



NEW SOUTH WALES

Minister for Roads

30 MAR 2006

Mr Stephen Frappell
Director
Budget Estimates
Parliament of NSW
Macquarie Street
SYDNEY NSW 2000

**LEGISLATIVE COUNCIL
COMMITTEES**

30 MAR 2006

RECEIVED

Dear Mr Frappell

I refer to your letter of 16 March 2006 in relation to the Inquiry into Budget Estimates – Supplementary Hearing (Roads Portfolio) held on 15 March 2006.

As requested, please find attached:

1. transcript proof with amendments marked; and
2. answers to questions taken on notice.

Yours sincerely

A large, stylized handwritten signature in blue ink, appearing to read 'Eric Roozendaal'.

**HON ERIC ROOZENDAAL MLC
MINISTER FOR ROADS**

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 1 of 7

Question

Would it be possible for you to provide the latest monthly list of estimates so that the information is as current as possible?

MR WATTERS: On which projects?

CHAIR: On the "Major works" section.

Mr HANNON: Are you looking at the annual report?

CHAIR: Yes.

Mr HANNON: Do you want a particular schedule updated?

CHAIR: Yes, it is appendix 1, "Major works", page 112. That would be good.

Mr HANNON: Yes, we will do that.

Answer

This information will be provided in Budget Paper 4 in the upcoming NSW State Budget.

Question

CHAIR: Thank you. In terms of particular projects, it would be helpful if you could provide the information to the Committee in relation to the Moorland to Herons Creek project. Could you give us an assessment of where that is at in terms of its commencement? Could you also advise us of the commencement date of the Kempsey to Eungai project? How much has been expended on those projects so far?

Mr HANNON: Yes, we can do that. In fact, we are back here next Tuesday to talk about the Pacific Highway projects, which is what these are.

CHAIR: Sure. I will read onto the transcript some specific projects.

MR WATTERS: May I give a general answer to your question about the timing of the Pacific Highway projects Moorland to Herons Creek and Kempsey to Eungai? In December the Federal Minister and the State Minister announced the next three years of AusLink funding for the Pacific Highway. A number of projects were announced at that time as being expected to be under construction in the next three years. There is no certainty of Federal funding beyond 2008-09 because we will enter into a new AusLink five-year program and there is no commitment of Federal funding yet. So the program of works beyond 2008-09 was unknown at that stage and is subject to confirmation from the Federal Government that they will continue the level of funding that they have indicated for the first three years. So, while the State Government has committed its ongoing \$160 million per year, the Federal Government has only committed that to 2008-09. So we have projects that we are working to start construction on in the next three years and there are others beyond that for which the timing is uncertain. So, while we can answer the question on notice, it will be subject to the caveat that the level of funding beyond 2008-09 is unknown.

CHAIR: Okay.

CHAIR: On notice, could you provide the Committee with some information on how much funding has already been expended on the Moorland and Heron's Creek at Kempsey to Eungai projects?

Mr HANNON: Yes.

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 2 of 7

CHAIR: And how it has been expended?

Mr HANNON: Yes.

CHAIR: Could you advise the expected commencement date for any parts of those projects that have not started? If there has been a delay, would you provide the reasons for the delay?

Mr HANNON: Yes.

Answer

The funding priorities for the next three years following the completion of the current 10-year Pacific Highway Upgrading Program have been set. On 23 December 2005, the NSW and Australian Governments announced a \$960 million program to upgrade a further 64 kilometres of highway to dual carriageway by mid-2009. Construction of the Moorland to Herons Creek and Kempsey to Eungai projects is not included in this program of works.

While a timeline for construction of the Moorland to Herons Creek and Kempsey to Eungai projects has not yet been determined, both Governments announced that the environmental assessment and planning requirements are to be finalised as part of the next step to prepare these projects for construction beyond 2009.

The environmental impact statement for the Moorland to Herons Creek project was displayed for public comment in June 2005. A submissions report in response to that display is currently being finalised in advance of seeking planning approval.

The preferred (eastern) route for the Kempsey to Eungai project was announced in July 2004. Following that, the environmental assessment and project approval phase of project development commenced in November 2004 and is now well underway.

As of the end of February 2006, expenditure for the 21.3km long Moorland to Herons Creek project has totalled \$7.6 million on property acquisition, project development, engineering and environmental assessment.

As of the end of February 2006, expenditure for the 40.8km long Kempsey to Eungai project has totalled \$13 million on property acquisition, project development, engineering and environmental assessment and detailed flooding investigations.

Question

Mr HANNON: We can tell you which projects are going to start—or are programmed to start—in the next three years if that is useful.

CHAIR: Yes, you can do that. That would be appreciated.

Mr HANNON: I can give the project names to you now.

CHAIR: Sure.

Mr HANNON: They are: Karuah to Bulahdelah, stages two and three—these are agreed projects as per Minister Lloyd out of Canberra and Minister Tripodi.

MR WATTERS: These projects were included in the media release in December. Some of them will be commenced and completed in three years, others will commence in the three years and others will have preconstruction activity during the three years. I do not want to give the impression that the projects that were in the media release will all be completed within the three years.

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 3 of 7

Mr HANNON: Some dollars will be spent on them. They are: Karuah to Bulahdelah, stages two and three. That goes north. Karuah to Bulahdelah stage one is currently under construction and should finish this year. That goes towards Bulahdelah. There is the Bulahdelah bypass. I can give you lengths and dollars if that is useful to you.

CHAIR: Perhaps you can table that information rather than reading it.

Answer

The following projects have been identified as candidate projects, as outlined in the joint Australian and NSW State funding announcement on 23 December 2005:

- Karuah to Bulahdelah Stages 2 & 3 (Tenders closed on 29 March 2006)
- Bulahdelah Upgrade
- Coopernook to Moorland
- Bonville Upgrade (Tenders closed and are being assessed)
- Sapphire to Woolgoolga
- Ballina Bypass
- Banora Point Upgrade

Some of the above projects will be commenced and completed within three years. Others will commence within the next three years to mid 2009, and others will have preconstruction activity during this time. It should be noted that not all of the above projects will be opened to traffic by the end of the three years.

Question

Ms LEE RHIANNON: I am trying to work out the paper trail. That is a document we have. I am trying to ascertain from you where it has gone or did it just die at that point?

Mr HANNON: We will have to take that on notice.

Answer

In 1998, the RTA signed a contract with a Baulderstone Hornibrook Bilfinger Berger Joint Venture ("BHBB") for the design and construction, and subsequently for 10 years' operations and maintenance, of the M5 East project. All work on the project, including changes ordered by the RTA, is thus undertaken by BHBB.

The draft letter related to a change proposal under consideration by the RTA for scoping by BHBB for an in-tunnel filtration pilot system in the M5 East tunnel.

The draft proposal was superseded by the announcement of a trial of pilot filtration technology by the then Minister for Roads in March 2004. The announcement stated that the selection of a tunnel for the proposed trial would be determined as part of the selection process for the filtration technology.

Question

Ms LEE RHIANNON: Could you take that on notice and provide to the Committee details of how much of the time the tunnel is functioning normally, that is, when it is fully enclosed?

Mr WIELINGA: Will do.

Answer

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 4 of 7

At least 90% of the air circulated by the M5 East tunnel ventilation system is discharged from the Turrella stack during its normal operation as a "fully enclosed system".

Question

Ms LEE RHIANNON: Can you tell me what is the latest figure for the cost of running the ventilation system that you have?

Mr WIELINGA: I am sorry, I cannot.

Ms LEE RHIANNON: Can you take that on notice?

Mr WIELINGA: Yes.

Answer

Consistent with current Government policy, commercial in confidence information is not disclosed. This confidential information includes the contractor's cost structure or profit margins.

Question

The Hon. DAVID CLARKE: When did you first become aware of the discussions involving the memorandum of understanding that involves the question of the toll?

Mr HANNON: I will have to check that. I will take it on notice.

Answer

I am aware that a draft MoU was prepared in mid 2005. While that MoU included, inter alia, reference to private sector involvement it excluded any specific reference to tolls. I first became aware of a specific reference to tolls in the MoU in December 2005.

Question

CHAIR: Mr Hannon, in relation to RTA centres, can you give the Committee advice as to how many RTA centres have been closed, if they have been closed, in the last 12 months and if so, which ones have been closed?

Mr HANNON: We cannot think of any at this stage that have been closed.

CHAIR: Could you check that and provide it on notice.

Mr HANNON: What do you call "centres"? Are you talking about registry offices, offices generally or works depots?

CHAIR: Any RTA centres that have been closed, and if you could provide that information for the last 10 years, that would be appreciated as well

Answer:

RTA records disclose as follows:

**QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006**

Page 5 of 7

Registry Location	Date Closed	Outcome
Wollongong (City Link)	13/12/1996	Amalgamated with existing Wollongong site.
Chullora	14/2/1997	Relocated to existing Bankstown site.
Miranda	21/2/1998	Amalgamated with existing Miranda (Kiora Mall) site.
Cammeray	29/5/1998	Relocated to Chatswood in larger premises. Staff relocated to Chatswood and North Sydney sites.
Dee Why	30/10/1998	Relocated to larger premises at Warriewood.
Fairfield Heights	19/2/2000	Relocated to Wetherill Park in larger premises. Existing site at Fairfield redeveloped.
Kogarah	17/6/2000	Relocated to larger premises at Rockdale
City (Clarence St)	12/4/2002	Relocated to larger premises at new Wynyard site.
Revesby	26/4/2003	Relocated to larger premises at new Padstow site.
Rosebery	7/6/2003	Botany redeveloped and services relocated between Botany and existing Maroubra site.
Camden	17/1/2004	Relocated to larger new premises at Narellan.
Singleton	19/7/2004	Relocated to larger new premises within Singleton.
Gladesville	23/7/2004	

Question

CHAIR: In relation to the Timber Bridges Program, can you advise how much has been spent in the last 12 months on replacing timber bridges in New South Wales?

Mr HANNON: Under the Rebuilding Country Roads Program, a component of that was the Country Timber Bridge Program and 140 bridges have been completed.

MR WATTERS: They have all been completed and this year the Rebuilding Country Roads Program was \$135 million. Within that there is the Country Timber Bridge Program but I do not know the precise amount this year on country timber bridges.

Mr HANNON: That program has been running for about six or seven years.

CHAIR: Can you give us the information on notice?

Mr HANNON: So the question is how much money was spent on the Country Timber Bridge Program in 2004-05.

CHAIR: Yes.

Answer

Total RTA expenditure on replacing timber bridges during 2004/05 was \$32.5 million.

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 6 of 7

Question

In relation to the upgrade of the Pacific Highway at Banora Point, are you able to provide to the Committee the Sexton Hill bore hole logs and any documents that show the RTA's assessment of those logs?

MR WATTERS: Obviously we do not have those with us. I will take that on notice.

Mr HANNON: You want the bore logs and the report for the Sexton Hill project?

CHAIR: Yes, that would be good.

Answer

The attached geotechnical investigations report entitled "*Banora Point Upgrade - Initial geotechnical site investigation for concept design*" contains the Sexton Hill bore logs.

Question

CHAIR: If you could provide on notice the answer to this question. If the Minister for Roads is involved in any final approval of any traffic modelling figures at any stage and if, after the completion of the approach, does the RTA and/or the Ministry for Roads, undertake any evaluation to assess the accuracy or otherwise of the modelling figures?

Mr HANNON: I would be pleased to.

Answer

The Minister is not involved in any approval of traffic modelling figures.

After project completion, the RTA closely monitors traffic volumes in comparison to the traffic forecasts. Traffic forecasts are generally long term (10-15 year) forecasts.

Question

Ms LEE RHIANNON: Does that mean that you understand or you agree with the statements that have come from NSW Health studies that show that inside and outside the tunnel there are problems with air pollution and also the planning audit report, which found that they could not get accurate air quality monitoring. Therefore, how can you say that you are complying?

Mr HANNON: It is certainly my understanding. I can have that confirmed, if you like.

Answer

The Conditions of Approval for the M5 East project detail the compliance goals for in-tunnel (Condition 70) and ambient (Condition 71) air quality.

Continuous monitoring of the in-tunnel and ambient air quality has confirmed that the M5 East complies with the stringent air quality goals specified for this project.

The Department of Planning's Compliance Audit Report, September 2005 confirmed that:

- no motorist inside the tunnel had been exposed to levels of carbon monoxide above the legal limit, and
- there was no evidence that external air quality limits had been exceeded.

QUESTIONS ON NOTICE AND ANSWERS
FROM HEARING OF GENERAL PURPOSE STANDING COMMITTEE NO 4
WEDNESDAY, 15 MARCH 2006

Page 7 of 7

The NSW Health In-tunnel Air Quality Study, July 2003 concluded that :

" We have demonstrated that for a range of transits with the cabin open or closed during peak hour through the M5 East tunnels, motorists are unlikely to encounter air pollution that would lead to acute health impacts"

In its April 2004 Phase 2 Investigation into the Possible Health impacts of the M5 East Motorway Stack on the Turrella Community, NSW Health found no evidence of an association between the prevalence of eye, nose and throat symptoms and modelled emissions from the M5 East Stack.

Based on those findings, NSW Health concluded that:

" there is no scientific justification to conduct further epidemiological studies into the reported health effects on the community surrounding the M5 East Stack".

The Department of Planning Compliance Audit Report, September 2005 reported on the reliability of monitoring equipment in the M5 East exhaust stack and its impact on the availability of in-stack monitoring data. During the period quoted in the report, access to that monitoring equipment was available only when the Turrella stack was shut down for maintenance.

The in-stack monitoring equipment has since been re-located outside the tunnel but the sampling points remain within the stack. Instrument reliability and data availability have thus been restored to above industry standards.

Question

Ms LEE RHIANNON: Back to the cross-city tunnel, a number of residents have contacted my office with concerns about safety issues due to the narrowing of streets as part of the Queens Cross gateway project. I understand from these constituents that fire officials, police and ambulance drivers have informally expressed great concern about these developments. Could you let me know whether the RTA has canvassed the concerns of emergency services personnel? I am talking about the people who must contend with the traffic problems in east Sydney, not the higher levels of management.

Mr WIELINGA: I am not aware of the specific details. I believe they have been talking to them as part of the consultations, but I will confirm that.

Ms LEE RHIANNON: Could Mr Hannon or somebody else answer that question because I would expect someone to know that?

Mr HANNON: We will have to check that out for you.

Answer

With regard to the movement of emergency services vehicles at Queens Cross:

- The RTA Project Team has recently contacted local Fire Brigade representatives (22 February & 8 March 2006) regarding roadworks in the area. Fire Brigade expressed that there was some inconvenience due to current roadworks, which are due to be completed in April/May, but added that it was no more than they normally experienced when travelling around the city.
- The contractor, BHBB, regularly consults police and fire brigade regarding its construction traffic management plans.