

7.5 Contract No. 2023/116 - Painting Services

Executive Summary

Purpose

The purpose of this report is to seek Council support to award Contract No. 2023/116 Painting Services - Annual Supply, to two separate Panels of Contractors.

Panel A – General Painting for the supply of internal and external painting and protective coatings to Council buildings and associated structures, and Panel B – Electrostatic Painting for the supply of electrostatic painting of street and park furniture.

Background

This new contract replaces Contract No. 2017/106 Painting Services – Annual Supply and Contract No. 2018/29 - Electrostatic Painting Services for Street and Park Furniture. The services are to provide but not limited to, painting and protective coatings to Council buildings, structures and city street and park furniture.

As this contract is a consolidation of two contracts the panel arrangement is for:

- **Panel A - General Painting Services** – based on schedule of rates; and
- **Panel B – Electrostatic Painting** – based on schedule of rates.

This contract will provide painting services for an initial period of three (3) years with up to two (2) year increments of one (1) year each to a maximum period of five (5) years.

It is important to note that Council does not guarantee either a minimum quantity of work in relation to any of the contract components, or any particular mix of work within the contract components.

Next Steps

Upon award of the contract, Officers 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 Council resolve to:

1. Award Contract No. 2023/116, Painting Services – Annual Supply to the following five (5) contractors:

Panel A – General Painting Services

- A & P Painting Pty Ltd (ACN 110 458 583);
- Prestige Painting Group Pty Ltd (ACN 127 177 780) the trustee for Kelly Family Trust (ABN 17 711 734 627);
- Programmed Property Services Pty Ltd (ACN 106 015 632); and
- Purpaint Pty Ltd (ACN 129 513 926).

Panel B – Electrostatic

- Baystone Coating Services Pty Ltd (ACN 630 554 942).

at their tendered schedule of rates for an initial contract period of three (3) years plus optional extension periods, of increments of one (1) year each to a maximum contract of five (5) years. The estimated cumulative value over the maximum contract term is \$2,061,659.60 (including GST) including an annual CPI increase commencing from year two (2) of this new contract.

The estimated cost to Council after return of GST Input Credits is \$1,874,236.00 (excl GST).

2. Authorise the Director Places and Spaces to sign and execute the contracts on behalf of the Council 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 the Council's adopted budget for the year 2023/24. Future years expenditure will be 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 consider the awarding of Contract No. 2023/116, Painting Services – Annual Supply to form two panels of contractors.

Panel A will consist of four (4) contractors for the provision of general painting services and protective coatings to Council's internal and external buildings and associated structures and fixtures.

Panel B will consist of one (1) contractor for the provision of electrostatic painting of the street and park furniture located throughout the municipality.

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 – Your Community, Services and Facilities

Strategy 1.6 - Create and maintain public areas, facilities and amenities and spaces that are inviting operation, clean, safe and secure to increase social connection and improve the perception of safety.

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

3. Background

Council requires a number of suitably qualified and experienced contractors to deliver a range of General Painting and Electrostatic Painting services throughout the municipality on Council buildings and structures, street furniture and park assets, which:

- are of high quality;
- are cost-effective, reliable, and effective;
- comply with Government Acts, Regulations and Council's Local Laws and policies; and
- comply with Australian Construction Codes and Standards.

Successful contractors will be appointed to one of two distinct Panels - Panel A - General Painting Services and Panel B - Electrostatic Painting Services in accordance with the required specifications.

Panel A will be awarded to a panel of up to four (4) contractors and will supply internal and external painting and protective coatings to council buildings and associated structures and fixtures at an hourly rate.

Panel B will be awarded to a panel of up to two (2) contractors and will supply electrostatic painting of street and park furniture.

The works to be performed by the contractors shall generally include, but not be limited to:

- Maintenance, recoating and repair of internal and external protective painting for Council buildings and associated structures;
- Minor patching, repairs, and cleaning for new and old works, including small amounts of graffiti; and
- Street and park furniture, including metal seats, bins, bollards, tree guards, and play equipment fencing.

This contract structure is a schedule of rates contract, with materials charges on a cost-plus basis.

Invitation to tender

In accordance with Council's Procurement Policy 2021-25, Council invited public tenders from suitably experienced and qualified organisations to provide painting services on an ad-hoc basis for various council buildings and building assets, street furniture and parks assets.

An invitation to tender was advertised in the local government tenders' section of "The Age" newspaper on Saturday, 9 September 2023 and on Council's website. The closing date for submissions was 2pm, Friday 29 September 2023.

In response to the advertisement, Council received eighteen (18) submissions:

- A & P Painting Pty Ltd;
- Accessible PM Pty Ltd;
- Argyle Maintenance Unit Trust;
- Baystone Coating Services Pty Ltd;
- Blended Build Pty Ltd;
- Boongalla Group;
- Eastern Property Services Pty Ltd;
- Furlong Painting Pty Ltd;
- Grange Banks Commercial Coatings;
- Higgins Coatings Pty Ltd;
- JD Horizons Pty Ltd t/as JD Painting & Signage;
- Melbourne Protective Coatings;
- Paint Melbourne;
- Prime Painting Group Pty Ltd as trustee for the Gordon Family Trust;
- Prestige Painting Group Pty Ltd, the trustee for Kelly Family Trust;
- Programmed Property Services Pty Ltd
- Purpaint Pty Ltd; and
- Urban Maintenance Systems Pty Ltd.

4. Outline of key issues/options

Painting repairs and maintenance services assists with presentation and prolonging the life of council's building assets, street furniture and park assets.

It also assists in the health and amenity of community facilities and buildings providing a protective coating to assist with cleansing activities.

The key considerations used to determine the outcome of the tender process were:

- The contract allowed for the award of two panels. Panel A - consists of up to four (4) contractors that could demonstrate a wide range of general painting services and Panel B, a panel consisting of up to two (2) contractors that would demonstrate experience in electrostatic painting services,
- Contractors are required to be adequately resourced and industry experienced and qualified;
- Emphasis should be placed on qualitative analysis given the broad range of painting services industry rates,
- A proven track record undertaking general painting and electrostatic painting in the past,
- Demonstrated ability to plan, schedule and perform the work in accordance with the specified outcomes,

5. Collaborative Procurement Opportunities

Officers discussed with neighboring local government organisations to determine the suitability of a collaborative procurement process. No other local government required the same services at this time. Therefore, collaborative procurement wasn't possible in achieving a better value outcome.

6. Consultation/communication

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

7. Financial and resource implications

Council's 2023/24 adopted budget contains the following allocation:

Item	Ex GST.
Painting Services	\$280,430
Electroplating of Park Furniture	\$80,000
Less Expenditure and commitments to date	\$128,407
Remaining Budget 2023-24	\$182,531

This is a Schedule of Rates contract, expenditure under this contract will be in accordance with the budget allocations,

As this is a schedule of rates contract and subject to budgetary approval, the tendered rates shall be reviewed annually and adjusted based on the movements in the Consumer Price Index (CPI) ABS Catalogue 6401.0, All Groups Index Table 1, Melbourne.

The council does not guarantee the appointed contractors 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

8. Governance issues

The recommendation contained in this report is compatible with the Charter of Issues. No Officers preparing 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 the Council's Procurement Policy 2021-25.

9. Social and environmental issues

Well maintained infrastructure enhances the safety, security and operation of Council facilities, creates greater opportunities for usage and provides a sense of pride and safer communities.

10. Evaluation and review

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

As a result of the evaluation, the evaluation panel recommends that Council award Contract No. 2023/116, Painting Services - Annual Supply to the following five (5) companies:

Panel A – General Painting Services

- A & P Painting Pty Ltd (ACN 110 458 583);
- Prestige Painting Group Pty Ltd (ACN 127 177 780) the trustee for Kelly Family Trust (ABN 17 711 734 627);
- Programmed Property Services Pty Ltd (ACN 106 015 632); and
- Purpaint Pty Ltd (ACN 129 513 926).

Panel B – Electrostatic Painting

- Baystone Coating Services Pty Ltd (ACN 630 554 942).

Manager: **Rodney Lewis, Acting Manager Facilities, Waste and Infrastructure**

Report officer: Michael Robins, Coordinator Facilities Maintenance