

# 28-32 Bourke Road, Alexandria

## Capital Investment Value (CIV) Report

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# 1 Executive Summary

Genus Advisory (GA) has been requested by Johnstaff Projects to prepare a Capital Investment Value (CIV) based on planning circular PS 21-020 for 28-32 Bourke Road, Alexandria health project.

The Total Project Cost as at January 2024 is **\$87,332,735** excluding GST.

Please refer to Section 3.0 of this report for a full summary of costs and Section 3.2 for our Exclusions and Assumptions.

## 2 Basis of Estimate

### 2.1 Drawings & Information Used

The initial Budget Cost Plan has been prepared and developed by Genus Advisory in accordance with the drawings issued by Warren & Mahoney on 19<sup>th</sup> October 2023 (as detailed below):

- DA-A01.001[A]\_LOCATION PLAN
- DA-A01.002[A]\_PROPOSED SITE PLAN
- DA-A02.001[A]\_EXISTING SITE PLAN
- DA-A05.001[A]\_AREA PLANS – GFA
- DA-A05.002[A]\_AREA PLANS – NUA
- DA-A10.100[A]\_GROUND FLOOR GENERAL ARRANGEMENT PLAN
- DA-A10.101[A]\_LEVEL 01 GENERAL ARRANGEMENT PLAN
- DA-A10.102[A]\_LEVEL 02 GENERAL ARRANGEMENT PLAN
- DA-A10.103[A]\_LEVEL 03 GENERAL ARRANGEMENT PLAN
- DA-A10.104[A]\_LEVEL 04 GENERAL ARRANGEMENT PLAN
- DA-A10.105[A]\_LEVEL 05 GENERAL ARRANGEMENT PLAN
- DA-A10.106[A]\_LEVEL 06 GENERAL ARRANGEMENT PLAN
- DA-A10.107[A]\_LEVEL 07 GENERAL ARRANGEMENT PLAN
- DA-A10.B01[A]\_BASEMENT GENERAL ARRANGEMENT PLAN
- DA-A11.108[A]\_ROOF GENERAL ARRANGEMENT PLAN
- DA-A20.001[A]\_NORTH ELEVATION
- DA-A20.002[A]\_EAST ELEVATION
- DA-A20.003[A]\_SOUTH ELEVATION
- DA-A20.004[A]\_WEST ELEVATION
- DA-A30.001[A]\_EAST - WEST SECTION
- DA-A30.002[A]\_NORTH - SOUTH SECTION

### 2.2 Services Estimate

There was no formal services estimate provided by the Engineer. Genus Advisory have allowed a reasonable amount for services including hydraulic, fire protection, mechanical and electrical services based on the document received.

## 2.3 Area Measurement

This Cost Plan is based on elemental measurement, with all measurement and building areas taken “off plan” and derived from the provided drawings as outlined in Section 2.2.

FECA	AREA (m2)
Basement	2,076
Ground Level	1,538
Ground Level - Mezzanine	520
Level 1	1,850
Level 2	1,850
Level 3	1,850
Level 4	1,400
Level 5	1,157
Level 6	1,159
Level 7	797
Level 7 - Mezzanine	482
<b>TOTAL</b>	<b>14,679</b>

(\*) Our Fully Enclosed Covered Areas (FECA) is the sum of all fully enclosed covered areas at all building levels, including basements (except unexcavated portions), floored roof spaces and attics, garages, penthouses, enclosed porches and attached enclosed covered ways alongside buildings, equipment rooms, lift shafts, vertical ducts, staircases and any other fully enclosed spaces and useable areas of the building, computed by measuring from the normal inside face of external walls.

## 2.4 Procurement & Market Conditions

### Procurement

The Cost Plan assumes that the project will be procured through a Lump Sum contract to a tender panel of approximately four Tier 1-2 contractors.

### Market Conditions

Genus Advisory note that due to current inflationary environment, many trade and material prices are volatile. Current risks in the market include both timber and steel supply as well as skilled labour shortages. This adversely affects not only structural and architectural timber, but also formwork availability.

## 2.5 Escalation

The Concept Design Cost Plan includes escalation based on our assumption that the construction being commenced on 26<sup>th</sup> August 2024 and approximately 17 months construction programme.

## 3 Cost Plan

### 3.1 Construction Cost Summary

The Estimated Total Project Cost for Initial Budget Cost Plan is summarised below.

Description	Total
Substructure	3,415,876
Columns	1,027,600
Upper Floors	10,000,797
Staircases	452,200
Roof	1,010,676
Facade (Including External Windows & Doors)	13,157,904
External Doors	INCL
Internal Walls & Screens	3,918,600
Doors & Hardware	254,583
Floor Finishes	804,681
Ceiling Finishes	893,900
Wall Finishes	387,676
Fitments	583,534
Special Equipment	0
Hydraulic Services	912,450
Mechanical Services	6,872,130
Fire Protection Services	1,432,765
Electrical, Communication & Security Services	5,700,574
Transportation Services	724,500
Special Provisions	0
Alterations & Renovations	0
<b>NETT BUILDING COST</b>	<b>51,550,446</b>
Demolition	0
Site Preparation	136,190
External Works	487,222
Landscaping & Improvements	706,800
External Infrastructure Services	570,500
<b>NETT CONSTRUCTION COST</b>	<b>53,451,158</b>
Preliminaries	12,828,277
Contractor Risk	INCL
Margin	3,313,972
<b>GROSS CONSTRUCTION COST</b>	<b>69,593,407</b>
Fees	
Consultant Fees	5,134,601
Authority Fees & Charge (1%)	EXCL
LSL Cost	EXCL
Infrastructure Contribution	EXCL
Commissioning / Transition Cost	N/A

Furniture, Fitting & Equipment	
FF&E	N/A
ICT/AV	N/A
Land Acquisition	N/A
<b>TOTAL PROJECT COST EXCL. ESCALATION</b>	<b>74,728,008</b>
Escalation	6,694,886
Design Planning Contingency	2,413,564
Construction Contingency	3,496,277
Client's Contingency	EXCL
<b>TOTAL PROJECT COST (Excl. GST)</b>	<b>87,332,735</b>

The above has been calculated in accordance with EPA regulation which defines Capital Investment Value as follows:

The Capital Investment Value of a development or project includes all costs necessary to establish the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs:

- Development contribution charges as it is deemed as part of the external costs that do not contribute to the CIV or development.
- Costs relating to any part of the development or project that is the subject of a separate development consent or project approval,
- Costs such as finance application fees, mortgage stamp duty, fees paid to register strata titles or to amalgamate land prior to development, and interest payable on the loans associated with the development should be excluded from the calculation of CIV.
- Land costs (including any costs of marketing and selling land),
- GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).

### 3.2 Job Creation

Based on the above assessment we anticipate **109** construction and non-construction Full Time Equivalent (FTE) positions to be generated during the construction phase.

The following assumptions are adopted to calculate the job creation:

- 17 Months programme duration.
- Based on 45% Labour/Material split.
- Number of hours are based on average labour rate of \$95/hr.

The anticipated operational job created post construction is **480** Full Time Equivalent. That is based on the following:

- The mental health hospital will create approximately 130 FTE.
- GP, Pharmacy and Allied Health Services will created approximately 350 FTE.

### 3.3 Functional Areas Cost Summary

Project Description	Basement	Commercial/ Health Services Facilities	Total	Comment
Key Data				
Basement	2,076 m2			Car Parking Areas
Hospital/ Medical Centre	12,603 m2			
<b>Total</b>	<b>14,679 m2</b>			
Construction Cost	\$8,228,000	\$61,365,407	\$69,593,407	
Fees & Other Costs	\$607,062	\$4,527,539	\$5,134,601	
Furniture, Fittings & Equipment	N/A	N/A	N/A	
Escalation	\$791,534	\$5,903,352	\$6,694,886	
Design Planning	\$285,355	\$2,128,209	\$2,413,564	
Contingency	\$413,363	\$3,082,914	\$3,496,277	
Construction Contingency	EXCL	EXCL	EXCL	
Client's Contingency				
<b>TOTAL PROJECT COST (excl. GST)</b>	<b>\$10,354,671</b>	<b>\$77,007,422</b>	<b>\$87,332,735</b>	

(\*) Cost include shared cost for T&E areas, BOH, EOT and other common areas – proportion of shared cost based on pro-rata basis of the functional areas

(\*\*) Car Parking areas

### 3.4 Exclusions and Assumptions/Inclusions

#### 3.4.1 Specific Inclusions / Assumptions

The following assumptions have been made within our Cost Plan:

- Provisional allowance for contaminated material removal.
- Provisional allowance of 36kW PV array, which is 440W per panel (83 panels in total).
- The construction period commences in August 2024.

#### 3.4.2 Specific Exclusions

The following items have been excluded from our Cost Plan:

- Electric heating systems to Wards.
- Client Contingency (Client's internal risk allowance for unforeseen costs such as employer change risks and employer other risks). This is separate from the design planning and construction contingency, which is included in the Total Project Cost in Section 3.1.
- Latent site conditions, etc.
- Goods and Services Tax (GST).

## 4 Report Parameters

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