

THE FULL MEASURE Terrace Junction—Queenstown

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Terrace Junction, which is in the final stages of construction, is located next to the BP service station on Frankton Rd, Queenstown. Blocks A & B of the development consist of a basement car park, drive-through Burger King restaurant on the ground floor, with a 200sq m lease available on the top floor.

Once completed it will house several experienced and well-established business operators, providing retail and convenience outlets, including an optician, liquor retailing, restaurants, cafes, hairdressers, industry consultants and property law-related tenants. Also included is the Westpac Bank along with a total of 125 car parks.

There are presently 50 contractors working on the site and most of them are from the Queenstown area. Blocks A & B were opened in September, while Block C is scheduled to open in January 2010. The tenant fitouts are progressively being completed.

Once the construction of this \$25m project is complete, there could be a community of 160 people working at Terrace Junction both in the office and retail complex.

Maltbys roles are Quantity Surveyor and funders Quantity Surveyor services.

Current Projects

Wellington Office

Heretaunga College
Wairau Hospital
Porirua City Fitness
Napier City Fitness
Broadway New World
Palmerston North Pak n Save
Porirua College
Kapiti College
No 1 Featherston Street
Summerset Hastings
Summerset Aotea
Summerset Napier

Auckland Office

Birkenhead Library
Papatoetoe Multisport
Site 14, Tank Farm
HNZC Ladies Mile
HNZC New North Road
HNZC Haverstock Road
Drake Street Commercial
Gardner House, Waiheke
Northern Swim School, Silverdale
Rossmay Terrace Townhouses
Westhaven Marina Pier Upgrades
Civic Building Fitout
Ridge Apartments, Parnell

Queenstown Office

AMI Timaru
The Rees Waterfront
Chin Residence—Wanaka
Crown Range Residence
Barley Station
Terrace Junction

THE PAPATOETOE MULTISPORT DEVELOPMENT

Maltby's first major commission on a project involving Manukau City Council, commenced on site in November 2009. Manukau Mayor Len Brown took the controls of an earthmover at a project launch ceremony on the 25th November to break the ground for the first stage of the redevelopment which involves new tennis courts, an artificial hockey turf, lighting towers and the development of additional carparking facilities and pedestrian boulevard through to the new Multisport building.

The full project has a budget of \$12m and the client is the Papatoetoe Sports and Community Charitable Trust. \$8.6m of the budget has come from Manukau City Council. The Trust itself is made up of representatives from the various local sporting clubs including the Papatoetoe Cricket and Rugby clubs, and the new Multisport building will provide a common hub for all of the local sporting clubs. As Trust chair Rick Child said "We see this complex becoming a hub for our community – creating opportunities and pathways to a healthy and active sporting life for Manukau's youth...."

The second stage of the project which involves the construction of the new multisport building was awarded to Ebert Construction in December and work commenced on the 18th January 2010 with the demolition of the existing Papatoetoe Cricket Club building. Completion of the building is programmed for October 2010. The new building includes an indoor cricket facility, strength training area, changing rooms, reception and administration areas and function spaces on the first floor which look out onto the sports fields via viewing terraces. The project is also following a partnering process, with monthly partnering meetings to evaluate and track the progress of the teams project goals set at the initial partnering workshop.



POSITIVE COST MANAGEMENT—CONSTRUCTION RISKS

Risk Management and Budget Setting

Below is an extract from the RICS Magazine August 09 edition:-

One of the most common criticisms from employers is that the estimated outturn reported by the cost manager keeps changing. Unfortunately, this is far too common and not surprisingly undermines employer confidence in cost advice received from the cost manager. Therefore, it is essential that we improve on the cost advice given to our employers.

To overcome this criticism, a significant change introduced by the rules (although far from a new concept) is the move away from non-specific use of contingencies to the more meaningful application of risk allowances. The rules stipulate that risk allowances must not be a standard percentage, but a properly considered assessment of the cost of dealing with risks should they occur. Risk allowances must take account of the completeness of the design and other uncertainties, such as the amount of site investigation completed to date (see NRM extract – Construction Risks)

It is not the cost manager's sole responsibility to identify and quantify the potential risks, but the joint responsibility of the employer and all project team members. There are many ways in which risks can be quantified in terms of cost and time. These range from the simple method of quantification to more complex methods, such as 'Monte Carlo' simulation techniques, which require specialist advice.

Properly managed risk allowances identify the residual risks, allocate risk responsibility to the most appropriate risk owner, lead to the most suitable contract strategy and increase the likelihood of a building project being successful.

Setting a Cost Limit

The rules also promote the setting of a 'cost limit' i.e. the maximum expenditure (authorised budget or approved estimate) that the employer is prepared to make in relation to the completed building.

Consequently, cost estimates and cost plans are divided into two key components – the 'risk-free' base estimate and the 'risk allowance' estimate.

Combined, the estimates provide the cost limit, which should not be exceeded unless the employer changes the scope of the work. It is the 'risk-free' base estimate and the 'risk allowance' estimate that should fluctuate as more design information becomes available – 'not' the cost limit. It is up to the cost manager to use his expertise to reallocate risk allowances as design information and knowledge about site conditions (on which cost estimates and programmes are based) improves.

The cost limit advised by the cost manager might simply relate to construction costs. Alternatively, the employer might commission the cost manager to manage all costs in connection with his building project i.e. 'total cost control', the total cost of delivering a building project.

Risk management is not a passive activity, and there is a cost associated with the 'up-front' risk process i.e. the cost of assessing and quantifying risk. Moreover, risk responses inevitably cost money. Failing to respond to risk through planned response activities will mean that risks go unmanaged, the risk exposure will not change and risk management process will be ineffective. However, it must be emphasised that, when applied properly, risk management will save the employer time and money and it will also help provide greater cost certainty. The cost of risk responses

should be seen as an investment in the future success of the building project, i.e. 'spending to save'. It is the responsibility of the cost manager to advise employers of the benefits of effective risk management. It would be remiss of them not to do so.

NRM Extract – Construction Risks

1. Inadequate site investigation
2. Archaeological remains
3. Underground obstructions
4. Contaminated ground
5. Adjacent structures (i.e. requiring special precautions)
6. Geotechnical problems (e.g. mining and subsidence)
7. Ground water
8. Asbestos and other hazardous materials
9. Invasive plant growth
10. Tree preservation orders
11. Ecological issues (e.g. presence of endangered species)
12. Environmental impact
13. Physical access to site (i.e. restrictions and limitations)
14. Existing occupancies/users
15. Restricted working hours/routines
16. Maintaining access
17. Maintaining existing services
18. Additional infrastructure
19. Existing services (i.e. availability, capacity, condition and location)
20. Location of existing services
21. Relocation of existing services
22. Statutory undertakers (i.e. performance)
23. Uncertainty over the source and availability of materials
24. Appropriateness of specifications
25. Incomplete design
26. Weather and seasonal implications
27. Industrial relations
28. Remote site
29. Competence of contractor and sub-contractors
30. Health and safety
31. Ineffective quality management procedures
32. Phasing requirements (e.g. occupation and decanting)
33. Ineffective handover procedures
34. Disputes and claims

SOCIAL EVENTS

Queenstown

Search & Rescue Training

Tony has been busy with search and rescue in recent months. A training weekend in mid November up the Rees Valley searching for 'lost' hunters had the trainees hopping in and out of helicopters – great fun but hold onto your hat!! Its amazing how easy it is to push a helicopter when it's hovering on one skid, and you are trying to get in! The group showed their resourcefulness when communications went down Saturday lunchtime. That evening finally saw the weather bomb arrive with howling winds and rain. Thankfully we managed to camp in the bush line while others braced themselves in the wind higher up the hillside.

We found the final 'lost' subject on Sunday morning when the snow and sleet came down. After an hours walk down to the valley floor and a welcome beer, we could all relax with the training weekend being acknowledged a success.



Two days after the training exercise, a live call out search came in looking for a missing kayaker in Queenstown. After lots of walking around the hills surrounding Queenstown and too much bush bashing we finally found him. Another success story.



Wellington

Christmas Celebrations



Our last day in the office was the 23rd December.

We closed up at 2pm and went out for lunch at the Tasting Room, Courtenay Place.

Lunch was delicious and we carried on late into the afternoon with Wellington arranging just the most gorgeous sunny day.

We also did a Christmas present game. Instead of traditionally everyone picking a present from the table from youngest to oldest, this time you had the option to either pick an unknown present from the table or take someone's if they had something you liked. Lots of laughs later, everyone had a present and was satisfied.

National Jandal Day

Friday 4th December was National Jandal Day. We joined the cause and for those who didn't have meetings to attend, wore our jandal's. Being the first casual Friday of summer it took on a new meaning being able to officially wear jandal's to work and with the sun out it was appropriate foot wear.

In our supporters pack there were balloons and a massive blow up jandal, which the visiting kids loved lying all over. It took pride of place in reception with all donations going to The Surf Life Savings Foundation.

All in all it was a good way to start summer.



Auckland

Ten Pin Bowling

Christmas 2009 started off with us playing Tenpin Bowling for some office bonding or rivalry. Once the beers had been passed around, we split into two teams consisting of Team A: Gary, Phil, Phil & Beth vs. Team B: Arthur, John, Huw, Kendall – let the games begin! Both teams started out even until team A's lane was forever malfunctioning. The lost time cost them dearly and they had some major catching up to do. How could this keep happening? They must be jinxed. It was a mighty comeback resulting in a fairly even score in the end.



Children's Christmas BBQ

It was our last day of work and the weather held for a BBQ at Mission Bay. Santa was held up so Kendall took over the job of delivering the children their presents. We found the perfect spot under a Pohutakawa Tree near the play ground.



Thanks Gary for cooking and thanks to the Mums, Dads, Grandparents and of the course the children for all attending to make it a lovely afternoon.



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Auckland

Auckland Office Christmas Party

This year the Auckland office end of year Christmas celebration was at Head Quarters in Beaumont Street. To help make the right atmosphere, we had Christmas crackers and Christmas hats. A big thank you to Head Quarters as the food and service were both excellent. We definitely will be back.



New Arrivals

CONGRATULATIONS to:

Stephen and Casey Murray say hello to little Eva.

Eva was born on the 20th November 2009 and weighed in at 7.8 pounds.

We had a competition in the office to guess the date and weight she would be and Ryan was spot on receiving a bottle of wine for the prize.



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While on leave Stephen still popped into the office for a couple of hours to get a few things done with now "Big Brother, Max" who is more than happy to come along and play QS with his Dad.