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<p>Submission Stage 1 DCP Cost Review 2023</p> <p><u>Report</u></p> <p>1. 2.2.1 Berkshire Rd</p> <p>a) Early in 2023 a 3m wide pedestrian and cycle path was completed on the south side of Berkshire Rd using external grant funding. As a result, the footpath on the north side of Berkshire Rd is no longer necessary.</p> <p>SPP 3.6 states:                      “If additional external funding is obtained following commencement of the DCP, the CEP can be reviewed to reflect this, with a likely consequent reduction in infrastructure contributions.”</p> <p>On a “needs” basis, there is not sufficient pedestrian traffic to require 2 paths.                      From a safety view, workers crossing Berkshire Rd to reach the south side path are at no more risk than those crossing to the bus stops.</p> <p>The footpath on the north side of Berkshire Rd should be removed from the DCP as it is no longer needed.</p>	<p>Berkshire Road is a ‘Distributor B’ classification of road, carrying 8,300 vehicles per day (measured 2020/21), with a high volume of heavy vehicles. The road has a 70 km/hr speed limit and carries Restricted Access Vehicles (RAVs).</p> <p>When considering the need for pedestrian paths and facilities along any road, the City considers the characteristics of the road, future pedestrian demand and safety. In this case the information supports paths being provided on both sides of Berkshire Road.</p> <p>The DCPR, which pre-dates the City’s Bicycle Plan, includes the provision of dual use paths, now called shared paths, along the roads in the precinct. Berkshire Road was identified as having one path on the northern verge, and the City is supporting that commitment by the provision of a path on the northern side of Berkshire Road. The DCP provides a minimum standard of pedestrian facility for this industrial area however does not meet the desirable level of facility, being paths on both sides of the road.</p> <p>The DCP outcome is for a 2.0m wide concrete path, which provides sufficient space for a cyclist and a pedestrian to pass, as provided by Austroads Guide to Road Design. The path width of 2.0m is the minimum width suitable to be provided as a shared path. The DCP Report includes cost estimates of \$50,000 for this path, or \$0.07/m<sup>2</sup>.</p>

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	<p>In 2017 the City prepared a Bicycle Plan to identify cycling routes through the City (and not just limited to the FF/HW Stage 1 Industrial Area) with aims of promoting healthy activities and active transport. This planning exercise identified a need for a strategic cycling route connecting the residential area to the east of Roe Highway, along Berkshire Road to reach the new High Wycombe Train Station.</p> <p>As the Berkshire Road path project was further refined, it identified that the optimum location for the 3.0m wide shared path along Berkshire Road was on the southern side (noting that it logically and safely connects to Principal Shared Paths installed by Main Roads alongside the Roe Highway).</p> <p>The City then sought, and was successful in receiving, 50% funding under the Department of Transport's WA Bike Network grant funding program. The path was approved as a shared path of 3.0m wide and is not a Principal Shared Path (which would be wider).</p> <p>The City considers the shared path on the southern side to be an additional pedestrian facility that enhances Berkshire Road to meet contemporary objectives of pedestrian safety and active transport for the reasons set out above, as well as being designed for cycling.</p>
<p>b) There are only 2 consumer overhead power cables crossing Berkshire Rd, one of which is now redundant.</p>	<p>The upgrades to Berkshire Road provide for a RAV7 vehicle network throughout the precinct. Forecast costs include the</p>

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<p>SPP 3.6 refers to this matter:                      “DCP infrastructure items should not include infrastructure that would otherwise be delivered by individual developers and required by subdivision approval.”</p> <p>This is clearly the case as every other development on Berkshire Rd and the rest of the DCA, has had, as a condition of development, to provide their own underground power connection.</p> <p>The item for adjusting consumer lines should be removed from the DCP.</p>	<p>undergrounding of remaining overhead powerlines, as the existing overhead powerlines obstruct the through movement of RAV7 vehicles. Undergrounding of powerlines occur when sites are redeveloped or as part of Western Power’s Targeted Underground Power Program (TUPP), whichever occurs first. Neither Western Power nor the City can require landowners to underground their power connections in the absence of the aforementioned triggers. The status of the two (2) remaining connections will be monitored with each annual review, with the DCPR updated accordingly. SPP3.6 considers the relocation of power lines a reasonable DCP infrastructure cost.</p>
<p>2. 2.2.6 Nardine CI extension (Road 2A)</p> <p>Works to bring temporary cul-de-sac to permanent standard has risen from \$220,384 at the 2022 review to \$584,349, a ridiculous increase.</p>	<p>The 2023 DCPR (pre-advertising) modified Road2A (Stage 2) from a forecast \$220,384 to \$584,349.75. This cost escalation was a direct consequence of an amended design, previously designed gravel base with no stormwater drainage, to an asphalt outcome with stormwater drainage. Concurrent with advertising, the City commissioned re-design of Road 2A (Stage 2) with the objective of reducing the cost through reverting back to a limestone road base with no formal stormwater drainage. The modified DCPR (post-advertising) has modified the forecast cost for Road 2A (Stage 2) to \$232,105, representing a cost escalation of only 5.32% from the 2021 DCPR. It is important to note this cost is informed by 50% Designs which are currently (at the time of</p>

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	writing this report) being designed and re-costed to a 100% standard.
<p>3. Berkshire Rd</p> <p>Item 7.1/7.2 There are only 2 overhead power lines.</p>	<p>Following receipt of the submission a site visit was undertaken confirming a stay wire crossing was inadvertently counted as a consumer aerial. The DCPR has been updated accordingly, with BOQ's updated to assume the removal of two (2) overhead powerlines, rather than the previously costed three (3). This change represents a reduction of \$17,500 to the total infrastructure cost or \$0.026/m<sup>2</sup>.</p>
<p>4. Milner Rd</p> <p>Item 5.24 There is no note to show this item is not included in DCP 1 as in 2022 review.</p> <p>Item 7.3 Only 3 light heads required due to recent wiring and light upgrades.</p>	<p>The BOQ for Milner Road shows a reference at item 5.24 confirming the 1.8m footpath, while estimated in accordance with the 85% designs, is not included in the cost total for Milner Road.</p>
<p>5. Nardine extension Road 2A- Stage 2</p> <p>Item 9.1/9.2 These items are unbelievably incorrect.</p> <p>It would appear the only items to be completed in this section of road 2A are approximately 65m of footpath and another street light.</p>	<p>There was a formatting error in the reported figures for the Nardine Road Bill of Quantities (BOQs) where the figures didn't align with the description; Items 9.1 &amp; 9.2 should read \$2356 and \$188 respectively. This was a formatting error and did not impact the calculations and sub-totals, or the overall reported figures of the DCPR.</p>

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<p>It appears that the water main for the emergency accessway has been priced twice (at different rates), as it already extends into lot 501.</p>	
<p>6. Emergency Access Works.</p> <p>These works have increased in cost from \$98,546 in 2022 to an eye watering \$452,307 in 2023. The previous review costs were altered to reflect the fact that is already a fully functioning bitumen driveway used by the current owner on a daily basis. The surface meets the requirements of an emergency access, as agreed by the City in the 2022 review.</p> <p>As an emergency fire access, one would hope that it will never require vehicular access in the future. Why then is it costed as a highway with kerbing on both sides, 6 drainage pits etc and 50mm of asphalt (thicker than required for RAV 7 corners)?</p> <p>This is a locked emergency access way.</p>	<p>The 2023 DCPR (pre-advertising) modified Road2A (Stage 2) from a forecast cost of \$220,384 to \$584,349.75. This cost escalation was a direct consequence of an amended design, previously designed gravel base with no stormwater drainage, to an asphalt outcome with stormwater drainage. Concurrent with advertising, the City commissioned re-design of Road 2A (Stage 2) with the objective of reducing the cost through reverting back to a limestone road base with no formal stormwater drainage. The modified DCPR (post-advertising) has modified the forecast cost for Road 2A (Stage 2) to \$232,105, representing a cost escalation of only 5.32% from the 2021 DCPR. It is important to note this cost is informed by 50% Designs which are currently (at the time of writing this report) being designed and re-costed to a 100% standard.</p> <p>It is important to note the Emergency Access Way will not be locked as it is required to provide unimpeded access in perpetuity.</p>
<p>7. Sultana Rd West.</p> <p>Item 5.2 Footpath is priced at \$70/m<sup>2</sup> instead of \$50/m<sup>2</sup> for a 1.8m path (refer Milner Rd).</p>	<p>This was an error and has been updated. This change represents an overall reduction of \$0.04/m<sup>2</sup>.</p>

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<p>8. Administrative Costs.</p> <p>Past administrative costs have included the design and delivery of several large components of the scheme, purchase of 98% of land requirements, design to 85% of future components, a major review of the scheme in 2016/17 and a very expensive SAT hearing.</p> <p>The administrative costs to date have averaged \$85,270 per annum, so to forecast future administrative costs at an average of \$110,000 per annum when most of the work has been completed seems excessive.</p>	<p>The administration cost forecast in the 2023 DCPR is informed by recent costs incurred, rather than an average of previous charges to the scheme.</p> <p>While the administration costs throughout the lifetime of the DCP have averaged at \$85,270 per year, the charged administration costs have seen a range of \$15,736, in the 2015/2016 financial year, to \$147,522.39 in the 2020/2021 financial year. Variations to the charged administration costs are a consequence of under reported officer time and increased legal costs due to State Administrative Tribunal (SAT) appeals, etc. The average cost is therefore not a reliable source to forecast the future administrative costs for the DCP. Forecasting costs based on the most recent costs incurred is considered more appropriate. The 2023 DCPR forecast a future administrative cost of \$550,000, or \$110,000 annually, for the remaining lifetime of the DCP and this is attributed by estimated costs of:</p> <ul style="list-style-type: none"> <li>i. \$50,000 in planning / project management costs;</li> <li>ii. \$30,000 for legal fees;</li> <li>iii. \$25,000 for infrastructure reviews. This includes the annual BOQ reviews and Detailed Designs for the remaining infrastructure items; and</li> <li>iv. \$5,000 for the annual land valuation required to inform the forecast land costs.</li> </ul>
<p>9. Though 2022 and 2023 costings are on 85% design drawings, there appears to be significant differences in the quantities of many items costed.</p>	<p>The 2023 review of the total construction costs saw an average increase of 21% to forecast costs. This is due to the volatility in the construction industry which has seen a significant increase in demand and short supply of materials, as well an increase in both</p>

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	fuel and labour costs. The City is satisfied the cost escalations between the two reviews is reasonable in the current climate.
<p>10. Material cost rates are not consistent across the different roads. E.g. 40mm AC14 asphalt is \$36/m<sup>2</sup> in Sultana Rd and \$25/m<sup>2</sup> in Milner Rd up from \$18/m<sup>2</sup> at the last review.</p>	<p>Whilst the City acknowledges the cost differences, they are justified due to the different road profiles for each of the roads. Sultana Road West has been designed for AC10 which means a 10mm aggregate size and is used for straight roads or subdivision roads, whereas Milner Road has been designed for AC14 which means a 40mm aggregate size and is used for heavier traffic roads and particularly intersections.</p>
<p>11. It is hoped that any consultant and officer time spent correcting errors in this report will not be charged to the DCP.</p>	<p>Noted.</p>