WILDE AND WOOLLARD

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14 December, 2015

Peter McGoerge
UNSW Australia
Kensington NSW 2052

Dear Peter,

CAPITAL INVESTMENT REPORT (CIV)
UNSW ELECTRICAL ENGINEERING BUILDING CAPITAL RENEWAL AND MODERNISATION PROJECT (EEB_CRM)

Wilde and Woollard has been engaged by UNSW Australia (The University of New South Wales) to provide Cost Management services for the proposed Electrical Engineering Building Capital Renewal and Modernisation Project (EEB_CRM). The development comprises of the comprehensive refurbishment of the Electrical Engineering Building and adjacent Rex Vowels Theatre for a further 30 years serviceable life.

As part of our services commission, we have been requested to assess the Capital Investment Value for the development

Definition

Capital Investment Value (CIV) is defined by the Environmental Planning Authority as :

The CIV 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 equipment but excluding the following :-

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 or marketing and selling land)*
d) *GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth)*

Calculation

To determine the CIV, Wilde and Woollard have prepared a Concept Design Cost Plan for the project.

The total Capital Investment Value is ***$80,082,298*** and is summarised as follows:

Project Element	Cost $	
Demolition	$	2,395,500
Main Building Works	$	50,439,138
External Works	$	1,738,800
Preliminaries and MC Fees	$	12,570,000
Sub-Total - Construction Works	$	67,143,438
Professional Fees	$	8,047,860
Escalation	$	4,891,000
TOTAL ESTIMATED CIV	$	80,082,298

Programme

In calculating escalation costs, the Concept Design Cost Plan is based main demolition and construction works commencing in 2016 with completion in the first half of 2018.

Statutory Fees

Statutory fees are excluded from the calculation in accordance with the definition attached

Professional Fees

The Concept Cost Plan makes allowances for Professional Fees related to all Consultants during the design and construction phases of the project in accordance with standard Industry practice.

Jobs Creation

Total Non Construction Fees	$	8,047,860
Based upon 85% Labour Component	$	6,840,681
Average rate per hour	$	150
Total hours created		45,605
Total hrs/employee - 27 months		4,390
Approx F/T jobs across 27 months		10.39

Total Construction Value	$	72,034,438
Based upon 45:55 Labour :Materials	$	32,415,497
Average rate per hour	$	75
Total hours created		432,207
Total hrs/employee - 20 months		3,253
Approx F/T jobs across 20 months		132.88

Based on the above assessment we would anticipate the equivalent of **143** Full Time positions in consultancy and construction activities to be created for a 20-27 month period.

Should you require any further information, please do not hesitate to contact me

Yours faithfully,
Wilde and Woollard

Mark Johnson