

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Maley to the Minister for Infrastructure, Planning and Logistics:

Major Cost Blowouts for Berrimah Road – Tiger Brennan Overpass

Originally quoted by the NT Government in August 2021 as a \$61.5 million project, to be funded 50/50 by the Federal and Territory Government, the Berrimah Road – Tiger Brennan Drive Overpass total project cost has blown out by over \$130 million.

Questions:

1. Stage 1 (Early Contractor Involvement) was awarded to Sitzler Pty Ltd for \$66 million in August 2021. What work was undertaken by Sitzler under this contract and what was the total expenditure?
2. Were there any contract variations? If so, what were they and what did they cost?
3. Were there any associated tenders connected to additional overpass works or other intersections nearby, which were awarded by select tender to Sitzler? If so, what were these tenders and what did they cost?
4. Sitzler was also awarded stage 2 of this project for \$127.8 million to complete detailed design and construction of the project over the next two years. Is this \$127.8 million cost on top of the \$66 million contract already awarded to Sitzler for stage 1? If so, does this now make the total overall cost \$193.8 million?
5. What changes to design during stage 1 and stage 2 have caused the cost of this project to escalate by over \$130 million?
6. The Federal Government original committed to funding 50% of the project which was an investment of \$30.75 million in 2021. Has the Federal Government agreed to the new cost requiring significant further budget funding from the Federal Government in the order of \$97 million?

Response to Questions 1-6

Creating safer roads is a key priority of the Territory Labor government. The development of the Tiger Brennan Drive Overpass will make the daily commute for 20,000 Territorians much safer, enabling the continuous flow of traffic along Tiger Brennan Drive resulting in reduced traffic delays during peak hours and improved connectivity for freight transport to East Arm.

Early contractor works by Sitzler included a range of road and earthworks. Since design concept, the civil construction sector has seen significant material and supply market increases which have affected this project. Site investigations and extensive design work has resulted in increased funding commitments, though two rounds of value engineering has led to a number of savings.

There is \$165m allocated for this project, and the Territory and Australian governments are working together on a shared goal of creating safer roads.