



13 August 2021

Report

Capital Investment Value Report

Orchard Hill Warehouse Extension Snack Brands

making the **difference**

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Rev	Originator	Approved	Date
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1	Ashok Pandian	Tim Valler	13/08/2021

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Snack Brands Orchard Hill Warehouse Extension

1 Executive Summary

Turner & Townsend has prepared the following Capital Investment Value (CIV) estimate report based on the development scheme for Snack Brands.

The development will involve the modification to the existing Orchard Hills Distribution Centre warehouse and the construction of a new industrial building adjoining the warehouse suitable to support the required manufacturing production throughput.

- Extension to existing warehouse
- Waste treatment plant building
- Basic medium office fitout to mezzanine areas
- Site Services Upgrades
- External works including carpark extension, service roads
- 28m steel weighbridge
- Landscaping
- Production/ Operational Plant and Equipment
- Warehouse Phase 2B (Stage 2 extension)

CAPITAL INVESTMENT VALUE OF PROJECT	CIV TOTAL* EXCL GST
Snack Brands Orchard Hill Warehouse Extension	\$ 222,532,480

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2 Inclusions

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

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).

As defined within the regional and state planning circular 'PS-10-008' the following items have been included within our Capital Investment Value calculation:

2.1 Design and construction

The calculation of CIV should include the amount required to design and construct all buildings and other facilities that are part of/ included in the application, including any temporary buildings that will be used during the construction phase.

2.2 Structures and infrastructure

CIV should include all costs incurred from the construction of associated structures and infrastructure that are the subject of the current application. These costs include any supplementary or site preparatory works such as remediation, demolition, excavation and filling, that are required for the construction of buildings, provided these works are needed to make the site suitable for construction and for the operation of the project.

2.3 Site services

CIV should include the costs of providing electrical services, water, gas, sewerage and storm water drainage, including any temporary diversions and/ or arrangements during construction, and should form part of the application. The costs of fire protection and communications services that are reasonably required to construct and operate the project should also be included. Site works such as landscaping, car parking, roads and footpaths should also be included.

2.4 Plant and equipment

CIV should include standard building plant, such as lifts and air-conditioning, and all specialist and specific equipment related to the operation of the project, provided these are specifically included as part of the application. Fit-out costs of a building may be included in the calculation of CIV where the costs are subject to the application. In such cases, the application would need to include specific tenancy use, and would be defined by specific reference to description in the application. Where such tenancy is not referred to or will be subject to further applications, the fit out costs should not be included.

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2.5 Labour fees

All labour and personnel costs, including the payment of long service levies and other associated construction and labour costs should be included in the calculation of the CIV.

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3 Exclusions

As defined within the regional and state planning circular 'PS-10-008' the following items have been excluded from our Capital Investment Value calculation:

- Development contributions and fees
- Works to be submitted under a separate development application
- Land costs or value of land dedicated
- Strata related fees, stamp duty, finance charges
- Project contingencies
- GST

4 Jobs Creation

Based on the above assessment we anticipate 497 construction jobs to be generated during the construction phase.

We also anticipate 328 related positions to be generated during the operational phase.

5 Basis of Cost Estimation

The above construction cost is based on an estimate prepared on 1 July 2021. This was based on the Concept Drawings received on 16th June 2021.

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Appendix A – CIV Calculation Summary

ITEM	Description	Total Amount \$AUD
1	Demolitions and Site Preparation	\$ 5,217,426
2	Warehouse Extension & Upgrades including New Office	\$ 39,549,565
3	Waste Treatment Plant Building	\$ 2,594,931
4	Warehouse 2B Stage 2	\$ 2,299,340
5	External Works/New Car Park Extension/Road	\$ 4,495,969
6	External Services & Infrastructure Upgrades	\$ 9,410,898
7	Trade Subtotal	\$ 63,568,127
8	Preliminaries and Margin	\$ 10,552,309
9	Total Construction Cost	\$ 74,120,436
10	Consultant Fees (10%)	\$ 7,412,044
11	Direct Operational services Plant & Equipment	\$ 116,000,000
12	Direct Operational services Plant & Equipment Phase 2	\$ 25,000,000
13	Authority Contributions	Excluded
14	Construction Contingency	Excluded
15	TOTAL CAPITAL INVESTMENT VALUE (Exclu GST)	\$ 222,532,480
16	GST (10%)	\$ 22,253,248
17	TOTAL INCLUDING GST	\$ 244,785,728