

Procurement in Infrastructure and Capital Works 2015

Delivering Value for Money Infrastructure (Major Projects) on South Australia's North-South Corridor



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Manager, Project Delivery

11 August 2015



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Department of Planning,
Transport and Infrastructure

NORTH SOUTH CORRIDOR

Adelaide's North-South Corridor:

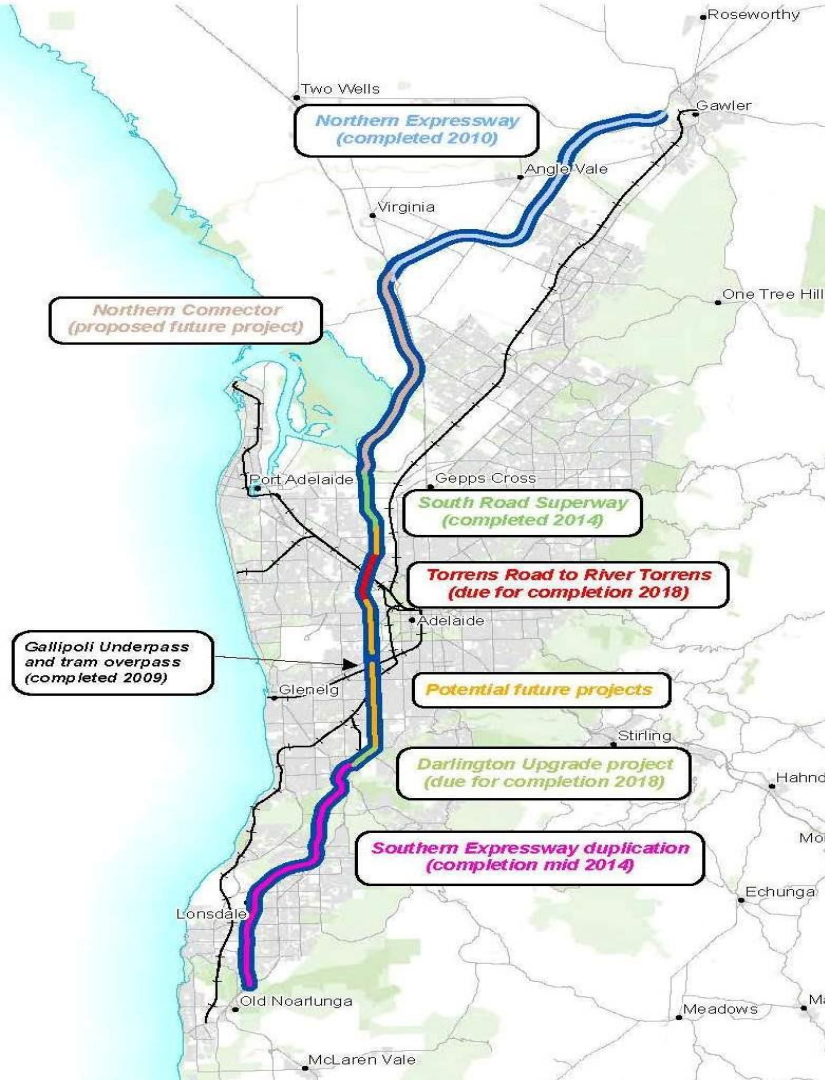
- 78 km running between Gawler and Old Noarlunga.

Funding agreement has been reached between Australian and South Australian Governments to fund two projects in parallel:

- Torrens Road to River Torrens \$896m
- Darlington \$620m.

Total investment of \$1.516b between 2013-2014 and 2018-2019.

DPTI is continuing to work on a 10 year strategy to deliver the North-South Corridor.



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North-South Corridor

Southern Expressway Duplication

[completed 2014] \$407.5m

OLD NOARLUNGA

LONSDALE

GLENELG

PORT
ADELAIDE

TWO
WELLS

ADELAIDE

GEPPS
CROSS

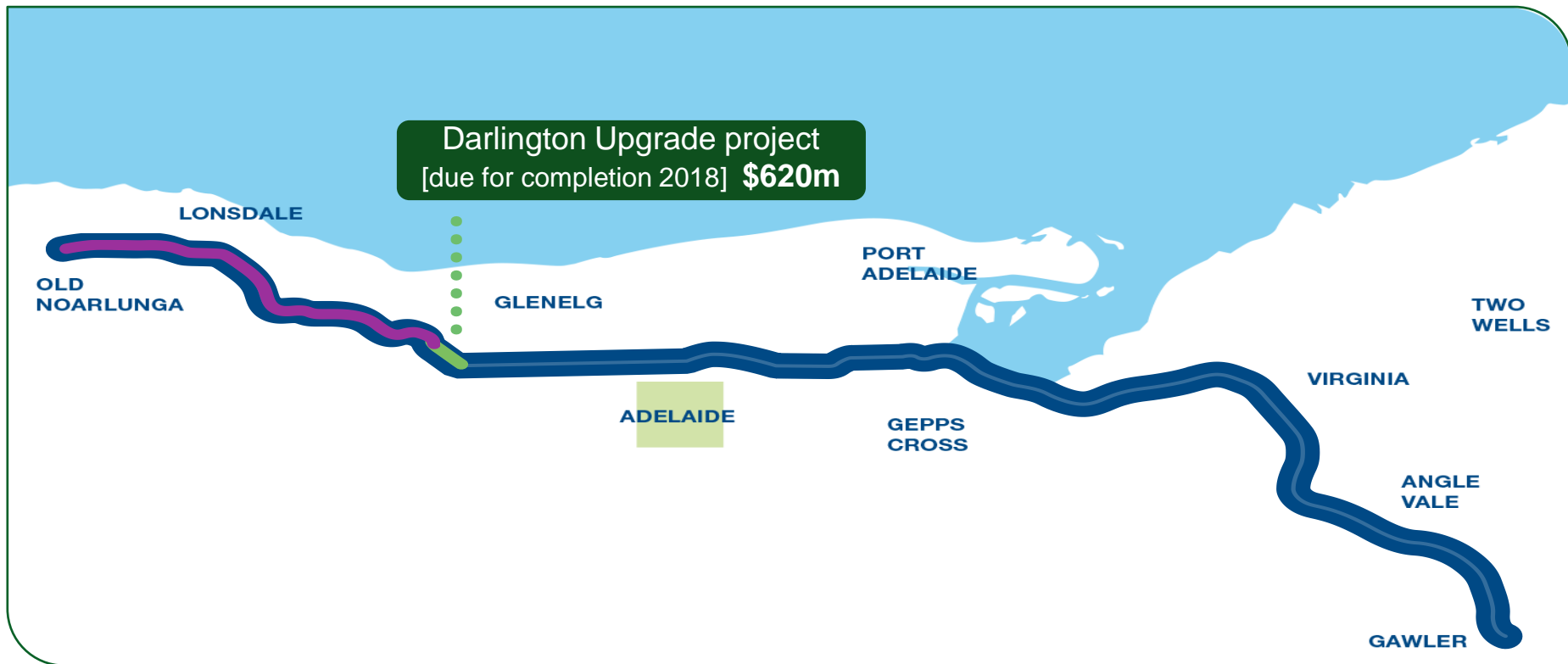
VIRGINIA

ANGLE
VALE

GAWLER

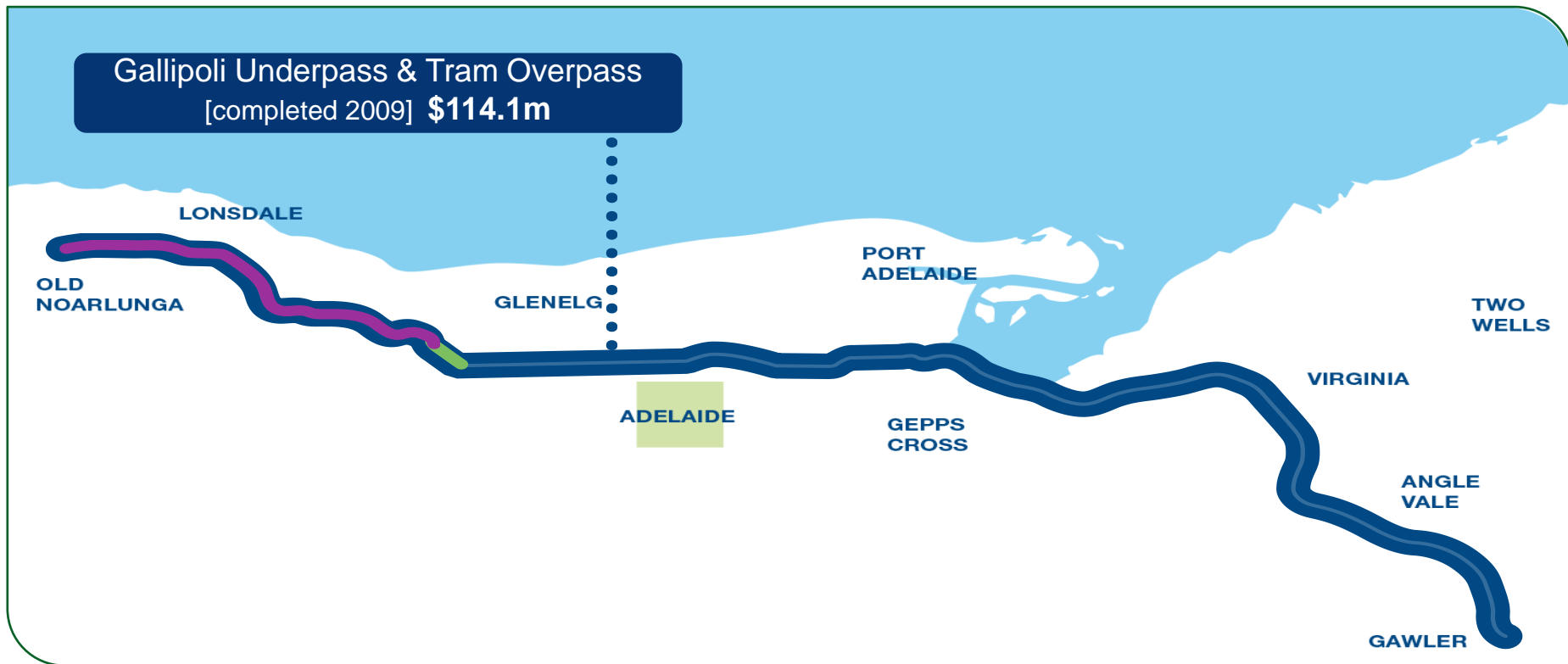
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North-South Corridor



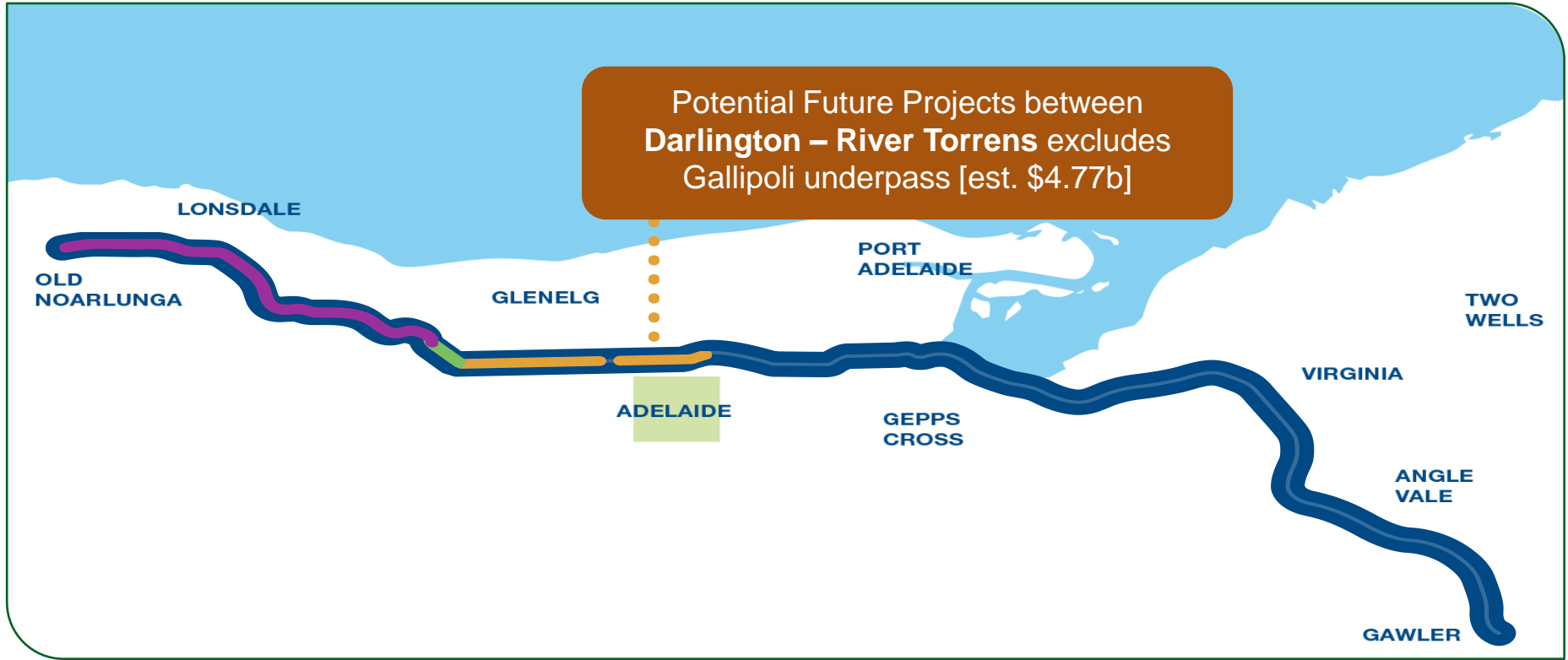
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North-South Corridor



Delivering our Transport Future Now

North-South Corridor



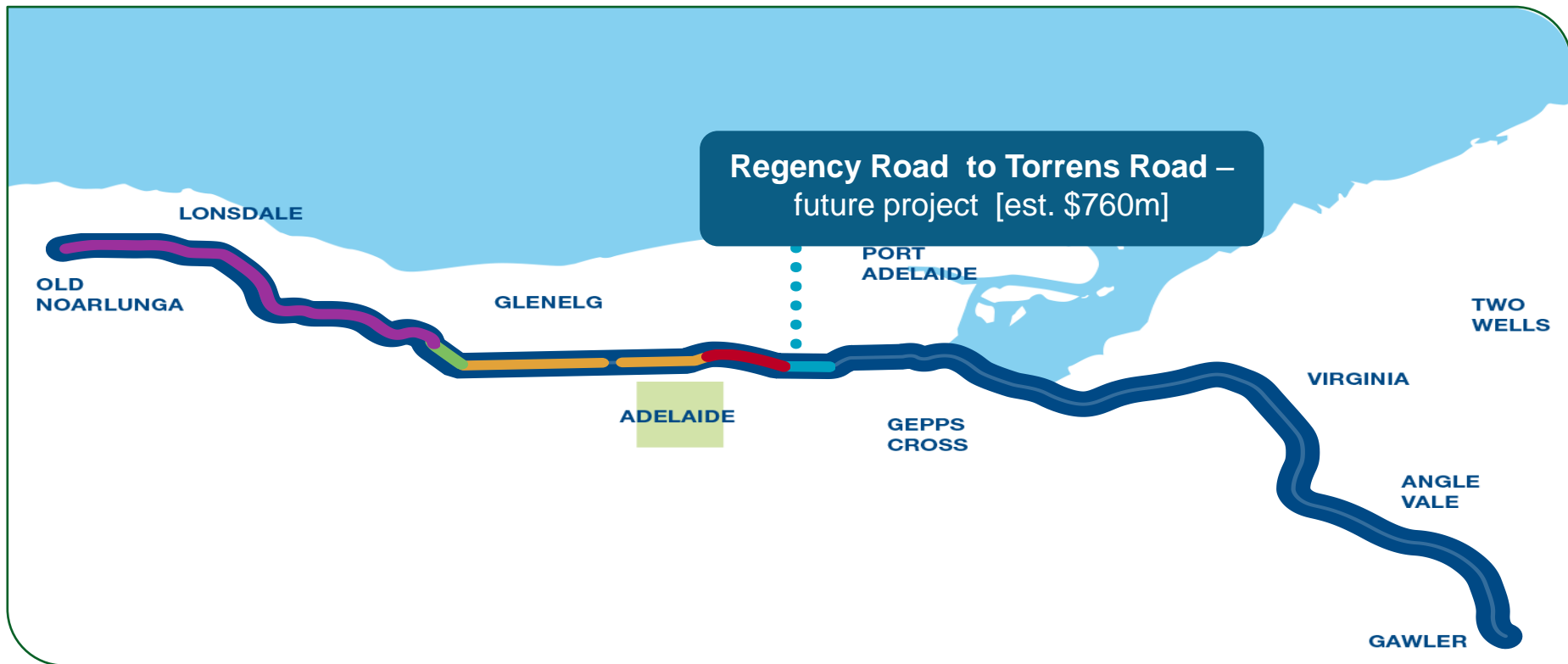
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North-South Corridor



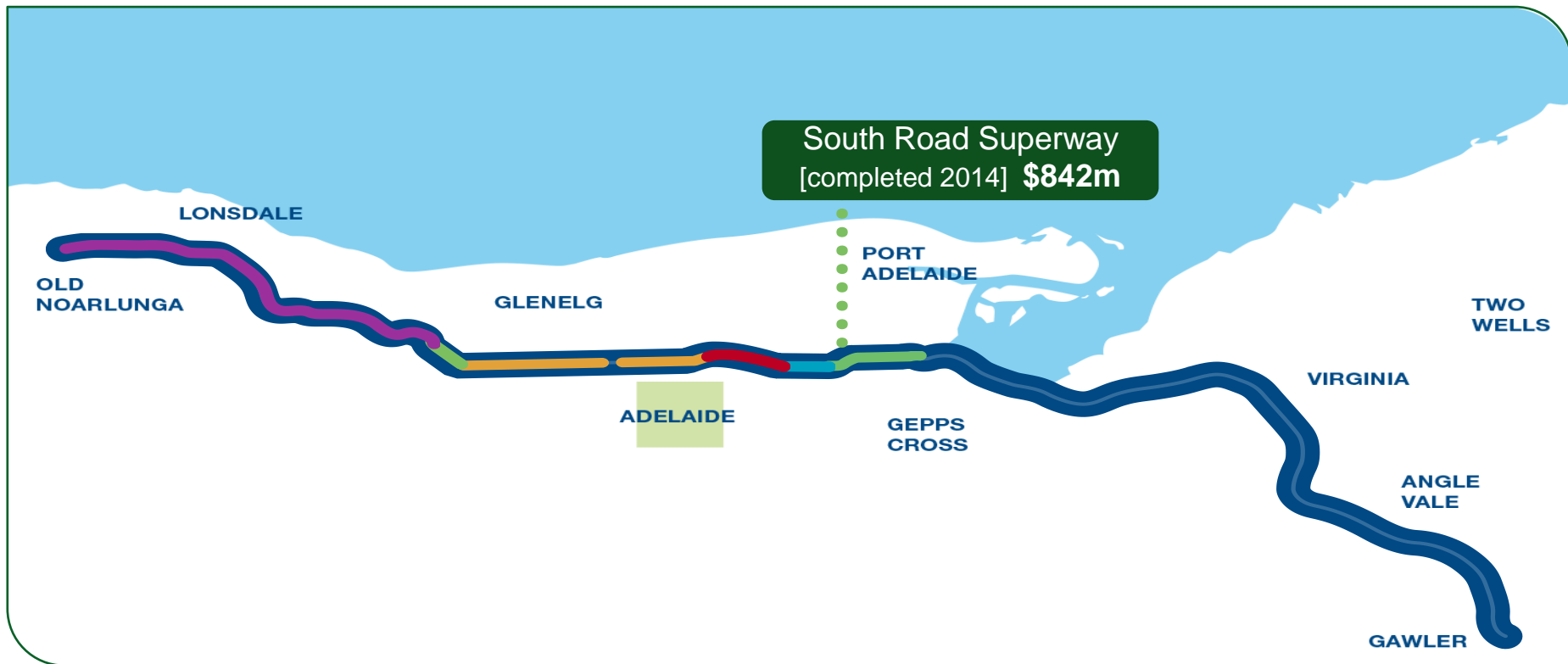
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North-South Corridor



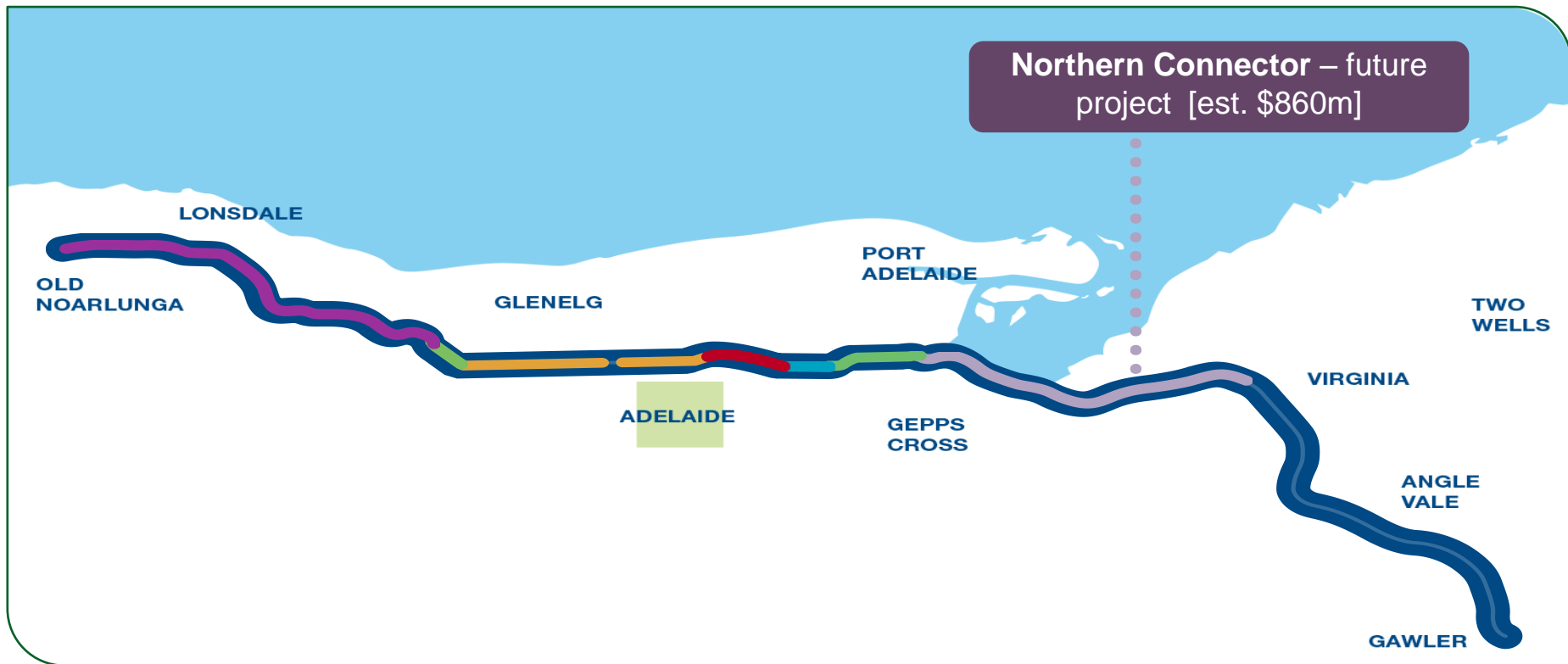
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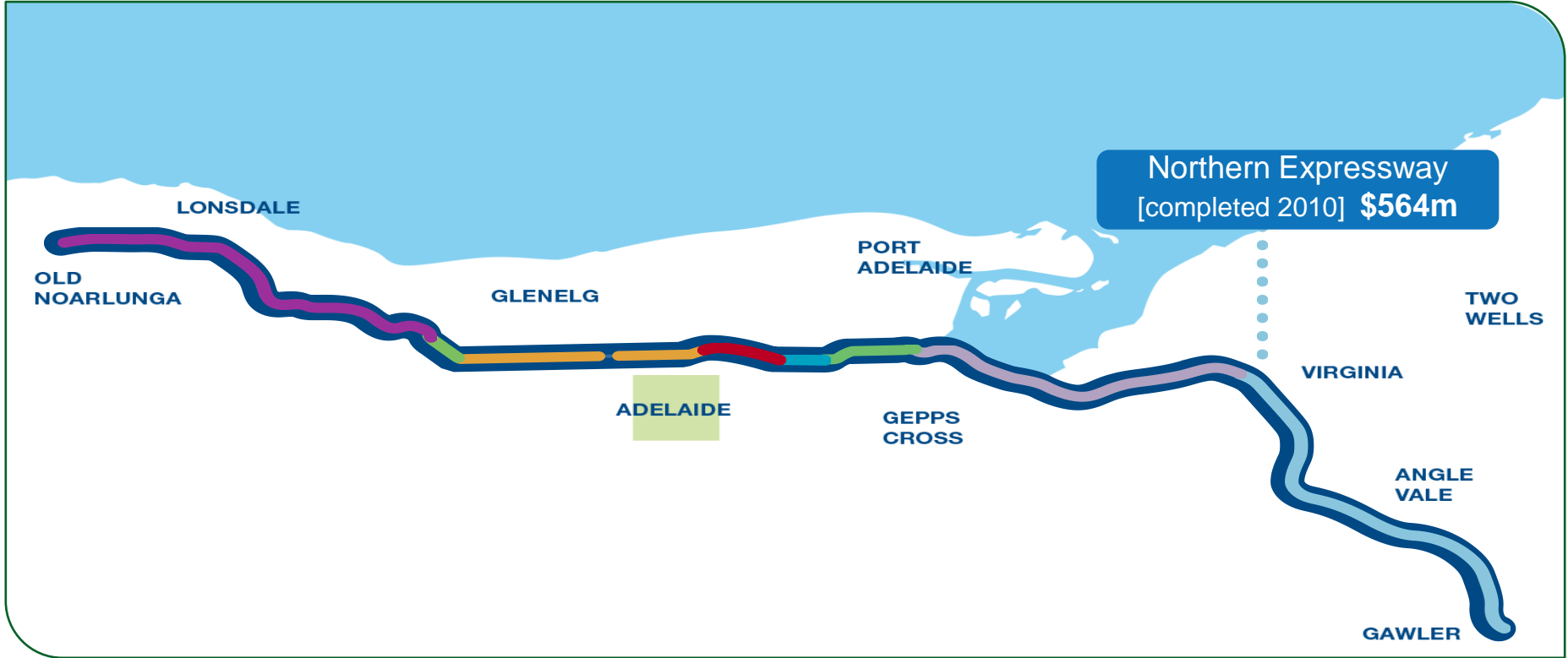
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North-South Corridor



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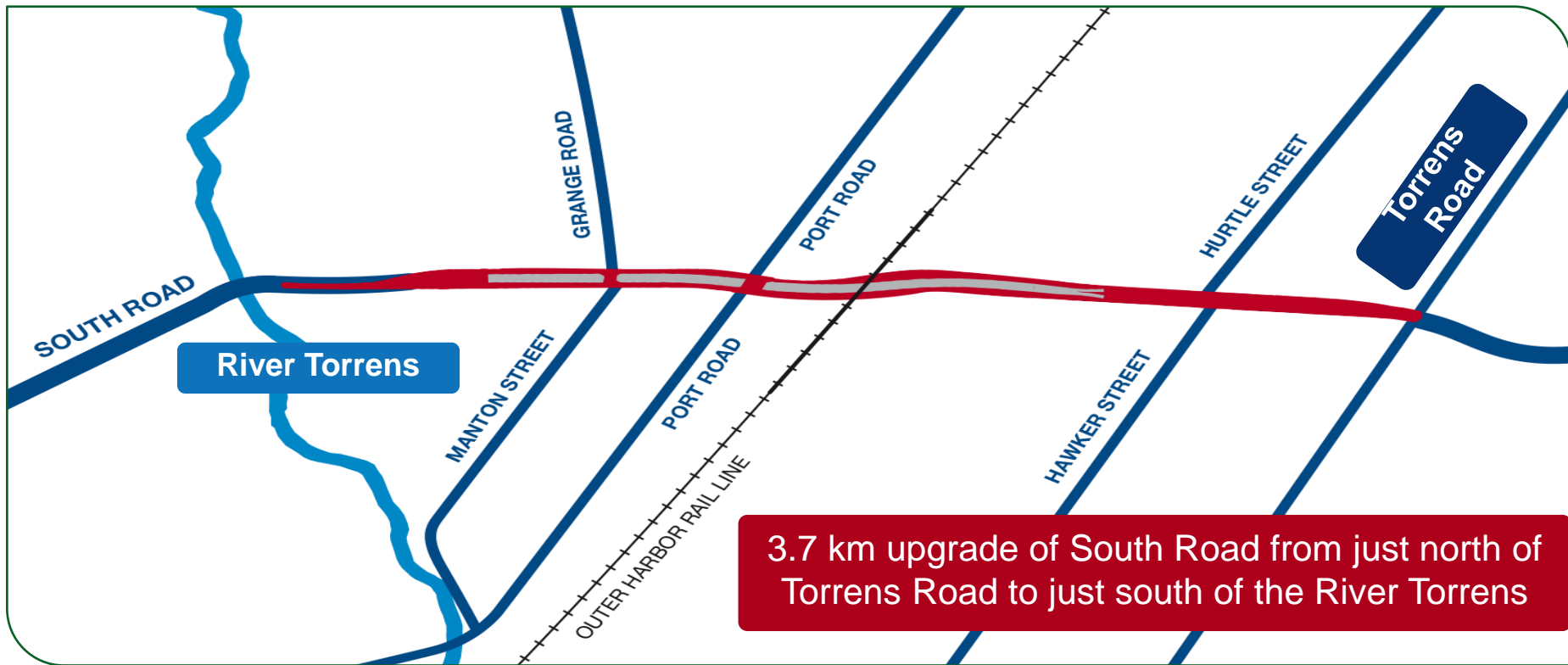
North-South Corridor



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North-South Corridor

Torrens Road to River Torrens



3.7 km upgrade of South Road from just north of Torrens Road to just south of the River Torrens

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North-South Corridor Torrens Road to River Torrens Project



T2T >



Aerial View South Road looking South

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North-South Corridor Torrens Road to River Torrens Project



Improved cycling & pedestrian facilities

Landscaping & noise barriers
(where required)

3 km of non-stop section of roadway
(incorporating 2 km of lowered motorway),
approx 8 m below the existing surface under
Port and Grange Roads, and Hawker Street

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North-South Corridor Torrens Road to River Torrens Project



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Graphical representation: Hawker Street/Hurtle Street intersection over lowered motorway

March 2015

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North-South Corridor Torrens Road to River Torrens Project



Pedestrian bridge across
lowered motorway

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North-South Corridor Torrens Road to River Torrens Project



Aerial view of South Road/Port Road Intersection

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North-South Corridor Torrens Road to River Torrens Project



Exit ramp to
Port Road

Entry ramp from
Port Road

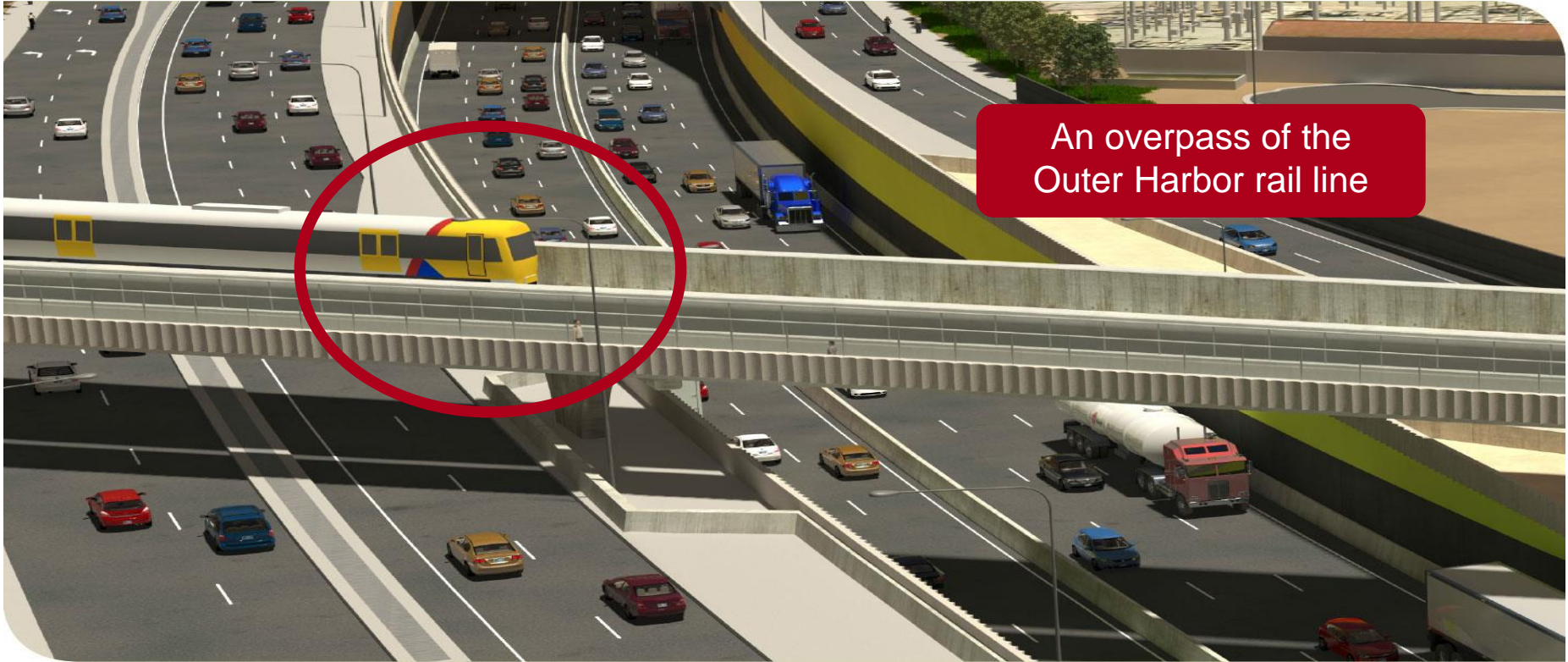


Port Road/South Road Intersection

Outer Harbor Rail line crossing/South Road

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North-South Corridor Torrens Road to River Torrens Project



An overpass of the
Outer Harbor rail line



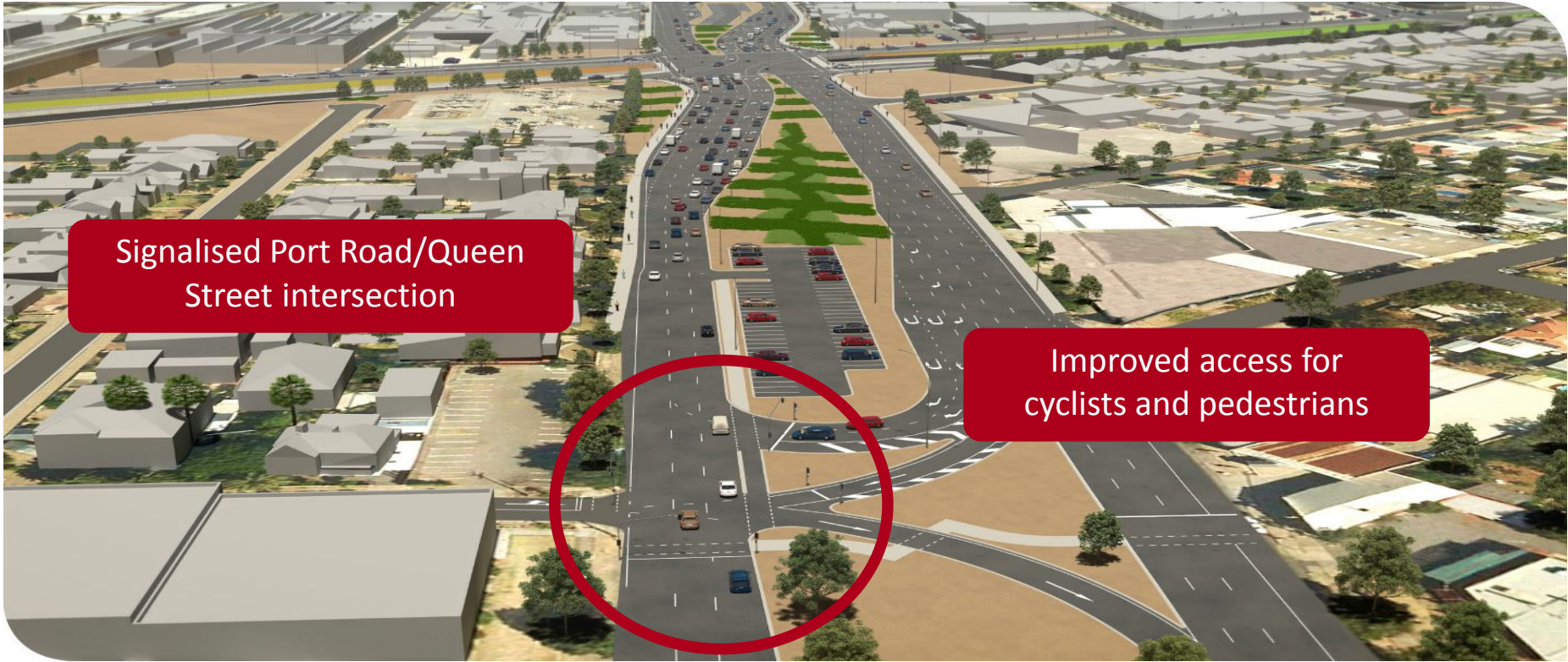
Right turn from Port Road to South Road



- Redirected turn movement
- Footpath
- Indicative noise barrier location
- Median/island
- Remaining land (land use to be determined)
- Lowered road
- Rail overpass
- Surface road (ground level)

NORTH-SOUTH CORRIDOR
Torrens Road to River Torrens

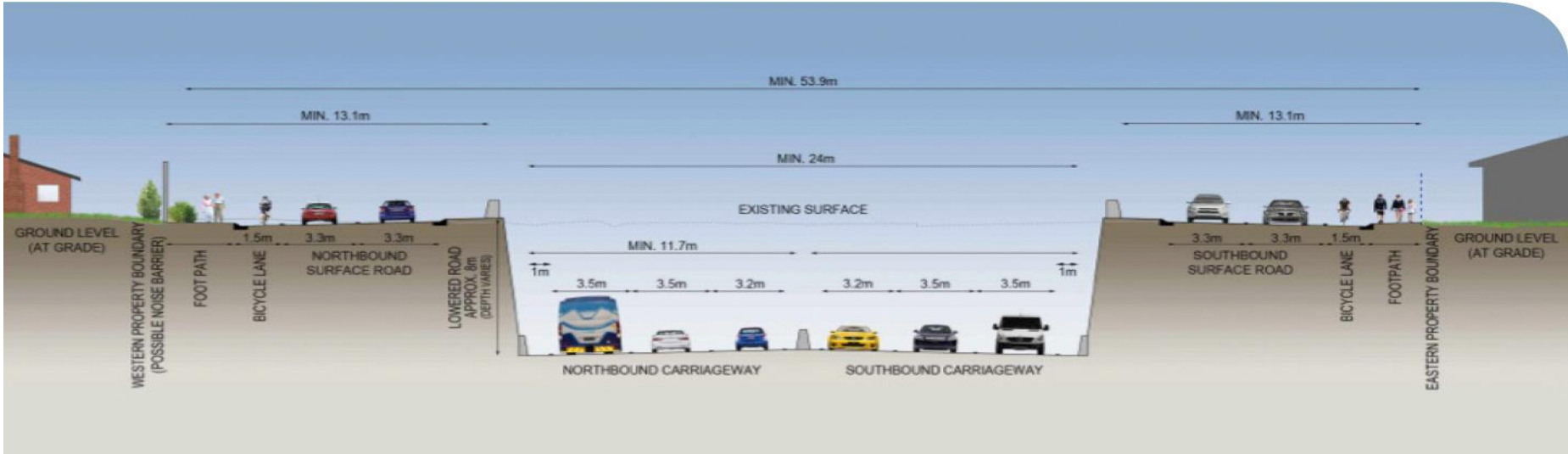
Figure 3.12
South Road/Port Road traffic movement



Signalised Port Road/Queen Street intersection

Improved access for cyclists and pedestrians





Parallel surface (at-grade) roads along the length of the lowered motorway to connect most local roads and arterial roads to South Road



Torrens Road to River Torrens Project Timeline





The award of the major works contract for the \$896 million project was announced on 29 April 2015.

The successful tenderer was T2T Alliance, a consortium consisting of:



Leighton Contractors Pty Ltd
Aurecon Australasia Pty Ltd and
York Civil Pty Ltd.



Competitive Alliance

- An Alliance is a collaborative delivery method in which the Owner joins with one or more non-owner participants to share all the risks and responsibilities in delivering a project.
- It is a proven infrastructure procurement method that is being used by governments across Australia to deliver infrastructure to the community.



Choosing a Competitive Alliance Procurement Model

- Delivering projects with unclear scope of works.
- Delivering projects with significant risk certainty.
- Managing stakeholder issues.
- Value-for-money.



Alliance Contracting Key Benefits

- The parties are incentivised to work cooperatively to complete the project within time and budget forecasts.
- To find the best solutions for the project (rather than for their own interests).
- To work quickly and collaboratively to resolve issues as they arise.
- Promote a positive culture to achieve outstanding results for the project.



T2T Alliance Key Result Areas (KRAs)

- Traffic Performance
- Completion
- Relationships with key stakeholders
- Sustainability
- Workforce and Industry Participation

The South Australian Industry Participation Policy

The Policy is in place to ensure that capable South Australian small and medium businesses are given full, fair and reasonable opportunity to tender and participate in significant public and private sector projects.



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A South Australian Industry Participation Plan is an important contractual requirement to:

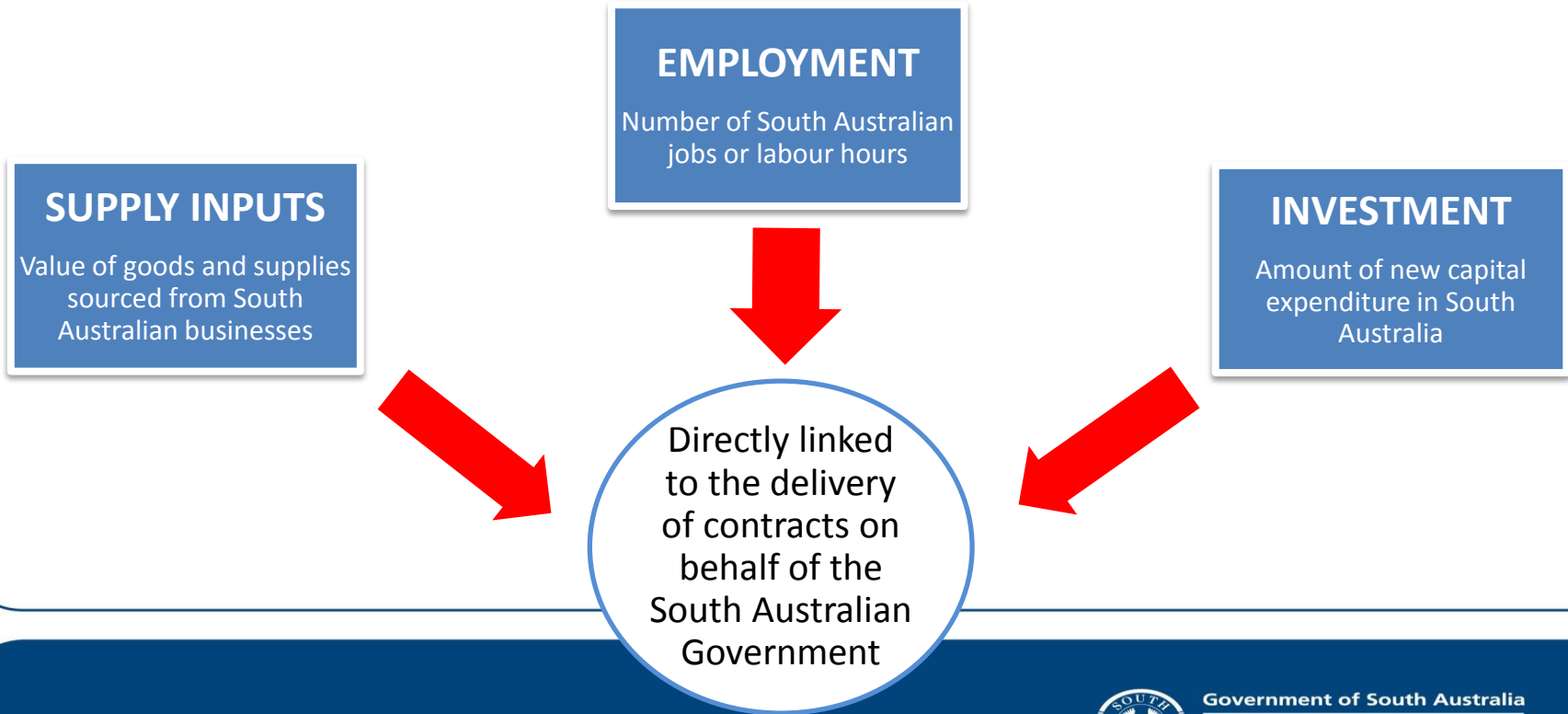
- Promote economic contribution to the State including employment outcomes and economic growth.
- Ensure equitable access for local industry.
- Monitor and record the outcomes of local industry involvement.



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Key drivers of economic contribution from procurement



Key Contract Clauses Relating to IPP

- There are regular reporting requirements to the Industry Participation Advocate to ensure the commitments are being met.
- Failure to comply, in whole or in part, with the commitments contained within the Supplier's Industry Participation Plan will be a factor taken into account in the award of future contracts.



Workforce Participation

In accordance with the State Government's 'Workforce Participation in Government Construction Procurement policy' and the State's 'Our Jobs Plan', T2T Alliance will be required to ensure that at least 20% of labour hours are undertaken by:

- Apprentices & trainees
- Aboriginal people
- Local people with barriers to employment
- Displaced automotive industry workers
- Up-skilling existing staff



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Projects of a large scale and nature create a range of opportunities for businesses along the supply chain in providing goods and services to the major works contractor. These typically include:

- Materials such as concrete, quarry products and asphalt.
- Machinery hire.
- Landscaping, fencing and traffic control.
- Fuel, accommodation, food and drink.
- Safety equipment, security etc.



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Industry Capability Network

- Pivotal link between major requirements and suppliers.
- Around 12,000 public searches per month.
- Around \$400 billion in opportunities.

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Keywords

All opportunities

State

Region

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Opportunity details

Darlington Upgrade Project - Gateway South - Tender Phase

Location: SA, Australia Project Value: \$620 million

Project Status
Tender Phase Competitive ECI

Project Owner
Department of Planning, Transport & Infrastructure (DPTI)

Project Details
Gateway South (Fulton Hogan Construction Pty Ltd and Laing O'Rourke Australia Construction Pty Ltd with design partners KBR, Jacobs, and SMEC) have been shortlisted by DPTI to tender for the Design & Construction contract for the Darlington Upgrade Project. This Project involves the upgrade of the 2.3 km section of Main South Road between the Southern Expressway ... [more](#)

Associated Opportunities Expand ▾

Work Packages To send expressions of interest for multiple work packages, select relevant checkboxes and then click 'Send Expression of Interest'

Open Listings
 Closed Listings
 Other
 Send Expression of Interest

Package title	Status	Opens	Full scope closes	Partial scope closes	Docs	Full scope ECI	Partial scope ECI
General Contract A							
Arborists and Tree Removal Services	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Asbestos Removal and Disposal	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Bridge Construction	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Building Works	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Civil Packages Subcontractor	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Cladding	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Concrete Placement	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Concrete Supply	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Crane Hire	Open	24 Jul 15	11 Sep 15	11 Sep 15			
Demolition	Open	24 Jul 15	11 Sep 15	11 Sep 15			

Opportunity details

North-South Corridor (Torrens Road to River Torrens)

Location: SA, Australia Project Value: \$896 million

Project Status
Tender phase

Project Owner
Department of Planning, Transport & Infrastructure (DPTI)

Project Details
Please see below for instructions on submitting an EOI for this project

Contacts
Eddie Ivar
ICN - SA
P: (08) 8303 2170
E: [click here](#)

Project Documents Contract ▾

- Industry Briefing 9 July 2015 Contract A
- Bettina Venner ICN (A650798)
- Brad Jackson T2T (A650776)
- Ian Nightingale CIA (A650738)
- Jon Whelan DPTI (A650602)

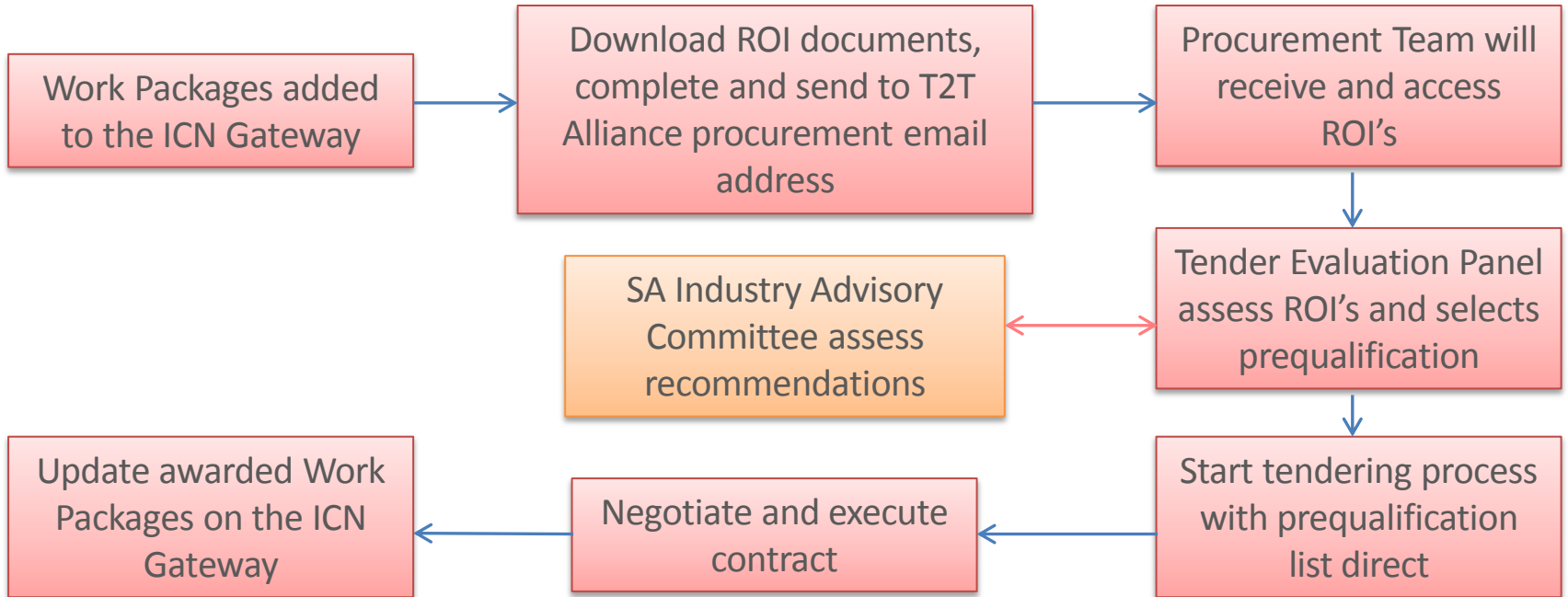
Work Packages To send expressions of interest for multiple work packages, select all relevant checkboxes and then click 'Send Expression of Interest'

Open Listings
 Closed Listings
 Other
 Send Expression of Interest

Package title	Status	Opens	Full scope closes	Partial scope closes	Docs	Full scope ECI	Partial scope ECI
Industry Briefing 9 July 2015 Contract A							
Environmental Borehole Sampling	Closed	14 Jul 15	21 Jul 15	21 Jul 15			
Surface Road Street Lighting	Closed	21 Jul 15	28 Jul 15	28 Jul 15			
Well Removal	Closed	21 Jul 15	28 Jul 15	28 Jul 15			
Construction Water - Quick Fill System	Closed	22 Jul 15	29 Jul 15	29 Jul 15			



T2T Project – Procurement Process



Which delivery method provides the most benefit and value for money?

Any model should work with the right drivers, relationships and skilled participants. Some models will work better than others dependant on the project characteristics.

Today's issue is that as an industry we lack experienced, skilled project teams who have the right drivers, relationships, and aligned cultures.

We also have project sponsors who require a defined commercial structure.



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Collaboration

The essence of a high performing team is to agree a set of behaviours that we intend to exhibit in our day to day interactions not only with each other, but with all stakeholders that we encounter.

- KRAs and KPIs developed jointly to encourage shared ownership and responsibility.
- The collaborative, relationship contract approach to ensure the project risks are minimised and opportunities and benefits are jointly shared. This approach is not possible without the genuine commitment to best for project outcomes by all parties.

Principles adopted by the Project:

- **Integrity**
- **Creating Value for South Australia**
- **Committed to Safety**
- **Focused on Learning and Developing**
- **Passionate about our Work**
- **Being Innovative**
- **Working as One Team**



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Award Interface – Collaboration and Team Culture

- Develop the tools and mechanisms to drive positive behaviours for the life of the contract....beyond the bid team.
- It is preferred that the project delivery team includes members from the bid team.
- To realise the financial benefits of collaboration during the Procurement Phase requires continuing effort through the life of the project.
- Team building - alignment of different cultures.
- KRAs and KPIs developed during Award.
- Encourage innovation and reward the team.



Lessons Learned

- Select the most appropriate people for the job and team (best for project).
- Visionary leadership.
- Invest in team dynamics and culture.
- Continuity of staff is important for the Client and the Contractor.
- Scope management and the ability of the contractor to progress additional design tasks in a timely manner.
- Understand the commercial implications.
- Safety
- Internal verification and independent proof engineering is thorough and in accordance with international quality standards.
- Politics will always influence projects.



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Sod Turning Event - 5 August 2015



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Thank you



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