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**THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON WEDNESDAY, 3 APRIL 2013.**

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### **ARTHUR HIGHWAY UPGRADE**

**Mr ADRIAN PAINE**, SENIOR PROJECT MANAGER, TRANSPORT INFRASTRUCTURE SERVICES, DEPARTMENT OF INFRASTRUCTURE, ENERGY AND RESOURCES AND **Mr CRAIG TARBOTTON**, PROJECT MANAGER, DIER, WERE CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**CHAIR** (Mr Harriss) - Welcome, Craig and Adrian.

**Mr TARBOTTON** - On the Arthur Highway we have three sections of road we intend to upgrade. They have been given numerical names for the project but geographically we are starting north of Murdunna. Further south of that we will have an additional section which we have called 'south of Murdunna', and further south is the third section - 'south of Taranna'. The first video will be for north of Murdunna; it is approximately 2 kilometres of upgrade works. We are adjusting both the horizontal and the vertical alignment of the road. We are taking out any tight bends. Any dips or rises in the road which affect the sight distance will be taken out and flattened off. We are doing similar sections in the south of Murdunna, the second section. Again, there are some fairly tight horizontal bends that we will be straightening out to increase that sight stopping distance, as well as flattening off the hills and filling in any sags.

In the third section, south of Taranna, the horizontal alignment is essentially remaining as is, so not straightening or bending the road. All we are doing is fill in a fairly large sag which affects the stopping distance or the sight distance of vehicles travelling at a set speed.

**Mr BOOTH** - By 'sag' you mean just a hollow in the road?

**Mr TARBOTTON** - A dip, an impression.

**Mr BOOTH** - Is that part of the original road formation or it has actually sagged?

**Mr TARBOTTON** - No, it has not sagged. I should not use that term. It is just follows the natural contours. It is a depression that you cannot see over or into.

The first video covers north of Murdunna.

**Mr BOOTH** - Are you trying to make the whole road a certain speed?

**Mr TARBOTTON** - Yes, we are maintaining the current 90 kph speed limit. We are just making it a safer road for that speed.

**Mr HALL** - All double white lines will go?

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**Mr PAINE** - We haven't got through to the details to work out what the road will be for overtaking or the like. In this section we are concentrating on getting those curves out of the way to improve the function of the road.

**Mr BOOTH** - The works are not due to pavement collapse or anything like that?

**Mr TAR BOTTOM** - No, purely safety.

**Mr PAINE** - And lifting the cross-section of the road to the three-metre lane with some one-metre sealed shoulder -

**Mr BOOTH** - Only in those sections, but the rest of it will not be to that standard?

**Mr PAINE** - That is correct.

**Mr TARBOTTON** - The design consultants identified that these were the most efficient sections. We are widening each lane to three metres, plus a sealed should on each side of one metre, which improves the safety of the road.

**Mr BOOTH** - Cyclists?

**Mr TARBOTTON** - It is a one-metre sealed shoulder. There will not be a dedicated bike path at this section. We are only doing three isolated sections of the Arthur Highway. The sealed shoulder, at a metre wide, will obviously allow some pedestrian transport.

**Mr BOOTH** - Would that be the standard? Are you building to a standard so if you do the whole road eventually there will be a continuous bike track along the side?

**Mr TARBOTTON** - The shoulder is the same standard as the trafficable portion of road. It is not designed as a pedestrian pathway. The shoulder is designed to a standard to take that traffic.

**Mr PAINE** - Any further work that was done on that road would maintain that standard.

**Mr BOOTH** - If you were putting in a bike lane as such, would that constitute a bike lane? Would that meet that requirement?

**Mr TARBOTTON** - I qualify my statement. I would assume that a one-metre shoulder is probably too narrow for bidirectional traffic

**Mr BOOTH** - Yes, but you are doing it on both sides?

**Mr TARBOTTON** - Yes. This is only my first four weeks in DIER so I am not yet completely familiar with their design standards. I will look into whether proximity to that traffic lane would satisfy the requirements for cyclists.

Our design consultants have conducted environmental reports. The north of Murdunna section is not relevant to our project. There were two minor Aboriginal artefact sites identified. That was an Aboriginal cultural [inaudible] assessment. The two isolated

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artefacts are outside the footprint of our project. Our engineers have sent off our design footprint, so whilst those sites are being recognised, they will not be impacted upon by our works, which is good.

Additionally, a flora and fauna desktop survey was conducted by an environmental consultant to ensure that our works did not impact on any sensitive species. There was only one species that we need to monitor. That has been identified and they will be developing for us a management plan to ensure that this plant species is not negatively impacted.

**Mr BOOTH** - So north of Murdunna doesn't have any issues with -

**Mr TARBOTTON** - flora and fauna.

**Mr HALL** - Any changes to access by doing this work?

**Mr PAINE** - Yes, there will be quite a number of changes to access.

**Mr HALL** - They will still all have those legal entitlements?

**Mr PAINE** - Yes. They are not removed or compromised. They are going to be completely realigned because the road alignment changes significantly. No-one has been cut off by this but a number of accesses will have to be moved.

**Mr BROOKS** - You have the end date of the design development; I presume that is April 2013?

**Mr TARBOTTON** - It is.

**Mr BROOKS** - This development is going to take some time and it is a fairly heavily used tourist route and artery to an iconic place. How are you going to manage that, given no other option but to divert and do it?

**Mr TARBOTTON** - We are completely aware that this road is a thoroughfare to a major tourist destination. Even from the earlier planning and design stages this was a consideration for how we were to implement the project. One of our earlier project managers has started discussions with some key businesses down at Port Arthur to essentially get their buy-in to this, to make sure they agree with or understand what our approach is going to be. We have started to liaise and get dialogue going with the key business users.

There are three sections of road here, so there are potentially three projects, three contracts and three contractors. We decided internally to split it down into two projects from a contractors point of view. It might be that a single contractor is awarded two contracts, or it might not be. The first reason for splitting in two is that if two contractors are awarded the various contracts then we can run both concurrently. Therefore we should be able to get the works completed with the least amount of impact on that period.

We are considering staggering the start dates of those contracts. They will run perhaps not completely in parallel but there will be overlap between the start dates so we can get

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the works completed in sections. We will do north of Murdunna and we might do south of Taranna with a slight overlap because they are far enough apart not to affect tourist traffic and the business users.

From a management perspective, we will be combining or consolidating the north and south of Murdunna into a single contract. The reason is that the works are so large we expect a different type of contractor to bid for these works. There is a lot more earthworks, a lot more cut, whereas the south of Taranna is a smaller project, both financially and in scope. We expect a different type of contractor to bid for that.

Additionally, we are hoping to spread the wealth a bit. The bigger contractors will bid for the two larger projects, north and south of Murdunna, and we expect the middle-size contractors to bid for the smaller project south of Taranna. We are considering splitting them into two so that we can run them almost concurrently, thereby not impacting completely on the tourist trade. We have considered closing down - not completely - the works over the January period because their highest peak season is late December to late January. We are discussing it. We still have two or three months of the design period. We will be talking about the best way to send this out to contract. It is possible that we might require our contractors to ensure that one lane, heading south, is open in the morning and in the afternoons we will have the opposite path open, so tourist traffic can head south without being impeded too much, and then return in the afternoon.

**Mr PAINE** - The complication for us is that the best time for roadworks is the summer months and that is also the peak tourism season, so it has to be managed and there's no way around it. In our contracts, as a general rule we don't allow more than 500 metres of road to be worked on at any one time, and no more than a 15-minute delay. If you have to travel all the way to Port Arthur, a 15-minute delay is not so great in an hour-and-a-half journey. We are very aware of it and will be working with tourist operators to find out when those peak periods are so we can work around them and try to ensure that tourist traffic is not interrupted.

**Mr BOOTH** - If you have two contracts, would it be 15 minutes for each contract?

**Mr PAINE** - It would be 15 on each contract.

**Mr BOOTH** - So potentially half an hour.

**Mr PAINE** - It could be.

**Mr TARBOTTON** - Unfortunately that distance between the two, whilst it's less than 10 kilometres, the travel time is enough so that you separate the two site works. By the time you get to south of Taranna you're comfortable again and you're not going to get too upset about having a delay of an additional eight minutes.

**Mr HALL** - The previous project we were talking about was 3.5 metres, so why is this only 3 metres, and one meter of stiff shoulder, given the volume of traffic?

**Mr PAINE** - We're not providing for a cycle lane on the side of the road, so it gives us that standard paving width. There's a one-metre sealed shoulder on this one. The Richmond link road doesn't have the cycle lane.

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**Mr BROOKS** - So it's a thinner road but a wider shoulder?

**Mr PAINE** - And the same total road width.

**Mr BROOKS** - So a lesser shoulder but a wider road, given the truck movements?

**Mr PAINE** - Yes.

**Mr HALL** - Was any thought given to passing lanes or those slow turnout lanes? Driving down there you often see people who are unfamiliar with the road driving very slowly, with a big bank of traffic behind them. That in itself leads to frustration

**Mr PAINE** - The works south of Taranna are particularly targeted at providing an overtaking opportunity between Taranna and Port Arthur. The other advantage of improving the horizontal and vertical alignment on the other two sections is that the slower vehicle can go faster, so you don't get the same frustration. Because it has not the same incline or sharp corners, caravans and whatever can go along at a higher speed than they might otherwise have been able to.

**Mr TARBOTTON** - There are two objectives. One is to straighten the road from the horizontal alignment, so we are taking out the sharp bends, either left or right. We will be flattening some of the peaks and troughs.

**Mr BOOTH** - Will that road be the same width when it is reconstructed?

**Mr TARBOTTON** - No. My understanding is that it varies along this section from 2.6 up to 2.8 metres. Lane width varies along the entire Arthur Highway.

**Mr BOOTH** - So it will be all consistently the right width?

**Mr TARBOTTON** - Correct.

**Mr BOOTH** - What width consistently will it be on the new bits you are doing?

**Mr TARBOTTON** - Three metres.

**Mr BOOTH** - How wide is it at the moment?

**Mr TARBOTTON** - From the left-hand white solid line to the edge is probably about half a metre.

**Mr BOOTH** - The freshly sealed curb will be a metre on the outside?

**Mr TARBOTTON** - Correct. From the white line out will be one metre. It is the same construction as the lane; the material, compaction and sub-base is all the same. They simply call it 'shoulder'.

**Mr BOOTH** - Where you are straightening out the bends, will those pieces of land become [inaudible] titles. They are reasonable-sized chunks

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**Mr TARBOTTON** - Where they are orphaned off, if you like. There is discussion at the moment as to whether they will be offered to adjacent landowners if they want to purchase at an agreed rate. The Valuer-General will determine it, not us. That is a consideration but whether they are willing is a different matter. I do not know what the rate per square metre or acre would be. If it is not then they may be retained as offsets for environmental purposes.

**Mr PAINE** - There is certainly one section where it is the same titleholders but obviously it would be part of our negotiations with the landowners.

**Mr BOOTH** - South of Murdunna has some quite reasonable chunks.

**Mr TARBOTTON** - Yes, there is one portion which is orphaned off and the property owners will be consulted. We are meeting with them next week to discuss this project. This will be a later discussion as to whether they want to purchase that at a rate or whether we keep it and offer it as an environmental offset.

South of Taranna is a relatively short section, approximately 1.2 kilometres. We won't be changing the horizontal alignment. The reason this section has been identified for upgrade is that halfway along the section there is a fairly large depression where a vehicle coming towards you cannot be seen. So we are essentially filling one large depression or valley. There will be 3 metres, plus 1 metre of sealed shoulder.

**Mr BOOTH** - Do the guideposts sit on the outside of the seal or on the edge of the road?

**Mr PAINE** - On the outside of the seal.

**Mr TARBOTTON** - The road drops away and that is sufficient to hide a vehicle at a certain speed, so we are simply filling that in, raising that elevation. That is the main objective of this project south of Taranna. Because there is no change in the alignment there is no land acquisition in this section.

**Mr BROOKS** - You mentioned the contracts. Splitting them up will open up more opportunity for the mid-tier contractors. Evidence given this morning indicated that 90 per cent of contractors can bid for over \$5 million worth of work anyway, so what did you mean when you said this would open it up for more mid-tier contractors?

**Mr TARBOTTON** - The anticipated cost of these works, because we are going to consolidate two sections into one, is approximately \$12 million. The third section, south of Taranna, we are expecting to be sub-\$5 million - \$4.5 million. For those contractors who can't or do not have resources to bid for greater than \$10 million projects, we're hoping these smaller contractors will put their hands up and come forward.

**Mr BROOKS** - Is the major difference the \$10 million mark? We know it is harder to get the higher end ones, especially when we looked at the hospital project. It was \$100 million-plus and it basically wiped out most Tasmanian businesses.

**Mr TARBOTTON** - It is not the dollar value so much; it is the complexity or nature of the works. North and south Murdunna involve fairly large, heavy earthworks - a lot of cut

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and fill. We are expecting that the equipment required for that is going to be of a fairly specific nature, whereas south of Taranna you do not need that large earthmoving equipment. So it is really a resourcing issue that the contractors have.

**Mr PAINE** - The other thing that cuts some contractors out and tends to favour the larger ones is the requirement to be registered with the federal safety commissioner. These projects under the community roads program are federally funded. So that puts a few more in the ring that might have a struggle to meet that requirement.

**Mr BROOKS** - Another bit of feedback I have received over the year has been about smaller companies' ability to tender on numerous projects at once. They do not have the resources of bigger companies. If there are three major projects available they have to pick one or two, and not put one in for the third or fourth because they do not have internal capacity or the ability to resource it externally. Are you aware of that or it is basically a free-for-all and we do not worry about what everyone else is doing?

**Mr TARBOTTON** - No, we cannot concern ourselves too much with that. It is up to the contractors to determine how many bids they put in. If they are successful it is up to them whether they want to accept it or not. Ultimately we have to determine whether they have the resources. We can determine that prior to awarding a contract, so there is no bluffing there. We hope contractors are sensible enough to say, 'We won this one, so we'll have to withdraw from this particular bid'.

**Mr PAINE** - We are certainly mindful of trying to release our tenders on a more regular basis rather than bundling what we have to do all at the same time, but it is not always possible. It is something we do where we possibly can.

**Mr BROOKS** - There was a specific example earlier this year where three to four major state projects were released within a week of each other with effectively the same closing date. Some smaller contractors had to say, 'Do we go after the hospital or do we go after the one up the north-west'. They could not bid for all three, not that they would expect to get all three but they could only put their hat in the ring for one. I wanted to see whether you even considered that as a department or whether it is basically a free-for-all and we will get our project and stuff the rest of them.

**Mr PAINE** - No, we do consider it.

**Mr TARBOTTON** - It is certainly not a free-for-all. That was probably a misrepresentation. In identifying which projects are going to be in which fiscal year, we try to look at the spread, if you like, of those projects. At the same time we are governed by other constraints. We have a wet season when we cannot build; we have tourist peak season so we cannot affect that too much. So there are a number of constraints but the objective is to try to satisfy everybody, if we can.

**Mr BOOTH** - But your only consideration would be competitive pricing. You do have some social charter that says we will make sure that the smaller -

**Mr PAINE** - No, but as we discussed this morning with the Richmond project, those works probably will not commence until September at the earliest because of the winter weather but that will not stop us tendering - we are ready to go - because that is a better

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time to be getting tenders. It is off-season for the construction workers so if we are ready to do it we will get it out there.

**Mr BOOTH** - But you would time it and do it in a way to get the best price?

**Mr TARBOTTON** - Yes; we are certainly not framing our contracts to suit a particular socioeconomic group - not at all. We are putting contracts out and the best tender will win. We cannot determine who that is. The small contract might even go to a mid-tier contractor. One of the larger players might not -

**Mr BOOTH** - There is plenty of capacity in the contracting area at the moment, I presume, to put any amount of jobs out. You will still get plenty of competition.

**Mr BROOKS** - That substantially assists the bigger players rather than the smaller players because they have to pick one, whereas if tender dates were staggered by even a month they can then bid for two, which then puts downward pressure, theoretically, on the price if there are smaller ones in there as well, which could contribute to a lower price outcome. I am certainly not saying we should give it to anyone at any cost but I am interested in the process of how we can get best value, which includes, in my opinion, the community benefit, not just the bottom-line dollar. You could probably get it cheaper from China but it might not work in a month, so that is not good value.

**Mr TARBOTTON** - Our main constraint when determining how to structure the contracts was the tourist trade. If we had one contract for all three sections and the larger player won and he had three sites operating at any one time, we might end up with three periods when the public are detained. We do not want that so we are trying to work out how we can alleviate any pain or any inconvenience to tourist trade. That is the first constraint we tried to manage. Beyond that there is a secondary benefit if that wealth can be spread.

**Mr BOOTH** - The traffic flow data for Dunalley and Murdunna - 6.7 per cent heavy vehicles - and 9.9 per cent heavy vehicles between Taranna and Port Arthur. How do you do that? Do you have a rubber strip counter?

**Mr PAINE** - They are rubber strip counters.

**Mr BOOTH** - How do you know it is a heavy vehicle?

**Mr PAINE** - I am not absolutely sure. I do not know whether it is multiple rubber strips that count the number of axles.



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**Mr STEPHEN NEWHAM**, TRAFFIC INFORMATION OFFICER, DIER, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

**Mr NEWHAM** - The counts were done with rubber tubes on the basis of axle spacing. A vehicle with an axle spacing of more than 3.2 metres is deemed to be a commercial vehicle.

**Mr TARBOTTON** - They have multiple tubes and time the load on each.

**Mr BOOTH** - A couple of monocycles might be a heavy vehicle.

**Mr NEWHAM** - There are some fairly clever algorithms. We have done checks with people watching trucks and they are pretty reliable.

**Mr BOOTH** - So you do not have any data on push-bike usage?

**Mr NEWHAM** - Not on the Arthur Highway.

**Mr BOOTH** - You would have to do a physical count on that?

**Mr NEWHAM** - We have counters on the Tasman Bridge which will count bicycles.

**Mr HALL** - Certainly that metre is an improvement because you do get a lot of cyclists on that road. Tour groups go down there, recreational cyclists, the whole lot. From previous evidence, that shoulder is swept three times a year; is that still the case? I was seeing patches on the Bass Highway where it has not been swept for a long time. It makes a big difference because if you are on the edge and you have all those bits of grit and everything else, that is where cyclists say it is all too hard and you get back in the traffic lane.

**Mr PAINE** - It is part of our maintenance contract. Sometimes we need to police those things better because they may not be done to the standard we expect.

**Mr BOOTH** - If the Public Works Committee approves a project, Chair, then it has to be implemented on the basis of approval, doesn't it?

**CHAIR** - Lots of projects go way over budget and all sorts of things happen after we have approved a project.

**Mr BOOTH** - Greg is right in that when we have approved a project on the basis that the bicycle lane is going to be swept three times per year then the committee would expect that to occur.

**CHAIR** - It is a reasonable expectation.

**Mr PAINE** - It is not part of this project. It is only a construction project, not construction and maintenance.

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**Mr TARBOTTON** - It is a separate matter but if it concerns our maintenance crews or if our contracts are not being honoured then it needs to be looked into. It is certainly not part of the design stage.

**Mr PAINE** - I will raise that one about the Bass Highway with our maintenance team.

I note that the north and south Murdunna sites have both been significantly affected by bushfire, so the power poles have already been relocated.

**CHAIR** - Thank you very much.

**THE WITNESSES WITHDREW.**