

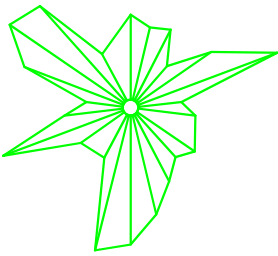
ACTING GENERAL MANAGER

ATTACHMENT B

**OFFICE RELOCATION INVESTIGATION, BIRIPI
WAY, TAREE**

STRATEGIC MEETING

14 FEBRUARY 2018



FROM: Andrew Murray EMAIL: andrew@montlaur.com.au DATE: 1 February 2018 PAGE: 1 of 2

TO: Allison Anthony COMPANY: Mid Coast Council EMAIL: Allison.anthony@midcoast.nsw.gov.au

CC: Stuart Munro COMPANY: Montlaur Project Services EMAIL: stuart@montlaur.com.au
Dimitri Amvrazis Montlaur Project Services dimitri@montlaur.com.au
Steve Embry Mid Coast Council Steve.embry@midcoast.nsw.gov.au
John Dougherty Mid Coast Council John.dougherty@midcoast.nsw.gov.au
Lynn Duffy Mid Coast Council Lynn.duffy@midcoast.nsw.gov.au

SUBJECT: REFERENCE NO. MCC 001

Mid Coast Council Office Relocation Investigation - Due Diligence Proposal

Further to our recent discussion Montlaur have considered the desired 'business case' or 'due diligence' outcomes that the Mid Coast Council (MCC) are seeking to achieve. Accordingly we provide the following for your consideration.

The scope we are outlining is consistent with what we would propose as part of normal due process, however given your need to have cost certainty as quick as possible, we have slightly adjusted the order of activities to be undertaken.

We usually begin a project by creating a workplace strategy and due diligence. The strategy is led by the architect and in simple terms, is a process of study and engagement to determine what type of workplace we need to create in order to align with your objectives. The strategy provides a framework for the design, and allows us to proceed with due diligence on a space. Due diligence would normally include test floor plans, a cost estimate and engineering reviews.

The above process is what we are proposing for MCC, however rather than undertaking a full workplace strategy first, our approach is to pre-empt the possible workplace scenarios that would usually come out of the strategy. This allows us to carry out the due diligence without needing to go through an extensive engagement with your organisation. There are likely to be two scenarios when we consider your workplace strategy:

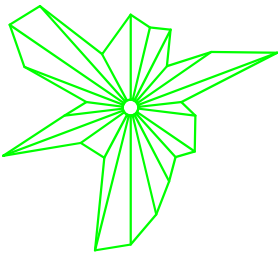
1. Co-locate, while reducing offices and walls (open plan)
2. Co-locate, while introducing agile or activity based working

We note that a third possible scenario (being co-locate your current amenities with minimal change to workspace) will not be considered for the reason that there is no one typical office arrangement to base this scenario on.

While the above is a simplification of the outcomes, it is representative of the decision an organisation needs to make. Our intention is to have an architect gather the necessary information (review your existing sites), engage with the Project Team, and develop some generic test plans based on the above scenarios. This will allow us to:

1. Ensure that each of the scenarios is able to fit in the building
2. Enable an engineering to understand potential upgrades and changes required to the building to support the building supporting your office
3. Enable the consultant team to develop cost estimates and detailed programs
4. Develop a change strategy based on the above scenarios (optional for this stage)

We will then formulate into a report which will be the basis for your business case. Once approved, we can conduct the rest of the workplace strategy, including a thorough engagement with stakeholders.



An outline of the process is provided below.

1. This process will run for 10 – 12 weeks.
2. The Architect will produce 2 test fits for consideration:
 - a. Scenario Two – Co-location + Reduction of office and built environment
 - b. Scenario Three – Co-location + Agile working
3. These will be produced with engagement purely with the project team (executive level) and some site visits
4. We will then produce costing for each option which will incorporate:
 - a. Test fits for each option within the Masters
 - b. Services input (MEFH)
 - c. PCA Advice on building upgrade requirements
 - d. QS costing for each
 - e. Change strategy (optional)
 - f. Montlaur will then collate all this in a report
5. This assumes we will have some base building plans (in CAD) to work from for the test fits – if a Survey is required we will need to get a quote for this
6. This assumes we will have existing floor plans (in CAD) to assist with understanding your current spaces
7. Costs – as per table below

Description	Cost (ex GST)
Montlaur PM – based on 12 week process	inc
Architect – investigation and test fits	inc
Services – MEFH reviews and cost advice	inc
PCA – BCA report and Reviews	inc
QS – 2 x cost plans	inc
Change Strategy (initial gap analysis)	inc
Contingency	inc
Total	\$152,000

Notes in relation to pricing:

1. We assume that the parties will be contracted to MCC directly (fully administered by Montlaur)
2. Montlaur's fees are fixed as noted above for PM and Change however all other fees are reasonable budget estimates that we will seek to get good value for money on.

Following conclusion of each of this process we will be in a strong position to continue with the main project delivery.

We trust this is sufficient for your immediate purposes and are available to commence following your approval. Please don't hesitate to call should you wish to discuss.

Yours sincerely,

Andrew Murray
Montlaur Project Services Pty Ltd
andrew@montlaur.com.au

ATTACHMENTS

Nil