



Frequently asked Questions - Woombye

Clarification on information provided in site selection and related feasibility studies

Where can I find further information on site selection and the related feasibility studies?

Following contract award, a commitment was made in May 2015 to publish all site selection reports and feasibility studies. These reports can be accessed via a link on www.queenslandrail.com.au/stabling. This fact sheet addresses recent questions the Project Team has received regarding the site selection and related feasibility studies.

Why is the cost for Nambour almost double the cost for Woombye when initial estimates were similar?

It is standard practice in project management for cost estimates to be prepared at different stages of the project's development. As a better understanding is gained of the project's scope and risk elements from strategic planning through to concept design, it is possible to achieve a greater level of accuracy.

As more issues and risks were identified with the Nambour site, costs for the Nambour facility increased to \$33.2 million. The \$17.6 million cost for Woombye was achieved by competitive bid process and realising savings as compared to the previous design.

Were upfront and ongoing costs included in the cost comparison between Nambour and Woombye?

Queensland Rail assesses the financial feasibility of projects by looking at both the upfront building costs and ongoing operating costs.

The building costs for Nambour were almost double the cost of the Woombye site.

When ongoing operating costs, including dead running savings are also included in the cost comparison, Woombye is still the most cost-effective option over a 30 year period with a net present value (NPV) of approximately \$8 million. The difference in NPV over 30 years for the two facilities is in excess of \$12 million, in favour of the Woombye site.

The site selection documents mention stages two and three. Will there be stage two and three?

Future planning was part of the site selection process. At this time, there is no plan for expansion of the stabling yard.



Has Queensland Rail removed site selection and related feasibility studies from its website?

At no stage were the site selection and related feasibility studies posted on Queensland Rail's website removed or unavailable.

In recent weeks, Queensland Rail has launched new look website, which included some changes to make it easier to navigate and more user friendly.

The short URL created for the project (www.queenslandrail.com.au/stabling) always works. Queensland Rail will continue to update this website as the project progresses and further information becomes available.

The reports mention seven car trains at Woombye, when recent project information confirms six-car trains.

Additional carriage length was an option investigated in the earliest review of long term stabling requirements. This was not progressed. The Woombye facility will be designed and delivered to accommodate four six-car trains.

Once the stabling facility is built, will the land be officially designated and listed on the contaminated land register (CMR)?

There will be no activities conducted which will see the Woombye stabling facility registered on the contaminated land register. Queensland Rail does not own or manage land which is listed on the contaminated land register and this site and its activities are expected to be no different.

Once the stabling facility is built, will the land be officially designated and listed on the environmental management register (EMR)?

Queensland Rail operations at the Woombye stabling facility will not involve the conduct of any Notifiable Activities as defined in the Environmental Protection Act 1994.

Therefore there will be no activities conducted which will constitute a listing on the environmental management register.

For your information



Can you provide some clarity on the reports that Nambour will provide a return of more than \$3 million over thirty years?

Queensland Rail has reviewed the workings and methodology provided by the Woombye Community and Business Association (WCBA) to compare the costs of constructing and operating the Woombye and Nambour stabling facilities.

With regard to the WCBA calculations, Queensland Rail provides the following comments in relation to the financial assessments included in Appendix B of the 2014 Site Selection Report (see below).

	Robina	Banyo	Elimbah	Woombye	Elimbah + Woombye	Nambour	Elimbah + Nambour
Capital Cost	\$ 7,900,000	\$ 25,900,000	\$27,000,000	\$26,100,000	\$53,100,000	\$33,200,000	\$59,100,000
Operating Cost	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000	\$ 190,000	\$ 95,000	\$ 190,000
Dead Running km (week day)	161980	34580	184600		300300		310180
Cost/km (excluding crew)	15	15	15		15		15
Dead Running Saving / year	\$ 2,463,716	\$ 525,962	\$ 2,807,766		\$ 4,567,563		\$ 4,717,838
Crew Saving specifically for NCL Scenarios	\$ -	\$ -	\$ -		\$ 410,265		\$ 410,265
Yearly Cost/Saving	\$ 2,368,716	\$ 430,962	\$ 2,712,766		\$ 4,787,828		\$ 4,938,103

The table shows that the yearly saving incorporates the dead running saving per year. Therefore the difference in annual savings between Nambour and Elimbah compared to Woombye and Elimbah is \$150,275 rather than \$300,550 as shown in the WCBA calculations.

Further, the table provided does not show that there is a \$95,000 per year difference between operating costs at Nambour and Woombye. The \$95,000 per year refers to the cost of operating the new stabling yards. There is no specific saving attributed to Nambour because it is attached to an operating station, nor will it be cheaper to operate if it replaces the existing stabling facility. From the table it can be seen that both sites have been costed at \$95,000 per year.

As further explanation, Queensland Rail assesses the financial feasibility of projects by looking at both the upfront building costs and ongoing operating costs. The initial build cost difference between the Nambour and Woombye sites is \$16 million based on the final cost for the Woombye site being \$17.6 million, compared with the most recent estimates of building the same facility at Nambour for approximately \$33 million.

Queensland Rail typically uses Net Present Value (NPV) to compare relative investments as this method accounts for the time value of money (inflation). Using the NPV method, Woombye has an NPV of \$665,583 over 30 years using the input data (original estimates) as contained in the Site Selection report. On the same basis, Nambour delivers an NPV of - \$4,070,283. This is an NPV advantage of \$4,735,867 for Woombye.

Using the actual lower capital cost for Woombye (\$17.6 million), the net present value is approximately \$8 million. The difference in NPV over 30 years for the two facilities, based on the revised estimate, is in excess of \$12 million in favour of the Woombye site.

For your information



How will drainage be managed?

The value of Paynter Creek is recognised and Queensland Rail requires the design and construction contractor to provide for all appropriate drainage measures to minimise the effect of water discharge from the stabling facility during both construction and operation.

The drainage measures will be designed and maintained in accordance with design standards that meet State and local regulatory requirements.

It is a requirement that the contractor must also implement and maintain a water quality monitoring program to ensure drainage and discharge measures are effectively working.

Spill response equipment and procedures will be in place to enable a swift and effective response in the unlikely event of a spill. Site drainage infrastructure will be designed to minimise and properly manage any potential run off.

How will the construction of the facility impact local flooding?

The feasibility reports completed for the Woombye site show that no issues exist at Woombye that cannot be appropriately mitigated. The design and construction contractor will be required to include measures to manage water flow and complete detailed flood modelling to demonstrate compliance with State and local government requirements. This information will be made available as part of the detailed design process.

The feasibility studies identify ecological issues at Woombye? How will these be managed?

The stabling yard footprint will not impact directly on Paynter Creek, with vegetation clearance being predominantly limited to exotic vegetation types (such as introduced camphor laurel trees and exotic dominated pasture lands) within already cleared land.

A Fauna Management Plan will be implemented to ensure effective management of any potential risks to fauna in close proximity to the site. It is expected that the plan will include design and construction solutions, together with monitoring controls to mitigate the risk of impact to fauna.

Where can I find out more information?

If you have a specific question that has not been addressed in this fact sheet, would like to register for more information or speak to a member of the Project Team, contact:

Phone: 1800 783 334 (free-call) **Email:** stabling@qr.com.au