

NARACOORTE LUCINDALE COUNCIL

MINUTES FOR NARACOORTE REGIONAL LIVESTOCK EXCHANGE BOARD MEETING HELD ON 4 June 2019

TABLE OF CONTENTS

ITEM NO.	SUBJECT	PAGE NO.
ITEM 1	COMMITTEE MEMBER'S DECLARATION OF INTEREST (IF ANY)	2
ITEM 2	PUBLIC FORUM	2
ITEM 3	CONFIRMATION OF COMMITTEE MINUTES	2
ITEM 4	MATTERS LAID ON THE TABLE FROM PREVIOUS MEETINGS	3
ITEM 5	REPORTS FOR DECISION/DISCUSSION	
5.1	Financial	3
5.2	Capital Works – Cattle Selling Pens Upgrade	4
5.3	WHS and Risk Management	5
ITEM 6	REPORTS FOR INFORMATION / DISCUSSION	
6.1	Capital Works	5
6.2	Operations	6
6.3	Management	6
6.4	Promotion and Marketing	7
6.5	Compliance	7
ITEM 7	PUBLICATIONS / DOCUMENTS / INFORMATION FROM OTHER BODIES	7
ITEM 8	MATTERS RAISED BY MEMBERS	
8.1	Questions with notice	7
8.2	Motions with notice	7
8.3	Questions without notice	7
8.4	Motions without notice	7
ITEM 9	MATTERS THAT MAY BE CONSIDERED IN CONFIDENCE	7
ITEM 10	NEXT MEETING	7
ITEM 11	MEETING CLOSURE	8

NARACOORTE LUCINDALE COUNCIL
MINUTES FOR NARACOORTE REGIONAL LIVESTOCK EXCHANGE
BOARD MEETING HELD ON
4 June 2019

COMMENCED: Meeting commenced at 5.55pm in Naracoorte Regional Livestock Exchange, Naracoorte

PRESENT: Cr Schultz, Mr O'Loan, Mayor Vickery (Presiding member)

APOLOGIES: Cr McLachlan, Mr England, Cr Grundy

ON LEAVE:

OFFICERS

Trevor Smart
Steve Bourne
Richard Bourne
Fiona Standley

CEO
Director Operations
NRLE Manager
Administration Officer

MEDIA
REPRESENTATIVES:

MOVED MR OLOAN
SECONDED CR SCHULTZ

That in the absence of Cr McLachlan, Mayor Vickery is appointed to the position of presiding member for the NRLE Board meeting being held on 4 June 2019.

CARRIED

ITEM 1 COMMITTEE MEMBER'S DECLARATION OF INTEREST (IF ANY)
(Section 74, Local Government Act, 1999)

ITEM 2 PUBLIC FORUM

(The Public Forum is an opportunity for community members to ask questions, or to address the Committee on matters relating to the Committee's activities.)

ITEM 3 CONFIRMATION OF COMMITTEE MINUTES

MOVED MR OLOAN
SECONDED CR SCHULTZ

That the Minutes from the meeting held on 2 April 2019 are taken as read and confirmed as an accurate record of the proceedings of the meeting.

CARRIED

ITEM 4 MATTERS LAID ON THE TABLE FROM PREVIOUS MEETINGS

ITEM 5 REPORTS FOR DECISION/DISCUSSION

5.1 FINANCIAL

YTD Report

The financial report to 30 April is attached. The first 10 months have been stronger compared to last year with cattle ahead, and sheep and lamb numbers ahead of 2017/18. YTD revenue remains strong and on target to achieve budget forecast.

2019/20 Budget and Fees

At its April meeting, the Board recommended that the budget for 2019/20 is prepared based on a 2% increase in revenue and 2% increase in expenditure, in line with the approved Long Term Financial Plan (LTFP). This was completed and has been incorporated in Council's Annual Business Plan and Budget for community consultation. The Board needs to confirm the budget prior to adoption by Council. The draft was considered by the Audit Committee at its April meeting.

The fees and charges have been recalculated at a 2% increase and rounded for convenience for the two thirds of the fee to be paid by the vendor and one third paid by the agents.

REFER TO ATTACHMENTS 5.1

- Financial report to 30 April
- NRLE 2019/20 Draft Budget
- NRLE 2019/20 Fees and Charges

**MOVED CR SCHULTZ
SECONDED MR OLOAN**

That the NRLE financial reports as at 30 April 2019 and 31 May 2019 are noted.

CARRIED

**MOVED MR OLOAN
SECONDED CR SCHULTZ**

That;

- **the NRLE 2019/20 budget is recommended to Council for adoption, and**
- **the NRLE fees and charges are recommended to Council for inclusion in Council's 2019/20 Fees and Charges.**

CARRIED

5.2 Capital Works – Cattle Selling Pens Upgrade

<u>Strategic Outcome:</u>	<i>Progressive leadership – a well led and managed district supported by an ethical approach to managing infrastructure through the delivery of projects and Repairs to the community</i> <ul style="list-style-type: none">- Sustainable community finances and assets
<u>Financial Implication:</u>	Approved contract \$724,678 Troughs \$22,000 Culverts \$ 50,000 (to be purchased by Council) Contingency \$50,000 Total project \$846,678
<u>Statutory Implication:</u>	Compliance with Committee Terms of Reference
<u>Policy Implication:</u>	Procurement Policy
<u>Community Implication:</u>	Sustainable community finances and assets
<u>Environmental Implication:</u>	
<u>Consultative Implication:</u>	Effective community communication and engagement

A site visit will be held prior to the commencement of the meeting to inspect the cattle pens upgrade. Tatiara Industrial Repairs (TIR) is making steady progress on the construction. Some modifications were made to the design in consultation with TIR when the cost of the culverts planned to lift the buyers walkway exceeded the budgeted cost. The issues with the culverts planned for use became apparent once work commenced and additional information was provided by the supplier;

- culvert dimensions supplied in the design were non standard and standard sizes were unworkable.
- costs for non standard culverts (requiring new moulds) were cost prohibitive

We explored the option of lifting the panels on the buyers walkway to provide safety with additional fill, and redesigning the “H Frames” which link across the walkway. The bracing was designed to be under the culverts. But as these were not being placed, overhead bracing was required. The revised cost for this work provided by TIR is \$49,480, which is equal to the budgeted culvert cost (which was found to be inadequate). Work has proceeded with the revised design within the approved budget and delegations. The revised contract price does not impact the overall cost of the project.

Allowances were included in the design for pen numbers, but not for placards used for stock description at store and other specialty sales. TIR has designed placard holders and submitted a quoted price of \$120 per pen, equating to \$8640 for this stage of the project. It is recommended that this is approved as additional work variation to the TIR contract.

TIR has supplied documentation demonstrating the steel being used and galvanizing process meets the contract technical specification. Inspections have been undertaken to ensure holes for columns and concrete pouring also meets specifications.

**MOVED MR OLOAN
SECONDED CR SCHULTZ**

That;

- **the committee recommends to council a variation of \$49,869.40 to the contract 201819-16 Upgrade of Cattle Selling Pens at the NRLE as a result of the alteration to the design, and**
- **the quote for \$120 per pen for additional works for the manufacture and installation of placard holders from Tatiara Industrial Repairs is accepted.**

CARRIED

5.3 WHS and Risk Management

The Audit Committee monitors risks for Council and at its last meeting, raised the issue of risk at the NRLE. In particular, risks relating to biosecurity, revenue flows and WHS matters. A risk assessment was completed in 2014 with agents, contractors and staff supported by an external consultant. This has been reviewed by Council staff and presented to the Board.

REFER TO ATTACHMENT 5.3

- NRLE Risk Assessment

**MOVED CR SCHULTZ
SECONDED MR OLOAN**

That the NRLE Risk Assessment is presented to the Audit Committee for evaluation.

CARRIED

ITEM 6 OFFICERS' REPORTS FOR INFORMATION

6.1 Capital Works

Truck wash modifications

Additional prices are still being sought for the project to modify the truck wash to reduce sand contamination in the waste water treatment plant. A schematic of water flows to reduce sand ingress to the waste water treatment plant will be presented at the meeting. An allocation of \$80,000 has been included in the budget for 2019/20.

Solar Energy

This has not been progressed at this stage and not included in the budget for 2019/20. Quotes will be sought during the year and presented to the Board for consideration. Should the Board wish to proceed, a budget variation will be required, or project scheduled for consideration within 2020/21 financial year and budget.

6.2 Operations

Usage Report

Throughput has increased from 2017/18 with cattle numbers 80,106 up from 66,565 and sheep and lambs 419,007 compared to 397,184 to the end of May.

Sheep and lamb prices have reached extreme levels with record prices set in recent weeks;

- Lambs peaked at \$301
- Sheep at \$220

Staff have assisted with the cattle pens construction removing timber rails and gates, which will be available for sale.

Manager Richard James will be in attendance to discuss operational matters.

REFER TO ATTACHMENT 6.2

- Usage Report April 2019
- Usage Report May 2019

6.3 Management

Sheep EID

On 25 March, Minister Whetstone announced a \$7.5M package to grow the red meat industry and improve biosecurity in South Australia. A meeting has been held with PIRSA representatives responsible for the delivery of this project. The chair of the Naracoorte Combined Agents also attended. The program is \$:\$ funding which was not included in any of the media material. To successfully implement the sheep EID, it is considered that multiple readers will be required, preferably one for each agent. Anything less will require sharing of drafts for electronically tagged sheep, which will become unworkable as tagged sheep and lamb numbers increase. We will continue to work with the PIRSA project manager to develop a project that meets the funding program and NRLE objectives.

ATTACHMENTS

- PIRSA Red Meat and Wool Program

6.4 Promotion and Marketing

The NRLE and Naracoorte Combined Agents (NCA) share the cost of MLA market reporting. This has been \$200 per market and advice has been received that the charge will increase to \$225 per market for 2019/20. The NCA have been advised of the cost increase and agreed to the 50% cost sharing arrangement continuing. No adjustments have been made to the budget given the minor nature of the increase.

6.5 Compliance

Chain of Responsibility (CoR)

This continues to be monitored in relation to the NRLE and other Council operations. It is critical that we continue to review our procedures and responsibilities in relation to this legislation. Recent media includes information regarding multiple directors of companies charges under NHVL. Some companies who have relationships with the NRLE (albeit some indirectly, such as Qube Logistics) have provided their policy and procedures to Council demonstrating their commitment to meeting legislative requirements.

ITEM 7 PUBLICATIONS / DOCUMENTS / INFORMATION FROM OTHER BODIES

ITEM 8 MATTERS RAISED BY MEMBERS

8.1 QUESTIONS WITH NOTICE

8.2 MOTIONS WITH NOTICE

8.3 QUESTIONS WITHOUT NOTICE

8.4 MOTIONS WITHOUT NOTICE

ITEM 9 MATTERS THAT MAY BE CONSIDERED IN CONFIDENCE

ITEM 10 DATE OF NEXT MEETING

NEXT MEETING: 6 August 2019 at 5.30pm

ITEM 11 MEETING CLOSURE

CLOSURE: Meeting closed at 6.25pm

.....CONFIRMED

.....DATE