

**Executive Summary**

**1.00 General**

- 1.01 At the request of Queenstown Lakes District Council (QLDC), RLB hereby provide forecast costs for the construction of a new 8 lane pool at Three Parks, Wanaka up to the period of 2021/22 based on forecast indices data.
- 1.02 Capital expenditure for a 8 lane (25m) pool at Three Parks as noted in QLDC consultation document is \$11,800,000 (exclusive of GST) at 4th Quarter 2014.

**2.00 Information Used**

- 2.01 The following forecast costs have been generated from two different sources, we summarise as follows:-
- i) BERL Economics - Forecast of Price Level Change Adjustors - 2014 Update dated October 2014 (amended) \*
  - ii) RLB Forecast 74 - New Zealand Trends in Property and Construction (Fourth Quarter 2014), as well as local market data & knowledge.

**NB: Both documents are appended to this summary.**

- 2.02 \* Indices adopted in the following table based on BERL data are taken from Forecast for Adjustors - Table 2: Adjustors Index June 2014 = 1,000 (Page 7 of attached document). Column titled "Property"

**3.00 Forecast Cost Table**

Year	'BERL' Economics Forecast		RLB Forecast		Comments
	Indices	\$	Forecast Increase	\$	
2014	1000	\$ 11,800,000	N/A	\$ 11,800,000	<b>Base' cost taken from QLDC consultation document @ 4th Quarter 2014 which is based on RLB report dated 19th September 2014.</b>
2015	1019	\$ 12,025,000	4.50%	\$ 12,331,000	
2016	1042	\$ 12,301,000	4.50%	\$ 12,886,000	
2017	1067	\$ 12,609,000	4.00%	\$ 13,402,000	
2018	1094	\$ 12,949,000	3.50%	\$ 13,872,000	
2019	1123	\$ 13,325,000	3.50%	\$ 14,358,000	
2020	1154	\$ 13,738,000	3.00%	\$ 14,789,000	
2021	1187	\$ 14,191,000	3.00%	\$ 15,233,000	
2022	1223	\$ 14,702,000	2.50%	\$ 15,614,000	

**4.00 Notes/Clarifications**

- 4.01 Capital costs as at 2014 are based on RLB Report dated 19th September 2014. All clarifications, exclusions and risks noted within this report apply to the above forecasts.
- 4.02 Key capital costs exclusions:-
- i) GST.
  - ii) Land and finance costs.
  - iii) QLDC internal costs.
  - iv) Legal costs.