



## Ranelagh Apartments Renewal Project

### Ranelagh Strata Plan No. 4860

### EGM 30 April 2020 - FAQ's

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The Strata Committee invites all Owners to view Design Option 2B by requesting a copy from [keenan@mccormacks.com.au](mailto:keenan@mccormacks.com.au) and a download link will be provided given the file is too large to be emailed. Copies of the architectural concept design are also available to download on our Ranelagh website at: <http://ranelagh.org.au/>

These FAQs are to assist Owners to make their decisions in response to the motions set out in the EGM Agenda to be held via electronic voting on 30 April 2020.

If you have any further questions, please submit your questions to the Strata Committee by 5pm 28 April 2020 by submitting them to [keenan@mccormacks.com.au](mailto:keenan@mccormacks.com.au).

#### **Motion 2 – Alterations to Common Property**

##### **Façade Remediation and Enhancements**

No.	Façade Question	Response
1	Why is the Committee recommending that the Ranelagh façade be remediated with a new curtain wall instead of repairing the existing façade?	<ul style="list-style-type: none"><li>▪ <b>The Curtin Wall will be completed faster:</b> The new curtain wall is forecasted to complete a minimum of 1 to 1.5 years earlier than repairing the existing façade. It is forecasted that the project, inclusive of design, council approval, tender and construction will be completed in 3 to 4 years.</li></ul>

2

What are the next steps that the committee is seeking to proceed with?

- **The Curtin Wall is less disruptive:** The new curtain wall system has been designed to minimise occupier disruption during the construction period. Mast climbers instead of scaffolding has been proposed in the construction management plan. Works will occur externally first, then a separate team will undertake minor works (remove existing windows, building new reveals, paint etc) inside the apartments.
- **The Curtin Wall is estimated to be cheaper:** There is minimal cost difference of \$105,852 between the new curtain wall and remediation. The Quantity Survey (QS) has prepared cost report on both new curtain wall at \$23.039m and building remediation at \$22.933m inclusive of required project contingencies. It should be noted that the QS has estimated that the remedial works could be as high as \$28 million.
- **The Curtin Wall is better for long term maintenance:** The new curtain wall will eliminate ongoing wind, water and noise issues at Ranelagh. It will minimise ongoing building maintenance costs (compared to remediation), it provides owners with at 10-15-year warranty, 50-year design life with major service required at 25 years. Facade repair only comes will come with a limited builder's warranty of 5 years.
- **The Curtin Wall will increase the value of the entire building:** The uplift in building appearance is forecasted to provide owners with an uplift in property value commensurate the stature and position of the building (subject to market forces).
- **Approve Motion 2:** To proceed with continuation of the design of the new façade and access through to development application (DA) to be submitted to Woollahra Municipal Council.
- **Committee to instruct architects to prepare DA design drawings.**

3	How long will it take for the architects and other consultants to prepare the Development Application design drawings to submit to Council?	<ul style="list-style-type: none"> <li>▪ <b>DA design drawings:</b> 3-4 months inclusive of feedback periods and presentations to owners</li> </ul>
4	How long will DA approval take?	<ul style="list-style-type: none"> <li>▪ Forecasted a minimum of 6 months</li> </ul>
5	What is next once DA approval is obtained?	<ul style="list-style-type: none"> <li>▪ <b>Detailed design:</b> Consultants/architects to prepare Tender/Approved for Construction drawings i.e. the detailed design period.</li> <li>▪ The detailed design drawings are provided to the tendering builders invited to submit a tender to construct.</li> </ul>
6	How long will Tender/Approved for Construction drawings take?	<ul style="list-style-type: none"> <li>▪ 6 months inclusive of feedback periods and presentations to owners</li> </ul>
7	What is the maximum cost of the project and how will committee seek to reduce cost?	<ul style="list-style-type: none"> <li>▪ The Quantity Surveyor (QS) has forecasted the cost of the project at circa \$23m (including project contingencies). The committee will work to value engineer the cost down during the design process and will present owners with cost saving options if available.</li> </ul>
8	Will the project be tendered to several contractors or by direct appointment?	<ul style="list-style-type: none"> <li>▪ The project will be tendered to Tier 2 and Tier 3 type builders to ensure we receive the most competitive pricing possible.</li> </ul>
9	What if I have already replaced my balcony door and fixed the water leak issues?	<ul style="list-style-type: none"> <li>▪ Given the limited number of balconies which have been replaced, the Committee with the design team, will develop a solution for those owners with the aim of ensuring there is a uniform look and feel to then entire building. Costs for this work will form part of the entire project funding.</li> </ul>
10	Will my apartment need to be vacated during these works?	<ul style="list-style-type: none"> <li>▪ No. Owners will need to provide access to workers when the internal modifications will be required. The works will be programmed, and owners/tenants provided appropriate notice.</li> </ul>

11	Can we do nothing and not do the project – just continue as we have been?	<ul style="list-style-type: none"> <li>▪ No. The condition of the building will continue to deteriorate and worsen, which will not only increase maintenance obligations, but will lead to greater scope and cost of the work.</li> </ul>
12	Do we need to remove the spandrel panel to some windows if we don't need to?	<ul style="list-style-type: none"> <li>▪ No. The detail of removing spandrel panels and which one's (if any) will be coordinated and discussed during the DA phase. Note: that there will need to be consistency across all levels.</li> </ul>
13	The proposed design shows a reduction of the number of windows. Why is this the case?	<ul style="list-style-type: none"> <li>▪ This is because two sliding windows have been replaced by a single awning sash window. As the awning sash window is open from three sides it will provide a similar level of opening and airflow. This is also an aspect of the design that can be discussed and developed during the DA design phase.</li> </ul>
14	The cost of these works is significant. How are we planning on paying for these works?	<ul style="list-style-type: none"> <li>▪ The Committee is looking at options to fund to project including special levies. All options will be put to the Owners at the next AGM or at an EGM when ready to present.</li> <li>▪ Once Owners are properly informed of the possible options, it will be up to the Owners to determine and vote on the funding option.</li> </ul>
15	Once we obtain DA approval can we pull out or decide on another design?	<ul style="list-style-type: none"> <li>▪ There is no obligation to proceed with design option 2B once a DA is obtained if we're not ready from a funding perspective or have decided not to proceed with that option. However, doing nothing at all is not an option.</li> </ul>

### Motion 3 – Special Levy

#### Raising Additional Funds to Finalise Lift Lobbies and Continue Façade Design Works

No.	Special Levy Question	Response
1	Why are we now asked to contribute special levies?	<ul style="list-style-type: none"><li>▪ Over the last 6 months, the Committee has been forced to accelerate the façade remediation and lift access design work (the <b>Concept Design Works</b>), in addition to carrying out vital work to:<ul style="list-style-type: none"><li>○ <b>Upgrade and replace the Main Switch Board (MSB) in the basement; and</b></li><li>○ <b>Replace the Electrical Risers throughout the entire building.</b></li></ul>This has in turn, impacted the level of funding required to finish the lift lobbies in addition to requiring additional funding to finalise the concept design</li></ul> <p>These additional works were unknown at the time of commencing the lift lobby refurbishment.</p> <p>The lift lobbies are near completion, with installation of the flooring the final step to take place in the next few weeks. Carpet has been delivered into the Country and is awaiting release at Customs.</p>
2	What is the amount of \$650,000 being paid towards?	<ul style="list-style-type: none"><li>▪ The special levies are required funding to cover the cost of the concept design work presented to the Owners – costs which we have already incurred in addition contributing towards future costs to prepare DA design drawings.</li><li>▪ The special levies will also cover the cost to finalise the lift lobby work which were impacted by the works as noted above.</li></ul>

**3** How will the two instalments of \$400,000 (1 May 2020) and \$250,000 (1 June 2020) be paid?

- **Approve Motion 3:** These instalment amounts will be struck by the Strata Plan as special levies in May and June.
- Owners will be invoiced as per normal unit entitlements and invoiced as normal for payment.