

Section 221 of the *Local Government Regulation 2012* stipulates that a Significant Contracting Plan must be prepared prior to commencement of a contract that Council has identified as a Significant Contract. Council may, by resolution, amend a Significant Contracting Plan at any time before the end of the financial year to which the plan relates.

1. Key Information	
Significant Contract Title: Pavement Marking Services	
Group: Built Infrastructure	Branch: Civil Asset Management
Contract Administrator: Luke Sammut	Position: Contracts Delivery Manager
Procurement Specialist: Ben Vandenberg	
Contract/Project Description: Provision of Pavement Marking Services across the Sunshine Coast region.	
Link to Procurement Plan:	

2. Council Resolutions	
Previous Council resolutions:	
This plan endorsed by Council:	

3. Background
<p>Council's current contract ITT1723 for Pavement Marking Services, which has been in place since 3 February 2018, expires on 2 February 2022.</p> <p>Council maintains more than 2,200km of roads, and it is Council's objective to renew all pavement marking assets every two (2) years. This contract will supplement Council's internal resources to renew existing pavement marking assets, and complete new pavement marking works as required.</p>

4. Objectives
What are the objectives of this contract?
To ensure that Council has capacity, through a combination of internal and contractor resources, to complete all required pavement marking works to required standards.
How will objectives be achieved?
Engaging a contractor with the capability and experience to complete programmed works in accordance with Council requirements and Australian Standards.
How will achievement of objectives be measured?
Council officers will inspect works to ensure all works are completed in accordance with the required program and to the required standard.
Contract will also contain Key Performance Indicators (KPI's) to track achievement of specific objectives. Performance against KPI's will be tracked by Council, and outcomes discussed with the successful contractor.
What are the alternative ways of achieving the objectives? Include reasons for not adopting alternative ways.
Works could be performed entirely with internal Council resources. Council currently does not have the capacity to perform all required works with internal resources.

5. Proposed category and contractual arrangements

Which category does this contract fall within?

Operational Works and Services

Which contractual arrangements should be applied to this contract, and why?

Goods and Services

6. Market and Risk Assessment

Provide an assessment of the market in which the contract is to happen, including an assessment of any procurement risks. Refer to the Risk Assessment Calculator in the Procurement Plan.

Sufficient market exists for this work with Council receiving a strong response from the market on the previous occasions that Council has gone to market for this service.

Risks:

- **Suppliers do not have the capability or resources to meet Council's requirements** – works are to be undertaken by qualified staff / contractors in compliance with applicable legislation. Could impact on supplier resource levels and ability to complete work in accordance with required program.
- **Pricing received higher than anticipated** – Council has not approached the market for the supply of these services since 2017 and may have an unrealistic expectation in relation to price movement in the market since this time. This may impact Council's ability to deliver all programmed works.
- **Inability of Council to accurately define required service levels** – completion of the works to a required standard is important to meet community expectation and in order to meet legislative requirements. In order to ensure works can be completed to the required standard Council must be able to accurately specify the standard required.

Proposed mitigations for identified risks:

- **Suppliers do not have the capability or resources to meet Council's requirements** – Council's requirements will be clearly outlined in the tender documents and respondent submissions will be assessed to ensure sufficient, appropriately qualified and capable resources are available.
- **Pricing received higher than anticipated** – Schedule of Rates contract will provide flexibility to allow Council to complete works in accordance with approved budget.
- **Inability of Council to accurately define required service levels** – Council has successfully sought these services from the market on previous occasions and has an established specification covering these services. This specification clearly describes the regulations and Australian Standards that govern the delivery of these works.

Undertake an assessment of operational risks relating to the contract/project. Attach details.

1. Pavement marking work not completed in accordance with Council's and / or legislative requirements – Council requires works to be performed in accordance with the Department of Main Roads (DTMR) Manual of Uniform Traffic Contract Devices (MUTCD) Queensland, together with a number of applicable Australian Standards. Works will be inspected by Council to ensure compliance.
2. Workplace Health & Safety – location of the works presents risks to members of the public as well as contractor undertaking the work. Risks will be mitigated by assessing respondents WH & S credentials as part of the tender evaluation process, and through appropriate contract management to ensure compliance to Council and legislative requirements.
3. Works not completed to schedule – Council will provide the contractor with a monthly program of works giving the locations and streets / roads for which renewal of existing pavements is required. The contractor will be required to schedule works to ensure completion within the month programmed.

Approvals (prior to resolution)

Position	Name	Signature	Date
Manager Civil Asset Management	Lisa Devine		
Manager Business and Innovation	Paul Skillen		