

ITEM 13 TENDER T1000187 - WOLLONGONG TOWN HALL AND ART GALLERY HVAC AND REFURBISHMENT WORKS

This report recommends acceptance of a tender for the Town Hall and Art Gallery HVAC and Roofing refurbishments in accordance with the requirements of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

The Art Gallery is valued by the community and offers a wide range of services and diverse program including exhibitions, education, forums and public programs. The Wollongong Town Hall is currently operated by Merrigong Theatre Company and provides a variety of services including theatre music and community engagement.

The Heating, Ventilation and Air Conditioning (HVAC) systems of the Town Hall and Art Gallery Buildings are at the end of their usable life and are recommended for replacement. Most of the mechanical equipment comprising the HVAC system for these buildings is located on the roofs. The roofs for both buildings are in fair to poor condition and result in numerous locations of water ingress into the buildings. It is pertinent to replace the roofs of the buildings in conjunction with the HVAC upgrades. In addition, other building services will be upgraded to current standards. The upgrades will improve the HVAC's energy efficiency at the Art Gallery and Town Hall and increase the lifespan of the buildings.

RECOMMENDATION

- 1 In accordance with Section 178(1)(a) of the *Local Government (General) Regulation 2021*, Council accept the tender of Climax Air Conditioning Pty Ltd for Town Hall and Art Gallery HVAC and Roofing refurbishments, in the sum of \$13,753,092 including GST.
- 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: Jeremy Morgan, Manager Project Delivery (Acting)

Authorised by: Joanne Page, Director Infrastructure + Works

ATTACHMENTS

There are no attachments for this report.

ACRONYMS USED IN REPORT

Abbreviation	Meaning
HVAC	Heating, Ventilation and Air Conditioning

BACKGROUND

The Wollongong Town Hall and Art Gallery buildings are both significant buildings in Wollongong's landscape, holding significant local heritage value. In recent years, the buildings have experienced significant roof leaks during rain events. Additionally, the mechanical and air conditioning systems have reached their end of life and need replacement for the buildings to continue operating efficiently and effectively.

The works will:

- Increase the lifespan of both buildings and reduce the maintenance costs by installing new roofs, guttering and downpipes, and new mechanical/HVAC systems
- Provide improved temperature-controlled conditions for storing and displaying art works, thus enabling the Wollongong Art Gallery to attract higher calibre exhibitions to the Art Gallery.

- Provide compliant fire protection to the Art Gallery and a new fire booster system to service the building
- Upgrade electrical boards and systems to current standards
- Introduce solar panels to the roof of the Town Hall

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on 19 June 2025.

Four (4) tenders were received by the close of tenders and all tenders have been scrutinised and evaluated by a Tender Evaluation Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, City Works and Community, Culture & Engagement Divisions.

The Tender Evaluation Panel evaluated all tenders in accordance with the following Evaluation 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 evaluation acceptable to Council which demonstrates the tenderer's financial capacity to undertake the works
- 3 Evidence of accreditations in: Certified WHS Management System (AS/NZS ISO 45001:2018), certified Quality Management System (AS/NZS ISO9001:2016), Environmental Management System (AS/NZS ISO14001:2016)
- 4 Tender Programme submitted confirms to contract milestone dates
- 5 Tenderers must submit completed GC21 Tender Schedules
- 6 Attendance at site inspection
- 7 Tenderer's must confirm they have downloaded and can view the provided building 3D survey

The mandatory evaluation criteria has been met by the recommended tenderer.

Evaluation Criteria

1. Cost to Council – 45%
2. Appreciation of scope of works and construction methodology – 15%
3. Demonstrated experience and satisfactory performance in undertaking projects of similar size, scope and risk profile, including staff qualifications and experience – 10%
4. Proposed sub-contractors – 5%
5. Project Schedule including minimising shutdown timeframes to operational areas – 10%
6. Demonstrated strengthening of local economic capacity – 10%
7. Accredited workplace health and safety management system and environmental management policies and procedures – 5%

The Tender Evaluation Panel utilised a weighted scoring method for the evaluation 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 evaluation criteria as specified in the tender documentation. The method then considers pre-determined weightings for each of the evaluation 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 lists the tenderers for this project.

TABLE 1 – SUMMARY OF TENDERERS

Name of Tenderer
Climax Air Conditioning Pty Ltd
Batmac Constructions Pty Ltd
Makki Constructions Pty Ltd
AirMaster Corporation Pty Ltd

PROPOSAL

Based on the assessment of all tenders, it is recommended that Council accept the tender from Climax Air Conditioning Pty Ltd to carry out the Town Hall and Art Gallery HVAC and Roofing refurbishments in accordance with the scope of works and technical specifications developed for the project. The tender from Climax Air Conditioning was determined to have the highest overall score and ranked first in the assessment.

The recommended tenderer has satisfied the Tender Evaluation Panel that it is capable of undertaking the works to Council's standards and in accordance with the technical specification.

An acceptable financial assessment has been received in relation to the recommended tenderer.

Referees nominated by the recommended tenderer have been contacted by the Tender Evaluation Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Evaluation Panel
- 2 Nominated Referees

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong Our Future 2035 Goal 3 – “We foster a diverse economy, and we value innovation, culture, and creativity”. It specifically delivers on the following:

Community Strategic Plan 2035	Delivery Program 2025-2029
Strategy	Service
1.5 Work together to achieve net zero greenhouse gas emissions and mitigate the impacts of climate change.	Environmental Services
2.3 Deliver high quality, fit for purpose and sustainable infrastructure to support a growing and resilient city	Infrastructure Strategy and Delivery
2.7 Develop and implement programs and projects that achieve proactive heritage management, education and promotion.	Community Programs
3.12 Promote museums and galleries as part of the cultural landscape	Arts and Culture
4.2 Provide a variety of quality and accessible public spaces and opportunities for sport, play, leisure, recreation, learning and cultural activities in the community.	

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 project works or services is considered medium based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

SUSTAINABILITY IMPLICATIONS

Sustainability implications have been considered as follows:

- Sustainable procurement by providing open tender to give local companies the opportunity to tender for the work.
- Weighting in tender assessment provided for using local services, labour and materials.
- Introduction of renewable energy source to the Town Hall through installation of solar panels
- Modernised HVAC systems will operate with improved energy efficiency
- Removal of gas services to the Town Hall Building
- Fit for purpose building materials to resist the coastal environment in which the building is located.

FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

2025/26 Capital Budget

2026/27 Capital Budget

An application for funding under the NSW Government Electrification grant program is pending assessment, with the outcome anticipated to be advised in October 2025.

CONCLUSION

The proposed renewal and upgrade work to the Town Hall and Art Gallery Buildings is aligned with the strategic direction and key actions within Council's Delivery Program and Operational Plan. Climax Air Conditioning Pty Ltd have provided a satisfactory submission, and it is recommended that Council endorse the recommendations of this report.