
From: Brett Thomson [mailto:Brett@contource.com.au]
Sent: Saturday, 12 November 2011 12:56 PM
To: Brett Thomson; Mark Snowdon
Cc: Malcolm Tuttle; Paul Brennan; Robert Bentley; Shara Murray; Chris Fulcher
Subject: RE: Lead Consultant Role, etc

Mark,

I hope the email below did not come across as being too harsh, it was aimed at confirming to the Control Group, Contour's approach to date, and the "normality" of that approach in the context of industry standard project delivery arrangements.

Due to the expediency required in the IIP delivery programme, we understand that resources have been limited to fully develop IIP delivery management systems. Hence and in our opinion, the definition of roles within the team now require detailed definition. We note that Mark Snowdon's role has been confirmed only relatively recently. Hence, it is not unexpected that there is some confusion from all concerned over who is doing what role, and the definitions of those roles.

It may be that without formal guidance, members of the Control Group and the Board may have differing perceptions of what the role of a Project Manager entails, and in the context of the IIP Delivery team structure. Hence, I would recommend that the Control Group publish a definition of roles and responsibilities (Position Descriptions with Delegated Authorities Matrix).

Further to the above, we recommend that the Lead Consultant be invited to present monthly reports on progress in person to the Control Group Meetings. In our experience of involvements on major infrastructure delivery teams, this would be "normal", and would allow the Group to regularly interrogate the consultant in that forum and satisfy their concerns. This would normally constitute only a portion of the Group's agenda, with the consultant leaving the room once the progress update had been delivered. The consultant's time for preparation and attendance would be considered as being included in the fee arrangements as Lead Consultant. (Note that Contour has instigated a programme of regular meetings on technical/design issues outside of the IIPCG).

Regards,

Brett Thomson

BE AdvDipBus CPEng RPEQ CEnvP CPESC

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Director

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From: Brett Thomson

Sent: Friday, 11 November 2011 6:28 PM

To: Mark Snowdon (msnowdon@racingqueensland.com.au)

Cc: Malcolm Tuttle (mtuttle@racingqueensland.com.au); Paul Brennan (pbrennan@racingqueensland.com.au);
Rbentley@racingqueensland.com.au; smurray@racingqueensland.com.au; Chris Fulcher (xphone@contource.com.au)

Subject: FW: Lead Consultant Role, etc

Mark,

Further to our meeting yesterday where you raised the probity issue concerning Contour acting as both Project Managers and Project Engineers. As discussed, Contour HAVE NOT and DO NOT consider our position to be aligned with that of the Project Manager. I believe that we have discussed this many times in the past.

Further to our emails of 01 June and 27 September, we consider our role to be that of "LEAD" or "PRIME" CONSULTANT refer link below (and attachments) for clarification of this role inside the project delivery matrix.
<http://fulltext.ausport.gov.au/fulltext/1996/wa/howconsultancy.pdf>

The Prime Consultant is generally either the Project Engineer or Architect (for example in the case of a pure building project such as the RQL Deagon Office complex, the engineers worked under NettletonTribe as the Prime Consultant, who also acted as the Project Architects). This has many advantages in that the lead consultant is intimate with the project, with the added costs associated with this lead role being tempered by the internal economies of resourcing of the consultant. In reality the Project Engineer or Architect generally always taking on the responsibility of lead consultant either formally or informally. As with the NettletonTribe example, where called upon, we have provided RQL with our assessments/recommendations, with RQL Management taking on the final responsibility for sign-off.

In this sense, we have been operating under the premise that RQL (Mark Snowdon) is, and has, been fulfilling the roles and responsibilities of the Project Manager (signing off on scope, time, cost, quality and risk; including sign-off on appointments and payment of claims against contracts, etc)

Notwithstanding the above, and for reasons of expedience and resourcing, there have been to date some instances where we have been called upon to ASSIST RQL with some functions of the project management role, in the context that final decisions has been under RQL control. Please do not confuse this "ex-gratia" assistance with Contour taking on the responsibilities of the Project Management role. Moving forward, and as RQL resources and systems are fortified, the need for our assistance is anticipated to diminish. If our resources continue to be required to assist RQL at some level, we may need to discuss our fees in the context of allocation of our resources and support.

As discussed previously, if Contour were required to take on the responsibility of Project Managers, our fees would be of the order of 3.7% of Construction budgets (rather than the 2.7% we have been operating under the item titled "*Project Coordination/Lead Consultant*" inside our fee contracts). We would be happy to take on the Project Management role in the future (if suitably compensated), but the contract between RQL and Contour would need to be revisited and termed a "MANAGE-DESIGN-CONSTRUCT" Contract (MDC) which is one of the newer methodologies of Project Delivery being used by Government and Industry to avoid the traditional and more confrontational types of client/consultant contractual arrangements (MDC arrangements have benefits over Partnering, Alliancing and Joint-Ventures arrangements for different circumstances, ie, we have stated in the past that Partnering/Alliancing could not suit RQL due to possible issues with industry perceptions regarding performance bonuses, etc).

To date we have been effectively operating on all IIP projects generally in accordance with the Contract Documentation 0709-1 dated July 2011, that includes reference to our role as Lead Consultant/Engineers. We believe that our services to date have represented exceptional value to RQL in that every change of direction for each project has not only been handled expediently with high quality outputs, but also inside the IIP budgets for consultants. Also, as you are aware we are fully supportive of RQL in their quest to deliver the IIP Projects inside the limited budgets and timeframes, and as such we give RQL project priority of our resources, and we do not pass on all our costs.

It is always concerning and disappointing when our "ex-gratia" ASSISTANCE is confused with taking over roles and responsibilities that were not ours, and this results in some misunderstanding (or even apportionment of blame if things go awry).

We request an opportunity to discuss this further with the IIP Control Group and the RQL Board at their convenience.

Regards,

Brett Thomson

BE AdvDipBus CPEng RPEQ CEnv CPESC

Director



For and on behalf of:

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Please consider the environment before printing this message

From: Mark Snowdon
Sent: Monday, 14 November 2011 12:01 PM
To: Malcolm Tuttle
Cc: Robert Bentley; Paul Brennan
Subject: Re: Lead Consultant Role, etc

Mal

Generally the term "Project Manager" can cover various roles and other terms such as Lead Consultant, Site Superintendent, Contract Administrator etc can also be applied to this role.

Contour are concerned that they may loose this role due to the request of the board and government to maintain independence.

I see 2 issues here:

1. Their role as Lead Consultant and also fulfilling other consultant roles if they don't act in the best interests of the client/principal. The best example of this is Beaudesert where they were given a clear instruction to only work on material that will provide the necessary information for the business case and they have proceeded with detailed civil and architectural design.

Their reason for this is they were trying to deliver the project within the preferred time lines dictated by race dates, and the work done will actually assist us when the project commences.

2. We need to, and are in the process of, preparing the IIP Procurement Policy which will dictate how we procure services and at what \$ level the different policies will apply. This will determine what process we need to go through to appoint consultants etc when the business cases are approved and the projects are ready to proceed.

I have no issue with their role as PMs in relation to managing the contractor and the authorities, and can accept them managing the consultants as long as they are working in the best interests of the client.

I am relodging the Beaudesert Business Case this week at the existing budget to get the project

underway. Once this is approved and our procurement is in place the control group should meet with the directors of Contour to resolve this matter.

Regardless of what role they carry out, the last couple of weeks has made it quite clear to me that the IIP department is under resourced for the workload and we should be proceeding with the appointment of a PM for the department to ensure all systems are correctly utilised. This position can be funded from the IIP as mine and several others are.

Mark Snowdon
Project Director
Racing Queensland Limited
(07) 3869 9402
0409 582613

On 14/11/2011, at 9:33 AM, "Malcolm Tuttle" <mtuttle@racingqueensland.com.au> wrote:

Mark
Interested in your comments on these 2 emails.
Regards

Malcolm Tuttle

Chief Executive Officer

<image004.png>

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