

ITEM 8 TENDER T1000084 - LINEMARKING SERVICES - PRIMARY SUPPLIER

This report recommends acceptance of tenders for the provision of Line marking services to Council in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2021. A Primary and Two Secondary Suppliers will be engaged for an initial period of two years with options of 3 x 1 year, with such extensions exercisable at Council's sole discretion.

Council restores and renews the line marking on roads and carparks throughout the Local Government Area.

RECOMMENDATION

- 1 In accordance with Section 178(1)(a) of the Local Government (General) Regulation 2021, Council accept the tenders shown in Table 1 for the provision of Line marking Services, with Primary and Secondary Suppliers, for an initial two (2) year contract term, with options to extend for periods of 3 x 1 year, at the sole discretion of Council.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

REPORT AUTHORISATIONS

Report of: Roger Stewardson, Manager City Works
Authorised by: Joanne Page, Director Infrastructure + Works

ATTACHMENTS

There are no attachments for this report.

BACKGROUND

Council has over 1,000 km of road assets and car parks which require regular maintenance and renewal; to allow safe and accessible travel and parking for the public. This maintenance includes line marking, which is a critical component of road and carpark safety and must be maintained and restored throughout the life cycle of the asset. It is important that line marking services are procured, engaged, and delivered to a high standard in a time effective way.

Council currently sources contractors for these works using the Local Government Procurement Contract - LGP120 - Line/Road Marking Works & Services (which expires on 31 July 2023). Council has sourced suppliers through the LGP contract for approximately 3 years and while good overall outcomes have been achieved, several shortcomings have been identified over that period which include:

- The current LGP contract has a limited number of competent suppliers with the number of suppliers providing quotations reducing over time.
- Council staff are required to undertake quotations for individual project (small and large). This has proven to be time consuming for Council staff in adhering to procurement policies and procedures.
- Contractors invest time in preparing quotations without knowing the possibility of success.
- Council has identified inconsistency in quality and performance amongst the variety of contractors that have been engaged and the rectification of defective work has been a challenge.
- Timeframes for the delivery of works is variable and inconsistent, with low value projects being delayed by contractors who are prioritising larger works with other clients.

Council has identified the following benefits in using a primary (and secondary if needed) supplier over a longer contract period (with exercisable extensions at the discretion of Council):

- We were able to develop our own contract terms and detailed specification based on our requirements considering previous learnings.
- There are many current and proposed road infrastructure projects across NSW which compete for resources, and line marking is required on all of them. This tender will improve Council's negotiating position in determining availability of resources to suit our project timeframes.
- The longer contract timeframe will provide increased stability for suppliers to provide a better value proposition for their employees enabling retention of skilled line marking employees in the current jobs market.
- Council will be able to enforce rectification of works, and service level agreements due to longer term relationship and ongoing work subject to meeting performance requirements.
- Council can work with the Primary Supplier to plan projects well ahead of the programmed delivery date. This should improve the customer notification experience and interaction with the community.

This tender has been undertaken to develop a primary and secondary panel of suppliers for the delivery of Line marking Services works. The tender has established a Schedule of Rates for all aspects of Line marking Services and looks to appoint a Primary and two Secondary suppliers as part of this panel.

Tenders were invited for this project by the Open tender method with a close of tenders of 10.00 am on 17 January 2023.

Five tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the City Works, Infrastructure Strategy and Planning and Governance + Customer Service Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

Mandatory Criteria

- 1 Satisfactory references from referees for previous projects of similar size and scope
- 2 Financial assessment acceptable to Council which demonstrates the tenderer's financial capacity to undertake the works
- 3 Workplace Health & Safety Management system Tenderers have as a minimum a Health & Safety Policy and WHS Management System Manual or Plan.
- 4 PCCP Certification. Tenderer must be certified under the Painting Contractor Certification program. Certification must be for Category B "Pavement Markings" to the specified Classes.

Assessable Criteria

- 1 Cost to Council – 50%
- 2 Appreciation of scope of works and construction methodology – 15%
- 3 Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile, including staff qualifications and experience – 20%
- 4 Demonstrated strengthening of local economic capacity -10%
- 5 Workplace health and safety management system – 5%

The mandatory assessment criteria have been met by the recommended tenderers.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that

best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Wollongong Linemarking Services Pty Ltd	Primary (1)
Complete Linemarking Services Pty Ltd	Secondary (2)
Oz Linemarking Services NSW Pty Ltd	Secondary (3)
ACT Linemarking Pty Ltd	Not recommended **
Avante Linemarking	NON-CONFORMING

** ACT Line marking has submitted a schedule of rates which are not considered to be acceptable to Council.

PROPOSAL

Council should authorise the engagement of the listed service providers to carry out line marking in accordance with the specifications developed for these services.

The recommended tenders have satisfied the Tender Assessment Panel that they can undertake the works to Council's standards and in accordance with the specification.

The panel has reviewed the contractor performance reports, and the 3 recommended suppliers had demonstrated satisfactory performance with respect to standards of work, safety, work management and completion.

CONSULTATION AND COMMUNICATION

Members of the Tender Assessment Panel

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 Goal 6 "We have affordable and accessible transport". It specifically delivers on the following:

Community Strategic Plan 2032	Delivery Program 2022-2026
Strategy	4 Year Action
6.3 Provide connected and accessible places and spaced.	6.3.2 Maintain the service levels of our roads, footpaths and cycleways to an acceptable standard.

RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council's Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the line marking services is considered medium based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

SUSTAINABILITY IMPLICATIONS

The use of a panel and primary supplier model will enable more efficient and improved service delivery for road reconstruction and maintenance activities.

The use of Wollongong Line marking Services Pty Ltd as Primary supplier, being a local provider with local employees and engagement of local subcontractors reduces the carbon footprint associated with fleet and equipment compared with suppliers not located within the Wollongong Local Government Area.

FINANCIAL IMPLICATIONS

It is proposed that the works will be funded from the following source as identified in the Operational Plan under a schedule of rates –

Annual Capital Budget

Regional Roads Traffic Facilities (component of the Regional Roads Block Grant)

Annual Maintenance Budget – Roads, Bridges, Car parks

All engagements under this contract will occur via Councils roads maintenance budgets and Infrastructure Delivery Program (Capital). Engagements are, this will aid council in ensuring sufficient budget is allocated for services, as the costs of services will be known and controlled under the schedule.

CONCLUSION

The recommended tenderers have submitted acceptable tenders and Council should endorse the recommendations of this report.