

Randwick Campus Redevelopment – Acute Services Building



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Prepared By: Angela Dacunto

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1. INTRODUCTION

Altus Group (AG) has been engaged by Health Infrastructure (HI) to prepare a Capital Investment Value (CIV) report for the Randwick Campus Redevelopment - Acute Services Building (ASB).

This report presents the costs associated with the ASB and associated infrastructure.

AG provides certification that the information provided in this report is accurate at the date of preparation.

2. CAPITAL INVESTMENT VALUE

Capital Investment Value (CIV) is defined by Clause 3 of the Environmental Planning and Assessment Regulation 2000 to be:

“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 7.1 or 7.2 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).”*

3. CALCULATION OF CIV

The CIV has been prepared utilising the values represented in the Business Case Cost Plan (100% Schematic Design Cost Plan) dated 19th February 2018. The CIV is estimated at \$358,673,682 (Excluding GST) broken down as follows:

DESCRIPTION	COST
Contractor Planning Costs	\$6,482,798
Gross Construction Costs	\$336,951,136
Consultant / Design Fees	\$15,239,748
Statutory Fees	Excluded
Development Management Fees	Excluded
Transition / Commissioning	Excluded
Furniture, Fittings and equipment / ICT	Included
Land Acquisition/ Property settlements / Temporary Leasing	Excluded
External Funding Contribution	Excluded
Escalation	Included
Contingencies	Excluded
TOTAL ESTIMATED CIV EXCLUDING GST	\$358,673,682

4. BASIS OF ESTIMATE

4.1 Scope of Project

- ASB comprising:
 - Adult Emergency Department (ED) including Emergency Department Short Stay Units (EDSSU), Satellite Imaging and Psychiatric Emergency Care Centre (PECC) (Warm Shell to CT Room)
 - Main Entry and Provisions for Retail and Education Training and Research (ETR) spaces
 - Operating Theatres
 - Central Sterilisation Supply Department (CSSD)
 - Intensive Care Unit
 - Medical Assessment Unit
 - Inpatient Units (IPU)
 - Back of House / Loading Dock and Logistics
 - Rooftop Helipad
 - Bulk excavation
 - Site preparation works including shoring and piling
 - Loading dock and ambulance bays.
 - Three level bridge for clinical and operational connections to the existing hospital campus.
 - One level public bridge for connection to existing hospital campus.
 - Upgraded road infrastructure at Magill Street and Botany Street including potential signalised intersection and pedestrian crossing on Botany Street.
 - New circulation roads to be constructed on the newly excavated grade to the West and South of the new building.
 - Hospital square with vehicular access and public drop off areas.
 - Building services infrastructure and connections to utilities.
 - Stormwater drainage infrastructure including on-site detention.
 - Site landscaping.

4.2 Drawings & Information Used

Design documentation and reports as per the issued 100% Schematic Design Report dated the 19th of February 2018.

4.3 Area Measurement

Acute Services Building

Area measurement is taken off drawings provided by the project Architect, BVN, as part of the 100% SD issue.

4.4 Procurement and Market Assumptions

Procurement

Very Early Contractor Involvement (VECI) + Early Contractor Involvement (ECI) Tender to a single select Tier 1 contractor.

Market Conditions

Currently, the market is highly active, however, we do not envisage any market conditions that are believed to adversely affect this project.

4.5 Fees

4.5.1 Consultant Fees

- Based in accordance with the Business Case Cost Plan (100% SD Cost Plan).

4.6 Qualifications

4.6.1 General

1. Subsequently, the 100% SD Cost Plan only represents scope captured within the Stage 1 of the Randwick Campus Redevelopment and does not account for other stakeholder funding and scope of works including:
 - Sydney Children's Hospital Network (SCHN) – Emergency Department and Refurbishment Works
 - Fit-out to un-funded Education, Training and Research (ETR) facilities
 - Royal Hospital for Women's scope of works
 - University of NSW scope of works

4.6.2 *Specific Exclusions*

1. GST
2. Statutory Fees
3. Finance Costs
4. Contingencies
5. Development Management Fees
6. Transitioning and Commissioning Fees of Clinical Operational Services
7. Land Acquisition costs
8. Scope of works associated with SCHN ED
9. Fit-out to the ETR/Retail spaces on LV-01 and LV 00
10. Fit-out to ETR within the IPU floors.
11. Latent site conditions
12. Removal of in-ground hazardous / contaminated materials
13. Diversions of major services infrastructure other than those identified by engineers to date
14. Works outside the site boundary

5. REPORT PARAMETERS

Please note this report is provided for the purposes of the named party only and must not be used by any third party for any other purpose whatsoever without the prior written consent of Altus Group. This report has been prepared from documentation and/or information provided to Altus Group by third parties in circumstances where Altus Group:

- a. Has not performed our own independent investigations in order to ascertain the veracity and/or accuracy of the documentation and/or information so provided; and
- b. Do not, in any way, warrant the veracity and/or accuracy of the said documentation and/or information; and
- c. Do not, in any way, adopt the said documentation and information as our own.

Altus Group note this report is an expression of opinion based upon the documentation and/or information provided by third parties and Altus Group expressly disclaims any liability to the named party and any third parties where the documentation and/or information is found to be untrue and/or inaccurate in any way.

Please note the following Project Contacts:

Client:	Health Infrastructure
Local Health District:	South Eastern Sydney Local Health District (SESLHD)
Project Manager:	PwC
Cost Manager:	Altus Group
Architect:	BVN
Electrical Engineer:	AECOM
Mechanical Engineer:	LCI
Hydraulic & Fire Engineer:	ACOR
Structural & Civil Engineer:	Enstruct

6. JOB CREATION

An estimated figure of the jobs that will be created by the future development during construction and operation phases of the development is as follows:

Construction Jobs:

\$337M Construction Estimate (Excluding FF&E) x 9 = 3,033

3,033 / 2.5 year construction period = 1,213 jobs

This estimate has been prepared using standard HI methods of calculation.

Operational Jobs:

It is estimated that approximately 260 additional jobs will be created by 2027 once all areas of the ASB are operational in 2027 as advised by the LHD.