstruction project, which a parliamentary standing committee looked at in 2004, therefore our submission contains the same submission that we put to you then. There are a few comments that are now probably a bit out of context because there have been some road works, but generally the principles that are espoused in that submission to you are still exactly the same. It included two other attachments: one was the section out of the proposed pulp mill, pages 5-7 - our submission to the RPDC; and pages 3-6, which is a submission to the recent court hearing by Pitt and Sherry, by Mr Brian Williams, which we believe is a relevant factor as well. Basically overall council believes that all this information continues to substantiate the continued upgrading of this road for the future of north-east Tasmania.

I will not go into chapter and verse because you have a copy of the submission, but I will emphasise that the objectives on page 4 of the north-east Tasmania study that was carried out by GH&D - to upgrade the Lilydale Golconda Road corridor to a category 2 road, from Scottsdale to Launceston - are still as important today as they were then. All of those reports that have been done over the past two decades continue to substantiate the need to upgrade this important road link into north-east Tasmania.

On page 5 of our submission we refer to the fundamental issue of improving economic and social development in the north-east. We believe that it has been hindered by not having this major road access upgraded up here, and that is why we have been pursuing Federal and State government funding for many years to try to upgrade this critical road link. With the loss of North East Rail, it has added impetus for freight tonnages onto this road and other roads into the north-east. I digress a little, even though the recent newspaper articles about Auspine and the resource security in that area are obviously of major concern to this municipality, to our council and the community, obviously one of the costs in transporting timber to and from those mills in Scottsdale is a major economic cost to those companies. The lack of upgrading of this particular road also is an impost in that area.

You are well aware of the closure of Simplot some three or four years ago. Whilst that was not the only reason, that was one of the reasons for the closure of that factory. There have been other agricultural industries up here in recent times. The subsidy that is provided by Simplot for potatoes to Ulverstone from this area will cease this year. Any potato contracts that are cut back obviously are cut back in the areas that are furthest away from the Ulverstone Simplot factory, so the north-east will be one of the first to suffer in that regard. With the recent cutbacks in poppies, even though there has been some improvement in that area, the major area of the State that was detrimentally affected was the north-east of Tasmania and hops have also been affected. There has been a big downturn in the hop growing industry up in this area. At the end of the day, one of the major factors contributing to the downturn in these industries is the cost of freight between here and the areas where they export or take their products to market.

Quite apart from that, there are the travelling and the safety implications between here and Launceston for residents, schoolchildren and those types of people, who are at risk, in our view, because these roads have not been upgraded over past years.

The pulp mill submission that we put together, particularly the transport sections, illustrates that the north-east traffic will increase in terms of timber tonnages to Bell Bay and other areas into and out of the north-east over the next two decades. Whether there is a pulp mill or not, the timber tonnages are estimated to increase on a statewide basis from 4.3 million to 7 million tonnes from Gunns' own figures. We estimate that up in this area at least 1.2 million tonnes are carted across council and State roads per annum and whilst most of them will go down the Bridport main road and across Flinders Highway to Bell Bay, a lot of them go down through the Lilydale-Golconda Road and other roads. These roads are not currently upgraded to take B-doubles and even the B-double route, the Bridport main road, is still not upgraded to take B-double standards.

Whilst there has been some work since 2004, particularly out here at the intersection and the western approaches into Scottsdale, more still needs to be done. Therefore we see this project as a continuation of work that needs to be carried out up here and further funding will be pursued by this council to achieve that goal for our community at the end of the day...

The Committee questioned Mr Martin regarding the ownership transition of the Lilydale-Golconda Road. Mr Martin responded:-

The council signed a partnership three years ago with the State Government in relation to various matters. One of them was to continue progress on discussions on the transfer of the Lilydale-Golconda road to the State, because it was seen as the major regional route into north-eastern Tasmania. I refer to Mr Williams' comments on page 5 of the handout you have been given: that DIER should adopt the Lilydale Main Road and Golconda Road as the primary access into north-eastern Tasmania. The fourth point on that page is that DIER should take over the management and funding of the Golconda Road, as it would become a State road when upgrading was complete.

They are DIER's words. We think that that is still applicable. We believe there has been a reluctance on the part of some people in DIER to further discussions on the transfer of the road. As a result of the court case, there may well be further reluctance to take it any further. But that is not for me to say. The partnership agreement expired in October 2006. We envisage putting similar clauses in to progress it further because there has not been much progress, in direct answer to your question. We believe that this road, being the major regional freight route and commuter access into the north-east, should be a State road. So we will be pursuing those things further on a continual basis.

The Committee further questioned Mr Martin about the time frame of the road ownership transfer, he responded:-

We would hope that as soon as the sections are completed that they are taken over by the State but no agreement has been reached on that. Because of the long time frame involved, which you mentioned, if we wait until 2017 obviously there will probably be maintenance implications and those types of things. The sooner the road is recognised as a major regional transport or commuter route into the north-east and is taken over and transferred by whatever agreement between council and the State, the better.

One of the other reasons I say that is because of the court case. One of the reasons for confusion, if you like, was the question of who was responsible at the time to do the advertisements in relation to road closures and those types of things. It was not until the road actually started to be constructed that there started to be some opposition. Then we discovered that there needed to be some road closure under the Tasmanian Local Government (Highways) Act, so really those processes should be undertaken before the planning processes. As soon as someone has full control and responsibility for it, which is currently council, I think the better that the works will be undertaken. Registering of requirements that need to be undertaken can then be handled better than they probably have been in the past.

The Committee questioned Mr Martin as to whether there existed an agreement between the State Government and the Dorset Council that the Lilydale-Golconda Road be regarded as the preferred north-east access route. Mr Martin responded:-

No agreement has been reached. The reports that I refer to are the reports that have been undertaken by DIER themselves where they clearly indicate that this should and will be the main route up into the north-east of Tasmania. Unless there has been a change of heart by DIER, we would take that on face value as it has been given by themselves in their own reports. The progression of road transfer to ownership by the State should take place as soon as possible.

DOCUMENTS TAKEN INTO EVIDENCE

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

- Department of Infrastructure, Energy and Resources, submission dated September 2006;
- Dorset Council, submission dated 13 November 2006;
- Mr & Mrs L. D. Lette, submission dated 13 November 2006;
- Correspondence dated 17 March 2006 to Mr Les Lette from Mr Graeme Nichols, Senior Project Manager, Department of Infrastructure, Energy and Resources;
- Correspondence dated 28 November 2006 to Mr Graeme Nichols, Senior Project Manager, Department of Infrastructure, Energy and Resources from Mr John Martin, General Manager, Dorset Council;
- Fax dated 4 December 2006 from Mr Graeme Nichols, Senior Project Manager, Department of Infrastructure, Energy and Resources to Mr John Martin, General Manager, Dorset Council; and
- Correspondence dated 13 December 2006 to Mr Les Lette from Mr John Martin, General Manager, Dorset Council.

CONCLUSION AND RECOMMENDATION

The design for the proposed road works on Golconda Road has been carried out in accordance with the appropriate design standards and guidelines. Once complete, the works will provide the following benefits: improved safety for road users; improved road geometry; and reduced travel time for road users.

The Committee is of the view that the acquisition negotiations with Mr Lette be regarded by the Department as a priority. Of principal importance is the assessment of just and appropriate compensation for the cumulative quantity of water potentially lost by Mr Lette as a result of the proposed works, to be completed before the project begins. The Committee is firmly of the view that consideration should be given to enabling Mr Lette to maintain the current water capacity of his dam which, based on the evidence provided to the Committee, will require the height of the rock fill to be raised by one metre. This should be done at no extra cost to Mr Lette.

The Committee is of the view that the transfer to the State Government of ownership of the Lilydale Golconda Rd. as a major regional transport and commuter route to the North East should proceed as soon as possible.

The Committee recommends the project, in accordance with the documentation submitted, at an estimated total cost of \$3,539,000.

**Parliament House
Hobart
6 February 2007**

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