

7.3 Contract No: 2020/86 Provision of pavement and line marking

Abstract

This report seeks Council endorsement for the award of Contract No. 2020/86, Provision of Pavement and Line Marking Services. This contract will provide pavement and line marking services for an initial contract term of three years and with a possible extension of a two year period, for a maximum contract term of five years. This is a replacement of the existing contract which is approaching the end of term.

Boroondara City Council, Banyule City Council, Knox City Council, Nillumbik Shire Council, Manningham City Council, Monash City Council, City of Whitehorse and Yarra Ranges Shire Council, collaborated to tender for the provision of pavement and line marking services, saving on tender administration costs, specification development, and reducing the cost for supplier engagement. In accordance with Part 5 of Section 186 of the *Local Government Act 1989*, all the participating Councils had the option to enter into individual contracts based on various discount options if the preferred tenderer was selected with one or more of the participating Councils.

Expenditure under this contract will be determined by annual budget allocations, and the works required to be performed in any one year. The estimated annual cost of this contract in 2020-2021 is \$180,000 (excluding GST), which is in accordance with Council's proposed budget. Because of the value of the contract it was publicly advertised in accordance with the requirements of Section 186 of the *Local Government Act 1989*.

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with Section 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the *Local Government Act 2020* as the information relates to private commercial information, being information provided by a business or commercial undertaking that if released, would unreasonably expose the business or commercial undertaking to disadvantage. This item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

Officers' recommendation

That Council resolve:

1. To award Contract No. 2020/86, Provision of Pavement and Line Marking Services, to RoadMaster Line Marking Pty Ltd (ACN 163 486 431), at their tendered Schedule of Rates for an initial contract term of three years, with a possible extension, at Council's discretion for a further two years to a maximum contract term of five years. The estimated contract cost for the maximum five year term is \$990,000 (including GST). The cost to Council after the return of GST Tax Input Credits is \$900,000.
2. To authorise the Director Environment and Infrastructure to execute the contract agreements with the above contractors.
3. To authorise the Director Environment and Infrastructure to negotiate extensions to the contract with the above contractors to the maximum five year contract term.
4. To note that expenditure under this contract in 2020-21 is expected to be in accordance with Council's draft budget, and expenditure in future years is expected to be in accordance with future budget parameters.

Responsible director: Daniel Freer
Director Environment and Infrastructure

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2020/86 Provision of Pavement and Linemarking Services.

2. Policy implications and relevance to community plan and council plan

This contract aligns with the following themes and strategies in the Boroondara Community Plan (2017–27) and Council Plan (2017–21):

Theme One - “Your Community, Services and Facilities”

Strategy 1.6 - Create and maintain public areas, facilities, amenities, footpaths and spaces that are inviting, clean and appropriately lit to increase social connection and improve the perceptions of safety; and

Strategy 1.11 - Ensure Council’s assets are suitable for community use through proactive asset inspections, maintenance of asset data in the corporate asset system and development of Asset Management Plans.

3. Background

Council seeks a suitably qualified organisation to provide line marking services throughout the Municipality in accordance with the requirements of the tender specification.

4. Invitation to tender

In accordance with Council’s tendering procedures and Section 186 of the *Local Government Act 1989*, Monash City Council, acting agent for Boroondara City Council, invited public tenders from suitably qualified organisations to provide pavement and line marking services for a group of eight Councils. An invitation to tender was advertised in the local government tenders section of “The Age” newspaper on Saturday 26 October 2019. The closing date for submissions was 2pm, Wednesday 20 November 2019.

In response to the advertisement, the following six tenders were received:

- Image Line Marking Pty Ltd;
- OmniGrip Direct Pty Ltd;
- Ozmarks Group Pty Ltd;
- Roadlinez Pty Ltd;
- RoadMaster Line Marking Pty Ltd; and
- Roadside Services and Solutions Pty Ltd.

5. Outline of key issues/options

There are no issues regarding this procurement.

6. Consultation/communication

Council collaborated with seven Council's to tender for the provision of pavement and line marking services. For this tender process, Monash City Council initially conducted the compliance evaluation of tenders in line with the tender and contract requirements, including completion of required forms and schedules. Each submission was then evaluated by each participating Council on an individual basis by their nominated Tender Evaluation Panel members.

This collaboration was a benefit to Council's as savings on tender administration costs, simplifying and agreeing on a new Municipal and Incidental Road Marking Specification and reducing the cost for supplier engagement was achieved.

7. Financial and resource implications

Council's 2020-21 proposed budget for line marking services (Account Number 23401-53123) contains a total allocation of \$185,545 for these services.

Expenditure in future years will be in accordance with approved budget allocations.

8. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no direct or indirect interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Contracts and Tendering Probity Policy and Council's Procurement Policy.

9. Social and environmental issues

There are no social or environmental issues to flag regarding this contract.

10. Evaluation and review

The tender evaluation report is provided as **Confidential Attachment 1.**

As a result of the tender evaluation, the tender evaluation panel recommends that Council award Contract No. 2020/86, Provision of Pavement and Line Marking Services, to RoadMaster Line Marking Pty Ltd (ACN 163 486 431), at their tendered Schedule of Rates for an initial contract term of three years, with a possible extension, at Council's discretion for a further two years to a maximum contract term of five years.

The estimated contract cost for the maximum term is \$990,000 (including GST). The cost to Council after the return of GST Tax Input Credits is \$900,000.

Manager: Andrew Mackinnon, Group Manager Parks and Infrastructure

Report officer: William McGivern, Coordinator Road Related Asset Maintenance, Parks and Infrastructure