Corryong Saleyards Futures Study
Request for quotation
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1. Introduction

1.1 Purpose

Towong Shire Council (TSC) requires a suitably qualified individual or firm to undertake a study into the potential future of the Corryong Saleyards located in Corryong, Victoria.

Council will be required to make a decision within the next four months as to the future of the yards because the long term lease over the property, including the exclusive rights to operate the cattle scales, is due to expire shortly. The purpose of this study is to guide Council in their decision making.

TSC is keen to explore options for the future of the saleyards, taking into consideration the arrangements currently in place as well as the views of current users. The study needs to focus on the viability of the saleyards, the importance and necessity of the saleyards to local producers and opportunities to be innovative in the delivery of saleyard services. The study also needs to explore whether there are viable links to the Wodonga Cattle Exchange (WCE) in innovative ways – for example by taking advantage of the e-Sales capability of the new WCE facility being constructed at Barnawartha North.

Two previous studies have been undertaken on the saleyards in 2010 and 2012. The 2010 document, titled Corryong Saleyards Report to Towong Shire Council and prepared by Genskills Pty Ltd, and is hereafter referred to as the Genskills Report. This report recommended waiting until closer to the expiry of the lease before making decisions as to the future of the yards, but does provide useful information on the throughput, stakeholder sentiment and physical state of the saleyards. The 2012 document, titled Strategic Analysis and Direction for the Corryong Saleyards and prepared by Shaw and Associates Consulting, is hereafter referred to as the Shaw Report. This report provides further detail on the context of the saleyards regionally, as well as making recommendations for action. These actions have not been undertaken due to the long term vacancy of a key position within Council, with that position having responsibility for implementing actions around the saleyards.

Both the Genskills Report and the Shaw Report stopped short of providing a clear recommendation to Council as to the future of the saleyards. This Futures Study will provide that clarity, with a thorough examination of options followed by a detailed and fully costed recommendation to Council as to the best and most appropriate action given the community’s needs, market conditions and financial considerations.

This feasibility study is to comprise two phases:

- Phase One – Literature review, review of existing facilities and operations and consultation;
- Phase Two – Detailed option assessment and recommendation.
1.2 Background

The Corryong Saleyards are owned and managed by the Towong Shire Council. The saleyards sit on a 2.45ha parcel of land, bounded by Stock Route Road, Donaldson Road and privately held farm lands.

The saleyards complex consists of over sixty cement yards with steel railings, holding yards, a toilet block, a facility for the disposal of effluent from caravans and campervans (known as a “Dump Point”), a truck wash and small sundry buildings servicing the yards. There are also two settling ponds for effluent, which supply recycled water for use in the yards and a parking area which doubles as overflow camping sites during the Man from Snowy River Bush Festival.

On 28 June 1985, Council entered into a lease with Mr Jeff Cooper for the site for a period of 9 years and 364 days. On 20 July 1985, that lease was extended to a period of 30 years. The lease on the property expires on 20 July 2015. As provided for by the lease conditions, Mr Cooper erected cattle scales at the saleyards and has operated those scales for the past 29 years. The scales are available to the public by arrangement and Mr Cooper operates the scales each Tuesday.

In the 29 years since the site was originally leased to Mr Cooper the business conducted at the site has altered considerably. Since the late 1990s more cattle has been moving to the Wodonga Livestock Exchange for sale. There is a perception that this achieves better prices for farmers, despite the additional costs of cartage. Sales at the Corryong Saleyards have decreased significantly, moving away from the regular sales that were held throughout the 1980s, 1990s and even the early 2000s. At its peak, up to 10 sales per year were held; now there is only one regular sale held at the Corryong Saleyards annually.

The yards are used regularly for weighing and loading and unloading cattle, with these movements generally being controlled by Mr Cooper under the conditions of his lease. Each movement and weigh in attracts a per head fee which is payable to the Towong Shire Council. Year on year, this revenue has decreased as less and less stock move through the yards, although there is no mechanism in place to reconcile throughput to income.

Additional background information is available on request.

1.3 Project objective

To thoroughly explore the current situation at the Corryong Saleyards, through consultation with stakeholders and industry experts, site inspection and analysis of available data and trends both at a local and wider industry level.

This information will then be used to identify and explore potential future options for the Corryong Saleyards, with a focus on options which are sustainable, innovative and financially viable. Following a detailed assessment of the options, a clear and costed recommendation for the future of the Saleyards will be provided.
2. **Scope of works**

**Phase one**

**2.1 Literature Review**

TSC requires review of the current lease, the Genskills Report, the Shaw Report, ABARE data, WLE data and studies, available industry data as well as financial and stock movement data for the Corryong Saleyards to provide a clear understanding of the history and current operational situation of the saleyards within the wider context of saleyards in Victoria and Australia.

**2.2 Review of existing facilities and operations**

A thorough assessment of the facilities at the saleyards, with respect to its OHS compliance, risk management and public liability, capability and capacity as well as structural and legislative requirements for modern saleyards is to be undertaken.

A review of the current operation of the saleyards is to be undertaken to inform discussions around future operations, as well as investigation into best practice operational management models and models which are performing well at similarly sized operations.

Based on this work, the successful firm will include within their report detailed information on the history of the saleyards and its current market position within the context of the industry, the results of the assessment of the physical environment at the saleyards and detail of operations both current and potential.

**2.3 Consultation**

In order to provide a clear understanding of the context that the saleyards operate within, thorough consultation with stakeholders is required. The successful firm is required to engage with:

- Those agents who are currently operating in the Upper Murray, and in particular with those who have a history of operating within the Corryong Saleyards, including:
  - JA Cooper and Company
  - Costello Rural
  - Paull and Scollard
  - Elders
  - Brian Unthank
  - Landmark
  - Corcoran Parker

- The owners and managers of the Wodonga Livestock Exchange (Palisades and Regional Infrastructure) to explore opportunities around the eSales capabilities and requirements of the new Barnawartha North facility; and to seek information as to their ongoing rates and charges at the new facility, which may be higher than the current Wodonga site

- The local farming community – buyers and sellers – to determine what value they see in the current site and determine attitudes to eSales, transporting stock to WLE and the future operation of the Corryong Saleyards
• Local livestock carriers to determine the potential impact of any changes to the saleyards operation on their businesses

• Buyers from the Corryong Saleyards, particularly those from outside the area, to determine appetite for further sales, interest in alternative sales methods and interest in retaining the sale held in Corryong

• Industry groups including Meat and Livestock Australia (MLA), Dairy Australia (DA) and Murray Dairy (MD) to seek their strategic view of the Corryong Saleyards in relation to their industries

• Councillors and senior staff of the Towong Shire Council to seek input based on the information that they have gathered from community conversations on this topic over the past years.

Phase two

2.4 Detailed options assessment

Following the literature review, review of existing facilities, operations and completion of consultation the successful firm is required to formulate and explore the potential options for the future of the saleyards.

The options assessment must consider the following criteria:

• The capital, operational and maintenance costs associated with each option;

• Practicality and ease of implementation for each option;

• Responsiveness of each option to the needs and issues identified through consultation;

• Risk assessment associated with each option;

• Return to Council, both qualitative and quantitative.

2.5 Recommendation

The successful firm is required to facilitate a workshop for Councillors and senior staff at the TSC offices in Tallangatta. The workshop is to include a presentation of all options investigated including the pros and cons of each option.

At the workshop, the successful firm will be required to provide a recommendation to the Council as to the best possible solution for the future of the Corryong Saleyards and work through any questions or concerns that the Councillors or staff may have, in order to provide confidence that the recommendations will address the needs of the community, stakeholders and industry.
2.6 Reporting

The successful firm will be required to provide a comprehensive written report at the conclusion of the study. This report is to include preliminary cost estimates and timelines for the recommended option.

Furthermore the report must include:

- Summary of the outcomes of the literature review;
- Summary of the review of existing facilities and operations;
- Summary of the community consultation;
- Summary of the outcomes of the TSC workshop;
- Detailed options assessment as detailed previously;
- A clear recommendation as to the best future, including a timeline for implementation
- A business case for the recommended option.
3. Available information

The following key information will be made available to the successful firm:

- The Genskills Report;
- The Shaw Report;
- Financial and operational data;
- Access to contact lists for agents, buyers, sellers and farmers utilising the Corryong Saleyards;
- Access to operational staff;
- Access to the physical site for assessment purposes.

If possible TSC will make all reasonably requested information available. Should the requested information be unavailable, the successful firm must make provisions for the unavailability of the requested information without reducing the scope of works or deliverables required.
4. Quotation Information

4.1 General Conditions

This project is to be executed in accordance with AS 4122 – 2010 General Conditions of Contract for Consultants.

4.2 Nominated Project Manager

The project will be managed on behalf of Towong Shire Council by Ms Lauren Elvin, Manager Economic Development.

4.3 Project Timing

The proponent will submit a program with the quotation, in accordance with the requirements outlined in Section 4.4. The preferred timeframes for the project are as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Completed By</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFQs advertised</td>
<td>19 December 2014</td>
</tr>
<tr>
<td>RFQs Close</td>
<td>12 January 2015</td>
</tr>
<tr>
<td>Project Awarded</td>
<td>16 January 2015</td>
</tr>
<tr>
<td>Project Commencement</td>
<td>19 January 2015</td>
</tr>
<tr>
<td>Project Completed</td>
<td>27 February 2015</td>
</tr>
</tbody>
</table>

The successful firm shall keep in regular contact with TSC nominated project manager throughout the project and provide progress updates.
4.4 Quotation Response

The proponent will submit all information requested by this brief and should include the following information:

- Statement of skills and experience;
- Project references;
- Project personnel and curricular vitae for each proposed team member (where applicable);
- Hourly rate for each team member; and
- Lump sum quotation.

Quotations should be forwarded to TSC by the due date. Late submissions may be accepted at the discretion of TSC. Offers in which the required information is not stated or which contain conditions or matters not provided for in the brief will be considered as non-conforming by TSC. TSC reserves the right to consider and accept non-conforming quotations, or to reject them. TSC will not be responsible for, nor pay for any expense or loss that may be incurred by the proponents in the preparation of their quotation.

4.4.1 Organisation and background

The proposal must detail the project team, indicating individual responsibilities within the project and technical skills and experience of each on similar projects.

4.4.2 Commercial offers

Proponents must submit details of the estimate time required to achieve the various components and submit all project costs on an itemised lump sum basis. The itemised costing must be completed with the GST component identified separately.

4.4.3 Lodgment of Quotations

Quotations shall be lodged electronically via email to lauren.elvin@towong.vic.gov.au by 5.00pm on Monday 12 January 2015.

Email submissions are required to be titled Corryong Saleyards – Response to RFQ – [Company Name]

Any quotation which is not received by the closing time on the nominated day shall be deemed to be a late submission and may be accepted or not accepted at the discretion of TSC. Any quotation which includes terms and conditions not included in the Request for Quotation documents or which does not conform to the Request for Quotation documents including but not limited to these conditions shall be deemed non-conforming and may not be considered by TSC. Quotations that fail to include all information required by these conditions may be deemed to be nonconforming and may be rejected.
4.4.4 Variations

Variations will only be considered if it is deemed by TSC that they are additional to the scope of this brief and have been agreed by TSC prior to the successful firm undertaking the work.

4.5 Closing Date

Closing date for submissions will be 5.00pm on Monday 12 January 2015.

Enquiries should be directed to Ms Lauren Elvin, Manager Economic Development, on 0429 425 821 or 02 6071 5100 or via email at lauren.elvin@towong.vic.gov.au

Enquiries submitted via email should be titled Corryong Saleyards – Enquiry – [Company Name]

Please note that due to scheduled office closures it will not be possible to respond to enquiries between 22 December 2014 and 2 January 2015 inclusive.