



PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Midland Highway Safety Upgrades, Kempton to Melton Mowbray Stage 2

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

MEMBERS OF THE COMMITTEE

Legislative Council

Mr Farrell (Deputy Chairman)
Mrs Taylor

House of Assembly

Ms Ogilvie
Mrs Rylah

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1 INTRODUCTION

To Her Excellency Professor the Honourable Kate Warner 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:-

Midland Highway Safety Upgrades, Kempton to Melton Mowbray Stage 2

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

2 BACKGROUND

- 2.1 This reference recommended the Committee approve Stage 2 of works to improve the safety of the Midland Highway between Kempton and Melton Mowbray.
- 2.2 The Midland Highway Safety Upgrades, Kempton to Melton Mowbray Stage 2 projects is a component of the *Midland Highway Strategic 10 Year Action Plan*, a 10-year plan with a commitment of a total of \$500 million from Australian and Tasmanian Governments to upgrade the Midland Highway.
- 2.3 The Midland Highway upgrade projects will use the 'Safe System' approach, which has been adopted by all Australian state and territory road authorities to achieve a minimum 3 star AusRAP rating. The approach recognises that people will make mistakes which result in crashes and road infrastructure needs to be designed to take account of these errors.
- 2.4 The objective of the proposed works is to contribute to the achievement of a minimum 3-star AusRAP rating for the Midland Highway. This will be achieved on this section of the Midland Highway by:
- Separation of northbound and southbound lanes through provision of a 2.1 metre wide median strip, which will include a flexible safety barrier;
 - Construction of two alternating north bound and south bound overtaking lanes with widening of structures as required, and which will integrate with overtaking lanes constructed on the South of Kempton and Kempton to Melton Mowbray Stage 1 projects;
 - Reduction of existing roadside hazards to provide a safer road environment;
 - Treatment of agricultural accesses through improvements to geometry and surface;
 - Improvements to turning lanes and geometry at the southern and northern junctions to Kempton;
 - Provision of turning lanes at the existing Mood Food Roadhouse; and
 - Installation of safe turning facilities for light and heavy vehicles consistent with State Growth policy for the Midland Highway.

3 PROJECT COSTS

Midland Highway Safety Upgrades, Kempton to Melton Mowbray Stage 2

- 3.1 Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is \$13.4 million.

The following table details the p50 and p90 cost estimates for the project:

		unit	qty	Rate	Amount		
1	Scoping Phase						
a	State Growth Project Management	Item		\$ -	\$ -		
b	Planning Costs	Item		\$ -	\$ -		
	Subtotal: Scoping Phase				\$ -		
2	Development Phase						
a	State Growth Project Management	Item		\$ 255,000	\$ 255,000		
b	Detailed Design	Item		\$ 350,000	\$ 350,000		
	Subtotal: Development Phase				\$ 605,000		
3	Property Acquisition						
a	Acquisition	Item		\$ 15,000	\$ 15,000		
	Subtotal: Property Acquisition				\$ 15,000		
	Total Pre-Construction Costs				\$ 620,000		
4	Delivery Phase						
a	State Growth Project Management	Item		\$ 594,000	\$ 594,000		
b	Contract Administration	Item		\$ 300,000	\$ 300,000		
d	Client supplied Insurances, Fees, Levies	%	0.0045	\$ 9,000,000	\$ 40,000		
f	Fees and upfront costs	Item		\$ 16,500	\$ 17,000		
	Subtotal: Delivery Phase Client Costs				\$ 951,000		
5	Total Client's Costs				\$ 1,571,000		
	Construction						
	Contractor's Direct Costs						
a	Environmental Works				\$ -		
b	Temporary Works / Traffic Management				\$ -		
c	Public Utilities Adjustments				\$ -		
d	Earthworks				\$ 1,333,000		
e	Drainage				\$ 956,000		
f	Pavements				\$ 4,900,000		
g	Road Lighting				\$ -		
h	Road marking, signage, furniture				\$ 1,577,000		
i	Traffic Signals and Control Systems				\$ -		
j	Landscaping				\$ 66,000		
k	Supplementary Items				\$ 104,000		
l	Stormwater Detention				\$ -		
m	Structures				\$ 140,000		
6	Total Contractor's Direct Costs				\$ 9,076,000		
	Contractor's In-direct Costs						
n	Preliminaries				\$ -		
o	Contractor's Offsite Overhead and Margin				\$ 290,000		
7	Total: Contractor's In-direct Costs				\$ 290,000		
8	Client Supplied Materials or Services						
a	Power Relocation	Item	1.00	\$ 50,000	\$ 50,000		
b	Telstra Relocation	Item	1.00	\$ 50,000	\$ 50,000		
c	Taswater Relocation	Item	1.00	\$ 30,000	\$ 30,000		
	Total: Client Supplied Material or Services				\$ 130,000		
9	Total Construction Cost (TCC)				\$ 9,496,000		
	Construction + CA Cost				\$ 10,447,000		
	Total Construction + CA Cost				\$ 9,796,000		
10	Base Estimate				\$ 11,067,000		
						P50	P90
	Contingency - inherent risks					\$948,000	\$1,878,000
	Contingency - contingent risks					\$237,000	\$270,000
	Total Contingency					\$1,185,000	\$2,148,000
12	Total Contingency as percentage of Base Estimate					11%	19%
13	Project Estimate					\$12,252,000	\$13,215,000
	Cashflow: Start Construction October 2015, Finish Construction May 2017						
14	Escalation (applied to Project Estimate)					\$244,000	\$264,000
	% escalation (compared to base estimate + contingency)					2.0%	2.0%
15	Total Outturn Cost					\$12,500,000	\$13,480,000

4 EVIDENCE

4.1 The Committee commenced its inquiry on Thursday, 21 January last with an inspection of the sites of the proposed works. The Committee then returned to Kempton Memorial Hall, Kempton, whereupon the following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

- Mr Andrew Fowler, Senior Project Manager, Project Services, Department of State Growth;
- Mr Damien Dry, Project Manager, Project Services, Department of State Growth; and
- Mr Julius Dowson, Civil Engineer, Pitt & Sherry.

Overview

4.2 Mr Fowler provided the following overview of the proposed works:

I thank the committee members for taking the time to review the report we provided and inspect the site with us today, allowing us to discuss the Kempton to Melton Mowbray stage 2 project. I am the director of the 10-year Midland Highway safety upgrade program.

This is a 5.7 kilometre link in the Midland Highway which will connect the recently completed work south of Kempton with stage 1 of Kempton to Melton Mowbray, which will be under construction starting in the coming weeks. It is an important link. It is an area which provides access into the Kempton township with two junctions to the previous highway, north and south of the township. Another significant constraint for us is the existing road house, known as Mood Food, at the northern extent of the project.

Predominantly, this project is consistent with the other upgrades we are doing in that we are installing a 2.1 metre central median to separate north- and south-bound traffic. In the centre of that median will be a wire-rope flexible safety barrier. We are widening shoulders out to 2 metres to provide safe run-off areas and emergency stopping areas. We are installing barriers on the outside of the road where we need to protect drivers or errant vehicles from roadside hazards. Where we can we are removing those roadside hazards. We are upgrading accesses as we go so we get safe access for whatever design the vehicle may be at each access at each location. We are reshaping the highway to accommodate the wider road.

Along with the safety improvement we will get from this particular upgrade there are also efficiency improvements in that we are installing two new overtaking lanes as part of this stage 2 project, having recently awarded the contract for stage 1 which will have another two overtaking lanes in it as well. Kempton to Melton Mowbray as a whole will provide four new overtaking lanes. It is a significant safety improvement in itself by having the opportunities, but also separation of north- and south-bound traffic and protecting drivers from roadside hazards is the other important safety aspect.

The budget for the project is \$12.5 million, which is a 50 per cent probability estimate. It might cost a little more or a little less but that is where we think it is going to land, allowing for additional contingencies - a 90 per cent probability. Our P90 estimate is \$13.5 million. This is a project that is funded jointly by the Australian Government and the Tasmanian Government - 80 per cent by the Australian Government, 20 per cent by the Tasmanian Government. If something unforeseen happens and we need to apply for more funding we can do that but we are expecting we would not spend any more than the maximum of \$13.5 million.

That budget allows for uncertainty in the commercial pricing of tenderers to a tender that is quite late in the construction season. We would typically like to be putting tenders out to market earlier than this but this project was separated from stage 1 because it had the complexities I mentioned earlier - accesses into Kempton, so a lot of people living in Kempton have an interest in this project, and the Mood Food access, so we had design issues there. We also had a range of opportunities we explored which took time, things we could do on this project given its situation that we could not do on others, so we separated it. We are getting it out to the market as soon as we could. There is no point holding onto it until next season. The industry is still keen to have more work so we are getting this one out to market. It is planned to go out shortly after the hearing, so next Saturday we are planning to get the project out to the market.

Apart from those stakeholder and design complexities, the project is fairly straightforward. There are some small structures that need to be widened to accommodate overtaking lanes and the wider carriageway. There is one more significant structure which sits in between two overtaking lanes, so it is a constraint that fitted conveniently with the preferred length of overtaking lanes so there is no major structural work on this particular part of the project.

There is very little in the way of environmental constraints. We do have the permit to take. That was the only real environmental constraint, with no significant heritage constraints either. Property acquisition is very limited. As part of the project we are at both the northern and southern accesses to Kempton, main street north and south. We are constructing turning areas to allow for any vehicles that need to turn - because they cannot turn into an access once the central flexible safety barrier is installed - to turn at a new turning facility. One of those, the one at main street north, required a small amount of property acquisition which is going through a fairly straightforward process at the moment. It is a project that overall has very little impact on the stakeholders, be they property owners or the residents of Kempton or even the Mood Food roadhouse.

There has been a lot of consultation, I think around six meetings, with various representatives of Bennett's Petroleum, who seem quite satisfied with what we are doing. We did investigate and test a few different options. We thought we had options to do something a little bit different at Mood Food, but we have resolved to do an upgrade and install what is effectively a typical junction treatment at Mood Food. It is a significant junction on the highway. There is a lot of traffic in and out. As well as a typical junction treatment we are able to provide separated movement for vehicles heading north out of Mood Food. That makes it a normal junction with the benefit of not having all the movement at the junction. We feel that is a safe and appropriate treatment for that situation there with the constraints we have with the location of Mood Food, with the buildings and petrol bowsers and such things being so close to the highway, which is difficult for us.

The overtaking lanes constructed as part of this project will be a northbound overtaking lane, which will start north of the main street south junction, and a southbound overtaking lane which will start south of the main street north junction. That provides for vehicles coming out of those junctions and going straight into an overtaking lane, which is a treatment we're adopting at other junctions as well to provide for slowish vehicles coming out of the junctions being able to stay in the slow lane and any vehicles that approach after that can come out and then overtake them conveniently in the overtaking lane. Consistency is something that's very important across this program and this is a consistent treatment we've adopted.

4.3 Mr Dry added the following:

Along with the two additional overtaking lanes we are installing we will be extending the ones that are currently at the start and end of the project. From the southern junction of Main Street heading south, that overtaking lane will be extended to the current project that has recently been completed, the south of Kempton project. Further to the north, leaving the Mood Food roadhouse and heading north, an overtaking lane will be installed that will tie into the stage 1 project that borders it to the north.

Consultation

- 4.4 The Committee noted that the works between Kempton and Melton Mowbray had been split into two projects; Stage 1, which was already under construction and the Stage 2 works before the Committee. The Committee also noted that this had been done because the Stage 1 works were relatively straightforward and the Stage 2 works had required a longer design and consultation period due to the complexities involved. The Committee questioned the witnesses on the consultation that had been undertaken for the project:

Mrs TAYLOR -I want to ask about consultation with local landowners. You have had some landowners who have lost direct access; not many I understand, but I would like you to take us through that, and also those landowners where you have had to acquire private land.

Mr FOWLER - Our consultation on stage 2 links quite neatly with stage 1 so most of the property owners who are affected under this project were affected under stage 1, although when we consulted with them we also mentioned what was likely to happen in stage 2. The stage 2 consultation for this project we are looking at today has been limited as far as other stakeholders go. The main consultation has been with the council due to the potential for impact on the town from this project and also with Bennetts Petroleum about Mood Food.

An example of the consultation that had already happened before with property owners would be Ian McShane, who owns property up to the vicinity of Oatlands, and also Peter Bignell who owns property at the northern extent of this project. The Bignall property was affected by stage 1 but they needed to have a turning facility due to the fact there will be a central flexible safety barrier across their access to turn if they're coming from the north and to turn somewhere to the south, come back and get to their access. They were keen to know what was happening in stage 2 when we were talking about stage 1.

Mrs TAYLOR -The fact that no-one wanted to come and speak to us today speaks for itself that you have done that consultation adequately.

Mr DOWSON -Based on what the department was saying before around stakeholder engagement and involvement, it appears landowners and other stakeholders are fairly happy based on the responses they've been getting. I think someone said before there was no request to come and speak at this meeting so it appears stakeholders are fairly happy with the project.

Turning Facilities

- 4.5 The Committee noted the inclusion of turning facilities at both the southern and northern Kempton junctions. The Committee questioned the witnesses on how this would affect the local landowners and how they anticipated the turning facilities would be used:

Mrs TAYLOR - And they understand the turning facility will mean that in some cases vehicles going in and out of there may have to travel further but they can live with that?

Mr FOWLER - That's right. Not everyone is keen on that but we typically experience a journey with stakeholders where initially they think, 'That doesn't suit me, I don't want to do that', to accepting that that is the strategy the Government is going with and it's a sound strategy, and then understanding that it is not that much of an impact and it is a good community benefit, and is something that they just really need to do. They go from a bit of resistance to acceptance to in some cases being an advocate for it and think it is a good idea, so it is quite useful.

Mr FOWLER - Those facilities, by the way, will be for B-double trucks, the largest vehicles used these days. Some of the properties receive stock and grain and whatever, and they have movements with those sorts of vehicles these days, so it has become pretty much our design vehicle. In some cases property owners say they never get B-doubles and all they need is semi-trailer access so we might just upgrade an individual access for semi-trailers, but the turning facilities allow for B-doubles.

Mrs TAYLOR - What about smaller vehicles, will they just be able to do a U-turn there?

Mr FOWLER - They will use the same facilities. We expect that some vehicles will turn into Mood Food, for example, and it will be there as a junction. We know that the Bennetts are not opposed to that. They see that as a retail opportunity if people turn around there, but we cannot direct members of the public to use a private operation as a turning facility, so we are providing an independent facility on what will be public land.

Land Acquisition

- 4.6 The Committee questioned the witnesses on the need to acquire land for the project, who informed the Committee that there would be minimal land acquisition required:

Mrs TAYLOR - The acquisition of private land has not been a problem?

Mr FOWLER - No, we are only acquiring land in one area, which is for the turning facility at Main Street north. There we don't own enough land to fit in a turning facility, unlike in Main Street south where we have enough land and road reservation there to put in a turning facility.

Access to Mood Food Roadhouse

- 4.7 The proposed works include changed access arrangements for the Mood Food Roadhouse. The Committee noted that all vehicles, both northbound and southbound, would enter the site at its southern entrance, with a dedicated right-hand turning lane to provide access for southbound traffic, while the northern access would be restricted to exiting northbound traffic.
- 4.8 The Committee expressed concern over the safety of the new access arrangements for southbound exiting traffic. Under the new arrangements, southbound exiting traffic would need to give way to northbound traffic travelling from the left of the intersection, southbound traffic travelling from the right of the intersection and vehicles queueing in the dedicated right-hand turning lane.
- 4.9 The Committee's noted that these arrangements could be potentially hazardous to negotiate for drivers attempting to exit and travel south, especially when the traffic volume was heavy and significant numbers of vehicles were queueing in the right hand turning lane to access the site. The Committee expressed concern that cars attempting to exit and travel south may be subject to considerable delays in exiting during heavy traffic, which can lead to driver frustration and impatience and, therefore, poor decision making, with drivers attempting to exit when it is unsafe to do so. The Committee also noted that this situation could be exacerbated, due to the potential difficulty of exiting from this junction when oncoming traffic is travelling at the 110km/h speed limit.

4.10 The Committee questioned the witnesses on their concerns and the following exchange took place:

Mrs TAYLOR - The main reason I ask that question, as I did on site, is that looking at the traffic flow in and out of Mood Food, I think it is fantastic that there is going to be a left-only going north, and a dedicated left turn in from the south, but I am concerned about the junction where now traffic coming from the north is going to turn right and traffic heading south is also going to turn right across three lanes now.

Mr FOWLER - Just two lanes.

Mrs TAYLOR - Is there going to be a feed-in lane to go south?

Mr DRY - No, there will not be an acceleration lane for right-turn movements going there.

Mrs TAYLOR - Again, having just been to Mood Food, when we came out of there there was a big truck travelling at 110 kph a fair distance away, so I came very safely onto the road but I had to accelerate really fast and even then he was well up close behind me before I reached 100 or 110 kph. I know you are going to have dedicated space for people to come off the southbound lane to turn right into Mood Food and at that same intersection, traffic having to turn right. I found it hazardous today with that truck coming along at 110 kph, as traffic does. I am not going to say I would reject this on that basis. I want to express my concern and have it noted. It is problematic to me. If you had four or five cars lined up - and there are times of the day where the traffic is not heavy, but there are other times of the day, like three hours after the Spirit lands there is a significant number of trucks that come down the highway. Three hours before the Spirit leaves Devonport, a significant number of vehicles coming up. Also morning and night, a significant amount of traffic - people travelling, business traffic, travelling to the south.

At times, it seems to me, you might have a line-up of cars wanting to turn into Mood Food. The same number of cars are going to come out of there - because there is nowhere else to go - turning right. I see this as a potential - black spot is probably too harsh a term to say - but it is a matter of concern to me. I wanted to raised that so you keep an eye on that and if there is an increase in accidents, you are prepared to think about how you might need to fix that.

Mr FOWLER - The department would always monitor that. If there is an issue, that would be attended to. In this case, if you look at the treatment now and what we are doing after, we see it as being a significant improvement in a lot of areas. There will be a channelised right turn coming from the north, so vehicles will no longer be stopping in the traffic lane, although the vehicles bearing down behind them -

Mrs TAYLOR - I am not worried about the traffic turning into Mood Food. I am worried about the traffic turning right out of Mood Food, because they are going to have to wait for those turning. They are also going to have to wait for the northbound traffic and then take a dive across the two lanes, or into the second lane going south. It is a worry to me if there are vehicles coming from the north travelling at speed. I am not the traffic engineer. I am happy to take expert advice on that. As a person who travels the road and has just experienced going in and coming out of it, I am concerned, but that is the only concern I have.

DEPUTY CHAIR - Related to that, are there any other areas in Tasmania - there must be other businesses that have similar issues. I am not sure whether Ashgrove, for example - I went past that the other day and I am not sure whether it has the same system. There must be other places.

Mr FOWLER - Ashgrove is very similar. There are other road houses, such as the two near Sassafras. The department's preference is to have service centres like that in towns, off the highway. It encourages people to spend time in a town and it gets those traffic movements using normal junctions. It gives a bit of diversity, stretches things out and is good for the town. Mood Food and the other accesses I can think of around Sassafras and Elizabeth Town, for example, are very close to the highway and you have to mix -

Ms OGILVIE - Yes, it is.

Mrs TAYLOR - But they are not at 110 kph.

Mr FOWLER - The ones at Sassafras are but, you are right, the ones at Elizabeth Town are not. They are both in reduced speed environments, 90 kph and 70 kph. There we have a mix of highway movements. Unlike a normal junction where you enter onto the secondary road and speed away, we have vehicles stopping. We are improving visibility there. We are lowering the highway. At the moment, you come up out of Mood Food, so you are looking slightly up in the air. You need to look down to look at the oncoming traffic. We are formalising what is currently a casual arrangement, so people can come in and out from either of the access points. If you are coming out now you need to be looking at who is coming out from the other access who might be getting in your path, what size vehicle they are, how fast they are, whether you have room to get in front of them. There are a lot more decisions to make. Whereas, we are putting in contemporary junction treatment for traffic volumes, which are equivalent to a normal junction, but we do have the internal movements to cater with. We are trying to deal with that by looking at the priorities of movement, so the northbound, left turn in, will have to give way to vehicles that are coming from the north and turning into the right, as we have on a lot junctions.

We appreciate there is a mix of heavy vehicles and light vehicles. At the moment, the business does not do a lot of fuel trade with heavy vehicles, but it gets a lot of vehicles, stopping trucks, stopping there for food, et cetera. There were various alternatives we looked at there. We looked at up to 16 different options, which would solve the issues that currently exist. Without exception, all of those were not preferred by Bennett's Petroleum. It felt that they were all a big threat to its business. Its business is quite sensitive to a reduction in trade. That is why we have settled for a contemporary and universal junction treatment, but we have taken one movement out to simplify it, by moving that northbound out to the northern access only.

The department internal traffic managers and our designers have had a close look at this, and we are comfortable. There is still a bit of work to do on the internal line marking and delineation of the movements, to ensure that different travel paths do not intersect. We need to come up with a final arrangement for queuing and make it as good as we can with the constraints we have.

Mrs TAYLOR -On the Mood Food issue, do you have crash statistics for those intersections in and out of Mood Food now? I want to make sure we keep crash statistics in future and see how they compare.

Mr FOWLER - Yes, we certainly do. We have crash stats for all the crashes. In the report there I think it includes the last 15 years or so of crashes. There are several pages in the report identifying each crash and its location. There has been a range of minor crashes at Mood Food, but certainly no fatalities in the vicinity.

Mr DRY - From our interpretation a lot of those crashes at Mood Food have been from that lack of clarity of who is coming in and who is leaving. A lot of those are just minor or property damage ones, where people have tried to avoid other vehicles coming in. That has been the main source of crashes in this tiny little cluster at Mood Food, given the congestion. Hopefully what we are planning to do here will alleviate that.

DEPUTY CHAIR - On that point, I noticed while we were viewing traffic that there is confusion there. I witnessed a car from the south come in and there was a truck going out to turn to the right and the car cut in front of the truck, believing it had the right of way to come over there. I think there is design to clarify that with the exiting highway traffic.

Mr DRY - Yes, that will be the plan. The signs and line marking we are looking to put in place will make sure that traffic gives way to each other and that is clarified, so people entering the site will know specifically where they have to go and where they have to hold and wait for traffic.

Project Risks

- 4.11 The Committee noted the relatively low contingency for the project and sought further information on what the witnesses considered to be the main project risks:

Ms OGILVIE - Moving on from the design to the project itself, could you articulate for me what you think the biggest project risk is? For example, when you are constructing a contingency where you think the possible delta would be.

Mr FOWLER - It is quite a low-risk project. We were initially carrying contingency for risk, such as stakeholder opposition to what we were doing.

Ms OGILVIE - It melted away, though, did it not, because you have the two phases?

Mr FOWLER - It did, so really to a standard treatment that disappeared. Also a significant risk around Mood Food. We met with Bennett's on Tuesday and it is very happy. There seems to be no sort of concern or reluctance. A lot of risks have withered away.

Mr DOWSON - I am on section E1. In the PCPW report we proposed there were no major risks to the delivery of this development, or the delivery phase. We have created a risk register, which has a number of pre-construction risks. There are a number here.

Ms OGILVIE - Just an overview from your perspective, to get a sense of where you think it sits.

Mr DOWSON - There are general constructions risks which bear on any construction project such as inclement weather delays, discovery of artefacts or historic heritage features - for example, the sandstone culvert that was uncovered, which we didn't expect. We have come up with mitigation for each of those risks. There are other risks around construction. We do a geotech investigation to understand the types of materials found along this section of road and the types of soils. There are occasions where the ground is softer than you would anticipate but there are treatments for that. That is a contingency in the estimate as well and there would be a provisional quantity in the schedule. There are also some risks around services in the area but we are not impacting on many services in the area. There is one power pole that needs to be relocated and some TasWater and Telstra assets that cross the road through an existing culvert. We have come up with a design which doesn't impact on those at all by using a box culvert so it can be built around it. Unless there was an easement which isn't shown on the plans - we did the Dial Before You Dig - it appears we have designed for all those.

Ms OGILVIE - So in general terms I am hearing that in the scheme of things this is a low-risk project in that sense, in part because it's stage 2 of work that has already been done.

Mr FOWLER - I think that's right. What started off as being a quite complex project has become quite simple and low-risk. We have broken down all the complex parts and got the people who needed to be involved to have a say. What could have become quite protracted and difficult has become quite simple, and that's reflected in the contingency sum. We have a P50 of \$12.5 million and only \$1 million more for our likely worst-case scenario because we don't think there is anything too complicated in this job.

Ms OGILVIE - Unless the rains come.

Mr FOWLER - That can extend construction, but typically it's not a cost to the project. It's a delay and we get an extension in time before we realise the benefit of the project but it is not really a cost as such. It is quite a straightforward project now.

5 DOCUMENTS TAKEN INTO EVIDENCE

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

- Midland Highway Safety Upgrade, Kempton to Melton Mowbray Stage 2 - Report to the Parliamentary Standing Committee on Public Works, Department of State Growth, 17 December 2015.

6 CONCLUSION AND RECOMMENDATION

- 6.1 The Committee accepts the evidence of the witnesses from the Department of State Growth that the new access arrangements for the Mood Food Roadhouse are a significant improvement on current arrangements. However, the Committee does have some concerns with the new access arrangements, notably, for southbound exiting traffic. The Committee's concern is that the new arrangements may result in the drivers of southbound exiting vehicles attempting to exit when it is not safe to do so, with frustration and impatience during times of heavy traffic leading to poor decision making. The Committee suggests that the Department of State Growth closely monitor the operation of the new access arrangements to ensure they are working as intended and that the new arrangements have not created additional safety concerns.
- 6.2 The Committee acknowledges, however, that the proposed works will help to deliver an overall improvement in safety outcomes and transport efficiency. The Committee also acknowledges that the proposed works are an important element of the *Midland Highway Strategic 10 Year Action Plan*, and will assist in providing a consistent road environment along the length of the Midland Highway. The Committee is therefore satisfied that the need for the proposed has been established.
- 6.3 Accordingly, the Committee recommends the Midland Highway Safety Upgrades, Kempton to Melton Mowbray Stage 2, at an estimated cost of \$13.4 million, in accordance with the documentation submitted.



Parliament House
Hobart
22 February 2016

Hon Craig Farrell MLC
Deputy Chairman