MACQUARIE POINT
DEVELOPMENT CORPORATION

The Hon Eric Abetz MP
Minister for Macquarie Point Urban Renewal
Parliament of Tasmania

Email: minister.abetz@dpac.tas.gov.au

Dear Minister Abetz

As you are aware on 5 May 2026, a motion was passed in Parliament requesting the tabling of any revised Stadium construction cost estimate or for a revised Stadium construction cost estimate to be developed as soon as possible and table it by 11 August 2026.

As discussed, I have sought advice and note the following risks to the preparation and release of such information.

The procurement process for the Macquarie Point Multipurpose Stadium contractor is currently live. The procurement assessment process is supported by a range of Subject Matter Experts, advisors and a two-tier evaluation committee that forms recommendations. The use of experts and advisors has been a key element to the design of the evaluation planning and ensures the Board and Government receive advice that is appropriately informed.

In relation to the motion you referred to the Macquarie Point Development Corporation (Corporation), I can confirm that we have obtained advice from our legal and probity advisers, and consulted with the Department of Treasury and Finance, to assess the procurement implications of releasing a revised estimate during the current tender process.

Providing a cost estimate at this stage risks adversely affecting Tasmania's ability to achieve the best outcome from the procurement process, as set out below. Informed by the above advisors, I am writing to outline the following significant probity, confidentiality and value for money risks of tabling a cost estimate. These probity risks are as follows:

- **Value for money**: Sharing the State's cost expectations by releasing a revised cost estimate is likely to reduce competitive tension between tenderers, impact contract negotiations, could be considered as a reduction in the importance of cost and value management, and risks adversely affecting value-for-money outcomes. This includes while tenderers are finalising their bids and likely to be looking for cost savings and efficiencies, and during the upcoming contract negotiations.
- **Accuracy of the cost estimate:** Preparing a revised estimate for the primary purpose of public release prior to receipt and assessment of tender responses risks providing the community with confusing and competing information. The initial responses from both

tenderers will shortly be received and contract negotiations will follow at the end of the tender process. If there are any changes proposed to the costs identified during the assessment and approval process, these should be informed by the actual bids rather than a forecast.

- **Procurement process integrity:** Releasing a revised estimate before completion of the evaluation process is likely to compromise procurement integrity and be inconsistent with TI PF-1 Procurement Principles, including AS4120-1992 Code of Tendering.

As part of the team of Subject Matter Experts that will inform the assessment, quantity surveyor advice will inform the analysis of bids. This will ensure market forces are considered when assessing value for money considerations.

With the imminent receipt of tender submissions, we anticipate reaching a decision point on starting Stage 2 in October, with the next steps in the evaluation process including:

- Analysis by expert advisors and subject matter experts, such as quantity surveyor, financial, commercial, construction, probity, legal advisors, as well as on user requirements.
- This analysis will feed into a two-tier evaluation review process with both an evaluation committee and review committee, comprising relevant experts, which will consider both the quantitative and qualitative assessment criteria.
- An overview of the assessment process will be provided to the Oversight Committee and Committee of Cabinet, before a recommendation is made to the MPDC Board to finalise the evaluation.

If there are matters related to cost identified in the assessment process, I anticipate advice on this being provided to you at the end of September or early October.

Thank you for referring this matter to me.

Sincerely

Kim Evans
Board Chair

4 August 2026