

## Estimates Committee 2006 Questions Taken On Notice

( 20/06/2006 to 31/08/2006 )

Date: 21/06/2006 Output: 5.0 Territory Roads  
Sub Output: 5.1 Road Network  
Management  
Subject: Stuart Highway Realignment - Strauss Airstrip

**From:** Mr Gerry Wood to Dr Christopher BURNS  
Minister for Infrastructure and Transport

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**Question:** 7-4  
Minister, would it be possible to have the budgeted costs, plus the final cost of the diversion, or the realignment, of the Stuart Highway near the Strauss Airstrip? Would it also be possible to give us the reasons why there was an overrun?

**Answer:**  
Answered On: 23/06/2006  
Answer: The estimated cost of construction prior to tender was \$4.8 million. Final cost was \$6 million (excluding program delivery).

The 'Stuart Highway - Cox Peninsula Road Intersection' project was included on the 2001-02 Capital Works Program (CWP) at \$1 million and the 'Stuart Highway Duplication for the provision of two carriageways, Noonamah to Cox Peninsula Road' project was approved for \$2.7 million on the 2002-03 CWP.

The original scope of the duplication works would have destroyed the Strauss Airstrip, the Northern Territory Government assessed this as a heritage site. and formally declared the site in late 2003.

In order to re-align the duplication, two water mains and other services had to be re-located.

The estimated construction cost prior to tender was \$4.8 million (this excluded program delivery).

The contract was awarded to Ostojic Transport Pty Ltd on 7 December 2004 for \$4.9 million. The contract was let subject to the resolution of the relocation scope of works following approval by the Power and Water Corporation of the final design. The contract value did not include the ancillary works i.e. the Telstra re-location costs.

Finalisation of the design changes resulted in an upgraded water main underground system and additional ancillary costs increased the total project cost to \$5.4 million (including program delivery it was \$5.9 million).

During the works extensive volumes of unsuitable sub-grade material were encountered which had to be removed and reinstated. This required an additional \$600 000, bringing the total project costs to \$6 million (including program delivery it was \$6.6 million).

The Hon Jim Lloyd MP, Minister for Local Government, Territories and Roads approved a funding increase to \$6.6 million (that is \$6 million project costs and \$600 000 Program Delivery) on 17 July 2005.

The original completion date was due to be 7 June 2005, however, due to delays in materials supply, redesign and additional costs of materials and labour to relocate two water mains, the actual completion date was 23 December 2005.