

Sinkholes take out M6 project

EXCLUSIVE

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All work will cease indefinitely on a new motorway in Sydney's south after the contractors advised Transport for NSW their deal on the \$3.1 billion project had been "terminated" because of tunnelling conditions that "could not have been anticipated by anyone".

Fourteen months after the emergence of two major sinkholes, the *Herald* can reveal the lead contractor, CPB, opted for a cheaper, riskier tunnelling strategy on the southern section of the M6 stage 1, ignoring warnings from an engineering firm about the threat of soft ground before two major sinkholes emerged and caused delays.

In an email to workers on the M6 stage 1 yesterday, the joint venture of CPB, Ghella and UGL (CGU) said Transport for NSW had been formally advised that the contract between the parties had been "terminated by operation of the law".

"Tunnel excavation ... has been on hold for almost a year now due to the impact of unique adverse ground conditions caused by a complex faulting zone, including a high angle reverse fault (never seen before in the Sydney Basin)," the correspondence stated.

"The presence of such ground conditions could not have been anticipated by anyone. They were only discovered once tunnel excavation in the Caverns area was carried out ... It is now apparent that a compliant design solution cannot be achieved to overcome these challenging ground conditions."

All work on the M6 stage 1 would halt by June 30, the email said.

The escalating dispute between CPB and the NSW government over liability for delays and altered construction means the botched project's completion date, previously delayed until 2028, and cost are up in the air, with taxpayers

likely to face tens of millions of dollars in legal fees alone.

Designed to link the M8 motorway at Arncliffe to Presidents Avenue in Kogarah, the project has been plagued by problems since a 10-metre-wide sinkhole opened up above one of the tunnels for the M6 at Rockdale in March last year. Days later, another sinkhole emerged about 150 metres away.

\$5.5m

Spent by government on legal fees so far

Multiple sources close to the project who sought anonymity to discuss commercially sensitive details said CPB decided to subcontract the design of part of the southern section of the M6 to another engineering consultancy company, PSM, after it was initially advised to proceed with a more cautious approach to construction.

WSP, the main design engineering company engaged by CPB for the M6, advised that the contractor's method of tunnelling through the area was a riskier proposition

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Contractor walks away after

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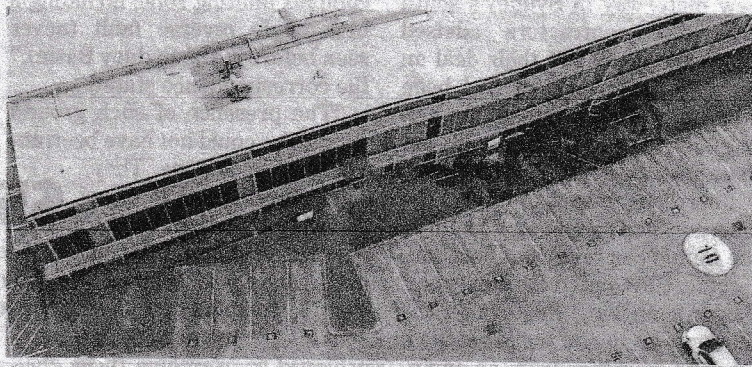
because of the ground conditions at Rockdale.

CPB then subcontracted another engineering company, PSM, which had a more aggressive approach in line with the contractor's original plan involving using excavation equipment to tunnel through the area instead of digging trenches and later covering over them.

PSM's approach would be cheaper for the contractor to deliver the project.

CPB did not answer the *Herald's* questions by deadline. WSP declined to comment. PSM did not respond to questions by deadline.

Transport for NSW said responsibility for the tunnel design lay with the joint venture. While the agency was continuing to search for a solution, the contractor had



The first sinkhole opened on March 1 last year above a tunnel at Rockdale..

"not demonstrated that it has exhausted technical options to move forward" on the underground works, a spokesman said.

"It is unfortunate CGU now appears to have determined it is in their commercial interest to down tools instead. We're considering

Transport's position in relation to the contract, given the unilateral steps taken by CGU," a spokesman said.

Opposition roads spokeswoman Natalie Ward said taxpayers had invested billions to deliver the motorway and they rightly expected it

sinkholes derail M6 project

to be safe and built to the highest engineering standards.

"If these allegations are true, serious questions must be answered not just by the contractor but by Transport for NSW and its procurement oversight," she said.

She said delays compounded the impact on local communities that "deserve certainty on when projects will be complete", calling for the government to start negotiations and "find a resolution".

"It would be disappointing if Sydney is left with an unfinished tunnel that taxpayers have already invested significantly in," she said.

Roads Minister Jenny Aitchison expressed disappointment in the contractor's action.

"I have requested advice from Transport on all options to provide a way forward to complete this im-

portant piece of infrastructure for the community," she said. "All aspects of construction delivery are the responsibility of the contractor. It is a reality of large infrastructure projects that issues will arise and need to be dealt with by the contractor according to the contract."

Questions regarding CGU's decision to stop work were not answered by deadline.

The government has previously confirmed that the sinkholes and required design changes would delay the motorway's opening until the end of 2028 - three years later than previous plans. A revised tunnelling methodology for the affected area would require approval from SafeWork NSW.

Construction had been halted on the 244-metre section damaged by the sinkholes for the past 13 months

as contractors and the government worked on a redesign of tunnels.

The government and joint venture are feuding over who is responsible despite a geotechnical report obtained by Transport for NSW laying blame for the sinkholes with construction of the tunnels. So far, the government has spent more than \$5.54 million in legal fees over the dispute.

The transport department has refused a freedom-of-information request by the *Herald* for high-level briefings about evaluation of tenders for the first stage of the M6, citing information that may reveal Cabinet deliberations or decisions.

Transport for NSW deputy secretary Camilla Drover recently said the "lengthy" process to decide who would bear the extra cost of completing the M6 was "very complex".