

1. Purpose

The purpose of this RFT Evaluation Report in respect of the Request for Tender COR-RFT 02/12 is to:

- o Provide an overview of the evaluation methodology, evaluation criteria and scoring criteria;
- o Outline the findings from the assessment process;
- o Provide a recommendation for the next stage of the Project.

2. Overview of COR-RFT 02/12

2.1 – Response Required from EOI and RFT

Council is seeking to enter into an agreement with a private sector developer to undertake a redevelopment of the Ryde Civic Precinct involving design, construction and financing of:

- A. a New Civic Centre, New Council Office Building, car parking for both facilities and a restructured public domain, project management of the relocation of those facilities; and,
- B. an appropriate residential/commercial development including car parking.

The procurement process to identify a successful tenderer to undertake the Project consists of two stages:

1. an Expression of Interest (EOI) Invitation, the purpose of which is to select a short-list of Proponents to be invited to participate in a tender process; and
2. a Request for Tender (RFT) Process, the purpose of which is to enable Council to identify a tenderer with whom Council can enter into a commercial agreement to undertake the project confident the tenderer has all the attributes to ensure an advantageous outcome for Council and the community.

The Expression of Interest stage (COR-EOI 04/11) of this process was completed on 6 February, 2012. (Appendix 1). A total of nine EOI submissions were received and assessed by the RFT Evaluation Panel. Following assessment of all submissions, and in conformance with the recommendations of the Evaluation Panel, the General Manager approved a short list of four proponents for the RFT stage (Appendix 2). Consequently, on 10 February 2012, the following organisations were invited, and accepted, the invitation to participate in the RFT process.

- Billbergia Pty Ltd
- Leighton Properties Pty Limited
- Lend Lease Development Pty Limited.
- Mirvac Projects Pty Limited

On 26 March 2012 a request was received from Billbergia Pty Ltd seeking approval to a "change in identity of its Core Team Members", effectively a variation of participant members in accordance with the Request for Tender documentation. This matter was referred by the Chair of the Evaluation Panel to the project's legal advisor, Clayton Utz, and each Evaluation Panel Member for review. The Manager, Risk and Audit and the Probity Advisor were both kept fully informed. On 29 March 2012 all responses, which were in favour of allowing the change in participant members, were forwarded to the General Manager for his decision.

which was given on 30 March 2012 and Billbergia Pty Ltd was formally notified of consent to the change. (Appendix 4)

2.2 – Purpose of this Report

The purpose of this RFT Evaluation Report is to record the process for the Request for Tender (COR-RFT 02/12), document the evaluation of the Tenders by the appointed Tender Evaluation Panel and to provide a recommendation to the General Manager.

3. RFT Evaluation Panel

Membership of the RFT Evaluation Panel is identical to the Panel appointed for COR-EOI 04/11, which identified the short list of proponents to be invited to participate in the COR-RFT 02/12 process:

City of Ryde

Mitchell Corn

Director – MKA Consulting
Development Director, City of Ryde,
Chair of Evaluation Panel

Malcolm Harrild

Director Forbrook Group
Project Manager – Development, City of Ryde

Independent External Experts

Michael Collins

Director, Michael Collins & Associates

Ron Moir

Executive Chairman, WT Partnership

Prof. Ken Maher

Chairman, International Executive, Hassell

Steve Hennessy

Director, WT Sustainability

The Evaluation Panel was assisted by specialist Technical Advisors, who issued reports to the Evaluation Panel Members in accordance with a strict timetable, to assist them with their deliberations. These advisors were:-

- WT Partnership
- Thoughtspace
- Better Transport Futures
- WT Sustainability
- Hill PDA
- JBA Planning
- Hassell
- Acoustic Studio
- Hyder Consulting, and
- Clayton Utz.

4. Assessment Schedule

The following table outlines the RFT evaluation schedule:

Tasks	Critical Dates
1. RFT issued	10 February, 2012
2. First Evaluation Panel Meeting	22 March 2012
3. RFT Close and Submissions Opening Procedure	10 April, 2012
4. Issue of RFT Compliance Summary Report to Evaluation Panel Members	11 April 2012
5. Analysis of Tenders by Hyder, Acoustic Studio, Hassell, JBA Planning, WT Sustainability, Better Transport Futures and Thoughtspace	13 to 23 April, 2012
6. Evaluation Panel Members' individual assessment period	13 April to 21 May, 2012
7. Tenderers' Presentations to Evaluation Panel	20 April, 2012
8. Second Evaluation Panel Meeting	3 May, 2012
9. Tenderers' period for clarification of Evaluation Panel's questions	7 to 16 May
10. Third Evaluation Panel Meeting	9 May, 2012
11. Fourth Evaluation Panel Meeting	21, May 2012
12. Panel Approval of Evaluation Report	23 to 24 May 2012
13. Issue of Evaluation Report to General Manager	25 May 2012

5. Administrative Matters

5.1 – Declaration of Interests

Some members of the Evaluation Panel declared related interests but upon advice of the Probity Auditor it was considered these did not represent pecuniary or non pecuniary conflicts of interest. All Panel members have signed a declaration to this effect and these declarations are held on file.

5.2 – Confidentiality of Information

Protocols for access to the tender documents were finalised with Clayton Utz and the documents were made available, with print and save restrictions, to the Evaluation Panel

Members and Technical Advisors, subject to receipt of signed Conflict of Interest, Statement of Interests and Associations and Confidentiality Undertaking documents in accordance with City of Ryde's Probity Management Plan. The tender documents were made available to these authorised users in a Hard Copy Data room secured by Facilities Management at Clayton Utz' Sydney premises and an Online Data Room via a password protected web enabled data room controlled by Clayton Utz' Legal Technical Services in Melbourne.

All documents and proceedings of the Evaluation Panel have been treated on a commercial-in-confidence basis. No disclosure of information contained in the offers has occurred which may prejudice the commercial interests of the companies concerned.

Confidentiality Agreements have been signed by all members of the Evaluation Panel and the Technical Advisors and are available on file.

Note that all four short-listed proponents, in accepting the invitation to participate in the RFT, had signed written undertakings acknowledging that the confidentiality agreements they had signed for the EOI were to apply throughout the RFT process.

5.3 – Evaluation Plan Approval

In its first meeting on 22 March 2012 (Appendix 3), the Evaluation Panel approved the RFT Evaluation Plan including the evaluation criteria and the weightings that were to be applied to the evaluation criteria.

The final draft of the Evaluation Plan, approved by the Evaluation Panel, was signed by the Chair of the Evaluation Panel and the General Manager on 3 April, 2012 (Appendix 5)

6. Submissions Received

6.1 - Documents Distributed

COR – RFT 02/12 was made available via Tenderlink to the four short listed proponents on 10 February, 2012.

During the RFT period nineteen (19) Notices of Tender were issued to all proponents in response to their questions, to provide further clarifications of the RFT documentation where required and to keep the proponents aware of the status of planning controls and land acquisition matters relevant to the Civic Precinct.

6.2 – RFT Opening

Prior to the tender closing time (2pm, 10 April 2012) letters dated 10 April 2012 were received from Mirvac Projects Pty Limited and Leighton Properties Pty Limited each stating they had decided not to submit a tender. (Appendix 6)

At 2pm on 10 April tenders were received from:

- Lend Lease Development Pty Limited (LL),
- Billbergia Pty Ltd in a joint venture with Frasers Property Australia Pty Ltd (as previously notified and approved) (BFJV)

and opened by the Manager, Risk and Audit in accordance with City of Ryde procedures. This process was overseen by a representative of O'Connor Marsden, Council's Probity Advisor on the project. Both tenders were received in hard copy and computer disk formats as required.

6.3 – Late Submissions

There were no late submissions.

6.4 Compliance Summary

The two tenders were reviewed for submission compliance requirements of the eleven Returnable Schedules and a Compliance Summary issued to the Evaluation Panel on 11 April 2012 (Appendix 7). This reported that the submissions from both tenderers were compliant in that they each had responded to all Returnable Schedules. The Summary made no comment upon the quality of the submitted documents.

7. Overview of Evaluation Process

7.1 – Evaluation Criteria and Weightings

In accordance with the RFT Evaluation Plan, Proponents' tenders deemed compliant were assessed against the RFT evaluation criteria and weightings, as listed below:

Criteria and Description	Weighting
Understanding the Project: Elements that will be considered include demonstrated appreciation, understanding and approach to deliver, innovate and achieve the Project Objectives listed in section 2.5 of the RFT.	5%
Capability: Elements that will be considered include:	10%
(i) demonstrated capability, capacity, experience and expertise to design, carry out, fund and market all components of the Project and the Tender;	
(ii) team and organisational structure and its ability to achieve successful outcomes over the life of the Project; and	
(iii) financial capacity to deliver the Project.	
Development Concept and Sustainability: Elements that will be considered include:	30%
(i) how the Tenderer's proposed development concept:	
A. exhibits urban design and architectural excellence whilst being sufficiently compatible with LEP 2010 to achieve timely planning consents;	
B. provides for a land use mix and precinct vitality which will deliver the Project Objectives listed in section 2.5 of the RFT;	
C. incorporates high quality, vibrant and sustainable urban mixed use development that successfully integrates built form and public domain;	
D. deals with vehicular movements and servicing provisions consistent with ITS II;	

- E. maximises the pedestrian linkages from the Precinct to the Top Ryde City shopping centre and the adjacent public transport facilities and provides safe and convenient access to support public transport patronage; and
- F. optimises the development site opportunity through a balance between development and amenity; and
- (ii) in relation to sustainability:
 - A. the extent to which the Tenderer's proposal meets or exceeds Council's objectives for delivering 4 star Green Star residential and 5 star Green Star commercial and public buildings; or
 - B. to the extent specific tools are not appropriate, the extent to which the Tenderer's proposal complies with 9 key Green Star categories listed in the RFT.

Financial Return and Risk to Council: Tenderers will be assessed and evaluated on the value of the financial offer to Council and how they intend to manage the risks of, and deliver the Project as required to meet its obligations for the financial return to Council.

45%

Elements that will be considered include:

- (i) in relation to financial return to Council:
 - A. the form, structure, timing and certainty of payments proposed, including the quantum and nature of guaranteed payments and non-guaranteed payments; and
 - B. any conditions placed upon Council receiving any payments proposed; and
- (ii) in relation to risk to Council:
 - A. the allocation of risk to Council as shown in the Risk Allocation Table which must be completed by the Tenderer and provided with a Tender in a form similar to the Risk Allocation Table being Attachment 8 to the RFT;
 - B. the extent to which a Tenderer complies with the risk allocation and the legal and commercial structure contemplated by the Outline of Commercial Terms and the Draft Project Delivery Agreement; and
 - C. the availability and value of financial guarantees and parent company guarantees to secure the Tenderer's obligations to Council.

Delivery and Planning: Tenderers will be assessed and evaluated on how they intend to deliver the Project as required.

10%

Elements that will be considered include:

- (i) commitment to delivery of the Civic Developments;
- (ii) a viable business plan, including implementation, development and divestment strategies;
- (iii) compliance with existing planning regimes or the Planning Proposal and

- the justification for any identified departures;
- (iv) procedure, methodology and time frame to secure all necessary development consents;
 - (v) future operations, maintenance and management regimes; and
 - (vi) certainty of delivery having regard to funding, including the sources of debt and equity in relation to the delivery of the Project.

Total	100%
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In addition to these evaluation criteria, the tenderers were required to comply with five mandatory criteria, being the provision of:

- Tenderer's Details
- Confidentiality Undertaking
- Conflict of Interest and Fair Dealing Statutory Declaration
- Collusion Statutory Declaration
- Request for Tender Deed Poll

Both tenderers complied with all mandatory criteria.

7.2 – Evaluation Criteria Scoring System

In accordance with the Evaluation Plan, the response to each evaluation criteria, as identified above, was allocated a score within the range of 0 and 5, the scoring methodology being:

0 to 0.99 Unacceptable/Non compliant.

The tender has not demonstrated any capability. Supporting statements indicate misunderstanding of the requirements. No evidence/statement provided regarding compliance with the requirements

1 to 1.99 Marginal. Compliance stated

The tender has limited demonstration of adequate capability. Supporting statements indicate some misunderstanding of the requirements and evidence of major weaknesses or deficiencies

2 to 2.99 Acceptable/Compliant

The tender has demonstrated sufficient capability. Supporting statements show general understanding of the requirements. Some minor weaknesses or deficiencies.

3 to 3.99 Good/Compliant

The tender has demonstrated more than adequate capabilities. Supporting statements show a good understanding of the requirements. No weaknesses or deficiencies

4 to 4.99 Very Good/Compliant

The tender has demonstrated more than adequate capabilities. Supporting statements show a very good understanding of the requirements. No weaknesses or deficiencies

5 Excellent/Compliant

The tender has demonstrated exceptional capabilities. Supporting statements show a thorough understanding of the requirements. No weaknesses or deficiencies.

The final evaluation scoring is attached in the form of the Evaluation Matrix (Appendix 13) being a summary of the assessment of each tender by each Panel Member. The overall total scoring of 0 to 5 was equated to a percentage to enable a clearer distinction of the scoring between submissions.

8. RFT Evaluation Panel Process

The Compliance Summary was made available to the Evaluation Panel Members on 11 April 2012. On 13 April 2012 copies of the tenders were made available to the Evaluation Panel Members and the Technical Advisors in a secure hard copy data room at the premises of Clayton Utz in Sydney and via a secure web enabled online data room controlled by Clayton Utz' Legal Technical Services from their Melbourne office. Access to the tender material was granted to the Technical Advisors only upon receipt of correctly completed probity documentation.

With the exception of reports on financial (HillPDA) and legal matters (Clayton Utz), due to their complexity, the Technical Advisors delivered their draft analyses of specialist elements of both tenders to the Evaluation Panel by 23 April.

Separate presentations of their tenders were made by Lend Lease and the Billbergia Frasers Property Joint Venture to the Evaluation Panel Members and Council's legal adviser (Clayton Utz) on 20 April 2012 to enable each tenderer to explain their submissions further, (but not to alter them) and to provide the Evaluation Panel the opportunity to determine its initial list of clarification questions. These presentations were observed by City of Ryde's General Manager, Council's Probity Advisor and the City of Ryde's Manager, Risk & Audit (Appendix 8).

Clarification questions derived from studies of the tender documents, the presentations made to the Evaluation Panel and raised by the Panel's Technical Advisors, were issued to each tenderer on 24 April for responses by 29 April. The tenderers' responses were made available to the Panel Members via the online data room on 30 April and in the hard copy data room a day later.

The Evaluation Panel met on 3 May 2012 (Appendix 10) to,

- Review the evaluation process to date;
- Confirm acceptance of the Billbergia Fraser Joint Venture as a tendering entity;
- Confirm that Mirvac Projects Pty Limited and Leighton Properties Pty Limited had declined to tender;
- Review the tenderers' presentations, requests for clarifications and their responses;
- To advise all Panel Members of Regulation 178, the subject of a presentation by Clayton Utz to the Civic Precinct Committee on 1 May, 2012 (Appendix 9).
- To consider further the Technical Advisors' draft reports on:
 - Planning,
 - Cost and Risk,
 - Urban Design
 - Sustainability and

to receive initial commentary on financial and legal matters

The Evaluation Panel agreed both tenderers should be approached and made aware of the key issues that Council would wish to negotiate with each of them should Council decline to accept any tender and one or more of them be identified as a preferred party by Council to negotiate with a view to entering into a contract to undertake the Civic Precinct redevelopment.

The purpose of this was not to take the proponents' responses to the key issues into account in the evaluation process, but rather to obtain a better understanding of each proponent's appetite for responding to the key issues, should either proponent be nominated as a preferred party.

This approach was approved in principle by Council's Probity Adviser and confirmed by Council's legal advisor as conforming to the tendering requirements of the Local Government Act and regulations.

Subsequent meetings were held with Lend Lease Development and the Billbergia Frasers Joint Venture on 7 and 8 May attended by Panel Members from the City of Ryde, Michael Collins and Associates, Clayton Utz and Council's Probity Adviser. Tenderers were made fully aware of the key issues Council would wish to be resolved, should a negotiation be entered into, and each tenderer was granted until 16 May 2012 to prepare their responses to the key issues.

The Evaluation Panel met on 9 May 2012 (Appendix 11) to commence its scoring of the tenders having regard to the proponents' tenders, further developed reports from the Technical Advisors and the subsequent clarification process, but excluding the parallel but separate exploration of potential key negotiation issues.

The Panel accepted the Compliance Summary Report issued on 11 April 2012.

The Panel confirmed that,

- Lend Lease had submitted two tenders; a Base Case and an Alternative Case, the only variation between them being the funding model used in the Alternative Case
- Billbergia Frasers Joint Venture had submitted three tenders; a Base Case and Alternative Case, the variation between them being the design solution to the Civic Developments, and a third case which provided a BOT (Build, Operate, Transfer) funding option on the Base Case.

The Panel agreed to reject the Billbergia Frasers Joint Venture BOT offer because,

- Upon receipt of advice it was in reality equal to a Public Private Partnership, which had not been requested of the proponents;
- To assess it correctly would require a re-tender inviting BOT/PPP submissions;
- Upon preliminary financial analysis it provides the worst financial outcome to Council compared with the other tenders;
- The timetable for a BOT/PPP scheme does not comply with the timetable for the project;
- The decision to adopt a BOT/PPP scheme would require the approval of the Local Government Project Review Committee and there is no guarantee such approval would be granted.

In relation to the four accepted tenders, the Evaluation Panel assessed how each tenderer had demonstrated (in addition to other matters);

- appreciation, understanding and approach to deliver, innovate and achieve the project objectives;
- capacity, experience and expertise in respect of all facets of what will be required to design, fund, carry out and market the project;
- a high quality design that will enhance the landmark urban qualities of the precinct;
- an appropriate and innovative urban form and structure;
- commitment to, and strategy for, design excellence;
- how the project will deliver a 4 or 5 star Green Star rating (as appropriate)
- the tenderers' approach to sustainability;
- the financial offer and any other commercial benefit to Council, including the estimated costs of the works-in-kind;
- the securities to be offered by the tenderer;
- commitment to delivery of the proposed built-form including the new Council Office Building and new Civic Centre;
- all potential risk factors that they require Council to accept in relation to the project; and
- their preferred legal, financial and documentary approach to the legal arrangements that need to be put in place to implement the project.

The Evaluation Panel declined to score the Lend Lease Alternative Case formally at this meeting as not all Panel members had reviewed it. Some sensitivity testing was done which indicated that the different funding option would produce a higher score than Lend Lease's Base Case. However it was agreed to hold over the formal scoring of the Lend Lease Alternative Case until the next Panel meeting on 21 May 2012.

On 21 May 2012, the Evaluation Panel met (Appendix 12) and finalised its evaluation, scoring and recommendations.

9. Review of Tenders

Comments on the tenders received are set out within the minutes of the Evaluation Panel meetings held on 3, 9 and 21 May.

Billbergia Frasers Joint Venture Base Case

This tender provides for a single building at the northern end of the site integrating the Civic Centre with the new Council Office. The office accommodation is located on the upper floors. Some parking is provided in the building's basement levels, with additional spaces on Site B (the current staff car park).

A public plaza in the centre of the site, with an integrated vehicle turn around space, separates the City of Ryde building from the residential components. These are concentrated in the southern end of the site and consist of a low rise building, with a semi private garden zone, on the corner of Parkes Street and Blaxland Road, and two three-sided towers which are placed comparatively close together along Devlin Street. Retail spaces are provided at the lowest levels of the towers, opening on to the podium, which incorporates pedestrian access routes to Blaxland Road, Parkes Street and Devlin Street and the public plaza. Car parking for residents is located in the towers' basements. Connectivity to the pedestrian bridges is integrated into the City of Ryde building and the southernmost residential tower.

NSW ICAC EXHIBIT

Alternative Case

Without altering any of the residential, podium or access features of the Base Case, the City of Ryde building at the northern end of the site accommodates only the Civic Centre functions (although the interior layout is not resolved) and the Council Office building is constructed on site B, the current staff car park.

Both Cases provide,
Civic Centre (oversized by 1,500m²)
Council Office building
Parking for Civic and Council under-provided by 61 spaces
716 residential units
766 residential parking spaces
NUFA 56,991m²

Lend Lease Development Pty Ltd

Base Case

The northern end of the site is utilised for a turn around space at the end of Blaxland Road. The Civic Centre is located adjacent to the turn around space, with parking provided in its basement levels.

A public plaza, connecting Blaxland Road and Devlin Street separates the Civic Centre, at podium level, from the residential components which occupy the southern half of the site. These consist of a low rise building part way along Blaxland Road commencing at the corner of Parkes Street and two well separated triangular towers on Devlin Street connected at low level by a residential building, also on Devlin Street. The residential components are joined at podium level by a private landscaped area. Car parking is provided for residents in the basement levels of all four domestic structures.

The Council Office building, and associated parking, is provided on Site B, the current staff car park.

Alternative Case

This case offers no changes to the proposed design but does put forward a different method of funding the Base Case, being that Council, instead of Lend lease, would fund the Civic Developments, thus providing additional cash as part of Lend Lease's financial offer.

The Base Case provides,
Civic Centre
Council Office building
Parking for Civic and Council under-provided by 102 spaces
611 residential units
668 residential parking spaces
NUFA 48,403 m²

These submissions were reviewed by the Technical Advisors supporting the Evaluation Panel and summaries of their findings follow.

Thoughtspace

Billbergia Frasers - ranked 1

The proposed combination of the civic function requirements and the council offices is an interesting and creative proposal and demonstrates clearly the ability to create one space capable of meeting the combined needs of these two primary functions. The scheme demonstrates the ability to share resources and provide a common customer service experience. Greater connectivity is evident between the Mayoral/Councillor functions and Council staff operations and creates a logical common access point for local residents.

Lend Lease – ranked 2

The response proposal takes a single floor as a test element, in order to demonstrate the ability of a typical floor plate to accommodate the most heavily populated level as outlined in the space matrix calculations from the Workplace Performance Briefing Document. This however falls short of the requirements of the brief, with deficiencies in offices, meeting rooms configurations and ancillary built environments like store rooms, and high use utility spaces. Further schematic subdivision floor plates demonstrate a major deficiency in the planning of the reception point on level 2, which is contrary to the planning requirements outlined in the brief. The proposed solution falls dramatically short of the requirement of the functional design guidelines and would require Council to re-evaluate their brief. Access to mail facilities is compromised. There is no access for public amenities. The ability to provide access to meeting room suites is questionable.

Hassell

Both Proposals have a number of similar characteristics in achieving compliance with the Performance Brief and both of the Proponents schemes for urban design, public domain and landscape are similar. They both offer public domain proposals that are structured around three key spaces which have a strong emphasis around a central Civic Plaza that engage well with the proposed Civic Centre entrance and Blaxland Road.

The closeness of the scores reflects the similarities in the basic schemes, and to a degree reflects the quantum of information provided for assessment by BF compared to LL.

The Lend Lease scheme is the preferred Urban Design proposed due to the lesser bulk and height of the residential towers, and the Civic Centre.

The public domain in both schemes is similar, with the location of a Civic Plaza space to the south of the Civic Centre and as a linking element between the Civic Centre and the residential blocks. The LL scheme is preferred due to the proposed treatment of Blaxland Road as a shared pedestrian/vehicle zone.

The BF design for the Civic Centre is preferred over the LL scheme for functional design reasons related to the operation of the Council Chambers and the Auditorium. The LL scheme is preferred for the Council Offices as it complies with the location and intent of the Performance Brief and provides a more flexible office arrangement for Council. The issue of car parking numbers requires clarification.

The weighted scores of the two Proponents schemes are close however.

The scores have been totalled for each of the components, and the scoring weighted for the relative importance of these is summarised as follows

Urban Design	Lend Lease preferred
Public Domain	Lend Lease preferred
Civic Centre	Billbergia Frasers preferred
Council Offices	Lend Lease preferred

Better Transport Futures

In general both submissions have acknowledged and comply with the main elements of the ITS I and ITSII requirements in that they confirm:

- a. Primary vehicle access to the subject site is to be provided via the ITS II access ramps connecting to basement levels of parking, shared with the Top Ryde City development on the opposite side of Devlin Street
- b. Construction of the at grade road works required at the Parkes / Devlin and Blaxland intersection
- c. Construction of access at site B on Park Street
- d. Provision of on-site service facilities
- e. Provision of drop off and turning facilities in Blaxland Road adjacent to the civic facilities.

Whilst both submissions can be considered to generally comply, the following ranking is applied in traffic terms and delivery of the ITS I and ITSII principles.

Billbergia Fraser ranked 2
Lend Lease ranked 1

WT Sustainability

The following table is a summary of the "Development Concept and Sustainability" Evaluation Criterion spreadsheet and illustrates the individual Proponent's compliance with each criteria.

Evaluation Criterion

a)i)

Demonstrate how the Project will deliver 4 star Green Star residential and 5 star Green Star commercial and public buildings (or higher)

LL Yes BF Yes

a)ii)

Demonstrate how the Project will comply with the 9 key Green Star categories listed in the Evaluation Criteria

LL Yes BF Yes

a)iii)

Compliance with the Performance Brief

LL No BF No

b)

Draft Green Star rating tool for each proposed building type

LL Yes BF Yes

d)i)

Tenderer's approach to sustainability

LL Yes BF Yes

d)ii)

How a sustainability management plan that formally communicates and manages the sustainability requirements for the Project will be developed

LL Yes BF Yes

d)iii)

How the Tenderer's approach "future proofs" the New Council Office Building and the New Civic Centre in relation to life-cycle costing

LL Yes BF Yes

d)iv)

Details of key sustainability initiatives delivered in past projects

LL Yes BF Yes

d)v)

Details of sustainability initiatives associated with current similar works, and their value

LL Yes BF Yes

d)(vi)

List of Accredited Green Star Professionals employed by the Tenderer and CVs of key staff

LL Yes BF Yes

d)(vii)

A copy of the Tenderer's Green Building Council membership certificate

LL Yes BF Yes

d)(viii)

Details of the Tenderer's scope of interest, expertise, specialisation, services and any awards that recognise the Tenderer's sustainability credentials

LL Yes BF Yes

d)(ix)

such additional information as the Tenderer considers appropriate to support any sustainability claims

LL Yes BF Yes

Subsequent to clarifications requested in response to the review of the sustainability proposals, and based on the information provided to date, we rate Lend Lease first, higher than Billbergia Frasers, second.

JBA Planning

Billbergia Frasers Joint Venture

The Billbergia scheme presents as a more dense development on the site due to the location of the precinct NUFA solely on Site A. The greater NUFA proposed in the design however still complies with the maximum NUFA for the precinct under the Ryde LEP. The proposed scheme is non-compliant in several areas, in particular, the extension of the built form into the 0m height area to the north of the site and the consequent location of the turning circle further south, as well as the degree of building separation between the residential towers. These non-compliances present a greater risk to achieving a future DA approval.

Rank: 2nd

Lend Lease

The Lend Lease scheme distributes the built form well across the precinct and provides clearly defined Civic, residential and office spaces across the site. The scheme largely conforms to the Ryde LEP controls and the areas of non-compliance in the DCP can be reasonably addressed. Overall this scheme achieves good urban form and greater level of planning compliance and therefore less planning approvals risk than the Billbergia scheme.

Rank: 1st

Hyder Consulting

Lend Lease

Included within Returnable Schedule No.4 - Development Concept & Sustainability section of the tender submission Part 3 - Review of Conformance indicates minimal areas of deviation

from Performance Brief, however, stipulated as not to be considered as an exhaust comparison.

Document does not highlight any deviations in relation to our specific disciplines at this stage.

Billbergia Frasers

Included within Returnable Schedule No.4 - Development Concept & Sustainability section of the tender submission Part 3 confirms that the proposal complies with the objectives of Performance Brief and a full copy of the Performance Brief has been included with minor deviation comments added.

Document does not highlight any deviations in relation to our specific disciplines at this stage with exception of comments associated with Lift Services which has been addressed within this report.

Tender Evaluation

Although each of the tenderers have provided an extensive package of information in relation to architectural concepts/planning and potential approach to ESD and Sustainability only the Billbergia Frasers tender submission has incorporated a marked up copy of project Ryde City Precinct - Performance Brief and as such has been ranked slightly higher.

Tender Ranking

Billbergia Frasers	1
Lend Lease	2

WT Partnership

The WTP assessment summarised the tender information into formats to allow:

- Comparison of Tenderer's Civic Development Costs, including applicable percentages for Preliminaries and Supervision, Design and Project, Management, Profit and Overheads, and Contingency ('Mark Ups' percentages) for Council Offices and Civic Centre;
- Comparison of Tenderers Civic Development Costs;
- Comparison of Tenderers Civic Development Cost compared with Council's budget.
 - This table included the Tenderer's GBA areas and car park numbers providing the WTP calculated cost / m2 for the Civic Centre and Council Offices and cost per car park space; and
- Comparison of additional cost to Council in excess of Tenderer's contributions.
 - This table incorporates WTP adjustments ('Apples for Apples') to the Tenderers Civic Development Costs, where costs have been omitted or are deficient.

The WTP review of the LL and BFJV tenders has resulted in an overall ranking of LL as No. 1 and BFJV as No. 2 based on the following key observations:-

- the gross 'mark up percentages' (Preliminaries, Design and Project Management etc) indicate BFJV offer is marginally better than LL (34.4% BFJV compared to 38.3% for LL).
- LL is providing a marginally better value of works for the Civic Developments (\$52.4m compared with BFJV's \$49.9m and \$49.8m for their base and alternate schemes respectively).

- the cost / m2 for the Council offices is comparable for both LL and BFJV however, the BFJV cost / m2 for the Civic Centre is significantly lower than both the Council budget and LL's cost / m2 and is considered insufficient. The BFJV GBA area for the Civic Centre is also significantly higher than the brief (5,384m2 based on WTP's measure compared with 4,000m2 for the Council Budget).
- it is clear that Council's contribution in costs for the LL scheme is significantly lower than BFJV required council contribution to the cost of the Civic Development and therefore LL is ranked No. 1.

WTP adjustments are noted as follows:-

- BFJV allowance of \$2.5m for escalation in building costs over the 5 years is insufficient. WTP adjusted to \$5.4m;
- BFJV have included \$9.1m car parking for 161 cars under the Civic Centre (83) and on Site B (approx 78) for both the base scheme and alternate scheme. The average cost per car is \$56,522. WTP has adjusted their allowance (added cost) to provide 221 cars in accordance with the brief;
- LL have only allowed for 119 cars in their scheme. WTP has adjusted their allowance (added cost) to provide 221 cars in accordance with the brief. Note: LL have allowed 25m2 per car under the Civic Centre and 35m2 per car to Site B. WTP assumes the Civic car park area is lower as the driveway is considered shared;
- LL omitted the Retail area required by the brief. WTP has added an allowance for a cold shell retail space;
- BFJV have excluded contaminated material removal. WTP have added \$4,500,000 for GSW removal;
- LL have allowed \$4,560,000 including GSW (General Solid Waste) removal;
- WTP has added costs to BFJV's Civic cost due to insufficient cost / m2

WTP also adjusted both Tenderers costs for:-

- Paving of Blaxland Road shared pedestrian area; and
- Council relocation costs

WTP review of both LL and BFJV programs indicate the following key points:-

Lend Lease

- LL New Council Office operating 1 March 2015;
- LL New Civic Centre operation 1 August 2017; and
- LL Project Completion 31 July 2017.

Billbergia / Frasers Property

- BFJV New Council Office operating beginning August 2015;
- BFJV New Civic Centre operation beginning August 2018; and
- BFJV Project Completion 14 May 2019.

Note: Neither tenderer provided the detailed programs requested in the schedule 6, however as LL's overall development program is 22 months shorter than the BFJV program and though the timing of the handover of the Council Offices is similar (LL March 2015 and BFJV August 2015), the BFJV handover of the Civic Centre is 12 months later than LL and consequentially WTP consider LL ranking No. 1 and BFJV ranking No. 2.

Hill PDA

Hill PDA submitted a draft report as they have an ongoing role to analyse the full impact upon Council of the changes being offered by the tenderers during the period of determining the issues that would be the subject of negotiation should a contract negotiation between one tenderer and Council be approved.

In summary, Hill PDA's findings of the four evaluated financial offers were as follows:

It is understood the full value for development rights associated with the Project is anticipated to be the aggregate of:

- (i) The cost of the Civic Developments to be delivered as works-in-kind; and
- (ii) The financial payments to be made to Council.

In order to evaluate the proponents offers Hill PDA in consultation with Council undertook the following:

- Replicate the proponents financial proposals in a Control Discounted Cash Flow (DCF) Model by way of detailed revenues, expenses, development margins, finance cost assumptions (and so on), to enable 'like for like' comparisons to be made;
- Comment on the reasonableness of assumptions including revenues, construction costs, finance costs and development margins based on industry benchmarks and Hill PDA's industry experience; and
- Identify any items of material risk to Council in achieving the development rights value offered by each proponent.

Hill PDA's financial assessment of the four financial offers is structured as follows:

- Analysis of the financial offers as submitted, being:
 - Lend Lease Base Case Offer. This offer delivers separate Council and Civic buildings on two sites, with Lend Lease providing the construction funding of the two buildings;
 - Lend Lease Alternative Offer. This offer is exactly the same scheme as Lend Lease's Base Case Offer, but with Council providing the construction funding of the two buildings;
 - Billbergia Frasers Joint Venture Base Case Offer. This offer delivers a single integrated Council Office and Civic building, with Billbergia Frasers providing (in effect) partial construction funding of the two buildings with Council required to fund the balance.
 - Billbergia Frasers Joint Venture Alternative Offer. This offer delivers separate Council and Civic Buildings on two sites, with Billbergia Frasers providing (in effect) partial construction funding of the two buildings with Council required to fund the balance.

- Analysis of adjustments required to each offer to meet Council's Performance Brief and to ensure a like for like evaluation of the four offers; and
- Understanding and of additional below-the-line items which would be a cost, or cost saving, to Council.

HillPDA assessed the financial offers as follows:

Lend Lease Base Case

- Gross value of the offer is \$58.3m
- Council contribution to accept the offer \$18.3m
- Net value of the offer is \$40m
- Assets delivered by this offer \$79m
- Council's final savings / cost position at project end +\$4.7m

Lend Lease Alternative

- Gross value of the offer is \$63.3m
- Council contribution to accept the offer \$18.3m
- Net value of the offer is \$45m
- Assets delivered by this offer \$79m
- Council's final savings / cost position at project end +\$8.3m

Billbergia Fraser Base Case

- Gross value of the offer is \$44.2m
- Council contribution to accept the offer \$25.8m
- Net value of the offer is \$18.4m
- Assets delivered by this offer \$74.9m
- Council's final savings / cost position at project end -\$13.5m

Billbergia Alternative Case

- Gross value of the offer is \$44.2m
- Council contribution to accept the offer \$25.8m
- Net value of the offer is \$18.4m
- Assets created by this offer \$74.9m
- Council's final savings / cost position at project end -\$7m

The above analysis is summarised in the following Table:

	Lend Lease Base Case	Lend Lease Alternative	BVJV Base Case	BFJV Alternative
Gross Value of the Offer	\$58.3m	\$63.3m	\$44.2m	\$44.2m
Costs to Council	\$18.3m	\$18.3m	\$25.8m	\$25.8m
Net Value of the Offer	\$40.0m	\$45.0m	\$18.4m	\$18.4m
Assets delivered	\$79.0m	\$79.0m	\$74.9m	\$74.9m
Final cost (-) or saving (+) to Council at project end	+\$4.7m	+\$8.3m	-\$13.5m	-\$7.0m

HillPDA conclude that the Lend Lease Alternative model provides the best return to Council and leaves Council with less outstanding debt. The ranking of the various options is follows:

- Lend Lease Alternative
- Lend Lease Base Case
- Billbergia Frasers Alternative
- Billbergia Frasers Base Case

Clayton Utz

Clayton Utz submitted a Legal Report which analysed the responses to key matters, as follows:

As legal advisors to Council, we have reviewed the Tenders submitted by:

- A. Lend Lease Development Pty Limited (LL); and
- B. Billbergia Pty Limited and Frasers Property Australia Pty Limited (BF).

We have reviewed the Tenders for the purposes of identifying and assessing the legal risks and opportunities contained in those Tenders.

In preparing this report, we have had regard in particular to the Evaluation Criteria entitled "Financial Return and Risk to Council" described in section 4.2 of the Request for Tenders. We have reviewed Returnable Schedules 5 and 7 of the Tenders for this purpose.

Whilst this legal report summarises the risks, opportunities and relative merits of the Tender (as identified from a legal perspective), it does not detail any scoring or recommendations in connection with the Tender. Any relative merit assessment and/or ranking within this legal report is not to be construed as constituting either scoring or recommendations in relation to any Tender.

To the extent this report outlines financial details of a Tender, the information provides a legal interpretation of financial components of the Tender and it provides factual context to the commercial structuring of the Tender. For an understanding and analysis of all financial aspects of the Tender, please refer to the financial report prepared by Hill PDA.

The scope of review of all other Returnable Schedules has been limited to a review of the legal components of each schedule and accordingly, this legal report is not intended to provide any analysis or comment on the non-legal components of those Tenders.

Lend Lease

LL's tender can be summarised as follows:

1. LL will to pay the development rights fee requested by Council;
2. LL will construct the New Office Building and New Civic Centre for Council, up to an allocated cost (which appears sufficient to cover the cost of the buildings);
3. LL will to undertake the ITS II Works at Council's cost;
4. LL will pay some financial upside from the Commercial Developments to Council; and
5. LL will provide part of the fitout of the Civic Developments by way of developer contribution under a Planning Agreement with Council.

The proposal also includes an amount for the funding of public domain and community infrastructure, site preparation and demolition which we have assumed is attributable to the Commercial Developments.

In addition, LL proposes the following:

- the New Council Office Building being located on Site B;
- Commercial Developments comprising 611 residential units in 3 buildings (North Tower, South Tower and Blaxland Road Apartments);
- the undertaking of all works being subject to the following conditions precedent:
 - Acceptable Development Consent for a concept proposal and detailed proposal for the Civic Developments (including fitout) and the ITS II Works (with the extent of consents required for the Commercial Developments as a condition precedent being uncertain);
 - acceptable RMS Agreement;
 - Planning Agreement with Council; and
 - agreed final scope and cost of New Council Office Building and New Civic Centre (including value engineering anticipated to achieve 10% savings incorporated in the amounts provided by LL) following grant of the Acceptable Development Consent;

- a contingency for environmental liabilities to be tested before the conditions precedent are satisfied (with the potential for any savings to be included in LL's financial offer) and a proposal for the Developer to assume only a capped liability in relation to environmental issues;
- the undertaking of early works including realignment of the water main before satisfaction of the conditions precedent;
- an addition termination right (for both Council and LL) if works in relation to the New Council Office Building are not commenced within 6 months of obtaining Acceptable Development Consent, with the Developer having no obligation to commence construction of the New Council Office Building;
- no undertakings be given in relation to commencing or completing the Commercial Developments and that undertakings in relation to the Civic Developments relate only to completion;
- a staging plan which involves LL undertaking part of the Commercial Developments at the same time as the New Council Office Building;
- a requirement for Council to pay liquidated delay costs in relation to certain events;
- the Developer's obligations being secured by the Australian parent company of LL with a bank guarantee for 1% of the cost of the Civic Developments being provided at practical completion of those works (to secure defect rectification obligations);
- that the Developer's liability under the PDA be limited to a capped amount (not specified), exclude consequential loss; and
- Council grant a first mortgage over the land to the Developer to secure Council's obligations (including to pay sales proceeds from the Commercial Developments) and if required, a mortgage to the Developer's Financier.

LL has also made an alternative offer for Council to progressively fund the Civic Developments. Upon completion of each building, LL would repay Council's contribution inclusive of interest. LL notes that if Council accepts the alternative offer, the value of the financial proposal would substantially increase.

Billbergia Frasers Joint Venture

The Base Case and Alternate Case Proposals may be summarised as follows:

1. BF will construct the New Office Building and New Civic Centre for Council, up to an allocated cost (which is not sufficient to cover the cost of the buildings) with Council making specific contributions to the balance;
2. BF will undertake the ITS II Works at Council's cost;
3. BF may consider will paying some financial upside, but no detail is provided; and
4. BF will pay developer contributions under a Planning Agreement with Council in instalments out the proceeds of sale of the Commercial Developments.

The proposals also:

- A. provide for a payment equal to the development rights fee requested by Council, but which is only provided as a security deposit refundable on completion of the Civic Developments; and

B. require Council to bear some funding costs associated with the Developer's contributions to the New Civic Centre, as:

- (a) developer contributions are only payable from the sale of the Commercial Developments; and
- (b) other amounts are payable by instalments if the Developer has not commenced stage 2 of the Commercial Developments.

The difference between the Base Case Proposal and the Alternate Case Proposal relates to the location of the New Council Office Building and timing of the works for the New Civic Centre.

A. under the Base Case Proposal:

- (a) the New Council Office Building is located on Site A, with Site B being used for car parking (BF noting that Council could extract further development value from that site or develop a "structured car park" on the site);
- (b) Phase 1 comprises the New Council Office Building and the structure of the New Civic Centre; and
- (c) Phase 2 comprises fitout of the New Civic Centre; and

B. under the Alternate Case Proposal:

- (a) the New Council Office Building is located on Site B;
- (b) Phase 1 comprises the New Council Office Building; and
- (c) Phase 2 comprises the New Civic Centre; and

In addition, BF proposes the following (under both proposals):

- Commercial Developments comprising 716 residential units (Tower 1 314 units, Tower 2 331 units and Building A 71 units).
- the undertaking of all works being subject to the Developer obtaining an Acceptable Development Consent for:
 - (a) a concept proposal;
 - (b) a detailed proposal for the Civic Developments (including fitout) and the ITS II Works; and
 - (c) a detailed proposal for the Commercial Developments (it being unclear whether this means all buildings or only the first);
- the Developer's obligations being secured by several guarantees from Billbergia Pty Limited and Frasers Property Australia Pty Limited for 50% of the liability each, with liability under each guarantee being capped to a specified figure;
- a first mortgage over the land for the Commercial Developments to secure the Developer's funding obligations;
- that Council accept the risk of council rates and land tax during the development whilst land is in Council's ownership;

- no undertakings be given in relation to commencing or completing the Commercial Developments and that specific dates for undertakings in relation to the Civic Developments are yet to be proposed;
- that acceptance of latent conditions and contamination risks is subject to further verification (although BF have clarified that currently this means Council is to bear both time and cost risk in relation to these matters);
- an independent chair for the JMC with a casting vote; and
- negotiations with Council before signing the PDA:
 - (a) to review infrastructure works costs and landscape with a view to fixing costs and assuming risks for those works; and
 - (b) to allow the early commencement of the Commercial Developments (before completion of the New Council Office Building as requested in the RFT);
 - (c) to settle an approved form of D&C Contract;
 - (d) to discuss Council entering into a D&C Contract directly with the builder for the Civic Developments, on the basis that including delivery risk in the PDA just adds cost;
 - (e) to consider financial upside calculated as a share of nominal revenue per square metre achieved for each residential apartment over a set benchmark; and
 - (f) for a further value management exercise (including for Council to use offices in Top Ryde City, to review the level of the Green Star ratings and lift the basement of the New Civic Centre above ground).

Technical Advisors' Rankings of the Tenders

The Technical Advisors' reports to the RFT Evaluation Panel concerning both Tenderers' submissions produce a summary of tender rankings as follows,

	Lend Lease	Billbergia Fraser
Thoughtspace	2	1
Hassell	1	2
Better Transport Futures	1	2
WT Sustainability	1	2
JBA Planning	1	2
Hyder Consulting	2	1
WT Partnership	1	2
Hill PDA	1	2

Hassell - Panel Member Report

In addition to the Technical Advisors' reports, Ken Maher, Chairman and International Executive of Hassell and an RFT Evaluation Panel Member submitted his personal report to the Evaluation Panel as follows;

This brief report has been prepared for discussion by the Tender Evaluation Panel in considering the two short listed tenders.

It generally addresses issues listed under Development Concept and Sustainability Criteria, items (i) A-F and provides additional commentary in support of the HASSELL Tender Assessment Summary Report.

Matters addressed in relation to the proposals include:

- Urban design and architectural excellence
- Integrated built form and public domain
- Pedestrian linkages

Importantly items that would require further resolution are identified for both proposals

Lend Lease Proposal

The Lend Lease scheme provides a high quality and well considered urban design solution, due to the scheme's massing of the built form, both in the residential towers and the Civic Centre Building. The scale of the Civic Centre due to its height related to the adjacent Civic Plaza, and the approach to activation of the street frontages in generally in keeping with the intent of the Performance Brief and DCP.

The concept provides a permeable mixed use scheme generally in compliance with the intent of the Concept Plan and the relevant section of the Performance Brief. The new Civic Plaza at a midpoint along Blaxland Road provides an address for Council's new Civic Building.

Two residential towers of equal height (and up to the allowable height) are provided under this scheme, with some articulation of the long facades. A lower storey residential block spatially defines the corner of Parkes Street and Blaxland Road. Access to this precinct, and access to residential foyers is provided off Parkes Street

by a stair and ramp onto elevated vegetated court, being at the same level as the Civic Plaza.

Minor breaches in the provisions of the DCP are generally not critical in relation to urban design, although may require careful explanation where clearly a departure from the exhibited concept plan.

The proposal generally demonstrates architectural design excellence subject to appropriate refinement in the detailed design stages.

Key issues to address include:

1. Resolution of functional planning and form of the Council Chambers
This includes ensuring separation of access for councillors and public to the Council chambers, servicing of the auditorium, and the satisfactory resolution of the architectural expression.
2. Detailed articulation of the long facades of the residential towers
The design approach as set out in response to questions is endorsed, however this needs to be reconciled with apartment planning and balcony locations to provide sufficient articulation and an appropriate scale on the long facades

- 3 Interface of pedestrian bridges over Devlin Road to ensure continuity and legibility within the public domain
The southern bridge needs integration with the architectural form at the street front and transition to the public footpath. The northern bridge needs a more legible and direct connection to the civic plaza which may involve the reconfiguration of the lower levels of the civic centre.
- 4 Facades/ built form and uses onto Parkes Street and Blaxland Road to ensure urban activation
More information is required to evaluate these proposals including architectural proposals and the detail of covered set down for the civic centre.
- 5 Impacts upon the public domain from the vehicle and loading dock entries at the Blaxland Road intersection
This will need resolution in relation to traffic planning and the impact upon pedestrian interfaces.

More detailed comments requiring attention are included in the HASSELL technical report.

Billbergia/ Fraser Proposal

A permeable mixed use scheme, generally well considered and in compliance with the intent of the Concept Plan and the relevant section of the Performance Brief. The new Civic Plaza is shown midpoint along Blaxland Road. This Plaza is north facing and provides an address for Council's new Civic Building.

Two residential towers of equal height (and up to the allowable height) are provided under this scheme. A lower storey residential block spatially defines the corner of Parkes Street and Blaxland Road. Address to the residential buildings, and access to residential foyers, is provided off Parkes Street onto elevated datum; being at the same level as the Civic Plaza.

A number of pedestrian pathways cross the site at this level; with multiple pedestrian pathways served by retail uses and providing good pedestrian connectivity. Under this scheme, new Council Offices are provided within the Civic Building and while well planned and given a strong civic expression, has some impact in scale to the main Civic Plaza.

The main issue with this urban design strategy is in its greater bulk relative to the concept plan and the proximity of the residential towers combined with their lack of vertical modelling. This not only causes impacts but may also be an issue given the departure from the exhibited concept plan.

The proposal generally demonstrates architectural design excellence subject to appropriate refinement in the detailed design stages, and greater articulation of the tower massing.

Key issues to address include:

1. Reduction in the mass and bulk of the proposed buildings
2. Greater separation of the two main residential towers
3. Detailed articulation of the long facades of the residential towers
4. Improved public connectivity and legibility to pedestrian bridges over Devlin Road
5. Review of extent of retail activation to ground level public spaces
6. Refinement of the interior of the Council Chambers

More detailed comments requiring attention are included in the HASSELL technical report.

Concluding comments

In considering the two design proposals it is concluded that the Lend Lease proposal provides a better response to the Development Concept evaluation criteria.

The Lend Lease proposal will need to be developed to address comments raised in this review and in particular detailed compliance with the Performance Brief for the Civic Centre (specifically the Council Chambers and Auditorium) and Council Offices and Integrated Fitout Design Brief.

Summary of the Tender Review

The Evaluation Panel found, in its scoring of the Lend Lease Base Case and the Billbergia Frasers Joint Venture's Base Case and Alternative Case, that the Lend Lease submission unanimously produced a significantly higher score than either of the Billbergia Frasers Joint Venture's submissions.

The Evaluation Panel's final scores, as determined in its meeting of 21 May (Appendix 13) are summarised in the following table:

Tender	Percentage Score	Ranking
Lend Lease Alternative Case	68.24%	1
Lend Lease Base Case	64.42%	2
Billbergia Frasers JV Alternative Case	43.73%	3
Billbergia Frasers JV Base Case	42.05%	4

The evaluation and scoring process clearly indicated that both of the Lend Lease tenders were significantly superior to either of the Billbergia Fraser Joint Venture tenders.

The Evaluation Panel concluded, with due regard to the advice provided by its technical experts and clarifications offered by the tenderers that:

- the Lend Lease tender submissions, both Base and Alternative cases had the potential, subject to negotiation, to provide a superior outcome for Council than that offered in the two tender submissions from the Billbergia Frasers Joint Venture, and,
- the Lend Lease submissions were the better match to the objectives of the Request for Tender, being,

Community Benefit

Provide community benefits including through a multi-purpose performance space which meets the needs of the local community now and into the future.

Revitalisation

Contribute to the revitalisation of the Ryde Town Centre and complement the recently completed Top Ryde City shopping centre.

Design

Deliver design excellence within the planning parameters of LEP 2010 as amended by the Planning Proposal.

Sustainability

Be environmentally sustainable by having the capacity to deliver 4 star Green Star residential and 5 star Green Star commercial and public buildings (or higher).

Financially viable

Maximise upfront revenue to Council, whilst improving Council's assets without placing an ongoing burden on Council or rate payers, through potential land sale.

Traffic

Minimise additional traffic on local roads as a result of the redevelopment. The majority of traffic is to be directed from and onto State roads (not local) in accordance with ITS I and ITS II.

10. Referee Checks

Due to their positions in the development and construction industries, the expert Panel Members are aware of the senior management teams and products of the Proponents. It was therefore considered unnecessary to pursue any references at this stage.

11. Recommendation

The Evaluation Panel resolved to recommend to the General Manager as follows:

1. To reject all tenders received, for the reason that:
 - a. whilst the tenders demonstrated substantial compliance with the Council's project objectives of community benefit, revitalisation, design, sustainability, financial viability and traffic, the tenders displayed deficiencies in the following areas:
 - Council's preferred financial viability objectives were not fully achieved;
 - The proposed risk allocations were not fully in accordance with Council's preferred risk profile;
 - Certain elements of the Performance Brief were not fully complied with; and
 - the form of the tenders submitted were not sufficiently legally certain and complete to enable Council to accept them.
2. Not to invite fresh tenders, not to invite fresh applications from persons interested in tendering, not to invite fresh applications from Council's list of recognised contractors, and not to carry out the redevelopment itself for the following reasons:

- a. The procurement process involving an Expressions of Interest and Request for Tenders has fully tested the market and any new tender process is unlikely to produce a better result.
 - b. Any new tender process would involve Council in substantial additional costs without any certainty of a better result.
 - c. Any new tender process would involve a reputation risk to Council with tenderers being exposed to the substantial costs of tendering and having a potential lack of confidence in Council's process.
3. Having regard to the Evaluation Panel's superior ranking of the Lend Lease tender and subsequent meetings with both proponents to appreciate areas where negotiations might result in improvements to Council's position, recommend that Council enter into exclusive negotiations with Lend Lease Development Pty Ltd (and not the Frasers Billbergia Joint Venture) with a view to finalising and entering into an acceptable Project Delivery Agreement (and all other transaction documents) substantially consistent with, or more favourable to Council than, the Commercial and Risk Principles.

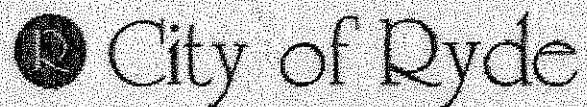
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NSW ICAC EXHIBIT

Ryde Civic Precinct Redevelopment – COR-RFT 02/12 Tender Evaluation Report – Confidential

APPENDIX 1

**NSW ICAC
EXHIBIT**

Lifestyle and opportunity @ your doorstep

**RYDE CIVIC PRECINCT
REDEVELOPMENT**

EVALUATION REPORT

COR-EOI-4/11

31 January 2012

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APPENDICES

1. Minutes of Evaluation Panel Meeting, 24 January, 2012
2. Email dated 23 January 2012 with clarification of Lend Lease's response to Mandatory Schedule 2
3. Updated Statement of Association with EOI Bidder
4. COR-EOI 4/11 Compliance Summary Report, 9 Jan 12
5. Summary - EOI Submissions Evaluation Matrix, 24 Jan 12

1. Purpose

The purpose of this report is to:

- o Provide an overview of the evaluation methodology, evaluation criteria and scoring criteria;
- o Outline the findings from the assessment process;
- o Provide a recommendation for the next stage of the Project.

2. Overview of COR-EOI 4/11

2.1 - Response Required from EOI

Council is seeking to enter into an agreement with a private sector developer to undertake a redevelopment of the Ryde Civic Precinct involving design, construction and financing of:

- A. a New Civic Centre, New Council Office Building, car parking for both facilities and a restructured public domain, project managing the relocation of those facilities; and,
- B. an appropriate residential/commercial development including car parking.

The procurement process to identify a successful tenderer to undertake the Project consists of two stages:

- 1. a Expression of Interest (EOI) Invitation, the purpose of which is to select a short-list of Proponents to be invited to participate in a tender process; and
- 2. a Request for Tender (RFT) Process, the purpose of which is to enable Council to identify a tenderer with whom Council can enter into a commercial agreement to undertake the project confident the tenderer has all the attributes to ensure an advantageous outcome for Council and the community.

2.2 - Purpose of this Report

The purpose of the Evaluation Report is to record the process for the Expression of Interest and the evaluation of the submissions by the appointed Evaluation Panel to identify a short-list of Proponents to be invited to participate in the Request for Tender process.

3. EOI Evaluation Panel

Members of the EOI Evaluation Panel are:

City of Ryde

Mitchell Corn

Director - MKA Consulting

Development Director, City of Ryde,

Chair of Evaluation Panel

Malcolm Harrild
Director Forbrook Group
Project Manager – Development, City of Ryde

Independent External Experts

Michael Collins
Director, Michael Collins & Associates
Ron Moir
Executive Chairman, WT Partnership
Prof. Ken Maher
Chairman, Hassell
Steve Hennessy
Director, WT Sustainability

4. Assessment Schedule

The following table outlines the EOI evaluation schedule:

Tasks	Critical Dates
1. EOI advertised	22 November 2011
2. First Evaluation Panel Meeting	15 December 2011
3. EOI Close and Submissions Opening Procedure	23 December 2011
4. Issue of EOI Compliance Summary Report to Evaluation Panel Members	9 January 2012
5. Evaluation Panel Members' individual assessment period	10 to 23 January 2012
6. Second Evaluation Panel Meeting	24 January 2012
7. Evaluation Report to be issued to General Manager, City of Ryde	3 February 2012

5. Administrative Matters

5.1 – Declaration of Interests

Some members of the Evaluation Panel declared related interests but upon advice of the Probity Auditor it was considered these did not represent pecuniary or non pecuniary conflicts of interest. All Panel members have signed a declaration to this effect and these declarations are held on file.

A copy of the final document used for this declaration is attached

Refer to Appendix 3.

5.2 – Confidentiality of Information

All documents and proceedings of the Evaluation Panel have been treated on a commercial-in-confidence basis. No disclosure of information contained in the offers has occurred which may prejudice the commercial interests of the companies concerned. Confidentiality Agreements have been signed by all members of the Evaluation Panel and are available on file. Any member of the Panel that undertook their individual assessment of the submissions outside of the secure office has confirmed in writing that the security and confidentiality of the submissions has been maintained.

5.3 – Evaluation Plan Approval

In its first meeting on 15 December, 2011, the Evaluation Panel approved the Evaluation Plan and the weightings to be applied to the evaluation criteria were agreed between the independent expert and the City of Ryde Panel members.

The Evaluation Plan was made available for signing by the Chair of the Evaluation Panel and the General Manager, City of Ryde, on 22 December. A copy is held on file.

6. Submissions Received

6.1 - Documents Distributed

COR – EOI 4/11 was advertised to the open market via newspapers and Council's website on 22 November, 2011. Documentation was made available via Tenderlink in two parts.

Part One provided the background to the project, its scope and commercial framework. It also described the procurement and EOI processes. Ninety two organisations downloaded a copy of this document through Tenderlink.

Part Two was accessible to proponents only upon satisfactory completion of a confidentiality deed and a statement of GST registration, followed by payment of a document access fee of \$500. Part Two provided them with guidance on the general requirements for EOI submission and the Mandatory and Evaluation Returnable Schedules and annexures to enable them to lodge a valid Expression of Interest. Eleven organisations completed the access requirements and downloaded Part Two through Tenderlink.

6.2 – EOI Opening

The closing date for submissions was 10am, Friday, 23rd December

Other than an extension of time that had been requested by Lend Lease Development Pty Limited by telephone of the Chair of the Evaluation Panel on 20th December, and denied, there were no formal extensions of time sought or granted.

At the closing date and time, nine submissions were received. The companies from whom submissions were received are (in alphabetical order):

All Park Products

Billbergia Pty Ltd

Crown Group Pty Ltd

Frasers Property Australia Pty Ltd

Ryde Civic Consortium, including

J. Hutchinson Pty Ltd

Galileo Funds Management

Scott Carver & Associates

Leighton Properties Pty Limited

Lend Lease Development Pty Limited

Mirvac Projects Pty Limited

Payce Consolidated Limited

The submissions were opened in accordance with established City of Ryde protocol with the Opening Panel comprising three Council officers. The opening was also attended by a representative of the Probity Auditor, O'Connor Marsden, and the Project Manager, Development – City of Ryde. No members of the public attended the opening procedure.

6.3 – Late Submissions

No late submissions were received.

6.4 Compliance Summary

A Compliance Summary was prepared and distributed to the Evaluation Panel members on 9 January, 2012. It reported upon compliance with the submission of Mandatory and Evaluation Returnable Schedules, not the quality of the submissions.

The submission from All Park Products was deemed non-compliant in accordance with the Expression of Interest document, Part One, Section 6.5.

The submission from Crown Group Pty Ltd included an unsigned Statutory Declaration (Returnable Schedule 2) and others submissions were reported as having omitted replies to sections of Evaluation Criteria 4 (Returnable Schedule 7).

Additionally, the Project Manager-Development did seek independent legal advice concerning the modification of Schedule 2 by Lend Lease Development Pty Limited in which the Statutory Declaration had been modified to become a Deed Poll. The legal advice subsequently confirmed that the modification was not a material change

Refer to Appendices 2 and 4.

The Compliance Summary and copies of the Proponents' submissions were supplied in a secure electronic format to all Evaluation Panel Members to enable them to undertake individual assessments of the submissions in advance of the second Evaluation Panel meeting.

It was agreed with the Probity Auditor that clarifications of any submissions would not be sought unless decided by the Evaluation Panel, in its second meeting, to be material to the inclusion of a Proponent in the short list for the Request for Tender process.

7. Overview of Evaluation Process

7.1 – Evaluation Criteria and Weightings

In accordance with the EOI Evaluation Plan, Proponents' submissions deemed compliant were assessed against the evaluation criteria and weightings, as listed below.

Mandatory Criteria

Returnable Schedule 1

Y/N Expression of Interest Form

Returnable Schedule 2

Y/N Statutory Declaration of Interest

Returnable Schedule 3

Y/N Occupational Health Safety and Rehabilitation

Evaluation Criteria and weightings

Returnable Schedule 4

20% Proponent Capability

Returnable Schedule 5

15% Appreciation and Understanding of the Project

Returnable Schedule 6

35%	Financial Capacity, Contractual Structure and Funding Returnable Schedule 7
30%	Proponent's Team Structure and Experience in Delivery of Similar Projects

7.2 – Evaluation Criteria Scoring System

As an EOI, there were no pricing criteria.
In accordance with the Evaluation Plan, the response to each evaluation criteria, as identified above, was allocated a score within the range of 0 and 5, the scoring methodology being:

Score	Description
0	Unacceptable/Non compliant
1	Marginal/Compliance stated
2	Acceptable/Compliant
3	Good/Compliant
4	Very Good/Compliant
5	Excellent/Compliant

The final evaluation scoring summary is attached. The overall total scoring was equated to a percentage to enable a clearer distinction of the scoring between submissions.

Refer Appendix 5.

8. EOI Evaluation Panel Deliberations

The Compliance Summary and copies of the Proponents' submissions were supplied in secure electronic format to all Evaluation Panel Members by 10 January to enable them to complete individual assessments in advance of the Second Evaluation Panel meeting held on 24 January 2012.

During the period scheduled for individual assessments it was agreed that no clarification questions to Proponents were necessary and that the need for any clarification questions would be decided at the Second Evaluation Panel Meeting.

The Second Evaluation Panel Meeting of Evaluation Panel was held on 24 January 2012 at Clayton Utz' premises in the presence of a representative from the Probity Auditor and the City of Ryde's Risk and Audit Manager.

At this meeting the Evaluation Panel

- Considered the Compliance Report prepared on 9 January and resolved that the submission from All Park Products was non-complying and disqualified from further assessment;
- Resolved to accept the legal advice which noted that the modification of Returnable Schedule 2 by Lend Lease Development Pty Limited was not material and included the submission for further assessment;
- Resolved to accept the unsigned Returnable Schedule from Crown Group Pty Ltd and included the submission for further assessment;
- Reviewed the individual assessments by the Evaluation Panel Members and conducted an initial scoring of submissions;
- Received presentations from and discussed the advice of each of the independent expert Evaluation Panel Members;
- Conducted a final scoring and ranking of submissions;
- Resolved that there was no need to seek any clarifications of Proponents' submissions.
- Resolved to recommend that the first four ranked Proponents be invited to participate in the RFT process and determined the process should any Proponents decline to accept that invitation.

Minutes from this meeting were recorded, are held on file.

Refer Appendix 1.

9. Review of Submissions Received

Comments on the submissions received are set out within the minutes of the Evaluation Panel meeting held on 24 January 2012

Refer to Appendix 1

10. Referee Checks

Due to their positions in the development and construction industries, the expert Panel Members are aware of the senior management teams and products of the Proponents. It was therefore considered unnecessary to pursue any references at this stage.

11. Recommendation

Following the above evaluation process, the Evaluation Panel's resolved to rank the Proponents' EOI submissions as follows,

1. Leighton Properties Pty Limited
2. Lend Lease Development Pty Limited
3. Billbergia Pty Ltd
4. Mirvac Projects Pty Limited
5. Ryde Civic Consortium
6. Payce Consolidated Limited
7. Frasers Property Australia Pty Ltd
8. Crown Group Pty Ltd

It was unanimously agreed to recommend to the General Manager, City of Ryde, that,

- The Proponents ranked 1 to 4 inclusive will be invited to participate in the Request for Tender (RFT) process;
- That should one of the four Proponents decline that invitation, the RFT process should proceed limited to the remaining three Proponents;
- That should two of the four Proponents decline that invitation, the Proponents ranked 5 and 6 should be invited to participate which would provide a field of four invitees again, which, were it to revert to three, would remain acceptable for a competitive RFT outcome.

MH
end

MEETING RECORD

Subject:	Ryde Civic Centre Precinct Redevelopment Minutes of Evaluation Panel Meeting, 24 January 2012
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File No:	PM2010/37/006/9
Document Ref:	D12/lba
Venue:	Clayton Utz, 1 Bligh Street, Sydney
Date:	24 January 2012
Time:	10.00am
Chair:	Mitch Corn

Participants

Present	Apology	Name	Organisation
Y		Mitch Corn (MC) - Chair	City of Ryde (Development Director)
Y		Malcolm Harford (MH)	City of Ryde (Project Manager)
Y		John Schanz (JS)	City of Ryde (Manager, Risk and Audit) (Probity Audit)
Y		Ron Mohr (RM)	WT Partnership
Y		Ken Maher (KM)	Hassell
Y		Stephen Hennessey (SH)	WT Sustainability
Y		Mike Collins (MCA)	Michael Collins & Associates Pty Ltd
Y		Sarah Mullins (SM)	O'Connor Marsden & Associates (Probity Auditor)
	Y	Andrew Marsden	O'Connor Marsden & Associates (Probity Auditor)

Minute taking – Tina Keane – City of Ryde

Details	Action
<p>1. Purpose</p> <p>MC informed all of the process to be taken during the meeting and explained the report to be written and issued as a result of the meeting.</p> <p>It is expected that the Evaluation Report, endorsed by the Evaluation Panel will be issued to the General Manager, City of Ryde, on 3rd February, 2012</p> <p>The Panel acknowledged the efforts made by the Proponents to prepare submissions worthy of serious consideration in the short time the EOI was open to the market and was gratified that the project had attracted the interest of major organisations in the development and construction industries.</p>	<p><u>Note</u></p> <p><u>MC/MH</u></p> <p><u>Note</u></p>
<p>2. Probity</p> <p>SM explained the Probity Process and advised that the Statement of Interests and Associations had been updated to include members of the consortiums and other participants identified by Proponents in their submissions. All Panel Members confirmed they had completed Confidentiality Deeds as issued by OCM.</p>	<p><u>Note</u></p>

MEETING RECORD

Subject: Ryde Civic Centre Precinct Redevelopment Minutes of Evaluation Panel Meeting, 24 January 2012	
<p>Following discussion, SM agreed that where Panel members had signed the previous Statement of Interest and Associations (i.e. without consortiums and other participants identified), they are not required to sign the document again. Any person not having signed the Statement prior to 24 January is required to sign the updated version.</p>	TK/MH
<p>3. <u>Compliance</u></p> <p>MH summarised the Compliance Summary and it was unanimously agreed that:</p> <ul style="list-style-type: none"> It is not necessary to seek clarification from Crown Group Pty Ltd of its unsigned Statutory Declaration. Clayton Utz' advice concerning the change by Lend Lease Development Pty Limited of Mandatory Schedule 2 from a Statutory Declaration to a Deed Poll was acceptable and the submission compliant. All Park Products was a non-complying submission on the basis that no Returnable Schedules had been submitted. Omissions to sections of the Evaluation Criteria, particularly Criteria 4, based upon Returnable Schedule 7, did not require further clarification from any Proponent at this time. 	Note
<p>4. <u>Evaluation Panel Process</u></p> <p>MC, as Chair, obtained unanimous agreement that all individual scores would be taken initially (displayed on the A/V system by MH), followed by presentations by the experts. This would be followed by a review of the scores as a consequence of detailed debate.</p> <p>MH explained that, following discussion with MCA, he had adapted the Evaluation Summary to show the final scores as a percentage of 100, thus providing a clearer view of the gaps between scores.</p>	Note
<p>5. <u>Evaluation Panel Scoring</u></p> <p>The first round of scoring resulted in the following ranking:</p> <p>1 – Leighton Properties Pty Limited</p> <p>2 – Lend Lease Development Pty Limited</p> <p>3 – Billbergia Pty Ltd</p>	

Subject: Ryde Civic Centre Precinct Redevelopment
Minutes of Evaluation Panel Meeting, 24 January 2012

<p>4 – Mirvac Projects Pty Limited</p> <p>5 – Ryde Civic Consortium including, J.Hutchinson Pty Ltd, Galileo Funds Management and Scott Carver & Associates</p> <p>6 – Payce Consolidated Limited</p> <p>7 – Frasers Property Australia Pty Ltd</p> <p>8 – Crown Group Pty Ltd</p> <p>Given the scoring difference between 4th rank and the remaining proponents, MC requested that the experts restrict their presentations to ranks 4, 5, 6, 7 and 8.</p>	<u>Note</u>
<p>6. <u>Presentations</u></p> <p>Summarised key points from the experts were:</p> <p><u>Ryde Civic Consortium</u></p> <ul style="list-style-type: none"> • Builder rather than developer • Very strong QLD presence, less so in NSW • Hutchinson has an imminent and very large commitment at Chatswood. • Hutchinson is a solid companies but its administration is not strong. • Scott Carver & Associates known as competent but not high level designers. • Structure offered as a consortium between Hutchinson, Galileo and Scott Carver with no single company taking the 'developer' lead. • The submission appeared to be assuming a JV rather than a Project Development Agreement. • Sustainability capability for residential work was not confidently presented. • Some concern that BASIX compliance was suggested as sufficient to gain the Green Star sustainability outcomes CoR required • Lack of clarity between Hutchinson's and Galileo's roles. • Strong balance sheet <p><u>Mirvac Projects Pty Limited</u></p> <ul style="list-style-type: none"> • Acknowledged as a top quality residential developer with good local market knowledge (Rhodes) 	<p><u>Note</u></p> <p><u>Note</u></p>

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- High performer in residential market in NSW with many projects in hand
- Uncertain that they clearly understand CoR's construction requirements for the Civic elements.
- No participants listed although it is known that capacity issues have led them to use other builders.
- Good design approach but would expect them to outsource design on this project. Design delivery not clear in submission and no design participant nominated.
- Some concern that they have the right capacity to handle CoR's Civic design requirements.
- Submission appears generic and supposes a JV with Council, which is not the aim
- Achievement of ESD targets noted as a risk due to commercial pressures – could be seen as a pro or con for the submission.
- Very professional and protective of their reputation, good company ethic

Payce Consolidated Limited

- Good delivery reputation but civic experience queried.
- Paynter Dixon a strong builder (although work on clubs seen as not quite relevant to CoR's Civic needs) but residential experience queried.
- Good local work at Homebush, very professional.
- Very enthusiastic submission
- Excellent design participants but consequent concern that Payce may not have the design delivery experience to ensure the best value is achieved from such high level designers.
- Key issue with funding due to some contradiction about capacity and ability to raise funding if another major project, now awaiting funding, goes ahead.

Note

Fraser's Property Australia Pty Ltd

- Known as a good performer with local knowledge (Royal Rehabilitation site, Ryde), however submission included only one project actually delivered.
- Overall not a good submission, appears to take for granted they need not prove their credentials and are an automatic RFT contender
- Lacks details on many items, with very brief responses.
- Declined to nominate participants until the RFT process, thus eliminating any assessment

Note

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Subject: Ryde Civic Centre Precinct Redevelopment
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<p>of their real strengths.</p> <ul style="list-style-type: none"> • Funding queries • Sustainability queries. <p><u>Crown Group Pty Ltd</u></p> <ul style="list-style-type: none"> • Very poor submission, many gaps • Participants not adequately explained • Capability explained in terms of specifications of finished buildings – wide of the requirement of the EOI • Funding proposal did not instil confidence. • Majority of matters inadequately answered. • Overall a submission significantly outclassed by all other Proponents' efforts 	
<p>7. Conclusion</p> <p>Following the discussion all Panel Members were given the opportunity to review their scoring in light of the presentations.</p> <p>The ranking outcome was:</p> <ol style="list-style-type: none"> 1 – Leighton Properties Pty Limited 2 – Lend Lease Development Pty Limited 3 – Billbergfa Pty Ltd 4 – Mirvac Projects Pty Limited 5 – Ryde Civic Consortium including J.Hutchinson Pty Ltd, Galileo Funds Management and Scott Carver & Associates. 6 – Payce Consolidated Limited 7 – Frasers Property Australia Pty Ltd 8 – Crown Group Pty Ltd 	<p><u>Note</u></p>

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<p>The Evaluation Summary (attached) was agreed by all Panel Members. The top four ranking proponents will be invited to take part in the RFT process. These organisations are:</p> <ul style="list-style-type: none"> • Leighton Properties Pty Limited • Lend Lease Development Pty Limited • Billbergia Pty Ltd • Mirvac Projects Pty Limited <p>However, if one of the four declines to participate, the RFT process will proceed with three of the top four proponents. All others will be informed of this.</p> <p>If two of that four decline to participate, the two EOJ proponents ranked in positions 5 and 6 (Ryde Civic Consortium and Payce Consolidated Limited), will be invited to participate. All others will be informed of this.</p> <p>The Evaluation Report is to be issued by the Chair of the Evaluation Panel to the General Manager, City of Ryde, no later than close of business Friday, 3 February, 2012.</p> <p>All Panel Members are reminded to confirm their acceptance or otherwise of the Report by close of business on Monday 30 January 2012.</p>	<p>MH</p> <p>MH</p> <p>MC</p> <p>ALL</p>
<p>8. <u>Any Other Business</u></p> <p>There being no further business, the meeting closed at 1.45pm.</p>	

From: Malcolm Harrild
Sent: Monday, 23 January 2012 9:28 AM
To: Ron Moir; Michael Collins; Ken Maher (kmaher@hassellstudio.com); Steve Hennessy (shennessy@wtsustainability.com.au)
Cc: Mitch Corn; Hermanus Louw (hlouw@wtsustainability.com.au); Matthew Pullinger (mpullinger@hassellstudio.com)
Subject: Civic Precinct - EOI Submission - Clarification - Lend Lease
 Please note the email from Clayton Utz below in response to my request for clarification of Lend Lease's alteration of the legal document in Mandatory Schedule 2 of the EOI.

regards

Malcolm Harrild Project Manager - Development
P: (02) 9952 8440 **M:** 0406 424 924
E: mharrild@ryde.nsw.gov.au | www.ryde.nsw.gov.au



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From: Taylor, Anne [mailto:ataylor@claytonutz.com]
Sent: Monday, 23 January 2012 8:56 AM
To: Malcolm Harrild
Cc: Mitch Corn
Subject: RE: EOI Submission - Clarification

Malcolm

I refer to our discussion on Wednesday and confirm that there is really no prejudice to Council accepting a deed poll from Lend Lease rather than a statutory declaration made by a responsible person from Lend Lease. Both the deed poll and statutory declaration are given in a solemn form.

A statutory declaration can only be made by a person. I suspect that the person preparing the EOI response just did not want to make the statement personally, preferring it be made by the corporation.

If you have any further questions in relation to the above, please let me know.

Kind regards

Anne Taylor, Special Counsel
Clayton Utz
 Level 15, 1 Bligh Street, Sydney NSW 2000 Australia | D +61 2 9353 4629 | F +61 2 5220 6700 |
ataylor@claytonutz.com

www.claytonutz.com



Please consider the environment before printing this e-mail

From: Malcolm Harrild [mailto:MHarrild@ryde.nsw.gov.au]
Sent: Tuesday, 17 January 2012 9:42 AM
To: Taylor, Anne
Cc: Mitch Corn
Subject: EOI Submission - Clarification

Anne,

Lend Lease, as one the EOI Proponents, has amended our Mandatory Schedule 2 and converted it from a Statutory Declaration to a Deed Poll.

Would you please review the attached and let me know if the conversion weakens or complicates Council's rights in any way.

I need to be able to bring your opinion on this to the notice of the Evaluation Panel Members in the meeting on 24 January.

regards

Malcolm Harrild Project Manager - Development
P: (02) 9952 8440 M:0406 424 824
E:mharrild@ryde.nsw.gov.au | www.ryde.nsw.gov.au



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Appendix A: Conflict of Interest and Confidentiality Undertaking

Statement of Interests & Associations: Guide Note

This Guide Note is to complement the City of Ryde Code of Conduct and does not replace or amend that Code

As the City of Ryde moves into a more detailed planning and implementation phase for the Civic Precinct Redevelopment Project (Project), you are required to execute a Statement of Interests and Associations (Statement). The undertakings you make in this Statement are central to your responsibilities to the City of Ryde and it is important that you fully understand their implications and the consequences of not abiding by their terms. These notes are intended to assist you in that regard.

What is a statement of interests and associations?

A statement of interests and associations is generally a listing of a broad range of private interests, which a person may have. These interests may be either pecuniary (financial) or non-pecuniary in nature and which may have a bearing on the activities of the City of Ryde.

Why is it necessary to provide a Statement?

Interests and associations must be declared to identify any actual, perceived or potential conflicts of interest between the private interests of Councillors, staff, consultants, contractors and other public officials – and their duties to the City of Ryde. By identifying all potential conflicts of interest, the City of Ryde ensures that all its processes – financial, administrative and otherwise – are conducted in an open, transparent and accountable manner.

Given the size, significance and budget of the Project, there is a likely keen public and local media interest in the Project. For this reason, the City of Ryde must be especially vigilant in endeavouring to keep its processes free from any conflicts of interest. In this way, City of Ryde will be able to maintain public confidence in its operations and in the integrity of those working with the City of Ryde. Without strong conflict disclosure processes in place, the City of Ryde's reputation in the community may be undermined, as would its ability to deliver this vital project.

Who should complete a Statement?

At the City of Ryde, full Pecuniary Interest Statements are required to be completed by all Councillors, senior executives and the holders of nominated positions (these position holders will be notified directly). Nominated positions may be occupied by employees, contractors or consultants and a Statement must be completed by all such persons. The Statement must cover all your personal interests and associations and also those of your partners, dependent children and close relatives (father, mother, sisters and brothers).

During the course of the Project, you may identify an additional interest or association or you may become aware that the status of a previously declared interest or association has changed. It is your responsibility to ensure that these developments are appropriately declared and that the Statement is updated in a timely manner.

Will my Statement cover procurement activities?

No. For City of Ryde procurement, especially the potential selection of any construction or development partners, a separate Statement must be completed by all assessment panel members, including staff at any level and all external panel members. This is a more specific Statement which is to include all associations with parties having an interest in any decision related to the Project.

If you are aware of a party having an interest in this Project, but that has been omitted from the list, you have an obligation to notify the City of Ryde of this fact. Your Statement should be amended to include any and all interests relating to that party.

What should be listed in a Statement?

Your Statement must include all interests and associations regardless of your views as to their materiality. While not exhaustive, the following list will assist you in identifying interests and associations:

Possible interests and associations

- Interests in real property affected by the Project
- Shareholdings
- Directorships and other company officer positions
- Partnerships and business arrangements (Note: These may be personal, or the partnership or business arrangement may be those of an entity that employs or engages you, or of which you are a shareholder or office holder)
- Sources of remuneration and other income
- Gifts, sponsored travel or hospitality
- Loans and other debts owed by you from nominated parties
- Loans and other debts owed to you from nominated parties
- Memberships and offices in associations, clubs, professional and social organisations, political parties and other groups
- Offers or negotiations for future employment, business, consulting or other opportunities
- Immediate family relationships (partner, children, parents and siblings), as well as any family interests in the above.

Where does the Statement go?

Statements should be provided to the Development Director, via the Project Manager, Malcolm Harrild.

What use is made of a Statement?

The Statement enables the City of Ryde to identify all potential, perceived or actual conflicts of interest. The Statement also allows the City of Ryde staff to work in conjunction with its officers, Councillors, consultants and others to determine if there is any substance to the identified conflict. Based upon that assessment, the City of Ryde will establish a program to manage the conflict. Statements will be brought to the attention of relevant City of Ryde officers.

Access to signed Statements will be limited to the Project Manager, Development Director, Internal Auditor, General Manager, City of Ryde's external legal and probity advisers and in some cases Council.

Where do I go for more information/help if I am not sure?

Initially, it is best to seek advice from the Development Director or City of Ryde's Internal Auditor or City of Ryde's Probity Adviser, if appointed. These following individuals will assist, if you have any questions about how to complete the Statement:

Malcolm Harrild, ph: (02) 99528440

Please read the attached documents carefully before you sign them. If you are not certain about their meaning or implications, please talk to the people listed above.

You should retain a copy of these notes for your records.

Print Name _____

Signature _____

Date: _____

Statement of Interests and Associations

Date	
Name	
Organisation	
To	City of Ryde "City of Ryde"
In relation to the	City of Ryde Civic Precinct Redevelopment Project (Project)

Declaration

I _____, [insert full name] of
_____ [insert business address]

agree and acknowledge that, except for the matters disclosed below:

1. I have not been employed or engaged in any capacity by the organisations which have been identified in Annexure A as a key stakeholder or interested party and City of Ryde Contractors (except in relation to a City of Ryde Contractor where I am an employee of that contractor), or any related bodies corporate, professional advisers, or representatives of those organisations ("Civic Precinct Key Stakeholders and City of Ryde Contractors");
2. I have not provided any advice or assistance to Civic Precinct Key Stakeholders in relation to the Project;
3. To the best of my knowledge, I do not have:
 - a. Any financial or other interest, either directly or indirectly in the Civic Precinct Key Stakeholders and City of Ryde Contractors;
 - b. Any immediate family members (spouse, children, parents or siblings) or close friends with any financial or other interest in Civic Precinct Key Stakeholders and City of Ryde Contractors;
 - c. Any other interest or association, either directly or indirectly, with the Civic Precinct Key Stakeholders and City of Ryde Contractors.

Disclosure

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____
- (f) _____
- (g) _____

(if further space is required please attach a signed separate letter)

I undertake to:

1. Notify the City of Ryde as soon as possible after I become aware of any matter which could affect the accuracy or completeness of the statements made in this deed or which would make them incorrect if this deed was given again; and
2. make a further updated declaration as soon as practicable.

I confirm that the statements set out in this deed are true and correct as at the date indicated below.

EXECUTED AS A DEED

Signed, sealed and delivered

Signature of Declarant	
Name of Declarant	
Signature of Witness	
Name of Witness	

Bidders

Consortium Name	Consortium members
Crown Group Pty Ltd	WMK Architecture Rice Daubney Architects WSP FDC MPA ISIS Savills Project Management Coffey Project Management Office Movers Atlantis Movers and Shakers
Leighton Properties Pty Ltd	Cox Richardson DCS Norman Disney Young WSP Lincoln Scott Hyder Urbis Thiess John Holland

Consortium Name	Consortium members
	Devine
Payce Consolidated Limited	FJMT AJ+C Cundall Halcrow M Projects Paynter Dixon
Lend Lease Development Pty Ltd	None
Hutchinsons Builders	Galileo Scott Carver
Mirvac Property Pty Ltd	None
Frasers Property Australia Pty Ltd	None
Billbergia Pty Ltd	Bates Smart Tonkin Zulaikha Greer Maddocks Morris Goding ARUP CBRE Denny Linker Elton Consulting Enstruct Architectus Altus Page Kirkland Positive Solutions James Mather Delaney Design Harris Page Renzo Tonin Acoustics Deloitte
All Park Products	None

City of Ryde Contractors

Advisor type	Contractor
Planning and Design	GB&A
	Photo Source
	Thoughtspace
	Hassell
	Hyder
	WTP
	JBA
	BIF
	Ampersand
	KJA
	MCA
	BEM
Legal	CCS
	Maddocks
Other	OCM
	Graham Bakewell
	MKA
	Forbrook
	Metier
	CoR (occupancy charge)
	SJB (via Planning Unit)

Confidentiality undertaking

I acknowledge that it is a requirement of my engagement with the City of Ryde in connection with the Civic Precinct Redevelopment Project (Project) that strict confidentiality as described below is maintained at all times.

I understand that during my engagement I will handle and obtain information which is of a confidential nature and that it must be kept confidential (Confidential Information).

Specifically, I undertake:

- (I) not to disclose Confidential Information to other employees, contractors and their employees, consultants and their employees, representatives of other public and private sector organisations of the general public unless expressly authorised to do so by the Development Director, or the General Manager;
- (II) to make reasonable efforts to ensure that the individuals and their employers to whom I release confidential information, in accordance with paragraph (I), have signed a confidentiality agreement (in a form approved by the City of Ryde prior to me releasing the City of Ryde's Confidential Information to them);
- (III) to take all necessary precautions to ensure that no person other than a person known to me to be authorised by the City of Ryde is able to gain access to the Confidential Information and to ensure that the Confidential Information is safely and securely stored;
- (IV) not to personally retain, destroy or remove from the City of Ryde offices any original documentation, records, notes, copies or reproductions of any Confidential Information; and
- (V) not to disclose any Confidential Information gained during the period of my engagement with the City of Ryde after it has terminated.

I understand that this undertaking does not apply to disclosing Confidential Information:

- a) if required under a binding order of a government agency or any procedure for discovery in any proceedings;
- b) if required under any law or any administrative guideline, directive, request or policy having the force of law;
- c) to the City of Ryde's legal advisers and consultants who execute Confidentiality Undertakings in favour of the City of Ryde in a form approved by the Council;
- d) which is in the public domain; or
- e) with the prior consent of the City of Ryde.

The expression "Confidential Information" means, as the context requires, the whole or any part thereof.

Dated this day of 2011

.....
Signature

.....
Name of Signature

[illegible]

1. Compare and contrast with EOI

Conclusion: Other than "All Party Products" name of the Submission are Non-Cannell. Names identified in 4 submissions are not relevant issues (subject to legal advice about Land Issues & modification of the Statutory Declaration)

COR EOI 4/11 Ryde Civic Precinct Redevelopment
EOI Submissions Evaluation Matrix
 24-Jan-12

SUMMARY

Complying Submission	Mandatory Criteria	Evaluation Criteria															Score	Achieved % given "5" = 100%	Rank									
		Returnable Schedule			1			2			3			4						5			6			7		
Y/N	Proprietor	Y/N	Y/N	Y/N	S	W	TS	S	W	TS	S	W	TS	S	W	TS	S	W	TS	S	W	TS	S	W	TS			
Y	Bakanga Pty Ltd	Y	Y	Y	3.80	20%	0.78	4.05	15%	0.81	3.17	35%	1.11	3.85	30%	1.10	3.57	71.42										
Y	Star Mac Query	Y	Y	not signed	1.12	20%	0.22	1.33	15%	0.20	1.17	35%	0.41	1.27	30%	0.38	1.21	24.23										
Y	Fraser Property Australia Pty Ltd	Y	Y	Y	2.00	20%	0.40	2.00	15%	0.30	3.50	35%	1.25	1.00	30%	0.50	2.23	41.50										
Y	Hutchinson Builders	Y	Y	Y	3.03	20%	0.61	3.48	15%	0.52	2.53	35%	0.88	2.53	30%	0.88	2.90	57.52										
Y	Leighton Properties Pty Ltd	Y	Y	Y	4.25	20%	0.85	4.07	15%	0.81	4.08	35%	1.43	4.15	30%	1.25	4.13	82.58										
Y	Land Lease Development Pty Ltd	Y	Y	Y	4.37	20%	0.87	4.07	15%	0.61	4.38	35%	1.53	3.16	30%	0.95	3.98	78.26										
Y	Nirvan Property Pty Ltd	Y	Y	Y	4.30	20%	0.85	3.58	15%	0.54	3.38	35%	1.18	3.18	30%	0.88	3.64	70.73										
Y	Payco Consolidated Limited	Y	Y	Y	3.20	20%	0.64	3.27	15%	0.49	2.08	35%	0.73	3.22	30%	0.97	2.82	56.48										
N	All Park Products	N	N	N	0	20%	0.00	0	15%	0.00	0	35%	0.00	0	30%	0.00	0.00											

Criteria

1. Expression of Interest Form
2. Statutory Declaration of Interest
3. Occupational Health Safety & Rehabilitation
4. Proponent Capability
5. Appraisal and Understanding of the Project
6. Financial Capacity, Contractual Structure and Funding
7. Proponent's Team Structure and Experience in Delivery of Similar Projects

Score Description

- 0 Unacceptable/Non compliant
- 1 Marginal/Compliance needed
- 2 Acceptable/Compliant
- 3 Good/Compliant
- 4 Very Good/Compliant
- 5 Excellent/Compliant

Legend

- | | |
|----|----------------|
| S | Score (0 to 5) |
| W | Weighting |
| TS | Total Score |

Ryde Civic Precinct Redevelopment – COR-RFT 02/12 Tender Evaluation Report – Confidential

APPENDIX 2

Mr Mitchell Corn
Development Director Civic Precinct
City of Ryde
Locked Bag 2069
NORTH RYDE NSW 1670

ABN 81 621 292 610
Civic Centre
1 Devlin Street Ryde
Locked Bag 2069
North Ryde NSW 1670
cityofryde@ryde.nsw.gov.au
www.ryde.nsw.gov.au
TTY (02) 9952 8470
Facsimile (02) 9952 8070
Telephone (02) 9952 8222

6 February 2012

Dear Mitch

Thank you for your Ryde Civic Precinct Evaluation Report dated 31st January 2012.

I confirm that in accordance with the Probity Management Plan: Stage 3A and 3B of the Ryde Civic Precinct Redevelopment, dated December 2011, prepared by O'Connor Marsden I have reviewed the following documents:-

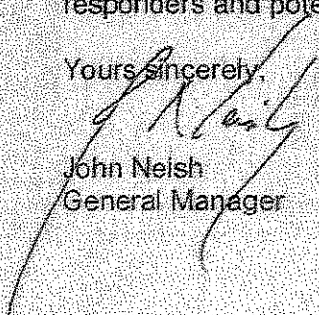
- Ryde Civic Precinct Evaluation Report dated 31st January 2012
- Probity Assurance Report: Expression of Interest (COR-EOI-4/11) for the Ryde Civic Precinct Redevelopment, dated February 2012, prepared by O'Connor Marsden
- Overview of Procurement Process, Expression of Interest (COR-EOI-04/11) Ryde Civic Precinct Redevelopment, prepared by the Service Unit Manager Risk and Audit, City of Ryde

The two latter reports confirm that there was nothing to indicate that the evaluation process and procedures followed by the Evaluation Panel did not comply with the Probity Management Plan for this stage of the project or were not consistent with the Evaluation Plan or the tender requirements outlined in the Local Government Act 1993 and the Local Government (General) Regulations 2005 and the Local Government Tendering Guidelines.

Having, on 6 February, received answers to my questions concerning the Evaluation Report in a meeting with you and the Project Manager-Development (author of the Evaluation Report), I accept the Evaluation Panel's recommendations in the Evaluation Report and authorise you, as Chair of the Evaluation Panel, to proceed to invite the short-listed EOI proponents to participate in the Request for Tender process.

I wish to thank you for operating this project in accordance with the strictest probity requirements and ensuring that due process is offered to all of the EOI responders and potential bidders.

Yours sincerely,


John Neish
General Manager

Ryde Civic Precinct Redevelopment – COR-RFT 02/12 Tender Evaluation Report – Confidential

APPENDIX 3

Subject:	Ryde Civic Centre Precinct Redevelopment Minutes of Evaluation Panel Meeting – Criteria Weightings
-----------------	---

File No:	PM2010/37/006/9
Document Ref:	D12/22347
Venue:	Clayton Utz offices
Date:	22 March 2012
Time:	10.00am
Chair:	Mitch Corn

Present

Name	Organisation
Mitch Corn (MC)	City of Ryde (Development Director)
Malcolm Harild (MH)	City of Ryde (Project Manager)
Ron Moir (RM)	WT Partnership
Ken Maher (KM)	Hassell
Stephen Hennessey (SH)	WT Sustainability
Mike Collins (MCA)	Michael Collins & Associates Pty Ltd

Probity

John Schanz (JS)	City of Ryde (Manager, Risk and Audit)
Sarah Mullins (SM)	O'Connor Marsden & Associates (Probity)

Minutes

Tina Keane (TK)	City of Ryde (Project Admin)
-----------------	------------------------------

Details	Action
1. Probity Matters	
MC asked all Panel Members if any had any changes to make to their Statement of Interest and Associations since they last completed their form. All except KM stated no changes. KM to check.	KM
2. Acceptance of Evaluation Plan	
<ul style="list-style-type: none"> It was noted that some Panel Members are senior managers with those companies who are writing expert reports (i.e. nominated as Technical Advisors). After some discussion it was confirmed that Panel Members in that situation will overview the Technical Advisor reports, as would be their normal roles within those companies, but that they as Panel Members will each review the Tenderers separately from the Technical Advisors. 	RM/KM/SH
<ul style="list-style-type: none"> Technical Advisors will be instructed that they must not include recommendations in their report – they can provide their opinion but NOT their recommendation. They are not to provide scores on their reports. Assessment sheets are to be determined between RM, MC and MH and issued to the Technical Advisors. 	MC/MH/TK
<ul style="list-style-type: none"> It was noted that not all Technical Advisor's have completed a Conflict of Interest form. They are all to be requested to complete this before reviewing any Tender submissions. 	TK

Subject: Ryde Civic Centre Precinct Redevelopment Minutes of Evaluation Panel Meeting – Criteria Weightings	
3. <u>Determination of Weightings</u> Proposed criteria weightings tabled in the draft Evaluation Plan were debated in detail and at length. The Panel Members unanimously agreed the weightings to be: Understanding the Project – 5% Capability – 10% Development Concept and Sustainability – 30% Financial Return and Risk to Council – 45% Delivery and Planning – 10% The final Evaluation Plan is to be issued to all Panel Members as soon as possible	Note MH
4. <u>Review of Detailed Program</u> Program discussed and agreed by Panel Members	Note
5. <u>Other Business</u> <ul style="list-style-type: none"> • Tenderers presentations – note to be sent out to tenderers regarding their presentations : <ol style="list-style-type: none"> 1. Presentation to consist of 45 minutes presenting followed by 30 minutes for questions. 2. It is to be recommended they bring no more than 8 people to the presentation. The presenting team must include the Development Director, Development Manager, Architectural Design Team and Design Manager. • A Data Room will be set up at Clayton Utz for Panel Members to access the RFT hard copy Tender documents. MH to advise room number and access control details as soon as possible. • An online Data Room will be established on Clayton Utz' computer system for Panel Members and Technical Advisors to access the Tender documents electronically. MH will finalise and publish the arrangements as soon as possible. Each entity will be given a separate login and password to access any of the online Tenderer information. Access will be recorded. • Copies off all "Notices to Tenderers" will be sent out to the Panel Members by the end of next week to ensure they are aware of the changes made since the issue of the Tender documents 	MC/MH MH MH TK
6. <u>Next meeting</u> Evaluation Panel Meeting 2 – May 3, 10am, Room 15.06, Clayton Utz, 1 Bligh Street	ALL
<u>POSTSCRIPT</u> The Chair of the Panel agreed the City of Ryde's Audit and Risk Manager is to review items 50 to 54 inclusive in the Detailed Program to ensure reports are correctly synchronised.	JN/MC

Ryde Civic Precinct Redevelopment – COR-RFT 02/12 Tender Evaluation Report – Confidential

APPENDIX 4

From: "John Neish" <JNeish@ryde.nsw.gov.au>
Date: 30 March 2012 1:43:06 PM AEDT
To: "Mitch Corn" <MCorn@ryde.nsw.gov.au>
Subject: Re: Billbergia Core Team member change request

Hi Mitch

Having read the background information, considered the views of the selection panel and your recommendation I agree with this proposal.

Regards

John

John Neish
General Manager City of Ryde

On 29/03/2012, at 13:54, "Mitch Corn" <MCorn@ryde.nsw.gov.au> wrote:

John

Please find attached a memo and accompanying documentation for your consideration.

Regards

Mitch

<memo template.doc>

<potential change to core team members e mails.pdf>

file://Y:\Civic Precinct Project\PM2010-37-007_RFT - Stage 3\6 Billbergia Group\Bill... 25/05/2012



MEMORANDUM

To: John Nelsh
From: Mitchell Corn
Date: 28 March 2012
Subject: Ryde Civic Precinct Redevelopment – Approval Request in relation to Tenderer

Dear John

Please find attached a request to change a tenderers Core Team Members (Billbergia), legal advice and recommendations from the Evaluation Panel members.

As outlined in the attached letter, Billbergia Pty Ltd has requested consent from Council to allow their Core Team members to change from the Core Team members that were submitted as part of the EOI process.

In my opinion and in accordance with the advice and opinions provided by all Evaluation Panel members, I recommend you consent to the change requested.

If you agree with my recommendation, I will inform the tenderer that Council has no objection to the suggested change.

Please confirm your decision by way of reply e mail.

Please don't hesitate to contact me if you require any further clarifications.

Regards

Mitchell Corn
Development Director

Tina Keane

From: Mitch Corn
Sent: Tuesday, 27 March 2012 11:04 AM
To: shennessy@wtaustainability.com.au; Ken Maher; Michael Collins; Malcolm Harlid; Ron Moir
Cc: Andrew Marsden; Sarah Mullins; Mitch Corn; Tina Keane
Subject: evaluation panels opinion
Attachments: img-327094516-0001.pdf



img-327094516-0001.pdf (349 KB...)

Dear Evaluation Panel members.

Please find attached 2 documents -

1. Legal advice from Councils advisors outlining which part of the RFT documentation relates to the potential change of a tendering parties legal structure / entity (Core Team)
2. A letter from Billbergia (tenderer) seeking Council's consent to submit a tender with a potential change to the Core Team members outlined in their EOI submission.

Although the legal advice suggests that the decision to permit such a change (as outlined in the attached letter) sits with the projects development director and general manager, I have taken a view that the evaluation panel should be comfortable with such a change.

I therefore seek your written recommendation to allow or decline such a change.

I would like to remind the evaluation panel members that the potential new company joining Billbergia (Fraser's) did submit an EOI and elements of their submission maybe considered when making your decision.

I would be very appreciative if you could reply within 24 hours.

Regards

Mitchell Corn | Development Director
P: (02) 9952 8439 | M: 0410 599 527

E: mcorn@ryde.nsw.gov.au | www.ryde.nsw.gov.au

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-----Original Message-----

From: ApeosPort-IV C4470 [mailto:ITHELEDESK@ryde.nsw.gov.au]
Sent: Tuesday, 27 March 2012 10:45 AM
To: Mitch Corn

Mitch Corn

From: Best, Gary [GBest@claytonutz.com]
Sent: Tuesday, 20 March 2012 11:31 AM
To: Mitch Corn
Cc: Taylor, Anne; amarsden@ocm.net.au
Subject: Ryde - RFT - Change of Tenderer/Participant

Mitch

You had indicated that 1 of the Shortlisted Proponents may be proposing a change in relation to their "Tenderer", or at least a change in relation to a "Participant".

In the RFT, Participant is defined as:

"A person or persons, and entity or entities, that has, or have, decision making rights in relation to the management and/or governance of a Tenderer".

Paragraph 10.3 of the RFT includes the following:

"Council reserves (at its sole discretion) the right to refuse to allow such changes where in Council's view that Tender, the Project, the Project Objectives or the RFT Process may be prejudiced or compromised".

In my view, any Shortlisted Proponent proposing a change of this type should notify Council in writing of the proposed change and how the legal structure of the Tenderer may change, or how the Participants may change.

I would recommend you ring back the Shortlisted Proponent and advise that in putting in such request to Council, the Tenderer should address the question of whether the change affects the Tender, the Project, the Project Objectives or the RFT Process.

Once that request is received, Council should determine whether to refuse or allow the change having regard to Council's view on how those factors may be "prejudiced or compromised".

I would not have thought this is an issue for the Evaluation Panel. The question is one for Council, perhaps action through you as Project Director with the approval of the general manager.

Happy to discuss further at your convenience.

Cheers

Gary

Gary Best, Partner
Clayton Utz

Level 15, 1 Bigh Street, Sydney NSW 2000 Australia | D +61 2 9353 4177 | F +61 2 6220 6700 | gbest@claytonutz.com

www.claytonutz.com



Please consider the environment before printing this e-mail

20/03/2012



23 March 2012

Project Manager – Developments
Council of the City of Ryde
1 Devlin Street
RYDE NSW 2112

For the attention of Malcolm Harrild (by email)

Dear Malcolm

Subject: COR-RFT 02/12 Ryde Civic Precinct Redevelopment: Billbergia Group RFT

In relation to the Ryde Civic Precinct Redevelopment Project RFT process, we are pleased to advise we are in advanced discussions with Frasers Property to join the Core Team of our Tender Consortium, as a co-developer and equity partner.

We would like to seek your consent for this, in line with section 10.3 ("Change in Identity of Core Team Members of Tenderers") of the Project's Request for Tenders document.

It is Billbergia's view that this addition to the Core Team will enhance the Proponent's Tender as well as the delivery of the Project Objectives, should the Proponent be selected to proceed with Council to develop the precinct. The following benefits are envisaged:

- Frasers Property is a tier 1, experienced developer,
- Frasers Property is a group exhibiting significant financial strength,
- Frasers Property is well structured with strengths in development management, sales and marketing and delivery management,
- Frasers Property has formal EHS&O and quality control systems,
- Fraser's Property is committed to delivery of design excellence and environmental sustainability across developments that they are involved in, and
- Frasers Property, by participating in the EOI process for this tender have demonstrated their interest in delivering a revitalised precinct to the benefit of the community.

We believe Frasers has provided you with information on its capability and corporate profile during the EOI stage and trust that will suffice for the purposes of this request.

We look forward to receiving your response.

Kind Regards

Paul Addison
Development Director
Billbergia Group

Office Level 2, 25 Angus Street, Meadowbank NSW 2114
Correspondence Locked Bag 1400, Meadowbank NSW 2114
Tel (02) 8878 6900 Fax (02) 8878 6995
Email info@billbergia.com.au Web www.billbergia.com.au
Billbergia Developments Pty Limited ABN 91 110 961 610

Tina Keane

From: Michael Collins [mcollins@mcaproperty.com.au]
Sent: Tuesday, 27 March 2012 12:02 PM
To: Mitch Corn; shennessy@wtsustainability.com.au; Ken Maher; Malcolm Harlid; Ron Moir
Cc: Andrew Marsden; Sarah Mullins; Tina Keane
Subject: evaluation panels opinion

Mitch,

I have reviewed both Billbergia's and Frasers EOI Submissions and have reviewed the Evaluation Panel's consideration of those submissions. The Evaluation Panel scored Billbergia 71.42 and Fraser 44.5. In its submission, Billbergia indicated that it would likely bring in a JV partner, and we accepted that Billbergia would be entitled to do that. Billbergia now wish to formally introduce Frasers as their JV partner. Whilst Frasers submission was not acceptable to the Evaluation Panel, it was very clear that they had considerable financial and project strength and experience, both of which they could bring to this project and thus, potentially strengthen, as opposed to weaken, Billbergia's single proponent capacity.

In my view, Billbergia's nomination of Frasers as their Joint Venture partner is not inconsistent with Billbergia's EOI Submission and has the capacity to strengthen, not weaken, Billbergia's proponent capacity.

As an Evaluation Panel member, I consider that Council could, and should, approve the addition of Fraser to the Billbergia proponent. The ultimate strength of that JV alliance will be determined by the RFT evaluation process.

Regards,

Mike Collins

Tina Keane

From: Ron Moir [Rmoir@wtpartnership.com.au]
Sent: Tuesday, 27 March 2012 2:01 PM
To: Ken Maher; Michael Collins; Mitch Corn; Malcolm Harlid; Steve Hennessy
Cc: Andrew Marsden; Sarah Mullins; Tina Keane
Subject: Re: evaluation panels opinion

Mitch,

I acknowledge receipt of your e mail [with attachments] in respect of Billbergia Group's application to Council to now introduce Frasers Property as their JV partner , and also confirm that I have read Mike Collins' endorsement of that per his e mail to you this morning .

Whether or not a Billbergia / Frasers JV is considered to be , in the view of the Evaluation Panel , a successful combination remains to be seen however in principle I would have thought there was merit in Council accepting this arrangement .

On the basis that there is no legal impediment which would obviate the intent of clause 10.3 of the RFT , I too recommend that Council should look favourably on Billbergia's proposition as it would not in my view *prejudice or compromise* the Tender , the Project , the Project Objectives or the RFT Process .
Regards

Ron Moir | Executive Chairman(Asia/Pacific)
WT Partnership - Quantity Surveyors & Construction Cost Consultants
Level 24, 100 Miller Street
Locked Bag No. 2137
North Sydney NSW 2059 Australia

T: 61 2 9929 7422 | F: 61 2 9957 3161 | M: 0418 640 171
E: rmoir@wtpartnership.com.au | W: www.wtpartnership.com.au

From: "Ken Maher" <kmaher@hassellstudio.com>
Date: 27 March 2012 5:38:38 PM AEDT
To: "Mitch Corn" <MCorn@rvc.nsw.gov.au>
Subject: RE: evaluation panels opinion

Mitch,

In response to your request I confirm that I support accepting the Billbergia proposal on the basis of the legal advice and consider it will strengthen their team capability. This can be properly assessed as part of the RFT process.
regards

Ken Maher Chairman, International Executive
Professor, Faculty of the Built Environment UNSW
Registered Architect: 3156
E kmaher@hassellstudio.com D +61 2 9101 2068

HASSELL

Nominated Architects: Ken Maher 3156, Tony Grist 5350, Ross de la Motte 7398.

Tina Keane

From: Steve Hennessy [shennessy@wtsustainability.com.au]
Sent: Tuesday, 27 March 2012 10:25 PM
To: Mitch Corn
Cc: Ken Maher; Michael Collins; Malcolm Harrild; Ron Moir; Andrew Marsden; Sarah Mullins;
Mitch Corn; Tina Keane
Subject: Re: evaluation panels opinion

Mitch,

I acknowledge receipt of your e mail in regarding the Billbergia Group application to Council to now introduce Frasers Property as their JV partner.

I have read Mike Collins' email of this morning suggesting that the Billbergia Group nomination of Frasers as their JV partner is not inconsistent with their EOI submission.

I have also read Ron Moirs' email of this afternoon noting that "On the basis that there is no legal impediment which would obviate the intent of clause 10.3 of the RFT, I too recommend that Council should look favourably on Billbergia's proposition as it would not in my view prejudice or compromise the Tender, the Project, the Project Objectives or the RFT Process."

I concur with their observations and would suggest that that Council accepts the Billbergia Group nomination of Frasers as a JV partner in their tender. The merits or otherwise of the Billbergia Group tender will of course be assessed during the tender review process.

Regards

Stephen Hennessy | Director
WT Sustainability
Suite 2.02, 181 Miller Street
North Sydney NSW 2060
Australia

T: +61 2 8197 9140 | M: +61 412 963 031
E: shennessy@wtsustainability.com.au
W: www.wtsustainability.com.au

Tina Keane

From: Malcolm Harrild
Sent: Wednesday, 28 March 2012 8:22 AM
To: Mitch Corn; shennessy@wsustainability.com.au; 'Ken Maher'; 'Michael Collins'; 'Ron Moir'
Cc: 'Andrew Marsden'; 'Sarah Mullins'; Tina Keane
Subject: RE: evaluation panels opinion

Mitch,

My review of Frasers EOI submission was that it failed to identify the team it was proposing for the project and thus fell very short of providing us with any method of assessing the design, sustainability and technical skills on offer. The approach taken was, mistakenly, that those issues would be finalised once Frasers were invited to participate in the RFT. However I did not have similar concerns about Frasers skills as a developer or its ability to fund the project; its EOI submission was far more encouraging in that regard.

Billbergia's EOI submission included comprehensive details of its project team and I believe the proposed combination of Billbergia and Frasers is complementary of each one's strengths.

Importantly Billbergia's EOI funding strategy put us on notice that it would be seeking participation from other companies (Brookfield and AMP were named) and it appears the participation of Frasers falls within that strategy.

I have no objection to Billbergia's proposal concerning Frasers.

regards

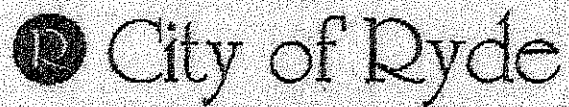
Malcolm Harrild Project Manager - Development
P: (02) 9952 8440 M:0405 424 924
E:mharrild@ryde.nsw.gov.au I www.ryde.nsw.gov.au

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-----Original Message-----

Ryde Civic Precinct Redevelopment – COR-RFT 02/12 Tender Evaluation Report – Confidential

APPENDIX 5



Lifestyle and opportunity @ your doorstep

RYDE CIVIC PRECINCT REDEVELOPMENT

EVALUATION PLAN

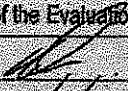
CONFIDENTIAL

23 MARCH 2012

RYDE CIVIC PRECINCT DEVELOPMENT
EVALUATION PLAN
CORP-RT-2112

CERTIFICATION AND ENDORSEMENT

As the Chair of the Evaluation Panel, I certify that this plan has been prepared in accordance with City of Ryde's purchasing / procurement requirements.

Name: Mitchell Corn
Position: Chair of the Evaluation Panel
Signature: 
Date of Certification: 3/4/12

As General Manager, City of Ryde, I endorse this Evaluation Plan.

Name: John Neish -D SH BACK PAGE
Position: General Manager
Signature: _____
Date of Endorsement: _____

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1. DEFINITIONS

In this Evaluation Plan:

Council means the Council of the City of Ryde.

EOI Process means the expressions of interest process (COR-EOI-4/11 issued 22 November 2011) which preceded this RFT Process.

General Manager means the general manager of Council.

Opening Committee means the committee appointed by the General Manager comprising the Service Unit Manager Risk and Audit and at least 2 other designated Council officers to open the Tenders.

Probity Plan means the probity plan prepared for the RFT Process and the EOI Process.

RFT means Ryde Civic Precinct Redevelopment Request for Tenders COR-RFT-2/12 issued 10 February 2012.

Technical Advisors means the independent experts (if any) appointed by Council to provide assistance in relation to the assessment and evaluation of Tenders, as distinct from the independent experts who are members of the Evaluation Panel.

Tender Evaluation Report means the report prepared by the Evaluation Panel and submitted to the General Manager in accordance with section 9.

Tender Room means the secured space designated by the Project Manager at the offices of Clayton Utz to hold the original Tenders.

Other capitalised terms (not defined above) have the meanings given to them in the RFT.

2. PURPOSE OF THE EVALUATION PLAN

This Evaluation Plan has been prepared to establish the process for evaluating the Tenders received by Council in response to the RFT.

The Evaluation Plan should be read in conjunction with the RFT and the Probity Plan. The Evaluation Plan has been prepared to be generally consistent with those documents.

The RFT describes the background to the Project and how the Tenderers should respond to the RFT. The Probity Plan describes the practices and principles that should be applied to maintain the probity of the Project procurement process.

This Evaluation Plan outlines the evaluation methodology that has been developed to ensure that the evaluation exercise is carried out in a fair, equitable and transparent manner and consistent with accepted best practice for evaluations of this type.

3. OVERVIEW OF THE RYDE CIVIC PRECINCT PROJECT

Council is seeking to enter into an agreement with a private sector developer to undertake a redevelopment of the Ryde Civic Precinct involving design, construction and financing of:

- A. a New Civic Centre, New Council Office Building, car parking for both facilities and a restructured public domain and project managing the relocation of those facilities; and
- B. an appropriate residential/commercial development including car parking.

The procurement process to identify a Successful Tenderer to undertake the Project has comprised two stages:

- 1. the EOI Process, the purpose of which is to select a short-list of proponents to be invited to participate in this RFT Process; and
- 2. this RFT Process, the purpose of which is for Council to identify a Successful Tenderer with whom Council will enter into a commercial agreement to undertake the Project.

The RFT was released on 10 February 2012 and will close at 2pm on 10 April 2012.

Council anticipates that the RFT Process will result in the selection of a Successful Tenderer with whom Council will enter into a commercial agreement to undertake the Project.

This Evaluation Plan establishes the framework for the assessment of all Tenders received by Council.

The Evaluation Plan will be approved by the General Manager prior to the Closing Date of the RFT.

4. REQUIREMENTS FOR TENDERS

The information required to be lodged by each Tenderer as part of a Tender is clearly detailed in the RFT and includes the Returnable Schedules as listed below:

- 1. Tenderer's Details
- 2. Understanding the Project
- 3. Capability
- 4. Development Concept and Sustainability
- 5. Financial Return and Risk to Council
- 6. Delivery and Planning
- 7. Risk Allocation Table, Outline of Commercial Terms and Draft Project Delivery Agreement
- 8. Confidentiality Undertaking
- 9. Conflict of Interest and Fair Dealing Statutory Declaration
- 10. Collusion Statutory Declaration
- 11. Request for Tenders Deed Poll

5. PROCUREMENT GOVERNANCE

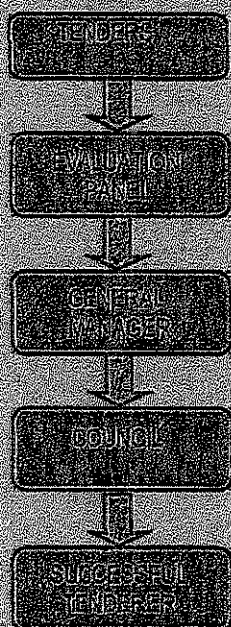
Tenders will be evaluated and assessed by an Evaluation Panel consisting of Council representatives and independent experts appointed by Council. The Evaluation Panel will make its recommendations to the General Manager.

The Evaluation Criteria are set out in section 8.5.

The decision to select the Successful Tenderer will be made by Council after considering the recommendations of the Evaluation Panel, the General Manager and associated procurement and probity reports.

A Probity Advisor has been appointed to overview the RFT Process.

The governance structure is expressed in the following management chart:



6. PROCESS FOR ASSESSMENT OF TENDERS

6.1 EVALUATION PANEL TERMS OF REFERENCE

In accordance with the Procurement Governance arrangements, all Tenders received by Council will be assessed by an Evaluation Panel. The Evaluation Panel will:

- 6.1.1 assess and evaluate Tenders in accordance with this Evaluation Plan, taking into account reports and advice from the Technical Advisors (if required);
- 6.1.2 score each Tender in accordance with the scoring methodology provided for in this Evaluation Plan; and

- 6.1.3 make a report and recommendations to the General Manager (in the form of the Tender Evaluation Report) in relation to the evaluation process, the outcome of the evaluation process and the RFT Process, including the Successful Tenderer (if any).

The following persons will form the Evaluation Panel and participate in the assessment process of the RFT:

Name	Organisation	Position
Mitchell Corn	MKA Consulting	Chair
Malcolm Harild	Forbrook Group	Member
Michael Collins	Michael Collins & Associates	Member
Ron Moir	WT Partnership	Member
Ken Maher	Hassell	Member
Stephen Hennessy	WT Sustainability	Member

Each meeting of the Evaluation Panel will be attended and observed by the independent Probity Advisor and the Manager - Risk and Audit, City of Ryde.

The Evaluation Panel has been chosen on the basis of the particular expertise of the Members. The Evaluation Panel will seek expert reports from Technical Advisors as required having regard to confidentiality and management of conflicts of interest.

6.2 PROJECT MANAGER

The Project Manager will be responsible for distributing the Evaluation Plan to the Evaluation Panel and where relevant to the Technical Advisors.

The Project Manager's details are:

Malcolm Harild
Project Manager - Development
City of Ryde, Operations Centre
1 Constitution Road
Ryde NSW 2112

T: (02) 8952 8440

E: mharild@ryde.nsw.gov.au

The Project Manager will also:

- 6.2.1 be responsible for documenting the receipt of Tenders, securing and controlling access to the Tenders Room;
- 6.2.2 arrange and minute any meetings with the Tenderers, the Evaluation Panel, the Technical Advisors and the General Manager during the Evaluation Period;
- 6.2.3 be responsible for responding to correspondence and queries directed to the TenderLink online forum at www.tenderlink.com/ryde, issuing them to the relevant persons including Technical Advisors for consideration, and responding; and

- 6.2.4 issue requests for clarification to the Tenderers following receipt of Tenders and receive their written responses.

6.3 ROLE OF THE GENERAL MANAGER

The General Manager:

- 6.3.1 will, prior to the Closing Date, endorse this Evaluation Plan as the basis for evaluating Tenders;
- 6.3.2 may seek progress reports in relation to the Evaluation Panel's evaluation of Tenders;
- 6.3.3 will review all draft reports and recommendations received;
- 6.3.4 may seek clarifications from the Evaluation Panel;
- 6.3.5 will receive and consider the Tender Evaluation Report from the Evaluation Panel; and
- 6.3.6 will make recommendations to Council in relation to the outcome of the RFT Process, including the selection of a Successful Tenderer (if any).

Any questions or requests for clarification from the General Manager will be incorporated into the Tender Evaluation Report.

It is the responsibility of the Evaluation Panel to undertake the evaluation of the Tenders as assessed against the Evaluation Criteria and report to the General Manager (in the form of the Tender Evaluation Report).

Once the final Tender Evaluation Report is received by the General Manager, the General Manager must review the Tender Evaluation Report and if he:

- agrees with the contents and recommendations of the Tender Evaluation Report, the General Manager will make recommendations to Council in accordance with the recommendations contained in the Tender Evaluation Report; or
- does not agree with the contents and recommendations of the Tender Evaluation Report, the General Manager may, request the Evaluation Panel to re-consider its recommendations.

6.4 RFT Process Schedule

The evaluation of the Tenders, the identification of any Successful Tenderer and recommendation to the General Manager is anticipated to conform to the following schedule, subject to the need to utilise Technical Advisors.

Action	Date	Responsibility
Open Tenders	10 April	Opening Committee
Confirmation of names of Tenderers who have submitted Tenders to Evaluation Panel	10 April	Project Manager
Completion of Compliance Summary Report	12 April	Project Manager
Tender Compliance Report and evaluation scoring sheets made available to Evaluation	12 April	Project Manager