



**GREAT WESTERN HIGHWAY
UPGRADE
MOUNT VICTORIA TO LITHGOW
CONCEPT ALLIANCE**

**REQUEST FOR PROPOSAL
FOR
CONCEPT DESIGN,
ENVIRONMENTAL
ASSESSMENT, DETAILED
DESIGN AND CONSTRUCTION
DOCUMENTATION**

12th October 2010



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RETURNABLE SCHEDULE (FEES AND FINANCIALS)

APPENDIX A – CURRICULUM VITAE

Glossary

Term	Meaning
Actual Outturn Cost	The total cost, including the Fixed Fee, to deliver the Alliance Works.
Alliance (or 'Concept Alliance' or 'Design Alliance' or 'MV2L Alliance')	The alliance whose scope and objectives are described in sections 2.1 and 2.2, formed to deliver the Alliance Works.
Alliance Leadership Team (ALT)	The Alliance Leadership Team to be formed under the Design Alliance Agreement.
Alliance Manager (AM)	The Alliance Manager, a role to be formed under the Design Alliance Agreement.
Alliance Management Team (AMT)	The Alliance Management Team to be formed under the Design Alliance Agreement
Alliance Objectives	The objectives described in section 2.2 and any other objectives agreed by RTA and the Shortlisted Proponent during the TFB Development Phase.
Alliance Participant (or 'Participant')	A party to the DAA, including RTA.
Alliance Works	The scope of the Alliance, as described in section 2.1, being a part only of the Project.
Benefit Cost Ratio (BCR)	Has the meaning given to it in section 5.3.
Best for Project	A concept where the overall objectives of the Alliance have overriding importance.
Comparative Selection Criteria	Has the meaning given to it in section 7.2.
Design Alliance Agreement (DAA)	The agreement that RTA intends to enter into with the NOPs for the delivery of the Alliance Works. A draft DAA will be provided to Proponents shortly after issue of the RFP.
Employment Related On-costs (EROs)	Has the meaning given to it in section 4.3.
Establishment Audit	Has the meaning given to it in section 6.2.3.
Evaluation Panel	Has the meaning given to it in section 6.1.
Fixed Fee	Has the meaning given to it in section 4.2.
Key Performance Indicator (KPI)	As described in sections 2.3 and 4.3.
Key Result Area (KRA)	The Key Result Areas described in section 2.2.
Minimum Conditions of Satisfaction (MCOS)	The minimum level of outcome that RTA regards as successful, generally equivalent to a level of performance that is "business as usual" for leading players in the relevant industry sector(s).



Term	Meaning
No fault No blame	<p>In a corporate sense the Alliance participants agree to not litigate except in exceptional circumstances defined in the Alliance Agreement.</p> <p>In a personal sense, team members embrace the principle of joint responsibility when issues arise. The focus is consciously fixed on resolving issues not apportioning blame. This principle does not relieve team members of their personal accountabilities.</p>
Non Owner Participant (NOP)	A party to the Design Alliance Agreement other than RTA.
Overall Performance Score (OPS)	A score that combines scores for underlying KRAs and KPIs, with the meaning given to it in section 4.3.
Owner Participant	RTA, as a party to the Design Alliance Agreement.
Pass-through Costs	Has the meaning given to it in section 4.2.
Peer Review Group	Has the meaning given to it in section 3.4.4.
Performance Pool	Means the sum made available for "Outstanding" performance against KRAs.
Preferred Proponent	The Proponent recommended by the Evaluation Panel at the conclusion of their evaluation and assessment.
Project	The Mount Victoria to Lithgow Upgrade of the Great Western Highway (including construction along the total route length of 18.4km).
Project Proposal	A proposal prepared by a Shortlisted Proponent for the delivery phase of the Alliance. See section 8.7.
Proponent	One or more Proponent Members submitting a Proposal in response to this RFP.
Proponent Member (or Member)	See 'Proponent'.
Proposal	The proposal submitted by a Proponent in response to this RFP.
Reimbursable Fees	Has the meaning given to it in section 4.2.
Related Companies	Related Bodies Corporate as defined by section 50 of the Corporations Act 2001.
Request for Proposal (RFP)	This document, prepared by RTA for the purposes of identifying and selecting Proponents to participate in the selection process.
Shortlisted Proponent	A Proponent invited to participate in the TFB Development Phase
Sub-consultant Fees	Has the meaning given to it in section 4.2.
Target Fee Budget (TFB)	Means the estimate of the total cost to deliver the Alliance Works, excluding any adjustments under the performance regime (ie equivalent to the TOC (target outturn cost) in a traditional alliance).
TFB Development Phase	Means the period during which the Shortlisted Proponents each develop a Project Proposal and TFB and, in consultation with the RTA, develop the performance regime (ie equivalent to the proposal phase in a traditional alliance).
Total Remuneration Package (TRP)	Has the meaning given to it in section 4.3.



Term	Meaning
VfM	Value for Money.
Wider Project Team (WPT)	The Wider Project Team to be formed under the Design Alliance Agreement.
Works	Means construction works in relation to the Little Hartley or River Lett Hill sections of the Project.

1. Introduction

The Roads and Traffic Authority (**RTA**) invites proposals for the preparation of the concept design, and – for some sections – the environmental assessment, detailed design and construction documentation for the upgrade of the Great Western Highway from Mount Victoria to Lithgow (the **Project**).

The RTA has determined that the Alliance procurement method is suited to the delivery of the Alliance Works.

1.1 Project Overview

1.1.1 Background

The Federal and NSW governments, in consultation with the community, have investigated an area between Mount Victoria and Lithgow to determine the preferred route for an upgrade of the Great Western Highway.

The Project is part of both governments' commitment to improve road safety and accessibility to communities in the Blue Mountains and Central West. To that end, \$200 million is currently allocated in the National Building Program to facilitate the commencement of the proposed upgrade.

The Mount Victoria to Lithgow study area is located in the wider Blue Mountains region, about 130 kilometres west of Sydney. The region is characterised by its natural features including the Blue Mountains National Park and the Blue Mountains World Heritage Area, adventure and nature opportunities, arts, culture and heritage. It includes residential and rural residential villages, agriculture, mining and tourist attractions.

1.1.2 Project Objectives

The objectives of the Project are to:

- improve road safety
- improve road freight efficiency
- cater for the mix of through, local and tourist traffic
- be sensitive to the area's natural environment, heritage and local communities

1.1.3 Preferred Route Selection

The Project was announced in 2008 and forms part of the *Penrith to Orange Transport Strategy* (1998), the *Sydney–Dubbo Corridor Strategy* (2007) and the *Central West Transport Needs Study* (2009).

The study area for the proposed upgrade extends along an 18.4 kilometre section of the Great Western Highway, from the western end of the Soldiers Pinch project near Browntown Oval at Mount Victoria to one kilometre west of McKanes Falls Road at South Bowenfels, south of Lithgow. This section of highway is used for local movement by Blue Mountains and Lithgow residents as well as for access to communities in the Central West. However, it is currently overrepresented in serious and fatal crashes due to its poor alignment, geometry and grades. The Great Western Highway is a major freight route between Sydney and Central West NSW.



Selecting a preferred route for the highway upgrade has involved seven main stages:

- Project announcement (May 2008)
- Study area investigations (investigations commenced May 2008)
- Initial corridor development, leading to selection of five corridors in which routes may be feasible (corridors announced November 2008)
- Confirmation of four corridors for further investigation (corridors announced April 2009)
- Development and selection of a preferred corridor (preferred corridor announced August 2009)
- Development of route options (route options announced October 2009)
- Refinement of route options and selection of a preferred route (preferred route announced May 2010)

Consistent with best practice in the development of large infrastructure projects, the Project has included a very high level of community involvement in the development of the route options. The RTA has worked closely with the community and will continue to do so throughout the duration of the Project.

Total estimated costs for the Project are high as a direct result of the topographical and geotechnical complexities at the Mount Victoria end of the Project that have necessitated the inclusion of tunnels and viaducts in the preferred route.

The high cost estimate for the Project means that funding is not available to proceed with construction in one stage, and that those sections with the highest cost, such as the Mount Victoria section, are less attractive in terms of the benefit the community would receive for the outlay of public funds. Therefore an important component in delivering the project will be to assess the Project in terms of those sections that can deliver value for money outcomes to the community in the short term.

It is anticipated the initial construction phase of the Project will include the Little Hartley and River Lett Hill sections. Funding is available for construction of the Little Hartley and River Lett Hill sections of the Project.

Preferred Route Report

A copy of the Preferred Route Report and the Route Options Report for the Project is available on the RTA website at:

www.rta.nsw.gov.au/constructionmaintenance/majorconstructionprojectsregional/mt_victoria_lithgow/index.html.

1.1.4 Concept Design

Concept design includes refining the route and defining in more detail such matters as intersection design and lane configurations. More detailed geotechnical and environmental investigations, along with a more accurate survey of ground levels will be required as part of this process. Management of materials and earthworks balance over the whole route length will be a critical consideration for the Project.

The RTA will display the concept design for public comment. The concept design will be finalised following consideration of community comments. This will allow the current buffer on the preferred route to be narrowed from as much as 400m to about 60m, and will enable the RTA to seek to fix road boundaries in planning instruments (Local Environment Plans) of the Blue Mountains and Lithgow City councils.

1.1.5 Environmental assessment, detailed design and documentation

When the overall concept design has proceeded to a sufficient level to confirm the concept and scope for the Little Hartley and River Lett Hill sections, environmental assessment and detailed design will be undertaken for these funded sections. Full documentation for construction will also be developed during this stage.

2. The MV2L Design Alliance

2.1 Scope of Alliance Works

The RTA has decided that the Alliance method of delivery is suited to the concept design and – for the Little Hartley and River Lett Hill sections – environmental assessment, detailed design and documentation (the **Alliance Works**) for the Project.

In addition, some minor safety works are being undertaken in the Mount Victoria section of the route and the Alliance's responsibility for communications will extend to include these safety works. This provides a single point of contact for anyone wanting to contact the Project.

Whilst the Alliance is being established as a design alliance, the RTA may decide to expand (by negotiation) the role of the Design Alliance NOP(s), either within the same alliance or otherwise, to cover construction works. This will be reflected in the Design Alliance Agreement.

2.2 Objectives of the Alliance

The objectives of the Alliance are consistent with the Project Objectives described in 1.1.2 and have been expressed as the KRAs shown in Table 1. In effect, this table declares the value that the Alliance will deliver.

The objectives are to be achieved in a cost-effective manner while optimising whole-of-life, value-for-money outcomes for RTA.

The Alliance Objectives have been used to:

- determine the criteria for selecting the Proponents most likely to deliver outstanding performance;
- form the basis for the performance regime, so that the commercial drivers of all Participants are aligned; and
- set benchmarks against which outstanding performance can be assessed.

KEY RESULT AREA (KRA)

Traffic and Safety Outcomes

Concept design improves on the RTA’s “first pass” solution

This KRA relates to three of the key objectives of the Project (see 1.1.2), these being:

- (i) improved road safety;
- (ii) improved freight efficiency; and
- (iii) caters for a mix of local/through, and freight/business/leisure traffic

Measurement of performance against this KRA will cover both *process* and *outcomes*.

Integrated Design

Balanced integrated design, with superior outcomes across a range of focus areas, is achieved

This KRA measures performance – in relation to the detailed design sections only – in achieving an integrated design solution in relation to:

- Safety
- Urban design
- RTA design guidelines
- Sustainability, including optimisation of whole-of-life costs
- Environmental sensitivity (heritage, flora, fauna)
- Constructability
- ‘OHS in design’, including maintainability (eg are grassed slopes too steep to cut? are there parking places for maintenance crew?, etc)
- Alternative transport (eg cycle paths)
- Noise management

AND: Technical risks are adequately managed.

Measurement of performance against this KRA will cover both *process* and *outcomes*.

Time

Milestones that support timely delivery of the Project are achieved

This KRA measures completion of concept design, environmental assessments (for the Little Hartley and River Lett sections), and detailed design (for the Little Hartley and River Lett sections).

Construction Cost Estimate

Construction costs are estimated accurately

This KRA measures the accuracy with which the Alliance estimates the construction costs for Little Hartley and River Lett (only).

Note: the cost performance regime, separate from the KRA performance regime, will address the objective of completing design work (concept and detailed) within targets. (See section 4.3).

Completeness/integrity

Alliance deliverables are ‘fit for purpose’ and minimise re-work

This KRA measures the extent to which the concept design, environmental assessments, detailed design documentation and contract documentation are ‘fit for purpose’.

Stakeholder Engagement and Collaboration

Relations with stakeholders contribute to, and do not detract from, the success of the Project

This KRA measures how well the Alliance develops and adheres to a stakeholder engagement/ collaboration process (*including customer service & communications protocols*), and the extent to which engagement is positive, noting that the quality of such engagement can have a significant impact on the progress of the Alliance Works.

Measurement of performance against this KRA will cover both *process* and *outcomes*.

Table 1 KRAs and Objectives

2.3 Performance Spectrum

It is intended to link the KRAs shown in Table 1 to the performance regime of the Design Alliance Agreement. The performance spectrum will be developed in more detail, with specific measures and benchmarks to form specific KPIs, working with Proponents during the selection process.

It is RTA's intention that, for relevant KRAs, the performance spectrum will be defined across the following levels of performance:

- a) Outstanding – an aspirational outcome beyond the predictable that sets new standards of performance within the industry;
- b) MCOS – predictable and expected levels of performance by a recognised leader in their industry and the level of acceptable outcomes nominated by RTA; and
- c) Fail – unacceptable outcomes that fail to achieve the performance standard nominated by the RTA.

KEY RESULT AREA (KRA)	MINIMUM CONDITIONS OF SATISFACTION (MCOS)	OUTSTANDING PERFORMANCE
Traffic and Safety Outcomes	<ul style="list-style-type: none"> • Concept design achieves a <i>modest</i> improvement on the RTA's "first pass" solution. • A "<i>good</i>" process for optimising the concept design is developed and followed. 	<ul style="list-style-type: none"> • Concept design achieves a <i>significant</i> improvement on the RTA's "first pass" solution. • An "<i>outstanding</i>" process for optimising the concept design is developed and followed.
Integrated Design	<ul style="list-style-type: none"> • An 'expert panel' assesses the extent to which integrated design, in respect of nominated facets, as being "<i>good</i>". • A "<i>good</i>" process for generating an integrated design is developed and followed. 	<ul style="list-style-type: none"> • An 'expert panel' assesses the extent to which integrated design, in respect of nominated facets, as being "<i>outstanding</i>". • An "<i>outstanding</i>" process for generating an integrated design is developed and followed.
Construction Cost Estimate	<ul style="list-style-type: none"> • Tendered construction cost (for Little Hartley and River Lett only) is less than or equal to the estimate by Alliance. 	<ul style="list-style-type: none"> • n/a
Time	<ul style="list-style-type: none"> • Concept design completed in timeframe that does not delay acquisitions or early works (eg utility adjustments). • Environmental assessments completed for Little Hartley and River Lett by [date]. • Detailed design completed for Little Hartley and River Lett by [date]. 	<ul style="list-style-type: none"> • Concept design completed in timeframe that enables acquisitions and/or early works (eg utility adjustments) to be completed ahead of schedule. • Environmental assessments completed for Little Hartley and River Lett by [earlier date] • Detailed design completed for Little Hartley and River Lett by [earlier date]

KEY RESULT AREA (KRA)	MINIMUM CONDITIONS OF SATISFACTION (MCOS)	OUTSTANDING PERFORMANCE
Completeness/integrity	<ul style="list-style-type: none"> The concept design is approved by the Major Projects Review Panel on first submission. The number of material RFIs raised regarding detailed design/construction documentation is less than 2. <i>Note:</i> RFIs will be ‘scored’ by a moderator, so as to include only those which relate to genuine short-comings of the Alliance. 	<ul style="list-style-type: none"> n/a
Stakeholder Engagement and Collaboration	<ul style="list-style-type: none"> Engagement of stakeholders (probably measured through a survey) <i>maintains</i> the relationship already established and does not impact progress of the Project of the Alliance Works. A “<i>good</i>” process for engaging with stakeholders is developed and followed. 	<ul style="list-style-type: none"> Engagement of stakeholders (probably measured through a survey) improves the relationship already established and does not impact progress of the Project of the Alliance Works. Unsolicited positive feedback is received from stakeholders. [No ‘<i>outstanding</i>’ definition for process]

Table 2 KRA Performance Spectrum

2.4 Stakeholders

Stakeholders for the Project include but are not limited to:

- NSW Department of Planning
- Australian Government and its departments
- Railcorp
- Blue Mountains City Council
- Lithgow City Council
- Private developers and business owners
- Public utility authorities
- Bus operators
- Police, ambulance, and rural fire & rescue services
- Local environment and community groups
- Local resident and property owners
- Aboriginal Focus Groups
- Other NSW Government agencies including DECCW.

2.5 Alliance Composition

The Alliance is to be formed with the appropriate skills to deliver outstanding outcomes for the Project. At this time the RTA envisages that the Alliance will comprise:

- ❑ The RTA
- ❑ A designer Proponent, which may consist of multiple parties

2.6 Alliance Formation

It is intended that the Alliance will be formed in January 2011.

2.7 (Co-)location

The RTA expects that an alliance office will be established in Sydney.

2.8 Activities Completed or In Hand

2.8.1 Tunnel configuration and location

The RTA is currently undertaking investigations to optimise tunnel portal location. This information is expected to be available to the Alliance early after formation.

2.8.2 Community Consultation

Community consultation has continued since the announcement of the preferred route. Communication has included community meetings for upcoming safety works, and liaison with property owners for early investigation activities.

2.8.3 Preferred Route

The Preferred Route was announced in May 2010. Some additional work has been carried out regarding staging, earthworks balances, constructability and intersections based on recommendations from the implementation strategy.

2.8.4 Implementation Strategy

The RTA is currently preparing an implementation strategy to guide development and implementation of the Project in stages. This strategy considers the Project in five sections from Mount Victoria to Lithgow, being:

1. Mount Victoria
2. Little Hartley
3. Hartley
4. River Lett Hill
5. Forty Bends

The implementation strategy identifies possible implementation scenarios for these sections considering such issues as earthworks balance, safety, costs and benefits, and funding. It also makes recommendations for additional investigations to confirm an implementation strategy.

However of the above stages, only the Little Hartley and River Lett Hill sections have funding to proceed to construction.

The implementation strategy will be made available during the selection process, and will be reviewed during the early development of the concept design.

2.8.5 Cost Estimate

No further work has been undertaken on cost estimates since the announcement of the Preferred Route.

2.8.6 Preliminary Geotechnical Investigation

Investigations are currently in progress to ascertain material quality at a number of locations including River Lett Hill.

2.8.7 Survey

Survey works have been undertaken to establish ground control, and detail survey works have commenced. This information will be passed onto the Alliance after formation.

2.9 NSW Government Code

The NSW Government Code of Practice for Procurement (**Code**) applies to this Project.

Copies of the Code may be obtained from the NSW Treasury website:

www.treasury.nsw.gov.au/procurement/procure-intro.htm

Complaints alleging breaches of the Code will be investigated and acted upon where substantiated. Forms to facilitate the reporting of alleged breaches may be obtained by contacting the RTA Interface Manager for the Alliance.

3. Approach for the Alliance Works

3.1 Alliance Strategy

Alliances are a form of project delivery for complex projects where owners seek outstanding outcomes against identified alliance objectives.

Project performance is enhanced by building a high performance team that is characterised by collaborative thinking and behaviours. This collaboration is reinforced by a commercial framework that aligns the commercial interests of participants with the owner's project objectives in a relationship where:

performance => value => reward

Unlike traditional forms of contracting, where risk is allocated to different contracting parties, alliance contracting provides for collective assumption of risks amongst alliance participants with rewards determined by collective performance and the value of outcomes to the project owner.

It is now well accepted across Australia that a robust alliance relationship is built from a framework characterised by:

- collective acceptance of all project risks amongst alliance participants;
- a commitment to no fault, no blame but with clear responsibilities and accountabilities;

- unanimous principle based decision making on all key project issues;
- an integrated project team selected on the basis of the best person for each position; and
- a commercial framework comprising:
 - transparent open book reimbursement of relevant costs;
 - an equitable fee, as contribution to corporate overheads and profit expectations, for achieving alliance objectives within the alliance framework; and
 - a bonus pool where the rewards of outstanding performance, and the pain of poor performance, are shared equitably amongst the participants in a way that is commensurate with performance.

It is the RTA's clear intention and expectation that the Alliance will be developed consistently with these characteristics and demonstrate best alliance practices currently being developed and/or in place across Australia.

3.2 Why an Alliance for Design?

The RTA believes that when capable people with the right attitude are brought into a collaborative environment where their interests are aligned and effective leadership and training is provided that excellent outcomes will be achieved.

The expectation is that the Alliance will achieve the kind of performance that will be needed to meet and / or exceed all of the Alliance Objectives.

Given the inherent risks and uncertainties associated with the Project it has been determined that an alliance approach is the most appropriate strategy to achieve the outcomes required by the RTA. In addition to the need to manage risk and opportunities collaboratively, the key aspects that favour an alliance approach include:

- ❑ Time constraints - due to Project funding only being available until June 2014;
- ❑ Interface complexities, eg contractual, design / environment;
- ❑ Internal resourcing requirements;
- ❑ Cost / efficiency (ie what is the likely final Project cost, and how is VfM maximised);
- ❑ Technical risk, eg tunnels;
- ❑ The need for construction advice / input in the concept design phase due to the technical (geotechnical, structural, tunnels) complexities; and
- ❑ The need for high quality construction documentation to facilitate efficient and competitive construction.

Key high-level risks for the Project include, but are not limited to:

- ❑ delays to key approvals from stakeholder agencies;
- ❑ agreement on scope of studies, investigations and detail needed to complete the concept design and environmental assessment, and meet environmental approval objectives for local community groups and agencies;
- ❑ lack of clarity in RTA policy on issues such as biodiversity offsets, climate change guidelines etc;
- ❑ community opposition to the current preferred route;
- ❑ lack of regional data for strategic issues such as cumulative impacts, regional traffic modelling etc;

- modifications to concept and detailed designs as a consequence of scope changes, environmental mitigation requirements or stakeholder agreements.
- delays in accessing property for investigations;
- delays in acquiring property;
- delays due to unavailability of staff; and
- delays due to rework resulting from poor quality outcomes.

The above list is only preliminary and the Alliance will need to carry out its own detailed risk and opportunity assessments.

3.3 Alliance Structure and Governance

The RTA feels it is important to recognise that it has two core roles as owner of the Project.

- Owner as a client
- Owner as an Alliance Participant

Owner as Client

The role of Owner as client will be filled by the Director, Network Services, Michael Veysey, who will expect and demand from the ALT the same level of accountability, responsibility, governance and reporting and control as on similar RTA projects.

In delivering the Alliance Works, the Alliance will be required to pass key RTA approval points. These are:

- confirmation of the concept design as reviewed (and possibly revised).
- completion of the environmental assessment for the Little Hartley and River Lett Hill sections of the Project;
- confirmation of the detailed design for the Little Hartley and River Lett Hill sections of the Project as reviewed (and possibly revised); and
- confirmation of an agreed estimate for the construction cost for the Little Hartley and River Lett Hill sections of the Project.

There may well be several other approval points, such as approval for the pavement design.

Owner as Alliance Participant

The Owner as an Alliance Participant role enables each of RTA's ALT representatives to act as one of the team – and not adopt an “us and them” or “master/servant” behaviour relative to the NOPs. The ALT collectively will be accountable to the Director, Network Services for the delivery of the Alliance Obligations.

The diagram below illustrates the proposed leadership and management structure for the Alliance:

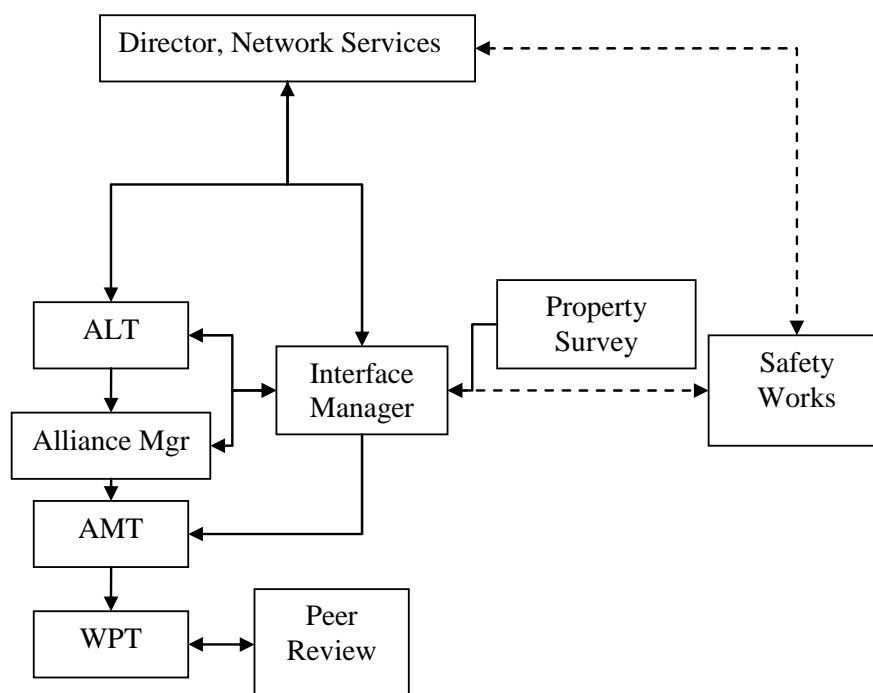


Figure 1 Proposed Leadership and Management Structure

3.3.1 Alliance Leadership Team

An Alliance Leadership Team will lead the Alliance. The accountabilities and responsibilities of the ALT will be set out in the draft DAA and will be finalised as part of the selection process.

The RTA believes that, for the ALT to fulfil its role, it should have a balance of characteristics amongst its members. These characteristics should include:

- An understanding that all members of the ALT present themselves as equals
- The capacity for inspirational leadership;
- Strong commercial backgrounds;
- Understanding of the technical aspects of the Project;
- A strong orientation to relationship contracting;
- Understanding and leadership of gamebreaking performance (high performance); and
- An understanding of strong transparent governance frameworks.

It is not expected that all these qualities would be vested in each individual; rather that there will be coverage of all these across the ALT.

The ALT will be made up of two representatives from the RTA, two representatives (in total) from the Proponent. Proponents are requested to nominate their representatives for the ALT. These representatives must be able to make commitments on behalf of all Proponent Members. If Proponents seek to have a larger representation on the ALT they will be required to justify this in their proposal.

All individuals nominated for the ALT are expected to attend selection interviews and certain workshops during the TFB Development Phase (see section 6.2).

We anticipate that the ALT will meet every two weeks during the initial stages of the Alliance and monthly thereafter.

The Alliance will be delivered by an integrated team working within the policies and delegations set by its ALT. The ALT will appoint an Alliance Manager who will lead that team.

3.3.2 Alliance Manager

The Alliance Manager will lead the Alliance Management Team and the Wider Project Team. The role of the AM is critical to this alliance and, given the complexities involved, the RTA's expectation is that the AM will demonstrate executive leadership type attributes, in addition to robust and proven design project management skills.

Proponents are required to nominate an AM as part of their proposal; the AM will be appointed strictly on a "best person for the job" basis.

3.3.3 Alliance Management Team

The Alliance Management Team will provide day to day management of the Project. Proponents are asked to propose a structure for the AMT (and Wider Project Team) and nominate people for the respective roles. Whilst the ALT will endorse appointments to the AMT on a best person for the job basis, Proponents are invited to nominate individuals for positions in the AMT.

3.3.4 Wider Project Team

The Wider Project Team will be structured and resourced to carry out the Alliance Works. The RTA may nominate a limited number of people to specific roles in the Alliance including provision of design staff previously engaged in the route development of the Project.

There will be no person-to-person marking, but rather a single integrated project team for the delivery of the Alliance Works.

The AMT will appoint members of the WPT on a best person for the job basis. If necessary the AMT may appoint personnel from organisations that are not Alliance Participants.

3.4 RTA Leadership and Contribution to the Alliance

RTA has a long history in the successful development of road projects, with particular significant experience in all aspects of road design, construction and maintenance. This experience extends to the successful delivery of road infrastructure utilising alliances.

Aside from the people whom RTA nominates for the Alliance, as discussed in this section, the Alliance will benefit from the wealth of technical experience and systems already available within RTA.

3.4.1 Alliance Leadership Team

The RTA's two representatives for the ALT are:

- Peter Dearden – Western Region
- Peter Letts – Project Management Office

The RTA also nominates the following alternate members for the ALT:

- Jeff Hall – Western Region
- Geoff Cahill – Infrastructure Development, Sydney

3.4.2 Alliance Management Team

RTA expects to nominate three people as part-time members of the Alliance AMT for the full duration of the Alliance.

Area of Focus / Expertise	Role / Position Envisaged	Level of availability	
		Period	% of time
Project development interface and review	Development Manager	Full Time	100
Advice on environmental assessment requirements, review of EA and other assessment documents	Environmental Officer	Part Time	40
Design and geotechnical review	Design/Geotech Officer	Part Time	40

Table 3 Provisional RTA nominations for the AMT

3.4.3 Wider Project Team

The RTA will nominate a limited number of people to specific roles in Alliance including provision of design staff previously engaged in the route development of the Project.

RTA is also likely to assign graduate engineers to the Alliance from time to time as a learning opportunity for them.

3.4.4 Peer Review Group

RTA will establish a group to provide peer review of designs and other outputs of the Alliance (**Peer Review Group**). The Peer Review Group will have available to it the full resources of RTA.

Peer review will cover, but not be limited to, such aspects as:

- geotechnical engineering; investigations and design;
- tunnel technology;
- environmental assessment, specialist environmental papers, submissions report, etc;
- heritage assessment;
- urban design;
- landscape planting design;
- road infrastructure design;
- bridge design;
- pavement design;
- stormwater and floodplain design;
- retaining wall design;
- asset maintenance of all infrastructure designs; and
- water quality basin design and erosion and sedimentation design.

3.4.5 Stakeholder Consultation

The Alliance will be responsible for its interface with the community subject to RTA policies, approvals and oversight, while RTA will retain responsibility for the interface with government and the media with input from the Alliance. The Alliance will be responsible for the interface with the community in respect of the safety works being undertaken in the Mount Victoria section of the Great Western Highway.

3.4.6 Interface Manager

Chris Barnett, the RTA’s Project Manager has been nominated as the RTA Interface Manager for the Project

Whilst Chris will not be a formal member of the ALT or the AMT of the Alliance, he will have key day to day roles in assisting the Alliance Manager to obtain access to the appropriate Peer Review Group personnel as and when required. He will manage the interface with the wider RTA and arrange to bring into the Alliance necessary RTA expertise for advice, review and/or decisions as and when required.

It is expected that Chris will attend various workshops of the Alliance, attend ALT meetings, selected AMT meetings and work closely with the Alliance Manager and the AMT on a day to day basis. To this end it is expected that a workplace will be available in the office of the Alliance for the RTA Interface Manager.

3.5 Core Competencies Required

The following table indicates the expected primary source for the resources that are likely to be required. Whilst in most instances there is a clear expectation that the source will be the NOPs, or that it will be the RTA, other competencies will be sought on a ‘Best for Project’ basis, ie from the NOPs or the RTA or a source outside the Alliance.

For those competencies where the primary source is indicated as being the NOPs, the RTA expects that, in their proposals, Proponents will demonstrate a track record and experience for at least one Member and prove the suitability and qualification of nominated individuals.

The RTA is committed to limiting the size of the Alliance whilst ensuring outstanding performance. Those competencies that are highlighted as being sourced on a “Best for Project” basis may be sourced from the Proponent, but the Proponent should not expand the number of its members simply in order to address these areas.

Proponents should note that even though the primary source may be a Member of the Proponent, “best person for the job” will still apply. Proponents should highlight where they perceive RTA staff can be assigned to, and integrated with, the WPT.

Core Competence / Skill Area	Primary Source of Resource(s)		
	RTA	NOPs	‘Best for Project’
Planning and approvals	●		
Engineering survey			●
Environmental assessment		●	
Design of early works		●	

Core Competence / Skill Area	Primary Source of Resource(s)		
	RTA	NOPs	'Best for Project'
Design of roads and related infrastructure		•	
Structural design		•	
Design earth retaining systems		•	
Road construction / constructability knowledge		•	
Construction cost estimation and planning		•	
Multi-disciplinary design management and coordination		•	
Project management, controls and reporting		•	
OHS&R management		•	
Service location			•
Traffic management / planning / modelling		•	
Geotechnical Investigation			•
Tunnel design			•
Urban design/landscaping			•
Pavement design			•
Probabilistic estimating		•	
Community and stakeholder consultation			•
Expert advice on insurance program and brokerage services	•		
Alliance facilitation / leadership / executive coaching			•
Contract documents			•
Environmental management			•
Laboratory testing resources			•
Land acquisition and management	•		
Utility relocation design			•
Quality system management		•	
Water quality management and design		•	

4. Commercial and Legal Framework

4.1 Principles of the Commercial Framework

RTA's expectation is that the following principles will be used as a basis for guiding the RTA and each Shortlisted Proponent to develop the commercial framework for the Alliance during the TFB Development Phase:

- a) equitable rewards commensurate with performance;
- b) the Performance Pool is linked to real risks and benefits in identified Key Result Areas (KRAs) that affect the value of the design outcomes and design process to RTA;
- c) each NOP is genuinely encouraged to exceed MCOS through the Performance Pool;
- d) RTA is committed to the NOP being able to earn 100% of the Performance Pool;
- e) the commercial framework is clear, concise, robust and defensible;
- f) the separate components of the performance regime are interdependent to provide no incentive to sacrifice performance in one element to secure reward in another;
- g) complete transparency in all arrangements;
- h) the only acceptable outcomes are win/win or lose/lose;
- j) the only way to earn exceptional returns is through outstanding performance; and
- k) scope changes should allow variations to the TFB.

The commercial framework is intended to reward the NOPs in a manner which drives the pursuit of outstanding performance in KRA's and Alliance Objectives identified by RTA that are of significant value to RTA with the driver to protect and improve the value of the design outcomes to the RTA.

The RTA will provide a detailed version of the Commercial Framework described in this section to the two Proponents shortlisted to participate in the TFB Development Phase.

4.2 Entitlement to Payment

The NOPs' entitlement to payment in relation the Design Alliance is limited to:

Prior to execution of the Design Alliance Agreement

Prior to execution of the Design Alliance Agreement, including the entire selection process of which the TFB Development Phase is a part, Proponents will have no entitlement to payment of any kind from the RTA.

Under the Design Alliance Agreement

The Preferred Proponent will be invited to execute the Design Alliance Agreement, and be entitled to payments under the following categories (before adjustment for gainshare/painshare) from the RTA:

- A: A 'lump sum' **Fixed Fee** (which the RTA expects Proponents will calculate to cover all overheads – whether project, local, regional or corporate – and profit), in accordance with Part A of the Returnable Schedule (Fees and Financials) which Proponents are required to complete and return with their proposals.

B: **Reimbursable Fees**, calculated for each of the Proponent’s team members based on their Total Remuneration Package plus EROs for time worked.

C: **Sub-consultant Fees** calculated as the invoiced costs plus a mark-up of 5% that is intended to reflect those ‘real’ costs to the Proponent that are additional to any covered by Reimbursable Fees.

Note: Given that the costs of those people who are involved in working with the sub-consultants will largely be paid within Reimbursable Fees, the RTA does not expect NOPS will incur significant additional costs associated with engaging and managing sub-consultants. A Proponent wishing to submit principle-based reasoning that can be substantiated by audit, for a different percentage may do so by including same in the sealed envelope containing the completed Returnable Schedule.

D: **Pass-through Costs**, being specific project-related costs such as IT or office accommodation costs, reimbursed at cost and without any mark-up. In their responses to this RFP, Proponents are required to identify all expenditure categories which they propose should be treated as Pass-through Costs, describing the scope of such costs and likely amounts.

For the removal of any doubt, the only margin that is payable is that which is included within the lump sum Fixed Fee (‘A’).

These payment categories are illustrated in Figure 2.

Proponents are required to provide information relating to the above by completing the Returnable Schedule (Fees and Financials) which forms part of this RFP.

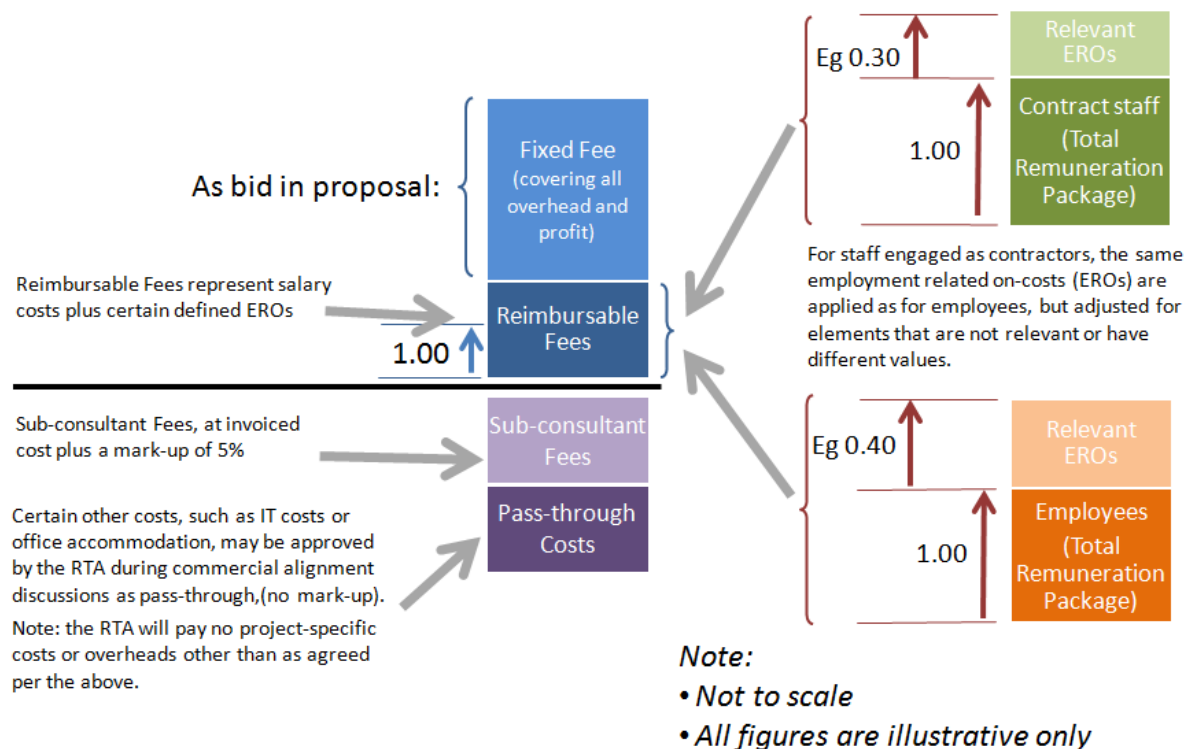


Figure 2 Payment categories under the Design Alliance Agreement

Fixed Fee

The term ‘Fixed Fee’ is defined here to include all overheads (whether local, regional, corporate or other) and “normal” profit or margin (ie before gainshare/painshare) in relation to the Proponent Members’ participation in the Design Alliance.

The RTA intends to take out a specific professional indemnity insurance policy for the NOPs’ work under the Alliance; the Fixed Fee should be calculated to exclude the cost of providing such professional indemnity insurance.

Proponents are required to nominate, in **Part A** of the **Returnable Schedule (Fees and Financials)**, their Fixed Fee and “at risk amount” for each of the Target Fee Budget ranges shown, noting that:

- The Fixed Fee amounts submitted by Proponents will be considered binding and will be regarded as upper limits, which means that the RTA may, at its sole discretion, seek to negotiate a reduction (and not an increase) in these amounts. (The RTA will review the Fixed Fee during the TFB Development Phase, based on information provided by the Proponent and on outcomes of the Establishment Audit, to verify that it represents value for money).
- The “at risk amount” is the maximum painshare possible through the Cost and KRA performance regimes (in combination) – see section 4.3. The RTA expects that this amount will equate to regional and corporate overhead and profit.

Reimbursable Fees

Reimbursable Fees will be based on Total Remuneration Packages and certain Employment Related On-costs as shown in Table 4. Importantly, Reimbursable Fees will not cover payments relating to incentives and bonuses, and accordingly the Fixed Fee amounts entered in **Part A** of the **Returnable Schedule (Fees and Financials)** will be deemed to cover all staff incentives and bonuses.

The elements to be included in Reimbursable Fee calculations are shown in the table below:

Element	Included in Reimbursable Fees?	
	Yes	No
Total Remuneration Package, including salary, salary-sacrifice components (eg car, health cover) and associated FBT	★	
Superannuation	★	
Other remuneration benefits not included in rows above (it is likely that most or all will have been)	★	
Payroll tax	★ (where applicable)	
Workers compensation	★	
Annual leave accruals	★	
Long service leave accruals	★ (At 50% only, or less if appropriate; Establishment Audit to cover this)	

Element	Included in Reimbursable Fees?	
	Yes	No
Sick leave and other personal leave	★ (At a rate equal to the auditable corporate historical average of actual leave)	
Public holidays	★	
Site (or “Living Away from Home” or “Project”) allowances		★
Non productive time		★
Re-location costs		★
Redundancy		★
Overtime		★ (See note below this table)
Bonuses – whether related to corporate performance, project performance or other		★ (These should be paid from gainshare or Fixed Fee)

Note: Where time is charged on a daily basis, overtime is by definition irrelevant to the calculation of Reimbursable Fees. Where time is charged on an hourly basis, the RTA will pay only actual overtime costs incurred by the Proponents (which excludes many of the elements shown in this table).

Table 4 Reimbursable Fees – inclusions and exclusions

Proponents are required to complete **Part B** of the **Returnable Schedule (Fees and Financials)** in respect of the persons nominated in their response. In **Part B** of the **Returnable Schedule (Fees and Financials)**, the number of people within each “TRP plus EROs” bracket is to be shown for each team (a breakdown at individual level is not required), together with the basis for charging – hourly or daily.

Entries are to be based on TRPs that were in effect as at 31st July 2010 and must be auditable to Proponent Members’ accounts. Where an individual was not employed at that date, the TRP applicable on the date of joining should be used.

Sub-Consultant Fees

Proponents are required to provide, in **Part C** of the **Returnable Schedule (Fees and Financials)**, details of the core competencies (section 3.5) or other skill-sets that will not be sourced from the staff of their Proponent Members.

Pass-through Costs

In **Part D** of the **Returnable Schedule (Fees and Financials)**, Proponents are required to identify all expenditure categories which they propose should be treated as Pass-through Costs, describing the scope of such costs and likely amounts.

4.3 Performance Regime

It is intended that the commercial framework for the Alliance will be based around a performance regime, which drives the program team to achieve outstanding performance in some or all of the KRAs.

The performance regime will be developed with the Shortlisted Proponents during the TFB Development Phase. The performance regime will clearly identify the implications for all Alliance Participants of the various levels of performance against the KRAs. The rationale underlying the performance regime will be:

If the collective performance of the Alliance Participants is:	Then the returns to the NOPs will be:
<input type="checkbox"/> Outstanding	<input type="checkbox"/> Above normal
<input type="checkbox"/> MCOS in all KRAs	<input type="checkbox"/> “Normal”
<input type="checkbox"/> Poor	<input type="checkbox"/> Below normal

A fundamental principle embodied in the performance regime will be that, depending on the actual outcomes achieved, either all Alliance Participants enjoy the gain or all Alliance Participants share the pain of the *value of the outcomes in the eyes of the RTA*.

At this stage it is envisaged that the performance regime will comprise three elements:

- Cost performance regime
- Non-cost performance regime
- Modifiers

Additionally, should the Alliance achieve above-MCOS outcomes for all KRAs then it is the RTA’s intention that the Alliance will be extended to undertake environmental assessment, detailed design and construction documentation for the Hartley and Forty Bends stages of the Project. Although this is the RTA’s clear intention, the RTA reserves the right not to proceed with the environmental assessment or detailed design for the Hartley and Forty Bends stages or any other stage of the Project or, at the RTA’s sole discretion, to engage persons other than the NOPs to undertake such further work or services.

Cost Performance Regime

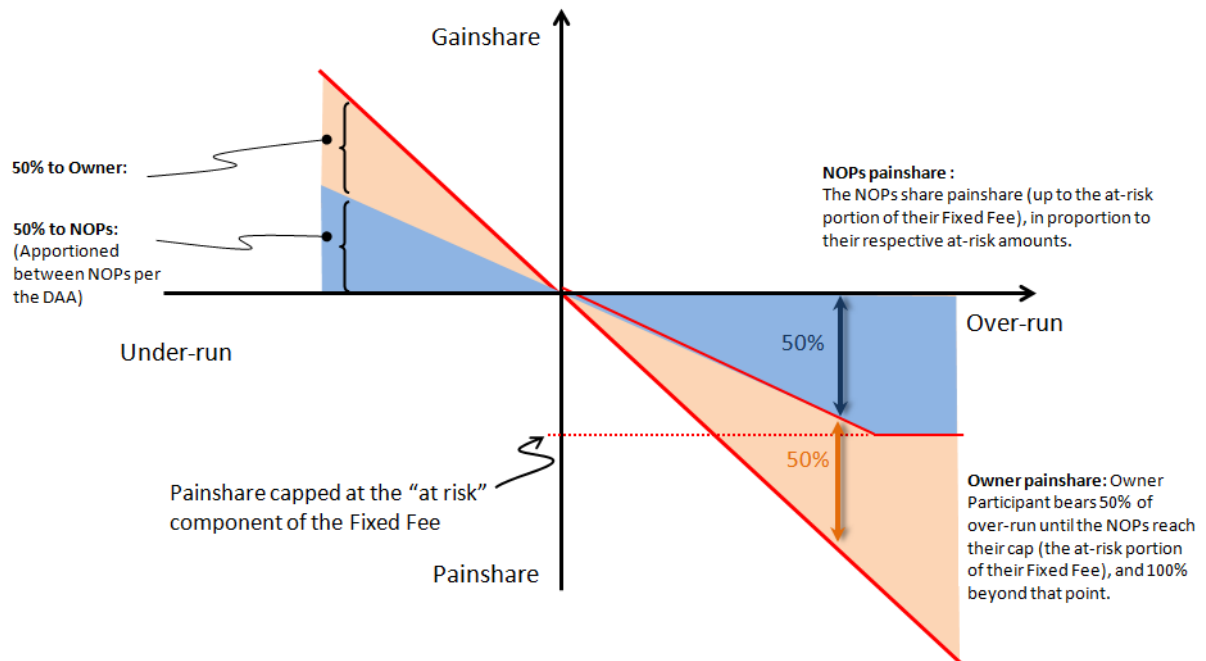


Figure 3 Cost Performance Regime - illustrative

In the event of a cost under-run, the NOPs will retain their Fixed Fee and share 50:50 of under-run in other expenditure, ie Reimbursable Fees, Sub-consultant Fees plus Pass-through Costs.

In the event of a cost over-run, the NOPs will share 50% of the over-run as a deduction from their Fixed Fee (up to the "at risk amount") but will continue to receive payment in respect of Reimbursable Fees, Sub-consultant Fees and Pass-through Costs.

KRA Performance Regime

The RTA intends that the KRA performance regime for the Alliance will be broadly as shown in Figure 4. The RTA will establish a Performance Pool of \$500k.

- ❑ The maximum possible *gainshare* under the KRA performance regime – for an ‘Outstanding’ score in every KPI in every KRA – is the entire Performance Pool.
- ❑ The maximum possible *painshare* under the KRA performance regime – for a ‘Fail’ score in every KPI in every KRA – is the forfeit of the “at risk amount” of the Fixed Fee (and no access to the Performance Pool).

For each of the KRAs (see section 2.2) the Alliance Participants will (through drafting by the AMT - with assistance from RTA - and after review and unanimous agreement by the ALT) determine:

- ❑ KPIs (being measurements and benchmarks for the Key Result Areas);
- ❑ weightings, a performance spectrum and benchmark levels of performance across the performance spectrum for each KPI;
- ❑ methodologies for measuring performance; and

- final measurement mechanisms;

so that an aggregated weighted Overall Performance Score (OPS) for performance in the range of 0 (Fail), 50 (MCOS) to 100 (Outstanding) can be determined.

The same KRAs/KPIs may also be measured and reported at more frequent intervals, eg monthly, for the (quite separate) purpose of *trend analysis*.

During the TFB Development Phase, Shortlisted Proponents will be asked to develop and propose measurements (Key Performance Indicators) and benchmarks for these Key Result Areas.

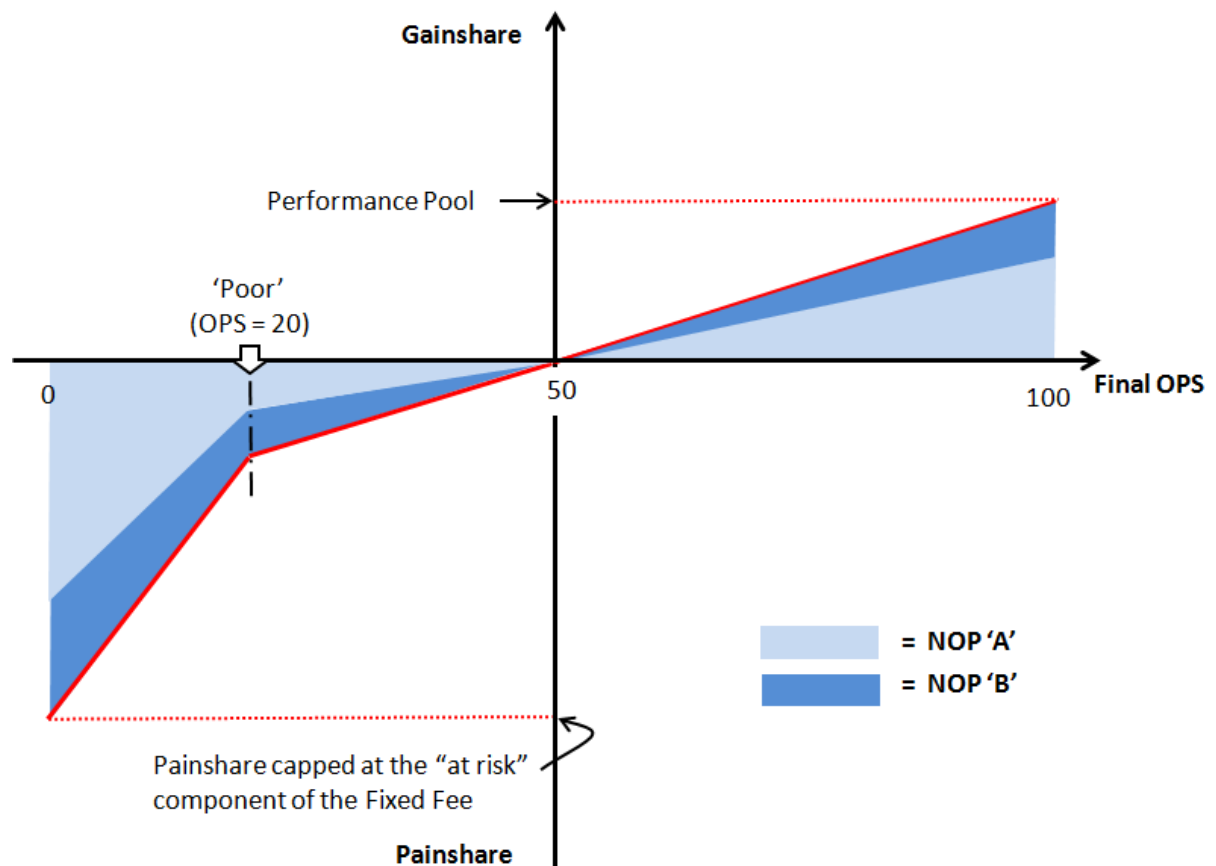


Figure 4 KRA Performance Regime – illustrative

Weightings for the KRAs are shown in Table 5.

KEY RESULT AREA (KRA)	WEIGHTING
Traffic and Safety Outcomes	30%
Integrated Design	20%
Time	30%
Construction Cost Estimate	0%
Completeness/integrity	0%
Stakeholder Engagement and Collaboration	20%

Table 5 KRA Weightings

Calculation of the OPS

For each KRA, multiple KPIs may be defined, with potentially more than one measure within each KPI. For each measure, the “Reading” (which might be # injuries, months late, or whatever) is converted to a “Measure Score” on a scale from 0 (fail) to 100 (outstanding).

The KPI Score is the sum of the weighted Measure Scores, and the KRA Score is similarly determined as the sum of the weighted KPI Scores. Finally, the Overall Performance Score (‘OPS’) is calculated as the sum of the weighted KRA Scores.

The framework is shown illustratively in the example below, which includes calculations for two measures only and assumes that all other Score Measures are zero.

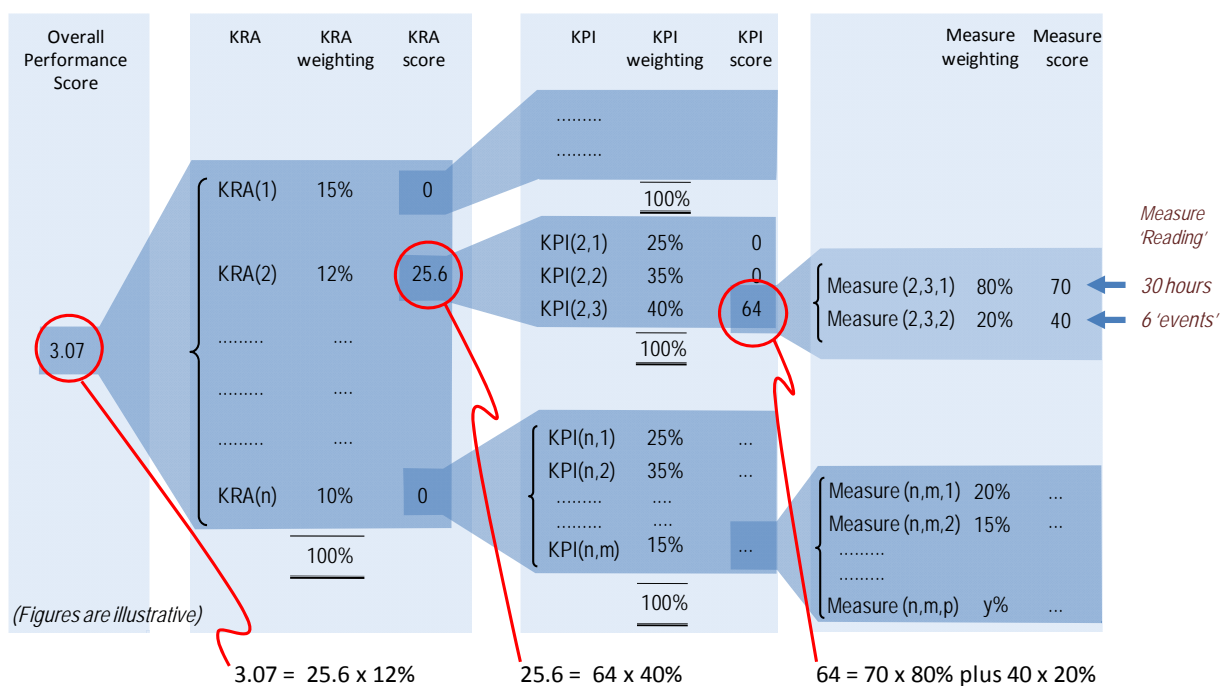


Figure 5 Calculation of the OPS

Modifiers

A modifier will provide interlinkage that ensures there is no incentive to sacrifice performance in one objective to secure reward in another.

4.4 Legal Framework

RTA intends to enter into a Design Alliance Agreement with the Preferred Proponent and has engaged a legal advisor, Blake Dawson, to prepare the draft Design Alliance Agreement.

The draft Design Alliance Agreement is structured around the characteristics identified in section 4.1 and will be updated to reflect the Alliance Principles and Alliance Objectives developed in the TFB Development Phase. RTA expects these will include:

- a primary focus on satisfying Project objectives and delivering desired outcomes;
- all Alliance Participants win, or all Alliance Participants lose, depending on Project outcomes actually achieved;
- a peer relationship where all Alliance Participants have an equal say;
- collective responsibility for performance;
- all decisions will be made on a "Best for Project" basis;
- full access to "best in class" resources from all Alliance Participants;
- encouragement of innovative thinking with a commitment to achieve outstanding results;
- clear responsibilities within a "no blame" culture;
- open, straight and honest communication between all Alliance Participants;
- each Alliance Participant will provide unconditional support to the Alliance;
- all transactions are fully open book; and
- all decisions will be made on the basis of the interests of the Alliance in accordance with these Alliance Principles and not on the basis of "positions".

RTA will provide a draft Design Alliance Agreement to all registered Proponents.

Whilst the draft DAA will be reviewed and finalised during the TFB Development Phase, the RTA expects that the features summarised below will, as a minimum, be incorporated into the DAA to be executed by the Alliance Participants.

Alliance Principles	The Alliance Participants will, during the TFB Development Phase, develop and align upon Alliance Principles which will form the basis of the "business rules" of the Alliance. The Alliance Participants will commit to delivering the Alliance Works in accordance with Alliance Principles.
Alliance Objectives	The RTA requires performance that achieves Minimum Conditions of Satisfaction in each of the KRAs. The Shortlisted Proponents will develop key performance indicators for each of the KRAs during the TFB Development Process.
Performance and Collective Responsibility	The Alliance Participants will be collectively responsible for all of the risks in performing their obligations under the Alliance Agreement.



Good faith	The Alliance Participants, in honouring their commitments and performing their obligations under the Alliance Agreement, will act in good faith, which will include being fair, reasonable and honest in performing the work under the DAA.
No Dispute	The Alliance Participants will commit to avoiding all forms of dispute in performing their obligations under the Alliance Agreement. The Alliance Participants agree that only acts or omissions of an Alliance Participant that amount to material default will give rise to enforceable obligations at law or in equity.
Alliance Leadership Team (ALT)	The Alliance Agreement will establish the ALT. The role of the ALT is to lead the Alliance. The role of the ALT does not include day to day management responsibility. All decisions of the ALT will be unanimous.
Alliance Management Team (AMT)	The Alliance Agreement establishes an integrated team for the management and delivery of the Alliance Works. The AMT will be lead by the Alliance Manager. The Alliance Manager will be accountable to the ALT for the performance of the Alliance.
Payment	The NOPS' entitlement to payment will be limited to those payments described in section 4.2. All such costs are to be incurred on an "open book basis" and will be available for audit by the RTA for five years after Completion of the Alliance.
Scope Change	The RTA reserves the right to issue directions to the Alliance Participants. Only directions that amount to a change in the scope of the Alliance Works will result in a change to the TFB or performance regime. The ALT will determine any modifications to the TFB or performance regime.
Adjustment Events	The Alliance Participants will agree on a limited set of Adjustment Events, during the TFB Development Phase. The ALT will determine whether an Adjustment Event has occurred and any modifications to the TFB or performance regime as a result of the Adjustment Event.
Defects	The Alliance Participants will be required to rectify any defect in the detailed design and construction documentation that becomes apparent during the construction of those sections for which detailed design is performed. The cost to rectify such defects will be additional costs to the Alliance and will impact final gainshare/ painshare determination.
Intellectual Property	All intellectual property rights created by the Alliance Participants for the purposes of performing the work under the Alliance Agreement shall vest immediately in the RTA. All existing intellectual property rights brought to the Alliance by an Alliance Participant shall remain the property of that Alliance Participant.
Termination	The RTA may, without giving cause and for any reason at any time, terminate the DAA. Where an Alliance Participant

	commits a material default the non-defaulting Alliance Participants may exclude the defaulting Alliance Participant from further participation in the DAA.
Wilful Default	An intentional, wanton or reckless act or omission without regard to the harmful consequences inconsistent with the Alliance Principles but does not include any innocent act omission or mistake acting in good faith.

5. Value for Money

The RTA is committed to outstanding performance in the Alliance.

To achieve this outcome in a complete way it will be incumbent on all Alliance Participants, and the ALT in particular, to ensure that Value for Money is not only obtained (right solution and right cost for that solution) but is also demonstrated to stakeholders and key interested parties on an on-going basis.

The RTA believes that the whole program is about delivering value, and that demonstrating value for money should be an integral part of Alliance activities. For instance, identifying breakthroughs and improvements is an integral part of a culture of acknowledgement and accomplishments. The RTA does not therefore see demonstrating Value for Money as an additional burden to the Alliance, but rather the backbone of a strategy to deliver outstanding performance, to reduce cost, and increase the certainty of the outcomes sought.

The Alliance will be required to assure the RTA that the TFB for the Alliance Works represents Value for Money and must then deliver that value to the RTA through to final completion of the Alliance.

Assisting the RTA in this regard will be an Independent Estimator and Financial Auditor as described in the following sections.

5.1 Independent Estimator and Financial Auditor

5.1.1 Independent Estimator

The RTA will appoint an Independent Estimator to work in close collaboration with the Alliance, with the primary roles being to:

- Validate the costing estimate of the Concept Design (all sections);
- Validate the cost impact of changes made during detailed design work; and
- Validate the final cost estimate of the sections for which detailed design is undertaken.

5.1.2 Financial Auditor

The RTA will appoint a Financial Auditor to work in close collaboration with the Alliance. The role of the Financial Auditor is to:

- conduct an establishment audit of the Proponents shortlisted for participation in the TFB Development Phase, with a particular focus on:

- confirming that Reimbursable Fees have been calculated in accordance with the requirements described in this RFP; and
 - commenting on the appropriateness of the submitted Fixed Fee in relation to the principles described in this RFP.
- verify that the calculation of the amounts for the constituent parts of the TFB have been calculated in accordance with the agreed commercial framework; and
- provide ongoing audit services to substantiate the accuracy and appropriateness of all financial records, payments and reports of the Alliance Participants.

5.2 VfM in the Selection Process

Value for Money has been a constant focus in developing the selection and evaluation process, and this focus will continue throughout the alliance.

As part of the evaluation process, Proponent teams will be assessed as to their understanding of the issues and importance of demonstrating Value for Money. The Fixed Fee and other information provided in the Returnable Schedule (Fees and Financials) will be part of the VFM demonstration in that the Fixed Fee will be part of the contestability during the selection process.

5.3 VfM in the Concept Design

Mt Victoria Tunnel

The construction cost for the proposed Mount Victoria tunnel would be significant (in comparison to the construction costs for the Project as a whole). Funding is not available at this time for the construction of the proposed Mount Victoria tunnel. The RTA does not want the Alliance to spend excessive time or incur significant costs on designing the tunnel, yet there is a need to ensure the tunnel's future construction is not compromised by poor decisions now.

Accordingly, the RTA has engaged a tunnelling specialist to determine the optimum location for the tunnel – in terms of the 3D location of the portals within a defined tolerance. In the TFB Development Phase, Shortlisted Proponents should observe the location thus determined, and should ignore the portals, the tunnel and the associated systems/infrastructure in their design/costing work.

Late innovation and Adjustment Events

The Cost Performance Regime is intended to ensure appropriate focus on managing the design process (and particularly the detailed design work). If an innovation arises late in the process (bearing in mind the process is likely to seek innovation early on), and it appears to be worth pursuing – *despite the re-work that may be necessary due to its lateness, and despite having already exhausted the innovation/creativity budget within the TFB* – the RTA may, at its sole discretion, approve a scope change to accommodate pursuing the innovation.

This is consistent with the RTA's desire that the Alliance should rigorously manage design effort and focus, fully justifying the pursuit of potential innovations with the thoroughness of a business case.

Traffic and Safety Outcomes

The Traffic and Safety Outcomes KRA most closely matches the three top objectives for the Project, and is thus a primary focus. Whilst designers are expected to deliver on this ("it's their job; that's what we pay them for"), providing a measure helps achieve focus. The alternative of using a

subjective measure (the view of a committee or individual) creates uncertainty over whether a design option is 'better' or not (and by how much), introduces a delay and/or a cost overhead, and risks inconsistency.

As a default – the KRA will draw on the *benefit-cost ratio* ('BCR') measures used in the RTA's business case¹. Proponents will be invited to suggest better measures for consideration². For the concept design, the elements that Proponents are to include will be based on a Pareto analysis (and thus will probably exclude safety barriers, for example).

The starting point for concept design work will be the RTA's latest design (as a "first pass"), in preference to using an "absolute minimum cost design". This reference design will outline matters such as 3-/4-lane sections, viaducts/embankments, intersection configuration, route/grade; it draws on the RTA's accumulated knowledge/ wisdom on Value for Money.

The Alliance will then undertake refinement and optimisation to develop a solution offering improved VfM – with significant changes to design and to construction budget possible. The solution should balance the objective of maximising the length of the route constructed with the available funding.

In relation to the sections that are to be detail designed, the RTA will advise a 'construction budget' that the Alliance will use to maximise Integrated Design outcomes; the already prepared concept design will have achieved compliance with relevant design guidelines and legislative/regulatory requirements, and the objective here is to maximise '*above minimum*' design outcomes.

Figure 6, p36, presents a high-level overview of the proposed process for optimising VfM in the concept design.

Assessment of incremental improvements

To achieve VfM, there is a need to define how various proposals for incremental improvement should be assessed. A proposal to include a sustainability solution (eg solar powered lighting) could have an NPV (based on whole lifecycle considerations) that is non-viable based on normal economic criteria but nonetheless represent an improvement to the original BCR merely by having a NPV for benefits being greater than the NPV for costs.

A possible approach would be to consider defining "benefits" to include only "safety" and "traffic" benefits (expressed in dollar terms). For innovations that are to be justified on their economic viability, calculate an NPV separately for the entire lifecycle as a single figure netting costs and benefits; an economically non-viable innovation would have a negative NPV (net cost) and most likely be rejected, whereas one that is economically viable would have a positive NPV (net benefit) and most likely be accepted.

¹ Includes: Travel time; vehicle operating costs; Accident costs (fatalities, trauma, ...).

² For example: air pollution; water pollution; greenhouse gas emissions; road user travel time or 'Value of Time' (in addition to Vehicle Operating Costs, per RTA Economic Analysis Manual - see Pacific Highway Upgrade F3 to Raymond Terrace Route Options Development Report, by Maunsell, p114).

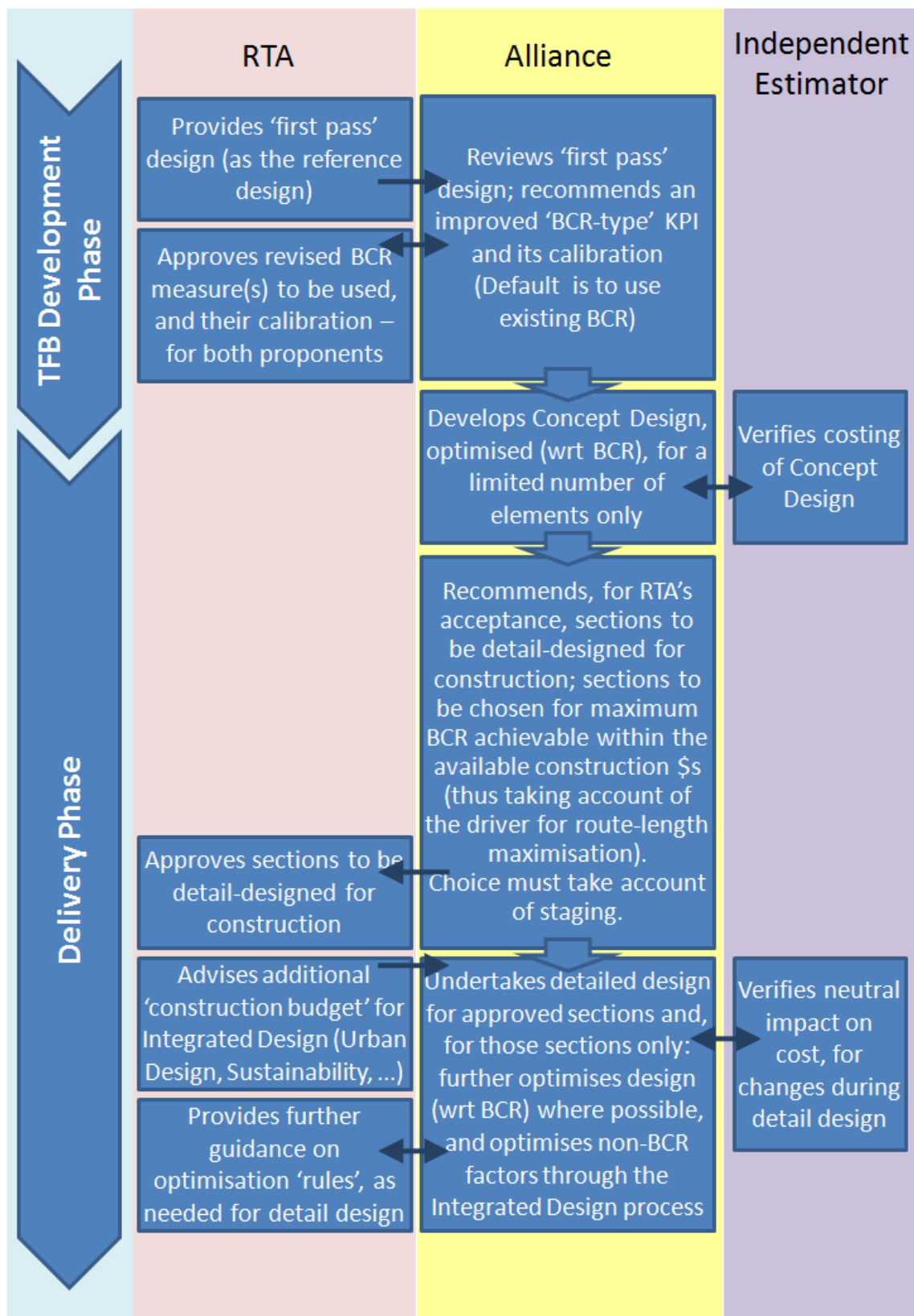


Figure 6 Maximising VfM in the Design optimisation and assessment process

5.4 High performance culture and outstanding results

RTA has carried out a number of design alliances resulting in successful outcomes for both RTA and the NOPs and will endeavour to continue along this path in the development of a high performance alliance team and the delivery of outstanding results.

In this context it will be the responsibility of the ALT to ensure that strategies are developed and implemented so that a high performing team is developed and sustained for the delivery of outstanding results. The ALT and AMT will be expected to provide significant leadership in maintaining the alliance culture and the on-going pursuit of outstanding results and Value for Money.

6. Selection and Establishment

The primary objective of the selection and establishment process is to select the Proponent that demonstrates the greatest potential, in a combined team (ie including the RTA team), to:

- at least meet the MCOS in each of the KRAs with certainty of cost and programme;
- achieve outstanding outcomes where relevant; and
- deliver maximum Value for Money.

The RTA believes that the Alliance personnel are as important as the systems, processes and contractual elements. To this end, the RTA has designed the selection process to incorporate an assessment of the leadership, attitudinal and behavioural attributes of the nominated teams, as well as their track record, experience, technical ability and delivery methodologies. Because of time constraints on this Project, it is critical that there is a rapid build up of momentum. Therefore the selection process is designed not only as selection for selection's sake, but also to generate an increased level of shared understanding, alignment and relationships.

6.1 RTA Governance and Management Teams

For the duration of the selection process a Panel has been established to overview the evaluation process, commercial alignment and agreement of the targets (TFB and non-cost KRAs) (**Evaluation Panel**).

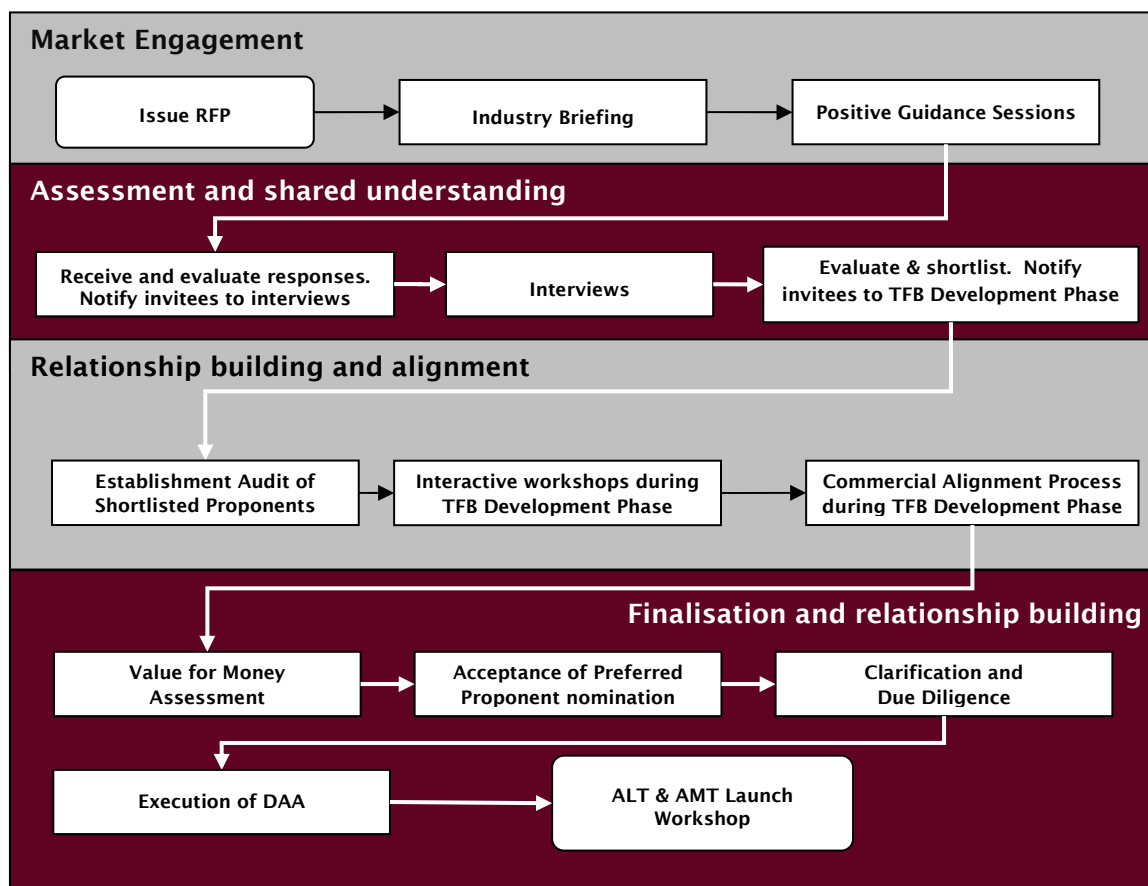
Members of the Evaluation Panel must not contact any Proponent in relation to this Project during the selection process through to the announcement of the Preferred Proponent.

Further information about the Evaluation Panel is provided in the table below.

Accountability / Purpose	Membership
Evaluate and nominate (to Steve Arnold, General Manager, Development Program) the Preferred Proponent who will proceed to execution of the DAA.	<ul style="list-style-type: none"> <input type="checkbox"/> Peter Ellis, Snr Designer, Road Design Review, Engineering Technology <input type="checkbox"/> Chris Barnett, Senior Project Manager, Western Project Services <input type="checkbox"/> Joy Duncan, Manager Environmental Planning and Assessment, Environment Branch <p>If one or more Evaluation Panel members become unavailable for any reason RTA may continue the selection process without that person, or appoint a substitute.</p> <p><u>Advisers:</u></p> <ul style="list-style-type: none"> Facilitator: Alchimie (<i>Wayne Sharpe, Matthew Geake</i>) Legal Advisor: Gareth Sage (<i>Blake Dawson</i>) Probity Auditor: Warwick Smith (<i>Procure Group</i>) Financial Auditor: t.b.a. Independent Estimator: t.b.a.

6.2 The Selection and Establishment Process

The phased process illustrated and described below has been designed to identify the Proponent with the most potential, working in an alliance with the RTA, to deliver outstanding performance, certainty of cost and certainty of programme, and overall maximum value for money.



Decision	Decision-maker
Shortlisting for interviews (after evaluation of proposals)	The Evaluation Panel
Shortlisting for TFB Development Phase (after evaluation of interviews)	The Evaluation Panel
Preferred Proponent nomination (after evaluation of TFB Development Phase and completion of VfM assessment)	General Manager Development Program, on recommendation from the Evaluation Panel

Table 6 Selection Process Decision-makers



6.2.1 Market Engagement

Issue of the RFP	In addition to requiring responses relating to the stated selection criteria, Proponents will be required to submit a sealed envelope containing the “Fees and Financials” Schedule referred to in section 4.2, duly completed.
Industry Briefing	An Industry Briefing will be held on 20 th October 2010 to increase prospective Proponents’ understanding of the opportunity. <i>The Industry Briefing does not form part of the Evaluation Process.</i>
Positive Guidance Workshops	Positive guidance workshops will be held on 20 th , 21 st and 22 nd October 2010. The purpose of these workshops is to ensure that Proponents are as informed as possible. The RTA management team and its advisors will be available to hold workshops with any of the Proponents who wish to avail themselves of the opportunity to ask questions concerning the information contained in the RFP and technical aspects of the Project. The workshops will be run on the basis that answers provided to questions raised by Proponents will not be shared with other Proponents, except where a change to details in the RFP and supporting information is uncovered or emerges. During the Positive Guidance Workshops RTA representatives will not: (i) Endorse any proposal or any aspect of any proposal; (ii) Respond to options by indicating a preference for one over the other; (iii) Discuss the commercial implications of any technical issue; or (iv) Discuss any information or intellectual property supplied (orally or otherwise) by other Proponents. Proponents wishing to participate in a Positive Guidance Workshop are invited to contact the RTA (see section 9.1) to arrange a time. <i>The Positive Guidance Workshops are for the purpose of increasing Proponents’ understanding and do not form part of the Evaluation Process.</i>

6.2.2 Assessment and Shared Understanding

Evaluation of Proposals	Those proposals that meet the Mandatory Criteria (ref section 7.1) will be assessed and scored against the Comparative Selection Criteria (ref section 7.2) and a determination will be made on whether a Proponent should proceed to interviews. The determination on which Proponents should proceed to selection interviews will be based on the ranking of the written proposals (on non-cost criteria), and a value for money assessment that takes into account the cost information submitted as part of Proponent responses. The number of invitees will be determined from the strength of the submissions, but is not expected to exceed four. <i>The decision on which Proponents will be invited to Interviews will be made by the Evaluation Panel.</i>
Interviews	Interviews will be held over the period 17 th – 19 th November. The objective of the interviews is for the Evaluation Panel to gain a better understanding of each Proponent’s capability to meet or exceed the Alliance Objectives as measured against the Selection Criteria. Interviews will be of a half-day’s duration and will include questions addressing each Proponent specifically (based on their Proposals) as well as “standard” questions addressed to all Proponents. Proponents may also be asked to present on aspects of their Proposals and to participate in working sessions.

	<p>The structure and duration of the interviews and discussions will be determined once proposals are received. It is intended that the interviews will be conducted in a relaxed manner and more of a discussion than a formal interview.</p> <p>It is envisaged that each Proponent would bring all its nominees for the Alliance Leadership Team and the Alliance Management Team and the Alliance Manager to the interview. Subject to size of teams, up to four members of the Wider Project Team may also be included as deemed appropriate, or if required by the RTA. Proponents will be notified of the RTA attendees at the interviews in due course. The RTA may elect to have its proposed members of the WPT or other experts present to observe or participate in the Interviews.</p>
<p>Evaluation of Interviews and Shortlist for the TFB Development Phase</p>	<p>Following the interviews, the Evaluation Panel will review, and if appropriate adjust, the scores from the <i>Evaluation of Proposals</i> based on observations and new information obtained during the interviews.</p> <p>The determination on which Proponents should proceed to the TFB Development Phase will be based on the adjusted scores, including a value for money assessment that takes into account the cost information submitted as part of Proponent responses.</p> <p>It is intended that the two highest ranking Proponents ('Shortlisted Proponents') will be invited to participate in the TFB Development Phase.</p> <p><i>The decision on which Proponents will be invited to participate in the TFB Development Phase will be made by the Evaluation Panel.</i></p>

6.2.3 Relationship Building and Alignment

<p>Establishment Audit</p>	<p>An establishment audit will be conducted of each of the Shortlisted Proponents by the Financial Auditor (Establishment Audit). The findings of the respective Establishment Audits will be used as input to the commercial alignment workshops with both Shortlisted Proponents during the TFB Development Phase.</p> <p>The Financial Auditor will be asked to report to the RTA's nominated ALT members on the Proponents' openness and willingness to cooperate.</p> <p>The scope and intention of the Establishment Audit is as per the description included in section 5.1.2 of the RFP.</p>
<p>TFB Development Phase</p>	<p>During this phase of the selection process each of the two Shortlisted Proponents will produce a Project Proposal and an executable DAA through an interactive process with RTA personnel. The RTA will continue to evaluate the two Shortlisted Proponents throughout the interactive process against the Comparative Selection Criteria.</p> <p>A key principle of the approach to this phase is that it allows for structured interactions between the Shortlisted Proponents and the RTA to ensure Project Proposals best meet the RTA's requirements. Importantly, this phase will also serve to facilitate buy-in by Alliance Participants and to build momentum in the development of the Alliance team.</p> <p>The RTA will put in place probity and process requirements to provide structure, transparency and address probity concerns associated with interactions with Proponents.</p> <p>The TFB Development Phase will require each Shortlisted Proponent, interacting with the RTA, to clarify the scope of work required and thus develop a Target Fee Budget (TFB) for inclusion in their Project Proposal submitted at the conclusion of this phase.</p> <p>The opportunity for interaction between the RTA and Shortlisted Proponents will be managed through the following structured approach:</p> <ul style="list-style-type: none"> · Scheduled interactive workshops with the Proponents · Written responses to Requests for Information (RFIs) and responses · Updated information provided to Proponents by the RTA



	<ul style="list-style-type: none"> · ALT meetings · Project Proposals submitted to the RTA by the Shortlisted Proponents at the conclusion of the TFB Development Phase <p>The scheduled series of interactive workshops (held separately with each of the Shortlisted Proponents) is planned to include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Initial Project Briefing and Clarification workshop <input type="checkbox"/> Technical (eg geotechnical) workshops <input type="checkbox"/> Workshop(s) on a Proponent-nominated topic <input type="checkbox"/> Risks and Opportunities workshop <input type="checkbox"/> Commercial Alignment workshop <input type="checkbox"/> Adjustment Events workshop <input type="checkbox"/> Commercial Finalisation workshop <input type="checkbox"/> Project Proposal and TFB Presentation <p>Dates for the above workshops will be advised to the Shortlisted Participants but the workshop topics and dates will remain subject to change at the discretion of the RTA. The RTA will make reasonable endeavours to accommodate any Proponent-requested change to the advised dates.</p> <p>Each workshop will be held twice, once for each of the Shortlisted Proponents. Workshops will be scheduled in a way that favours neither Shortlisted Proponent.</p> <p>Workshops will be chaired by the Proponent in each case; the RTA will provide a suggested agenda for each workshop beforehand.</p> <p>Outside the scheduled workshops, all interactions between the Shortlisted Proponents and the RTA must be through the Alliance Interface Manager, Chris Barnett.</p> <p>Proponent attendees: Proponents are invited to select members of their team to attend these workshops, noting that some but not all workshops will require all nominees for the ALT, the AM and the AMT. Specific positions may be required to attend certain workshops.</p> <p>RTA attendees: Each workshop will be attended by the Evaluation Panel, relevant members of the ALT and AMT, and other representatives of the RTA on an ‘as required’ basis. They will (or may) be active participants throughout the workshops, dispersed amongst the different groups as required. Noting that each workshop will be run separately for each Shortlisted Proponent, the same RTA individuals will (as far as reasonably possible) attend each session of any given workshop.</p> <p>Appropriate probity arrangements will be put in place to ensure no ‘leakage’ between parties. All Proponent team members will be required to sign a confidentiality agreement prior to the start of the TFB Development Phase.</p> <p>Through the interaction with Proponents, the RTA’s Evaluation Panel will be able to assess – both directly and through feedback of other RTA personnel participating in the workshops – the calibre of Proponent team members and how well they work collaboratively.</p> <p>During the TFB Development Phase, each prospective ALT will (separately) hold meetings to develop the commercial framework of the Alliance. The meetings will explore the following areas:</p> <ul style="list-style-type: none"> • Alignment on AM and AMT; • ALT meeting logistics; and • Terms and conditions of the DAA. <p>Further details regarding the TFB Development Phase are provided in section 6.2.5.</p> <p>The probity auditor will attend workshops and ALT meetings at his/her discretion or at the request of the RTA.</p>
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Evaluation of Project Proposals and the TFB Development Phase	<p>On conclusion of the TFB Development Phase, the Evaluation Panel will assess the Project Proposals submitted by each of the Shortlisted Proponents, and observations of the Shortlisted Proponents during the TFB Development Phase.</p> <p>The Evaluation Panel will then adjust the scores from the proposal/interview evaluations based on the above assessments.</p> <p><i>This step is completed without reference to cost-based information, which is taken into account in the VfM assessment step (see below).</i></p>
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6.2.4 Finalisation and Relationship Building

VfM assessment	<p>The Evaluation Panel will conduct a Value-for-Money assessment of the Shortlisted Proponents, evaluating both cost and non-cost criteria, in order to arrive at a recommended Preferred Proponent.</p> <p>Each Proponent’s proposal will be risk-adjusted; the RTA may seek external advice with respect to specific technical issues.</p> <p>Access to complete and detailed cost and commercial information will be restricted to a select team of people from the RTA and their advisers.</p> <p>On conclusion of the VfM assessment, the Evaluation Panel will recommend one of the Shortlisted Proponents to the General Manager Development Program, as the Preferred Proponent. On approval, the Preferred Proponent will be required to participate in the Clarification and Due Diligence step before the Project Proposal is submitted for approval.</p>
Clarification and Due Diligence	<p>This step will clarify any outstanding issues and include a review of the re-drafted DAA, incorporating agreed outputs from the Project Proposal.</p> <p><i>This step allows for a high level of interaction between the Proponent, the RTA and other stakeholders that is not practicable during the structured competitive TFB Development Phase.</i></p>
DAA Execution Meeting	<p>The end product of the selection and evaluation process is the signing of the DAA.</p>
ALT/AMT Launch Workshop	<p>To ensure a rapid and coordinated mobilisation, the RTA intends to hold a 2 day Launch Workshop for the ALT and AMT on a date to be confirmed, as soon as reasonably practical after the execution of the DAA.</p> <p>This workshop will establish clear expectations and targets for the first 6 months of the Alliance, and review and discuss in detail any policy areas that require immediate ALT direction. The following day, the AMT will hold a planning workshop to agree the priorities and approaches for delivering the outcomes required by the ALT. This workshop is critical in the transition from the TFB Development Phase, and in building the Alliance as an integrated team.</p>

6.2.5 Further details regarding the TFB Development Phase

Additional rules and procedures

The following additional rules and procedures will apply:

- a) The content of workshops will not bind the RTA or modify any aspect of the selection process unless set out in an addendum to the RFP or advised through the formal communication process described section 9.1 of the RFP. It is the Shortlisted Proponent’s responsibility to seek

- confirmation in writing from RTA of any information on which it wishes to rely in preparing a Project Proposal;
- b) Presentations and other material provided by the Shortlisted Proponents at any workshop do not constitute a formal submission and will not be taken into account in the evaluation of Project Proposals;
 - c) Proponents will be required to submit key elements of their Project Proposal for review by RTA at specified points throughout the TFB Development Phase;
 - d) Proponents should notify the RTA of the names, positions and roles of all of their representatives prior to participating in the workshop;
 - e) As far as reasonably practicable, workshop agendas, presentation materials and other information provided by the RTA at the workshops will be the same for each Proponent;
 - f) Proponents should clearly label any material that is of a commercial in confidence nature, however this notation must not be used to restrict the RTA's specification requirements and will only be allowed if the information is genuinely confidential;
 - g) Proponents must use all reasonable efforts to attend a workshop;
 - h) A Shortlisted Proponent may request items to be included in the agendas for workshops, however, RTA, at its sole discretion, may agree to or refuse such a request;
 - i) The RTA may, at its discretion, decline to provide particular information or discuss particular matters, and may cancel or terminate a workshop at any time;
 - j) The RTA may record workshops and Proponent representatives may take their own written notes of workshops;
 - k) Proponents will not be able to rely on any information discussed at workshops, and will only be able to rely on formal documentation provided to Proponents or written responses to clarification questions; and
 - l) The RTA may hold additional workshops at its sole discretion.

RTA role in the selection process

RTA staff will not be available for inclusion in Proponent teams during the selection process. Their involvement prior to selection of the Preferred Proponent is limited to interaction during formal workshops or interviews and response to written questions or requests for information.

Rules for managing responses to requests for information (including clarification questions and including consideration of proprietary information) are set out in section 9.1 of the RFP.

The RTA intends that, during the TFB Development Phase, it will:

- allocate one representative who will support both of the Proponents' teams for the purpose of facilitating the transfer of information between the RTA (including specialist consultants, where applicable) and the Proponents during the TFB Development Phase;
- establish a "Core Team" to have significant involvement in the TFB Development Phase through the interactive workshops;
- respond to RFIs through a formalised process; and
- conduct weekly progress meetings with each Proponent.

6.3 Changes and Substitutions to nominated personnel

During the selection process, Proponents will not be permitted to make changes to the personnel nominated in their proposals other than in exceptional circumstances in consultation with the RTA and the Probity Auditor.

The RTA retains the right to ask a Proponent to nominate a substitution for one or more roles if, during the selection process, the Evaluation Panel forms the view that an individual is unsuitable. No substitutions will be implemented prior to conclusion of the selection process. In any event, Proponents will be assessed on the basis of the individuals originally nominated.

6.4 Probity Auditor

A Probity Auditor has been appointed to oversee the RFP and the Proponent selection process.

The Probity Auditor is: **Warwick Smith of Procure Group Pty Ltd**, who can be contacted on 0416-107-378 or wsmith@procuregroup.com.au.

The Probity Auditor's role in the selection process will include the following: -

- ensuring that the procedures adopted in the receipt of Proposals and the evaluation process are fair and equitable and that the probity of the process is independently validated;
- monitoring and reporting to the RTA that the evaluation process and procedures have been followed and that the outcome is capable of being independently validated;
- providing confidence to all interested Proponents that appropriate processes were followed and that no Proponent was given an unfair advantage or was unfairly discriminated against;
- providing guidance to the RTA in relation to the probity of the participation of Related Companies in two or more Proposals;
- providing guidance to the RTA as to how unforeseen probity issues could be resolved;
- attending evaluation panel and RTA meetings, where relevant;
- attending Proponent meetings and presentations, where required;
- monitoring communication during the period between submission of Proposals and final decisions;
- attending debriefing meetings of successful and unsuccessful Proponents, where applicable; and
- preparing a report outlining the process undertaken, any issues that arose during the process and confirming that the evaluation process and procedures have been followed.

The Probity Auditor is not a part of the Selection Panel, but an independent observer of the process and will not be involved in the actual evaluation of any Proposals. Proponents who have any concerns about the conduct or probity of the selection process should promptly bring their concerns to the Probity Auditor's attention.

6.5 Eligibility of Proponent Members for Construction Works

The RTA understands that a Proponent may include a Proponent Member who sees the prospect of being involved in the construction of the Works or any other road sections that are the subject of the Project. Proponents will need to form their own opinions on this, but the RTA would not want to preclude such a party's involvement in the Alliance, and would seek to agree to the implementation of a workable solution that achieves appropriate probity (including, for example, the potential 'quarantining' of a Proponent's constructability experts, where such people's experience in

the Design Alliance could create an unfair advantage for that Proponent in tendering for such construction works).

Proponents may wish to contact the Probity Auditor (see section 6.4) on this matter.

6.6 Anticipated Selection Timetable

Activity	Dates
Issue RFP	11th October 2010
Industry Briefing	20th October 2010
Positive Guidance Sessions	20 th , 21 st , 22 nd October 2010 <i>Available times are shown below: contact the RTA to arrange</i>
RFP close; proposals submitted	3 rd November 2010
Invitations issued for Interviews	12 th November 2010
Interviews	17 th to 19 th November 2010
Invitations issued for TFB Development Phase	22 nd November 2010
Establishment Audits	From 22 nd November 2010
TFB Development Phase starts	24 th November 2010
Interactive workshops and ALT meetings	tba
TFB Development Phase ends; TFBs and Project Proposals submitted	17 th December 2010
Evaluation and VfM assessment	20 th to 22 nd December 2010
Approval and Notification of Preferred Proponent	Late January 2011
Execution of Design Alliance Agreement	Late January 2011
Launch Workshops for ALT and AMT	Late January 2011

6.7 Positive Guidance Sessions – available times

The times available for Positive Guidance Sessions are shown below. Proponents are invited to book one of these sessions by contacting the RTA (see section 9.1).

Wed, 20 th October 2010	Thu, 21 st October 2010	Fri, 22 nd October 2010
n/a	09:00 till 10:30	09:00 till 10:30
11:00 till 12:30	11:00 till 12:30	11:00 till 12:30
13:00 till 14:30	13:00 till 14:30	13:00 till 14:30
15:00 till 16:30	15:00 till 16:30	15:00 till 16:30

7. Selection Criteria

7.1 Mandatory Criteria

Proponents who do not meet the mandatory criteria will be excluded from further consideration. The mandatory criteria are as follows:

- Each Member of the Proponent must confirm their intention to participate in the Alliance and to execute a DAA substantially in the form of the draft DAA, and in any case, a DAA containing each of the key features set out in section 4.4;
- Each Member of the Proponent must confirm that they accept the principles underpinning the development of the performance framework as set out in section 4 of this RFP;
- Proponents must confirm in the Proposal that they will comply with the selection process timetable set out in section 6.5 of the RFP;
- Proponents must confirm that they will cooperate fully and openly with the RTA and its nominated Financial Auditor and the Independent Estimator in reviewing company financial accounts and management accounts including those of projects similar to this Project;
- Proponents must complete the **Returnable Schedule (Fees and Financials)** and submit this with their Proposal in a separate sealed envelope; and
- Proponents are required to have the full set of those core competencies for which the “Primary Source of Resource(s)” is shown as “NOPs” in section 3.5 of this RFP. Proponents must confirm and demonstrate in their Proposal that they have the necessary capabilities and resources, and that the resources are available for the Alliance.

7.2 Comparative Criteria

Proponents will be evaluated against the following comparative selection criteria (**Comparative Selection Criteria**):

Description		Matters to be assessed
Criterion 1	Corporate track record & experience	
	<p>Demonstrated corporate track record & experience in delivering projects of this nature, including projects undertaken using personnel nominated for this Alliance.</p> <p>As a minimum please highlight for each project:</p> <ol style="list-style-type: none"> a) The name of the project, start date, completion date, location, client and role on the project b) The relevance to this Alliance c) Targets (if available) and actual outturn performance in key result areas similar to those for this Alliance d) Major specific lessons learned / benefits that will be brought to this Alliance 	<p>Proponents will be evaluated on:</p> <ul style="list-style-type: none"> <input type="checkbox"/> past performance, including RTA Performance Records <input type="checkbox"/> the relevance of the information provided; <input type="checkbox"/> the quantity and depth of experience demonstrated for comparable projects; <input type="checkbox"/> the actual level of performance achieved in the nominated key result areas, <input type="checkbox"/> the value of lessons learned and the benefits that can be applied to this Alliance <input type="checkbox"/> reference checks to verify information provided



Description		Matters to be assessed
	e) Client reference details, including name, role (on project and current) and telephone contact details	
Criterion 2	Proposed Approach	
2a	<p>Understanding of the Project, its risks and opportunities. In addition to providing an overall understanding of the Alliance Works, and associated risks and opportunities, please include:</p> <ul style="list-style-type: none"> a) How risks will be mitigated b) How opportunities will be realised 	<p>Proponents will be evaluated on:</p> <ul style="list-style-type: none"> <input type="checkbox"/> their understanding of the Alliance Works <input type="checkbox"/> their understanding of the its risks and opportunities <input type="checkbox"/> the credibility of their approach <input type="checkbox"/> their approach to achieving outstanding performance in all aspects of the Alliance
2b	<p>Approach to achieving outstanding outcomes in the KRAs: Please highlight the key intentions and features of your proposed approach, identifying which AMT member will have the particular accountability for leading the significant sections of each approach, with particular reference to:</p> <ul style="list-style-type: none"> a) Achieving an outstanding concept design (maximising BCR) b) Developing a BCR measure c) Maximising constructability and other aspects of Integrated Design d) Estimating construction costs accurately e) Undertaking detailed design so that the number of RFIs during construction is minimised f) Generating ‘Right first time’ Environmental Impact Statement g) Stakeholder consultation 	
2c	<p>Approach to the TFB Development Phase and the Delivery Phase. As a minimum please describe your overall approach to delivering the Alliance Works, highlighting key intentions and features, including:</p> <ul style="list-style-type: none"> a) The organisation charts for the TFB Development Phase and the Delivery Phase b) Your approach to: <ul style="list-style-type: none"> • Setting KRA performance benchmarks and measures • Estimating and finalising the TFB • Project planning, project controls and reporting • Demonstrating value for money c) Particular innovations or high value opportunities that you have identified 	

Description		Matters to be assessed
	<p>to date, and your strategies for their implementation</p> <p>d) Resource strategy and your proposed mobilisation strategy</p> <p>e) Sub-consultant strategy, highlighting proposed incentivised / relationship contracts or sub-alliances</p> <p>f) Your overall strategy to generating sustained and proactive pursuit of gamebreaking performance</p> <p>In relation to the interactive workshops:</p> <p>g) please identify any workshops <i>in addition to those given in 6.2.3</i> that would help you meet the deadline for TFB and Project Proposal submission (being 17th December 2010)</p>	
2d	<p>Approach to team integration, collaboration and cultural development</p> <p>Highlight the intention and key features of your approach to team integration, collaboration and cultural development. As a minimum please provide:</p> <p>a) Your approach to integrating with the RTA, highlighting the key risks and opportunities and your strategies for addressing these</p> <p>b) Your overall strategy to generating sustained and proactive pursuit of high performance</p> <p>c) Your approach to induction, mobilisation and alliance coaching and training</p>	
Criteria 3	Nominated individual team members' availability, track record and capability to complete the Alliance Works	
3a	<p>ALT's availability, track record and capability</p> <p>As a minimum highlight:</p> <p>a) Your understanding of ideal characteristics and role of an ALT member on this Alliance;</p> <p>b) The nominated ALT representatives' governance strategy, including:</p> <ul style="list-style-type: none"> • Setting strategy • Creating policies • Monitoring/auditing • Accountability • Material issues with respect to governance of the Alliance and of each Alliance Participant, and how these will be reconciled or overcome. <p>For each nominated ALT member, highlight:</p>	<p>Proponents will be evaluated on:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Commitments that the corporate office of each Proponent Member will make to the Alliance, including for the nominated ALT members: <ul style="list-style-type: none"> • Their role in the corporation • Delegated authorities for the Alliance • Their ability to make things happen • Their experience • Their understanding of and commitment to the role and the alliance approach • Their availability

Description		Matters to be assessed
	<ul style="list-style-type: none"> c) how they are ideally suited to provide the governance and leadership required to deliver outstanding results on this Alliance, referencing relevant examples from his/her experience (including previous roles in relationship contracts); d) Availability and time commitment to the alliance; e) Level of authority and decision-making on behalf of their organisations and other Proponent Members (if any) whom they are representing on the ALT; f) Client reference details, including name, role (on project and current) and telephone contact details. 	<ul style="list-style-type: none"> <input type="checkbox"/> The balance of the nominated team <input type="checkbox"/> Their governance strategy and experience.
3b	<p>AM's availability, track record and capability</p> <p>As a minimum highlight:</p> <ul style="list-style-type: none"> a) Your understanding of ideal characteristics and role of the AM on this Alliance; b) How your nominated AM is ideally suited to the role including a description of his/her leadership and management qualities; c) His/her track record and experience including specific examples that demonstrate their leadership qualities and their ability to lead this Alliance (including previous roles in relationship contracts); d) Key lessons learnt from difficult situations and successes; e) Availability f) Client reference details, including name, role (on project and current) and telephone contact details 	<p>Proponents will be evaluated on the availability of the nominated team, their understanding of the roles; the balance of the nominated teams and the suitability, commitment of the individuals to this Alliance and the Alliance delivery approach.</p>
3c	<p>AMT's availability, track record and capability</p> <p>As a minimum highlight:</p> <ul style="list-style-type: none"> a) Your understanding of ideal characteristics and role of an AMT member on this Alliance; <p>For each nominated AMT member, highlight:</p> <ul style="list-style-type: none"> b) their role, accountabilities and priorities throughout the Alliance; c) why they are ideally suited to their role; d) their leadership, management and technical characteristics, referencing relevant examples from his/her experience; e) Availability and time commitment to 	

Description		Matters to be assessed
	<p>the Alliance</p> <p>f) Client reference details, including name, role (on project and current) and telephone contact details</p>	
3d	<p>Breadth, depth and availability of resources for the Wider Project Team. As a minimum please provide:</p> <p>a) Information on the resources required and proposed for this Alliance during the various phases.</p> <p>b) Information that proves availability and your ability to mobilise these, and additional resources if required, to the project team.</p> <p>c) Nominations for key roles in the Wider Project Team. As a minimum nominations should include all direct reports to the AMT.</p> <p>d) Information that demonstrates the capability of these nominations to deliver the Alliance Works.</p>	
Criterion 4	<p>Team potential for Gamebreaking Performance</p> <p><i>No material is required in relation to criterion 4. This criterion will be assessed on the basis of how the Proponent team performs and interacts with the RTA team at the interview and during the TFB Development Phase workshops.</i></p>	
4a	ALT	<p>Proponents will be evaluated on the leadership and credibility of the ALT, AM and AMT, and the passion and commitment of all team members, and the rapport generated with RTA members of the alliance team.</p>
4b	AM	
4c	AMT	
Criterion 5	<p>Price / Value for Money</p>	
	<p>Proponents are required to complete Parts A, B, C and D of the Returnable Schedule (Fees and Financials) that forms part of this RFP and submit the completed schedule, in a sealed envelope, with their proposals.</p> <p>The returnable schedule should be understood and completed in the context of the rest of this RFP, with particular reference to section 4 and to the Worked Example provided as Part E of the Returnable Schedule.</p>	<p>In determining which Proponents are to be invited to the Interviews Phase, and subsequently those who are to be invited to the TFB Development Phase, the Evaluation Panel will take into account the information provided in response to the RFP, including the completed Returnable Schedule (Fees and Financials), as an indication of “Price”.</p> <p>The final selection of a Preferred Proponent will be based on a full VfM assessment taking account of the TFBs and Project Proposals submitted.</p>

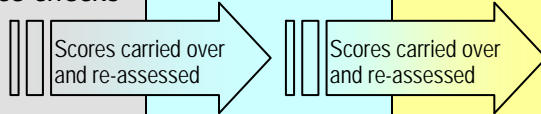
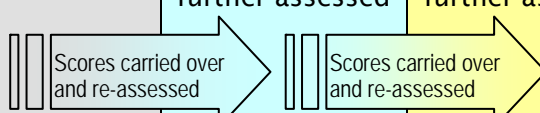

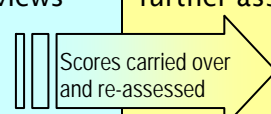
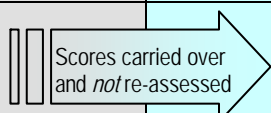
Table 7 Comparative Selection Criteria

Referees other than nominated referees

Note that the Evaluation Panel, either directly or using specialist resources, may follow up with some or all of the referees nominated by Proponents, and may seek references from people who have not been nominated as referees both in relation to individuals and to projects.

7.3 Criteria through the Selection Process

There are three key evaluation stages to the selection process. At each stage the Proponents will be evaluated against the selection criteria that are applicable to that stage in the process, a ranking carried out and appropriate number invited to the next stage of the process. The following illustrates the process:

Criteria	Proposal evaluation	Interview evaluation	Evaluation of interactive workshops and Project Proposal (including TFB)
1. Corporate Track Record & Experience	Proposals Reference checks	Confirmed at interviews	Not re-assessed
			
2. Proposed Approach	Proposals	Confirmed & further assessed	Confirmed & further assessed
			
3. Availability, track record and capability	Proposals	Confirmed & further assessed	Confirmed & further assessed
			
4. Team Potential for Outstanding Performance	Not Assessed at proposals	Assessed at interviews	Confirmed & further assessed
			
5. Price / Value for Money	Returnable Schedule (Fees and Financials)	Not re-assessed	A full VfM assessment (including TFB) is performed
			

8. Structure of Submissions

8.1 General

Proponents are requested to provide sufficient information to allow the panel to make an assessment against the selection criteria.

8.2 Proposal Requirements and Lodgement

Proponents should focus the main body of their written submission on demonstrating how their experience, capability and, most importantly, their nominated people, working in an alliance with the RTA, propose to meet or exceed the Alliance Objectives.

To reduce the cost for all concerned there is a limit placed on the size of the written submissions. The main body of the Proposal (including covering letter and Executive Summary) must be no more than 30 single-sided A4 pages. Each A3 page will be counted as two A4 pages. Material in excess of this limit will not be read or taken into account in the evaluation. Font type and size must be Times New Roman 12 with single line spacing and minimum 6pt spacing between paragraphs. The page limit includes all diagrams, charts, pictures, and the like.

No supporting documentation, other than that called for in the mandatory criteria and selection criteria may be provided as attachments.

The RTA would expect proposals to cover the information shown in the table below, preferably in the structure shown:

1	<p>Executive Summary</p>
2	<p>Organisational Details and Contacts</p> <p>Proponents should provide:</p> <ul style="list-style-type: none"> <input type="checkbox"/> The names and contact details of two (2) persons who will be responsible for responding to enquiries regarding the Proposal <input type="checkbox"/> The contact details to which any notices should be sent. <input type="checkbox"/> The company names, nature of the entities (ie whether a public listed company, partnership, proprietary company; ABN/ACN numbers). <input type="checkbox"/> The relationship between the Proponent Member(s). <input type="checkbox"/> The basis upon which the Members of the Proponent would, if they were the Preferred Proponent, execute the DAA (eg individually as Alliance Participants, as an incorporated/un-incorporated joint venture, etc) <input type="checkbox"/> Proposal validity period
3	<p>Mandatory Criteria</p> <p>The Proponent must demonstrate Satisfaction of the Mandatory Criteria stated in Section 7.1 of this RFP.</p>
4	<p>Comparative Selection Criteria</p> <p>Proponents must demonstrate Satisfaction of the Comparative Selection Criteria stated in section 7.2 of this RFP.</p>



5	<p>Organisation Chart</p> <p>Proponents must provide a proposed alliance organisation chart, identifying the people for nominated positions</p>
<p>Attachments (not included in the page limit), which may include only those matters identified below:</p>	
	<p>Curriculum Vitae</p> <p>CVs are limited strictly to two pages per individual, and should be in the format set out in Appendix A to this RFP. CVs must clearly state why the track record and experience and character of the respective individual mean they are ideally suited to the Project and include a brief overview of the role's accountabilities and include a signed statement of the individual's availability for the Project.</p> <p>CVs should be compiled in alphabetical order within the following groupings ALT, AMT (including Alliance Manager), direct reports to the AMT, and other key members of the WPT. An index listing names and role must be included with this attachment.</p>
	<p>Compiled list of referees</p> <p>The list should be a compilation of referees identified in the body of the proposal and must include current contact details and highlight the relevant projects and/or nominated team members for which they are able to provide references.</p>
	<p>Legal Comments</p> <p>In addition to confirming their intention to execute a DAA substantially in the form of the draft DAA (see section 7.1), Proponents must include any comment, be it of minor or major significance, they may have on any clause or schedule of the draft DAA. Any changes should be proposed in detail.</p>
	<p>Documentation supporting Mandatory Criteria</p> <p>In accordance with section 7.1.</p>
	<p>Sealed Envelope</p> <p>In accordance with section 7.1.</p>

8.3 Authority to Sign

The Proposal must be signed on behalf of the Proponent by persons authorized to represent the Proponent. The Proponent submitting the proposal must be the same entity that would enter into the Design Alliance Agreement.

8.4 Lodgement of Proposals

The Proponent must provide five (5) printed colour copies of the Proposal including all attachments (being one unbound version clearly identified as the original and 4 bound and numbered versions

clearly identified as the copies) plus a searchable pdf copy on CD of as much as is practicable of the Proposal.

Proposal must be delivered in a sealed package and clearly marked **“Great Western Highway Upgrade, Mount Victoria to Lithgow, Concept Design Alliance – Proposal”**

The place of lodgement of Proposal is the Tender Box:

Roads and Traffic Authority

Tender Box,

Level 9, 101 Miller Street,

North Sydney

Proposals must be lodged in full, including hard copy versions and CD version plus the sealed envelope, at the place for lodgement, so as to be received before the closing time and date which is:

3rd November 2010, 2:30pm

8.5 Late Proposals

A Proposal or additional non-solicited information received after the closing time and date will be considered to be late regardless of the time and date of posting.

A Late Proposal will be excluded from consideration unless RTA otherwise determines, in its absolute discretion and without having any obligation to do so, that it is appropriate for a Late Proposal to be considered.

8.6 Opening of Proposals

Proposals will be opened at the RTA office situated in Miller St, North Sydney. The names of the Proponents / Proponent Members will be publicly available immediately after opening of the proposals.

8.7 Requirements for the TFB Development Phase

Further instructions will be provided to those Proponents who are shortlisted to participate in the TFB Development Phase, a key outcome of which is a Project Proposal from each Proponent.

Project Proposal

The Project Proposal should incorporate:

- a) the TFB for the Project identifying:
 - (i) the fully risk adjusted price for delivering the Alliance Works;
 - (ii) the detailed scope forming the basis of the TFB and the material assumptions adopted in developing the TFB; and
 - (iii) any risk or contingency allowances and their bases of calculation.
- b) detailed design documentation of the Alliance Works completed to date and a design report identifying:

- (i) the status of the design;
 - (ii) the extent of any value management and value engineering studies undertaken, and the outcomes of these studies that have been incorporated, or are to be incorporated, into the design of the Alliance Works;
 - (iii) the value of all significant design improvements and innovations incorporated into the Alliance Works and/or TFB at the time that the TFB is submitted; and
 - (iv) the extent to which the design achieves the integrated design KRA (relating to matters such as urban design and sustainability).
- c) a design management plan identifying the methodology for the completion of the Alliance Works, including methods and management systems.
- d) Details of all sub consultants that will form part of the team, including the nature of the contractual relationship with these parties.
- e) A program, in the form of a critical path network, demonstrating the methodology to bring the Alliance Works to completion by the date for completion identifying any critical milestones for the Alliance Works.
- f) Details of any remaining peer review activities that are to be performed and satisfied before the Alliance Works achieve completion in accordance with the Project Management and Implementation Plan.
- g) an outline of the approach to working with the RTA and to establishing an integrated team.
- h) final drafts of the following management plans:
- (i) a Project Management and Implementation Plan;
 - (ii) an Occupational Health and Safety Plan satisfying at a minimum the RTA's occupational health and safety policies or requirements together with an employer's obligations under any relevant Statutory Requirement;
 - (iii) a Quality Assurance Plan which complies with AS/ISO 9001 2000;
 - (iv) a Communications and Stakeholder Relations Plan; and
 - (v) an Environment Management Plan satisfying the Proponent's obligations under any relevant Statutory Requirement.
- i) a risk report detailing the assessment and evaluation of project risks and the identified management and mitigation strategies (specifically including insurance arrangements) to be implemented by the ALT.



9. Procedural Matters

9.1 Communications during the Selection and Evaluation Process

All communications relating to this RFP and the selection and evaluation process must be addressed in writing to the RTA's Representative, being:

Name: Chris Barnett.
Address: Private Mail Bag 191, Lithgow, NSW 2790
Telephone 02 6861 1444
E-mail: western_projects@rta.nsw.gov.au

Requests for information prior to the closing time and date referred to in section 8.4 must:

- be in writing (email) to RTA's Representative and must be clearly marked "**Great Western Highway Upgrade, Mount Victoria to Lithgow Concept Alliance – Request for Information**"; and
- state a return name and address (email) for any response by RTA.

At its absolute discretion, RTA may pass on to other Proponents, any written response by RTA to written questions asked by any Proponent.

RTA will only be bound by information provided to Proponents in writing by RTA's Representative.

9.2 Validity of Proposal and Withdrawal

By submitting a Proposal (whether or not it complies in all respects with this RFP), a Proponent will be taken to have agreed, in consideration of RTA receiving the Proposal and commencing to consider it along with any other Proposal received, not to withdraw or amend the Proposal before 28th February 2011 (except with the prior written consent of RTA in its absolute discretion).

Nothing in this section limits the operation of Section 9.5 or is to be taken as imposing any obligation (contractual or otherwise) on RTA to receive or to consider any Proposal from any Proponent.

If a Proponent purports to withdraw from the selection process for any reason, then without prejudice to any other right or remedy that RTA may have, RTA may, in its absolute discretion, substitute the Proponent with the next highest evaluation ranking.

9.3 Confidentiality and Government Information (Public Access) Act

The Proponent must keep confidential and not:

- disclose to any person; or
- copy, use or otherwise deal with for any purpose,

any information regarding this RFP or other documentation provided during the selection process or any information about the Project or the Alliance, except to the extent:

- the Proponent is specifically so authorised in writing by RTA;
- the information is disclosed to and used by others (who are also bound to keep the information confidential) for the purposes of enabling the Proponent to prepare a Proposal; or
- the information is already in the public domain, otherwise than because of a breach by the Proponent of these confidentially obligations.

Proponents should note that the *Government Information (Public Access) Act 2009* (the ‘Act’) allows members of the public, rights to be given access to certain documents held by government agencies (including RTA). These access rights are limited by exceptions and exemptions necessary for the protection of the public interest and private and business affairs of persons or organisations in respect of whom information is collected and held by government agencies.

All or part of a Proposal (or Project Proposal) may be disclosed to third parties if there is a requirement to do so under the provisions of the Act. Any information that a Proponent considers to be exempt from disclosure under the Act should be marked by the Proponent as follows:

**“Government Information (Public Access) ACT - COMMERCIAL IN CONFIDENCE
BUSINESS INFORMATION**

Confidential to [entity name]

Refer to [name and title of company representative who is claiming exemption]

Telephone [direct telephone number]”

Marking information in the manner stated above will not necessarily prevent disclosure of the matter in accordance with the Act. Any decision to grant access to a document will be determined by the requirements of the Act. Proponents will not be entitled to make any claim in relation to any actions taken in relation to, or under, the Act.

Proponents are also informed that, while the State of New South Wales may deal with a Proposal held by RTA in response to the Act requests for access, there may be occasions where an applicant for access exercises a right to seek independent external review of the decisions made.

By submitting a Proposal (whether or not it complies in all respects with this RFP), a Proponent undertakes not to apply under the Act for information regarding any Proposal by another Proponent.

9.4 Costs Borne by Proponent

The Proponent will not have any claim of any kind against RTA or its advisers (whether in contract, in tort including negligence, in equity, at law, under statute or otherwise) arising from or in connection with:

- any costs, expenses, losses or liabilities suffered or incurred by the Proponent in preparing and submitting a Proposal (or Project Proposal), including any amendments or requests for further information by RTA or further participation in the selection process outlined in this RFP;
- RTA exercising or failing to exercise, in its absolute discretion, any discretion, right or power it has under or in connection with this RFP, the Proposal or Project Proposal or the Alliance; or
- any of the matters or things relevant to this RFP, the Proposal or Project Proposal or the Alliance in respect of which the Proponent must satisfy itself under this RFP.

9.5 RTA’s Discretions and Rights

RTA may conduct the process for the evaluation of Proposals, the selection of the Shortlisted Proponents and the selection of a Preferred Proponent in such manner as it thinks fit and, without limitation, may at its absolute discretion (without any obligation to do so):

- cancel the RFP or the RFP process at any time:
 - if the cancellation takes place prior to the invitation of Proponents for interview - by notice in writing to the prospective Proponents that have obtained the RFP from RTA; and

- if the cancellation takes place after the invitation of Proponents for interview - by notice in writing to the Proponents who remain in contention at that time;
- ❑ provide to all Proponents any further information provided to a particular Proponent, including in response to queries regarding this RFP (in which case, RTA may provide to all prospective Proponents that have obtained the RFP from RTA, any further information provided to a particular prospective Proponent);
- ❑ refuse to consider any Proposal which:
 - is lodged by any means other than in accordance with this RFP;
 - is lodged after the date for lodgement referred to in section 8.4;
 - does not conform with this RFP in any respect; or
 - has been lodged by a Proponent who has not complied with this RFP;
- ❑ decide at any time to:
 - waive any irregularities in the RFP or in any Proposal;
 - select any Proponent as a Shortlisted Proponent or a Preferred Proponent in connection with all or any part of the Alliance Works (whether or not they submitted a Proposal in compliance with this RFP);
 - not proceed with all or any part of the Alliance Works or the Project;
 - have any other person or persons (whether or not a Proponent who has submitted a Proposal) carry out all or any part of the Alliance Works or the Project;
 - extend or change the lodgement date for Proposal;
 - reject any Proposal lodged by any Proponent that engaged in any collusive tendering, anti-competitive conduct or any similar conduct with any other Proponent or any other person in relation to the preparation or lodgement of its Proposal;
- ❑ at any time, re-invite proposal for the Alliance Works from all or any of the Proponents who have submitted a Proposal, or from any other person (whether or not they submitted a Proposal);
- ❑ at any time prior to the lodgement date referred to in section 6.5, invite any other person to participate as a Proponent in the selection process;
- ❑ at any time seek a proposal from, shortlist or enter into negotiations with any one or more persons;
- ❑ at any time, accept a substitution of, withdrawal of, or addition to any of the parties comprising a Proponent (including a Shortlisted Proponent);
- ❑ at any time, issue addenda to this RFP or clarify the RFP in any way or proceed to a prospective Proponent's query, including to vary the selection process (including the evaluation process) or its requirements for any phase (including the contractual structure proposed for the carrying out of the relevant Alliance Works):
 - if prior to the invitation of Proponents for interview - by notice in writing to the prospective Proponents that have obtained the RFP from RTA; and
 - if after the invitation of Proponents for interview - by notice in writing to the Proponents who remain in contention at that time; or

Any notice given after the invitation of Proponents for interview will be given only to the Proponents who remain in contention at that time, and not to all Proponents. Prospective

Proponents must immediately acknowledge receipt of any addenda issued by RTA and such addenda will become part of and will amend this RFP;

- without limiting Section 9.1 or any other section of this RFP, at any time:
 - request a Proponent to submit additional information or clarifications (and the Proponent in question must promptly respond, in writing, to any such requests);
 - request a Proponent to attend one or more meetings to discuss the Proponent's Proposal or to discuss issues associated with the selection process or any other aspect of the Proposal (and the Proponent in question must attend any such meetings as requested); and/or
 - otherwise communicate with a Proponent to discuss the Proponent's Proposal or to discuss issues associated with the selection process or any other aspect of the Project (and the Proponent in question must participate in any such communications as requested).

Where a Proponent does not comply with the requirements of the 3 preceding paragraphs within the timeframe nominated by RTA, RTA may continue the evaluation or selection processes on the basis of the available information;

- decide whether or not to shortlist Proponents, proceed to successive steps in the selection and evaluation process or enter into a Design Alliance Agreement or any other contract with any Proponent or other person in connection with the Alliance Works;
- in addition to any right under this section 9.5, discontinue the RFP process or any subsequent process at any time; or
- by an addendum, issue a form of deed of confidentiality and disclaimer and require that each Proponent submit a duly completed and executed deed in that form as part of the Proposal, in which case, compliance with that requirement will be a mandatory criterion for the purposes of section 7.1.

9.6 No Legal Relationship

This RFP is not an offer. Except to the extent expressly set out in this RFP, no obligations arise from this RFP as between any prospective Proponent and RTA or any of RTA's officers, employees or advisers.

No binding contract whatsoever will be taken to have been entered into in respect of the Alliance Works until such time as a Design Alliance Agreement has been executed by the parties.

9.7 Obligations of RTA

Except as expressly stated in any Design Alliance Agreement, RTA has no obligations or liabilities to any prospective Proponent in respect of the RFP, the RFP process or the evaluation or selection processes described in section 6.2, and to the maximum extent permitted by law, any obligations and liabilities which may otherwise be implied or imposed on RTA under contract, in tort including negligence, in equity, at law, by statute or otherwise are excluded.

9.8 Disclaimer

Each Proponent acknowledges, accepts and agrees that:

- the information, statements and any representations in this RFP and in any other documents referred to in this RFP, are not exhaustive, may contain errors or omissions and may be incomplete, inaccurate, misleading or inadequate for the needs of the Proponent;

- ❑ there may also be other information or documents in the knowledge or possession of RTA, other government departments or agencies or their respective officers, employees, consultants, contractors or agents, which are relevant to the Project, the Alliance Works, this RFP, the RFP process or the preparation or lodging of a Proposal or Project Proposal, which have not been provided to the Proponent or to which reference has not been made;
- ❑ it must make its own enquiries and make its own assessment of the information and documents provided and about any further information or documents required and must satisfy itself from its own investigations, evaluations, enquiries, assessments, interpretations and sources as to all matters and things relevant to the Proponent's Proposal and Project Proposal; and
- ❑ notwithstanding whatever information is provided to the Proponent by, or withheld from the Proponent by, or obtained by the Proponent from, any federal, state or local government department or agency (including RTA) or their respective officers, employees, consultants, contractors or agents or others, it must rely only upon its own investigations, evaluations, enquiries, interpretations and sources and its own assessments of the Project and Alliance Works and as to all matters and things relevant to the Proponent's Proposal and Project Proposal.

9.9 Proponent's Legal Obligations

Each Proponent must, in preparing and lodging any Proposal, comply with all applicable laws, legal requirements and acceptable probity standards. Without limiting the application of this clause, the Proponent must not:

- ❑ collude with, accept any commission from, or offer any commission to any other prospective Proponent, other Proponent or Member of another Proponent;
- ❑ disclose any part of its Proposal (or any draft thereof) to any other prospective Proponent, other Proponent or Member of another Proponent;
- ❑ enter any contract, arrangement or understanding with any other prospective Proponent, other Proponent or Member of another Proponent or any trade, industry or other association with the effect that if the Proponent is short-listed or becomes the Preferred Proponent for the Design Alliance Agreement or enters into the Design Alliance Agreement, a benefit will be conferred on any other party;
- ❑ enter any improper or anti-competitive contract, arrangement or understanding with any other person in connection with the RFP, the RFP process, the selection and evaluation process, or the Alliance Works; or
- ❑ offer any incentives, gifts or other favours to any person who is in any way involved with, in a position to influence, or capable of providing technical or other advice to, those who are involved in any way with the evaluation of the Proposal or Project Proposal.

9.10 Changes to Proponent Members

Where a Proponent has two or more Members, the Proponent will be evaluated and short-listed (where applicable) on the basis of the Members identified in the Proposal.

If Proponent Members change after the closing time for submission of Proposal, Proponents must immediately notify RTA of this change in writing. If RTA, in its absolute discretion, determines that this change is material, it reserves the right to re-evaluate the Proposal or to eliminate the Proponent from further participation in the RFP process. A Proponent should (as a minimum) notify

RTA of any change to any of the following entities or individuals occurring after the closing time for submission of Proposal:

- any entity that proposes to take a direct equity interest in the Proponent or a Member thereof if the Proponent is short-listed or becomes the Preferred Proponent for the Design Alliance Agreement or enters into the Design Alliance Agreement;
- the ultimate parent entity of any entity that proposes to take a direct equity interest of the type mentioned in the preceding paragraph;
- any other entity that is likely to be in a position to exercise control or influence (direct or indirect) over the future management and operation of the Proponent or a Proponent Member;
- any director, secretary or chief executive of any entity falling within the above paragraphs and any proposed new directors, secretary or chief executive officer; and
- any key project resources identified by the Proponent as providing a core capability to the Proponent.

9.11 Acknowledgement and Warranty by Proponent

By submitting a Proposal or Project Proposal (whether or not it complies in all respects with this RFP), the Proponent:

- accepts and agrees with the terms of this RFP;
- warrants to RTA that the information contained in the Proposal or Project Proposal is accurate and complete as at the date on which it is submitted, and may be relied upon by RTA in determining whether or not to shortlist the Proponent or enter a Design Alliance Agreement with the Proponent; and
- undertakes to promptly inform RTA of any changes in circumstances that may cause the information contained in its Proposal or Project Proposal to become inaccurate or incomplete in a material respect.

9.12 Ownership of Proposal and Project Proposal

Subject to this Section 9.12, all Proposals and Project Proposals will become the property of RTA on submission and will not be returned to the Proponents.

Any intellectual property right (including copyright) that may exist in a Proposal or Project Proposal will remain the property of the Proponent. Any element of a Proposal or Project Proposal considered to carry any intellectual property rights should be clearly identified by the Proponent. Where RTA, in its absolute discretion, determines that such elements are subject to such a right, RTA will treat that element as protected.

By submitting a Proposal or Project Proposal (whether or not it complies with this RFP), the Proponent will be taken to have licensed RTA and each of its officers, employees, agents and advisers:

- to use, copy, adapt, modify, disclose or do anything else necessary, at RTA's absolute discretion, to all material (including material that contains any intellectual property rights of the Proponent or other person) contained in a Proposal or Project Proposal, for the purpose of evaluating and clarifying that Proposal or Project Proposal; and
- to share with any Shortlisted Proponent, any ideas contained in any Proposal or Project Proposal or otherwise generated by another Proponent that may be used to benefit the Alliance

Works, except where a claim of an intellectual property right in respect of that idea has been notified by that other Proponent under the previous paragraph of this section and accepted by RTA.

9.13 Joint and Several

If a Proponent to this RFP is comprised of more than one person or other entity, or a term is used in this RFP to refer to more than one person or other entity:

- an obligation of those persons or entities is joint and several;
- a right of those persons or entities is held by each of them severally; and
- any other reference to that person or entity or term is a reference to each of those persons or entities separately, so that, for example, a representation or warranty is given by each of them separately.

9.14 Privacy Act Compliance

In relation to any personal information (as defined in the *Privacy Act 1988* (Cth) (in this Section 9.14, “the Privacy Act”)) provided by a Proponent in connection with the Proponent’s Proposal, the Proponent warrants to RTA that:

- the Proponent, as the case may be, has obtained the consent of each individual about which any sensitive information (as defined in the Privacy Act) is provided; and
- the Proponent has ensured or will ensure, within the time required by the Privacy Act, that each individual about whom any personal information (as defined in the Privacy Act) is provided has received a written statement setting out all of the matters required by National Privacy Principle 1.3:
 - in relation to disclosure of the personal information to RTA or any of its officers, employees, agents or advisers requiring the information for the purposes set out in subparagraph (ii); and
 - disclosing that the persons referred to in subparagraph (i) will use the personal information for the purposes of reviewing and assessing the Proponent’s Proposal.

The Proponent will comply with the provisions of the Privacy Act in relation to any personal information provided to them by RTA or by any of its officers, employees, agents or advisers.

9.15 Competition

RTA wishes to encourage all suitably qualified, experienced and interested Proponents to submit a Proposal in response to this RFP. RTA seeks to create a competitive environment which will attract the best talent and resources to the Alliance and provide the best value-for-money outcome for government.