

3 Presentation of officer reports

3.1 Contract No. 2022/127 Provision of Pavement Line Marking Services

Executive Summary

Purpose

The purpose of this report is for Council to consider the award of Contract No. 2022/127 Provision of Pavement Line Marking Services - Panel.

Background

Council requires the services of suitable, qualified and experienced organisations to form a panel of two Contractors for the provision of Pavement and Line Marking Services throughout the municipality.

The proposed contract replaces Contract No. 2020/86, Provision of Pavement and Line Marking Services.

Key Issues

The key considerations used in the assessment and determination of the outcome of this tender process were:

- Provision of high-quality services;
- Compliance with Government Acts and regulations, and Council's local laws and policies;
- A proven track record undertaking similar works in the past;
- Access to appropriately skilled personnel; and
- Value for money within the constraints of the Council budget.

Next Steps

Upon award of the contract, Council will oversee the management and execution of these services.

Confidentiality

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments. The information in this attachment is deemed to be confidential in accordance with Section 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the Local Government Act 2020. The information relates to private commercial information, being information provided by a business, commercial or financial undertaking that—(i) relates to trade secrets; or (ii) if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.

If discussion of the confidential information in the attachments to this report is required for Council to make a decision, Council may resolve to discuss the matter in a confidential session or to defer the matter to the confidential section of the agenda.

Officers' recommendation

That Services Delegated Committee:

1. To award Contract No. 2022/127, Provision of Pavement Line Marking Services - Panel, to:
 - Cannaa Pty Ltd (ACN 146 593 473) as trustee for Cannizaro Family Trust (ABN 64 809 678 866) trading as 1st Class Linemarking; and
 - Roadlinez Pty Ltd (ACN 611 452 174).

At their tendered schedule of rates for an initial period of three (3) years, with up to two (2) increments of one (1) year each, to a maximum contract term of up to five (5) years. The estimated value over the maximum contract term is \$1,071,400 (including GST). Noting the estimated cost to the Council after return of GST Input Credits is \$974,900.

2. Authorise the Director Places and Spaces to execute the contract agreement with the above Contractors.
3. Authorise the Director Places and Spaces to negotiate and execute optional extension periods.
4. Note that expenditure under this contract is in accordance with Council's adopted budget for financial year 2023-24. Future years expenditure is foreshowed and will be made in accordance with the approved budget allocations.

Responsible director: Daniel Freer, Director Places and Spaces

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2022/127, Provision of Pavement Line Marking Services - Panel.

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 (2021-31) and Council Plan (2021-25):

Theme One - "Community, Services and Facilities"

Strategy 1.6 - Residents and visitors feel safe in public spaces through encouraging local activity and creating and maintaining civic areas.

Theme Five - "Moving Around"

Strategy 5.1 - Safe roads are provided through proactive maintenance, renewal and community education.

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

3. Background

Council requires the services of suitable qualified and experienced organisations to form a panel of up to two Contractors for the provision of Pavement and Line Marking Services, as detailed with the requirements of the tender specification document, throughout the municipality.

The Services to be delivered under this Contract are for:

- **Programmed Maintenance** - Maintenance or new works completed upon request, with pre-approval, or as part of an agreed scheduled maintenance program, to maintain or reinstate line marking and road marking in the required operating condition as defined in the technical specifications.
- **Reactive Maintenance** - Maintenance or new works completed to restore line marking and road marking to their normal operating condition or any works completed outside of the definition of programmed maintenance – may also include emergency/urgent works requirements as needed.

Invitation to tender

In accordance with Council's Procurement Policy 2021-25, Council invited public tenders from suitably qualified organisations to provide Pavement Line Marking Services. An Invitation to tender was advertised in the local government tenders section of "The Age" newspaper on Saturday, 29 April 2023 and on Council's website. The closing date for submissions was 2pm, Friday, 26 May 2023.

In response to the advertisement, Council received six submissions:

- Cannaa Pty Ltd (ACN 146 593 473) as trustee for Cannizaro Family Trust (ABN 64 809 678 866) trading as 1st Class Linemarking;
- Allmark Linemarking Services Pty Ltd (ACN 055 966 802);
- Image Linemarking Pty Ltd (ACN 082 074 708);
- Melbourne Master Painting & Maintenance Pty Ltd (ACN 636 244 776); trading as MMP Projects;
- Omnigrip Direct Pty Ltd (ACN 614 493 426); and
- Roadlinez Pty Ltd (ACN 611 452 174).

4. Outline of key issues/options

The life of linemarking is between 5 – 10 years, as this depends on tear and wear, utilisation and condition of roads. A proactive program to renew linemarking assists with the early detection of ageing paint, and appropriate maintenance directly relates to providing road and carpark safety.

5. Collaborative Procurement Opportunities

Council Officers are often in discussions with neighbouring local governments to determine the suitability of a collaborative procurement process. In the past this service has been undertaken through a collaborative procurement exercise, however in review of that contract it has not been pursued.

The scope of contract linemarking works are smaller in scale but more intricate given the Boroondara road network; as a result, the line marking works characteristics a collaborative procurement process wasn't appropriate in achieving a better value outcome.

6. Consultation/communication

Internal consultation across the appropriate services within the Facilities, Waste and Infrastructure team, informed the review and development of the specification and associated tender documents.

7. Financial and resource implications

Council's 2023-24 adopted budget provides the following allocation:

Item	Ex GST
Total Budget Allocation FY 2023-24	\$194,980
Expenditure and Commitment to Date	\$16,545
Total Remaining Budget FY 2023-24	\$178,435

This is a Schedule of Rates contract; expenditure under this contract is in accordance with the budget allocations. This may increase in future years based on condition audit data requiring renewing end-of-life linemarking and reactive requests due to road works.

Council does not guarantee the appointed Contractor a minimum quantity of work in relation to any of the contract components. The amount of work performed will be in accordance with the need and budgetary allocations each year. Payment will be made in line with the respective tenderer's Schedule of Rates and will be in accordance with Council's 2023-24 adopted budget.

8. Governance issues

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under Chapter 5 of the Governance Rules of Boroondara City Council.

This tender process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

9. Social and environmental issues

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

10. Evaluation and review

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

As a result of the evaluation, the evaluation panel recommends that the Council award Contract No. 2022/127, Provision of Pavement Line Marking Services - Panel to:

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- Roadlinez Pty Ltd (ACN 611 452 174).

Manager: **George Batsakis, Manager Facilities, Waste and Infrastructure**

Report officer: Arthur Cheng, Infrastructure Contracts Officer