



2 November 2010

Robert Rust
Chief Executive, Health Infrastructure NSW Department of Health.
Level 8, 77 Pacific Highway
North Sydney NSW 2060
Australia

Dear Robert,

Liverpool Hospital Redevelopment Stage 2.1 Milestones 3 and 4
Capital Investment Value

We confirm that the Target Construction Sum for Milestones Three and Four of the Liverpool Hospital Redevelopment Stage 2.1 is as summarised below:

• Milestone 3	\$15,753,144
• Milestone 4	\$5,111,734
• Clinical Skills Training Centre	\$3,900,370
• Research Bunker	<u>\$2,908,141</u>
TOTAL COST	<u>\$27,673,390</u>

The Target Construction Sum above has been calculated in accordance with the definition of Capital Investment Value defined in the Environmental Planning and Assessment Regulation 2000 and included below:

“ capital investment value of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs:

- (a) amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A of Part 4 of the Act or a planning agreement under that Division,
- (b) costs relating to any part of the development or project that is the subject of a separate development consent or project approval,
- (c) land costs (including any costs of marketing and selling land),
- (d) GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).”

A detail summary “Appendix A” is attached overleaf for your information.



Yours sincerely,

A handwritten signature in blue ink that reads "G. McCabe". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Gabrielle McCabe
Senior Cost Planner
Bovis Lend Lease

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encl : Appendix A

Appendix A

TCS SUMMARY

Item	Milestone 3	Milestone 4	Clinical Skills	Research Bunker	TOTAL
Net Site Cost	9,563,004	2,942,479	2,510,596	1,858,310	16,874,389
Net Trades	9,563,004	2,942,479	2,510,596	1,858,310	16,874,389
Escalation (according to Zone Program)	988,791	389,818	130,362	115,215	1,624,186
(escalation risk adjustment)	196,188	61,957	-	-	258,145
Sub Total Trade Costs	10,747,983	3,394,254	2,640,958	1,973,525	18,756,721
Trade Preliminaries	1,578,923	507,636	135,130	100,016	2,321,705
MC Design & Construction Risk	527,590	166,615	192,000	142,000	1,028,205
Long Service Levy	40,843	12,659	9,932	7,350	70,784
Sub Contract Costs	12,895,339	4,081,164	2,978,020	2,222,891	22,177,414
Project Design Team	678,024	214,793	362,000	270,000	1,524,817
Design Management Fee	211,282	65,010	63,350	47,250	386,892
Construction Management Fee, Overheads & Margin	1,968,499	750,768	497,000	368,000	3,584,267
Target Construction Sum	15,753,144	5,111,734	3,900,370	2,908,141	27,673,390