## 6.1 RFT IE437/2025 PAVEMENT MARKING SERVICES

**Attachments:** **1. Evaluation Worksheet RFT IE437-2025 - Confidential**

**RECOMMENDATION:**

**That Council:**

**1. NOTES the outcome of the evaluation process for Tender IE437/2025; and**

**2. ACCEPTS the tender submission of Linemarking WA Pty Ltd for Tender IE437/2025 Pavement Marking Services.**

**PURPOSE OF REPORT:**

For Council to consider and determine the outcome of Tender IE437/2025 Pavement Marking Services.

**DELEGATION:**

The decision to accept or reject tenders with a value exceeding $250,000 requires a decision of Council in accordance with Council's adopted register of delegations, authorisations and appointments.

**BACKGROUND:**

Pavement marking is an essential requirement for the City's roads, parking bays and delineation of special requirements including disabled parking. Pavement marking is an ongoing requirement including marking of faded lines to maintain visual awareness. Parking enforcement requires that line marking is in place and to the correct standards required. There is currently no contract in place for this service. A procurement plan to undertake a public Request for Tender to engage a suitably experienced and qualified supplier through a contractual arrangement was approved on 15 May 2025.

A Request for Tender was publicly released on Wednesday 28 May 2025 and closed on Thursday 26 June 2025.

**DETAILS:**

**Tender Submissions**
Submissions were received from two (2) respondents.

**Evaluation Panel**
The Evaluation Panel comprised of four (4) members, being:

- three with appropriate operational expertise and involvement (voting); and
- one with tender preparation skills and probity advice provided by a Procurement and Contracts Officer (non-voting).

**Compliance Assessment**
A compliance assessment was undertaken on all submissions. Both submissions were deemed compliant and progressed to the qualitative assessment stage.

**Evaluation Method and Weighting**
The qualitative weighting method of tender evaluation was selected to evaluate the offer. The qualitative criteria and weighting used in evaluating the submission received were as follows:

| Qualitative Criteria | | Weighting |
|---|---|---|
| 1 | Demonstrated understanding of the required service | 45% |
| 2 | Capacity, Skills and Experience | 55% |

**Qualitative Assessment**
Each submission was evaluated against the qualitative criteria outlined in the Request for Tender. These criteria included the respondent's demonstrated understanding of the service requirements, specifically their identification of key delivery risks and corresponding mitigation strategies, their proposed methodology for delivering the service within the required timeframes and budget, and their demonstrated capacity and experience to successfully deliver the services.

The results of the qualitative assessment are summarised below:

| Respondent # | Weighted Percentage Score | Qualitative Ranking |
|---|---|---|
| Respondent 1 | 60% | 2 |
| Respondent 2 | 90% | 1 |

Refer to **Confidential Attachment 1** for further details.

Both submissions progressed to the price assessment stage.

**Price Assessment**
The panel carried out an assessment of the submitted pricing offered by the submissions. The total price breakdown is included in **Confidential Attachment 1**.

| Respondent # | Rank |
|---|---|
| Respondent 1 | 2 |
| Respondent 2 | 1 |

Refer to **Confidential Attachment 1** for further details.

**Risk Assessment**
The evaluation panel conducted a comprehensive risk assessment of each submission, considering compliance with specifications, potential service delivery risks, and contractual risk exposure.

| Respondent # | Compliance with RFT | Operational/Service Delivery Risk | Contractual Risk | Risk Rank |
|---|---|---|---|---|
| Respondent 1 | Fully compliant with specifications and contractual terms. No departures or critical assumptions noted. | **Moderate** – Methodology and risk management approach were high-level and generic. Lacked detail and did not address site-specific risks or demonstrate a clear plan to manage resources, timelines, and cost. Limited metro local government experience and focus on carpark works raises concerns about capability in complex or urban environments. | **Moderate** – No contractual departures, however, the limited detail in the submission and lack of demonstrated experience with similar urban LG contracts may pose a moderate risk to successful contract performance and responsiveness to unforeseen issues. | 2 |
| Respondent 2 | Fully compliant with specifications and contractual terms. No departures or critical assumptions noted. | **Low** – Comprehensive and tailored risk assessment provided. Strong methodology supported by documentation and clear processes. Extensive relevant experience, including metro LGAs and state clients. Demonstrated strong ability to deliver within time and budget. | **Low** – No contractual departures. Submission demonstrated strong understanding of contract requirements and clear processes, supported by experienced personnel and relevant local government experience. | 1 |

**Value for Money Assessment**
The Evaluation Panel undertook a comprehensive value for money assessment, considering the combined outcomes of the qualitative evaluation, pricing analysis, and risk assessment. This holistic approach ensured that the recommended submission offers the optimal balance of quality, cost-effectiveness, and low delivery and contractual risk to the City.

| Respondent # | Qualitative Rank | Price Rank | Risk Rank | Value for Money Rank | Comment |
|---|---|---|---|---|---|
| Respondent 1 | 2 | 2 | 2 | 2 | Demonstrated a satisfactory understanding of the service requirements and the capacity to deliver the works; however, their submission lacked the level of detail and assurance provided by the other respondent. While compliant, the response was high-level in nature, with limited evidence of experience in metropolitan environments and only modest alignment with the City's operational context. Given the lower overall qualitative score and the higher submitted pricing, the value for money is considered limited. The combination of higher cost and moderate service delivery risk reduces confidence in achieving optimal value under this contract. |
| Respondent 2 | 1 | 1 | 1 | 1 | Demonstrated a strong understanding of the service requirements, with a comprehensive and well-supported methodology, extensive relevant experience with metropolitan local governments, and a high degree of confidence in their ability to deliver the service effectively.<br>Importantly, the Respondent also submitted the lowest overall rates, further enhancing their value proposition. The combination of superior qualitative performance and more competitive pricing provides a strong basis for confidence that this Respondent will deliver high-quality outcomes at the best value for the City. |

**Evaluation Summary**
The panel concluded that **Linemarking WA Pty Ltd** provides the best overall value for money to the City and is recommended for the provision of pavement marking services (RFT IE412/2024) for the following reasons:

- Fully compliant with all submission and specification requirements;
- Ranked **1st** in the qualitative assessment, demonstrating strong capability, relevant experience with local governments, and a good understanding of the City's service requirements;
- Ranked **1st** in the pricing assessment, offering competitive rates across key service items and overall better value compared to other submissions;
- Pricing is considered reasonable and aligned with the City's approved operating budget of $158,000 per annum (totalling $475,000 over the initial three-year term);
- Submission includes demonstrated environmental initiatives and social responsibility practices, including recycling of paint tins, reduced water usage practices, and partnerships with Aboriginal-owned traffic management companies, aligning with the City's environmental, sustainability and social responsibility priorities; and
- Identified risks were assessed as low, with the respondent presenting a reliable service delivery model, sound policies, and a history of servicing neighbouring local governments.

Given the strong performance across all assessment criteria, it is therefore recommended that Council accepts the tender submitted by **Linemarking WA Pty Ltd** for Request for Tender IE437/2025 Pavement Marking Services.

**CONSULTATION/ADVERTISING:**

This matter is subject to a statutory advertising requirement. The Request for Tender IE437/2025 Pavement Marking Services was advertised in the West Australian on 28 May 2025 and on both the City's website and VendorPanel between 28 May 2025 and 26 June 2025.

**LEGAL/POLICY:**

The Request for Tender was prepared and advertised in accordance with:

- Section 3.57 of the Local Government Act 1995;
- Part of the *Local Government (Function and General) Regulations 1996;* and
- City of Vincent Purchasing Policy

**RISK MANAGEMENT IMPLICATIONS**

Low: It is low risk for Council to accept the preferred Respondent as they have appropriate level of experience and financial capacity.

CITY OF VINCENT

## RISK APPETITE & TOLERANCE STATEMENTS

| Risk Category | Risk Appetite / Tolerance Statement | Descriptor /clarification |
|---|---|---|
| | | festival. Other projects may include working with developers. |
| *3rd party Partner (Contractor) failure* | The City has a ***low risk appetite*** for third party partner (contractors) failure. | The City utilises many outside organisations in delivering on its mandate. This low appetite means that even minor or insignificant breaches in contracts or delays in delivery of products and services will be taken seriously. Accordingly, third party risk must be considered before entering into any contract, including reputation of third party, financial viability, audit clauses etc. |
| **Procurement** | | |
| *Procurement failure* | The City has a ***low risk appetite*** for procurement failures that lead to poor value for money or financial loss, poor quality of service; incorrect or substandard products or delayed delivery; wastage of funds or services. | This ties into the above point; and thereby requires appropriate procedures in the procurement process to ensure the required outcomes for the City and appropriate enquiry and planning prior to purchases. Note, appropriate delegations must exist to support this. |
| | The City has ***zero tolerance*** for procurement decisions that endanger our staff and community. | Procurement decision making must consider the risk of injury or harm to the staff & community of Vincent. An example of this would be allowing the Beatty Park pool to use unregulated or unauthorised chemicals. |

In accordance with the City of Vincent's adopted Risk Appetite and Tolerance Statements, the recommendation to award the contract for RFT IE437/2025 Pavement Marking Services to **Linemarking WA Pty Ltd** presents a low risk to the City and is consistent with the organisation's risk position in the following areas:

- **Third Party (Contractor) Failure**
  The City has a low risk appetite for third party (contractor) failure, recognising the critical role external providers play in service delivery. Even minor breaches or service delays are taken seriously, and contractor risk—including capability, track record, and reliability—must be assessed before entering into contract arrangements.
  The recommendation to award the contract to Linemarking WA Pty Ltd represents a low third-**party** risk. The company demonstrated a high level of preparedness, with detailed methodology, clearly defined processes, and a strong understanding of the operational requirements. Their submission included evidence of relevant past performance with multiple metropolitan local governments—including the City of Stirling, City of Bayswater, and City of Wanneroo—reinforcing confidence in their ability to meet the service obligations with minimal risk of failure or delay. The company's existing relationships with neighbouring LGAs, high proportion of government clients, and consistent delivery of similar services further mitigate the risk of contractor non-performance.

- **Procurement Failure**
  The City maintains a **low risk appetite for procurement failures** that result in poor value for money, delayed service delivery, or substandard outcomes. The procurement process must ensure that all decisions are evidence-based, transparent, and aligned with the City's financial and service delivery objectives.
  Linemarking WA Pty Ltd received the highest qualitative score (90%) and demonstrated strong capability, well-qualified personnel, and proven delivery within timeframes and budgets. Their submission included a comprehensive service methodology supported by documentation such as a Customer Service Charter and past project templates. These materials provided assurance of professional standards, customer responsiveness, and service quality.
  No contractual departures or critical assumptions were identified, and the selection process followed the City's approved procurement procedures, ensuring alignment with the City's risk appetite in this category.

- **Zero Tolerance – Safety Risk**
  The City has **zero tolerance** for procurement decisions that may result in harm or injury to staff or the community. Safety must be a core consideration in evaluating any supplier or service.
  The recommended respondent clearly demonstrated a commitment to safe work practices and included risk mitigation strategies directly addressing the safety and operational risks associated with pavement marking. Their experience working with Main Roads WA and other metropolitan LGAs indicates an established understanding of traffic management requirements, site safety, and minimisation of community disruption—ensuring that safety risks are well-managed throughout the contract.

- **Reputational and Strategic Risk**
  Awarding the contract to a capable and experienced contractor aligns with the City's strategic priorities around safe, responsive, and effective service delivery. Linemarking WA Pty Ltd's strong reputation in the industry, combined with its existing work with nearby local governments, enhances the City's ability to ensure a smooth and coordinated delivery of services across the local road network.
  Failure to appoint a qualified and proven contractor could expose the City to reputational risk from poor or delayed performance. This recommendation minimises that risk and supports the City's strategic objective to deliver high-quality infrastructure maintenance in a timely and cost-effective manner.

Given the above, the recommended decision to award the contract to **Linemarking WA Pty Ltd** is considered low risk, aligns with the City's risk appetite and tolerance statements, and ensures delivery of a critical community infrastructure project in a financially sound, safe, and operationally robust manner.

**STRATEGIC IMPLICATIONS:**

This is in keeping with the City's *Strategic Community Plan 2022-2032*:

Thriving Places

*Efficiently managed and maintained City assets in the public realm.*

Innovative and Accountable

*Our decision-making process is consistent and transparent, and decisions are aligned to our strategic direction.*

**SUSTAINABILITY IMPLICATIONS:**

This does not contribute to any specific sustainability outcomes of the *City's Sustainable Environment Strategy 2019-2024,* however respondents were requested to provide information on the environmental performance of their product or service in relation to industry norms, including life cycle impacts such as materials used, product durability, and end-of-life pathways for reuse or recycling. Respondents were also asked to outline their company's approach to social responsibility, including initiatives to support Aboriginal and Torres Strait Islander persons and businesses, persons with disability, and gender diversity.

The preferred Respondent provided relevant details in their submission, including that all paint purchased carries an environmental levy which contributes to environmentally safe disposal. Paint tins supplied by Dulux are metal and therefore recyclable, aligning with the City's One Planet goals relating to Materials and Products and Zero Waste. The Respondent also uses separate linemarking machines for each paint colour, reducing the need for water-intensive cleaning and supporting the City's Sustainable Water target. An environmental policy was included in the submission. From a social responsibility perspective, the Respondent operates an equal opportunities policy and currently employs Indigenous staff. They also partner with Aboriginal-owned traffic management companies in regional areas such as the Wheatbelt and Pilbara

**PUBLIC HEALTH IMPLICATIONS:**

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025.*

**FINANCIAL/BUDGET IMPLICATIONS:**

An annual budget of approximately $158,000 has been identified and approved as part of the City's 2024/25 Operating Budget. This allocation is supported by the City's endorsed Procurement Plan for pavement marking services. Over the initial three-year contract term, this equates to a total budget allocation of $475,000 (excluding any optional extension periods).

The rates submitted by the preferred respondent are considered competitive and represent good value for money based on the scope of services required. The pricing is expected to remain within the allocated budget over the life of the contract, ensuring the ongoing delivery of pavement marking services without additional financial impact to the City.

**COMMENTS:**

Linemarking WA Pty Ltd is recommended as the preferred supplier for the provision of pavement marking services. The respondent demonstrated strong capacity and extensive experience delivering similar services for a range of local governments, including the Cities of Stirling, Bayswater, Wanneroo, Canning, and Subiaco, as well as being a current Main Roads WA panel contractor. Their proximity to the City and ongoing work with neighbouring LGAs presents operational efficiencies and scheduling flexibility.

Linemarking WA submitted the most competitive pricing overall and offered better value for money across a wide range of common pavement marking items. Although their mobilisation and demobilisation rate is higher, this reflects their minimum call-out cost for a full job, whereas other respondents only quoted hourly rates. When considered in context, their pricing is still considered very reasonable and is expected to remain within the City's approved operating budget allocation of $158,000 per annum (or $475,000 over the initial three-year term).

The submission also addressed environmental and social responsibility objectives. Linemarking WA recycles metal paint tins, uses dedicated paint machines to reduce water use, and contributes to environmental disposal levies through Dulux. The company also demonstrated commitment to social inclusion by employing Aboriginal staff and partnering with Aboriginal-owned traffic management providers in regional areas. These initiatives align with several principles of the City's One Planet Strategy, including Zero Waste, Sustainable Water, and Materials and Products.

Overall, Linemarking WA Pty Ltd provided a comprehensive and competitive submission and is considered capable of delivering the required services to a high standard.