



GREAT SOUTHERN REGIONAL CATTLE SALEYARDS ADVISORY COMMITTEE MEETING

MINUTES

SECTION 5.9(2)(a) LGA 1995

Committee Brief

The duties of the committee shall be to:

- *Make recommendation to the Council regarding the strategic direction of the Saleyards;*
- *Make Recommendation to the Council regarding the Environmental Action Plan for the Saleyards;*
- *Bring to the attention of the Chief Executive Officer, industry matters regarding the cattle industry that may not be readily available to persons external to that industry; and*
- *Make recommendation to the Council regarding development works on the site.*

An Ordinary Meeting of the Great Southern Regional Cattle Saleyards
Advisory Committee was held in the
Committee Room, Lowood Road, Mount Barker WA 6324,
1.00pm Tuesday 7 September 2010.

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr B Bell, Cr M Skinner, Cr L Handasyde, Cr S Grylls 11/10

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS	1
2	RECORD OF ATTENDANCE / APOLOGIES	1
3	CONFIRMATION OF MINUTES	1
4	DISCLOSURE OF MEMBERS' INTERESTS	1
5	REPORTS OF COMMITTEE MEMBERS AND OFFICERS	2
5.1	MANAGER'S REPORT – 25 JUNE TO 19 AUGUST 2010	2
5.2	SALEYARDS FINANCIAL REPORT – 31 JULY 2010	4
5.3	REGIONAL ALLIANCE WITH SHIRE OF KATANNING	5
6	GENERAL BUSINESS	7
6.1	DEPARTMENT OF CONSERVATION AND ENVIRONMENT AUDIT	7
6.2	ENVIRONMENTAL ASSESSMENT	8
7	NEXT MEETING	8
8	MEETING CLOSURE	8

Chairperson:

Cr M Skinner

Membership

Cr B Bell

Cr L Handasyde

Cr S Grylls

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

1.00pm The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIES

Members Present

Cr M Skinner (Presiding Member)
Cr B Bell
Cr L Handasyde
Cr S Grylls

Visitors

Cr K Clements

Staff

Mr Rob Stewart, Chief Executive Officer
Mr John Fathers, Deputy Chief Executive Officer
Mr Stewart Smith, Saleyards Manager

3 CONFIRMATION OF MINUTES

Moved Cr L Handasyde, seconded Cr S Grylls:

That the Minutes of the Ordinary Meeting of the Great Southern Regional Cattle Saleyards Advisory Committee, held on 27 July 2010 as circulated, be taken as read and adopted as a correct record.

CARRIED

4 DISCLOSURE OF MEMBERS' INTERESTS

A Financial Interest was disclosed by Cr M Skinner
Nature and Extent of Interest: Farming - 400 head of cattle

Authority to participate pursuant to Section 5.69 (3) (a) and (b) of the Local Government Act 1995

Approval has been received from the Department of Local Government and Regional Development via letter dated 17 December 2009, giving permission for Cr M Skinner and Cr J Moir to participate in matters relating to the Great Southern Regional Cattle Saleyards until 31 December 2010.

Mr J Fathers read aloud the letter, a copy of which is attached to these minutes.

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 MANAGER'S REPORT – 25 JUNE TO 19 AUGUST 2010

Sale Data

Total numbers including MSA since 24 June have been 3385 for July, including 11 MSA and 1353 so far for August.

65 cattle have received replacement NLIS tags over this time.

Two animals have been put down or removed.

53 bales of hay have been fed out.

There have been 217 cattle processed for Private/Shipper Weigh.

General Business

A total of 150 small square bales of hay were purchased at a cost of \$6.60 inc GST at the end of July.

We have had Pre-emptive Strike up to check the computers and line between the weighbridge computers and the main office computer. We have been having problems with communications between these machines.

We have fixed three of the wash down pipes underneath the concrete that were leaking badly. Nessco have serviced the big compressors. We hired an excavator to do some pipe work and clean some pens and raceways. We have had the new interface put in for the pumps that were struck by lightning. We have also done a fair bit of yard maintenance.

The ute has been changed over with the new ute picked up on 13 August. I went to Perth for a meeting on 'Fit to Load' at Midland on the 13 of August. Quotes have also been called for a hay shed.

We have our first booking for a breeder sale in January 2011.

On 16 August the Department of Environment and Conservation (DEC) visited to do the license audit. We have had a reprimand for the pond waste water use management. Because the pumps have been out of action with the interface, it has been difficult to leave the irrigator and wash down going. All this has now been fixed and the irrigator is in full use trying to lower the ponds. We need to sort out the issue of the pumps doing everything, so I've asked for quotes on a new diesel pump solely for irrigation.

There are also issues with the truck wash. The bitumen outside the holding bins at the truck wash is breaking up and there is some leaching occurring. The bitumen area that is breaking up needs to be concreted and the fall back to the sump needs to be improved. I've asked Mount Barker concrete for a quote on this job. The area is 168m².

DEC also had concerns about the manure from the dirt pens on the delivery end of the yards being dumped on plain ground rather than on a concrete pad. That manure is in the process of being removed.

It is great to finally have Tim Beech now back at work. Tim has been off work looking after his partner (Megan Sounness) for the last six weeks.

During discussion, the Chief Executive Officer outlined the current status with regard to the DEC investigation and advised that the Council should expect increased protocols from now on to ensure that the Shire remains within its licence conditions. He further advised that he did not see any other choice but to make the repairs to the truckwash hard stand. The Committee was agreeable to this and suggested that Peter Slade may be able to assist with detecting pipework if considered necessary. It was also advised that the flowmeter would need to be calibrated.

Discussion ensued in relation to the truckwash and in particular recording of its water use figures and treating it as a separate business unit, with an investigation into the income and expenditure being sought. It was suggested that the Council may need to consider restricting the facility to saleyards users (cattle trucks) only if the water use from sheep trucks is a major contributor of water to the waste water system.

The Committee also discussed a suggestion that a fourth sullage pond be constructed, which would be connected to all other ponds. The provision of a fourth pond could provide additional space to enable existing ponds to be dried and thereby facilitate more efficient sludge removal. It could also be used for emergency purposes to prevent water escaping to the environment. It was agreed that this matter be kept in mind for grant funding or when the Council has sufficient borrowings capacity.

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, seconded Cr S Grylls:

That the monthly report of the Saleyards Manager be received.

CARRIED

5.2 SALEYARDS FINANCIAL REPORT – 31 JULY 2010

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 7 September 2010

Purpose

The purpose of this report is to review the preliminary financial position of the Great Southern Regional Cattle Saleyards (GSRCS) for the period ending 31 July 2010.

Statutory Environment

There are no statutory implications for this report.

Consultation

There has been no consultation in relation to this report.

Policy Implications

There are no policy implications for this report.

Financial Implications

This report identifies the current operating position of the GSRCS.

Strategic Implications

There are no strategic implications for this report.

Officer Comment

A spreadsheet showing the current position of operating and capital budget items is attached for information. It is very early in the financial year and July depreciation has not yet been calculated due to End of Year limitations. Assuming depreciation had been included, overall YTD operating expenditure would be around \$51,500, approximately \$12,500 below YTD budget. Operating income is \$4,700 below YTD budget.

The 'positive' figures in the Financial Expenses (Borrowings) rows relates to the reversal of accrued loan interest. This will look better when the loan payments are actually made in September.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, seconded Cr S Grylls:

That the report of the Deputy Chief Executive Officer, relating to the current financial position of the Great Southern Regional Cattle Saleyards, be received.

CARRIED

5.3 REGIONAL ALLIANCE WITH SHIRE OF KATANNING

File No:	N15749
Attachment:	Memorandum of Understanding
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	Rob Stewart Chief Executive Officer
Proposed Meeting Date:	7 October 2010

PURPOSE

The purpose of this report is to put before the Committee a draft memorandum of understanding (MOU) between the Shires of Katanning and Plantagenet relating to the operation of the Great Southern Regional Cattle Saleyards and the Katanning Sheep Saleyards.

BACKGROUND

The ongoing negotiations with the Minister for Agriculture regarding financial assistance with the cattle saleyards in Mount Barker and the Sheep Saleyards in Katanning have highlighted common interests between the two Shires.

A joint meeting between representatives of the Shires of Katanning and Plantagenet was held in Katanning on 9 July 2010 to discuss the prospect of regional cooperation regarding the saleyards.

Subsequently the Shire of Katanning prepared a draft Memorandum of Understanding to formalise this alliance.

EXTERNAL CONSULTATION

Consultation has occurred between the Shires of Katanning and Plantagenet. Further consultation has occurred with the Minister for Agriculture the Hon Terry Redman on 15 July 2010 as a result of the Katanning/Plantagenet meeting.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Council's strategic plan key result area 5 (strategic planning) notes an aim:

- *To the development of strategic partnerships; and*
- *The fostering of regional cooperation;*

The subject of this report fits well with this strategic direction.

OFFICER COMMENT

Attached to this report is the MOU as prepared by the Shire of Katanning and which has the Chief Executive Officer's amendments marked.

The Chief Executive Officer believes the original MOU was too 'wordy' and therefore much has been deleted.

Councillors may believe that it is unnecessary to have a Memorandum of Understanding. The Shire of Katanning is endeavouring to develop strategic alliances with other councils such as the Town of Narrogin and the Shire of Wagin. The Shire of Katanning is strongly supportive of structural reform of local government including amalgamation. The development of a regional alliance with Katanning may be seen by some as a threat to the stability of the Southern Link VROC. This shouldn't be the case as the MOU with Katanning relates only to Saleyards but this may not be everybody's interpretation. Possibly a regional alliance with Katanning may be seen to strengthen the 'structural reform without amalgamation' case.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That it be a recommendation to the Council:

That the attached Memorandum of Understanding between the Shires of Katanning and Plantagenet relating to the Great Southern Regional Cattle Saleyards and the Katanning Sheep Saleyards be endorsed and the Shire President and the Chief Executive Officer be authorised to sign the document.

COMMITTEE DECISION

Moved Cr B Bell, seconded Cr L Handasyde:

That consideration of the proposed regional alliance with the Shire of Katanning relating to the operation of the Great Southern Regional Cattle Saleyards and the Katanning Sheep Saleyards be adjourned until the outcome of the State Saleyards Strategy is known.

CARRIED

6 GENERAL BUSINESS

6.1 DEPARTMENT OF CONSERVATION AND ENVIRONMENT AUDIT

As indicated in the Saleyards Manager's monthly report, representatives from the Department of Conservation and Environment (DEC) visited the saleyards on 16 August to conduct an audit of the DEC licence conditions.

A number of issues were identified, as follows:

- **Water escaping from the secondary sullage pond – breach of licence condition**

Waste water has been escaping from the secondary sullage pond for some time. When asked to demonstrate the irrigation system, it would not work. DEC issued an Environmental Field Notice giving the Shire 48 hours to remedy this matter and to resume irrigation.

The irrigation system has now been repaired and has now been pumping out water from the sullage pond since the day after the visit. Over 600,000 litres have been pumped out to date. However, due to continuing rains and wash down activities, we weren't able to get the levels low consistently enough to stop all water escaping the sullage pond within that time limit. As of 26 August, the water level is approximately 15cm below the escape valve and we are confident that we can keep water levels to prevent further breaches for now, unless we get some heavy rainfalls.

The problem is that we can't operate the washdown and truck wash systems at the same time as the irrigation system. We are also at the upper limit of the electrical draw on the yards. We have therefore sought a quote for a diesel generator and pump which will enable us to operate the two systems independently and we believe this is the only option which will enable irrigation activities to continue consistently enough to keep the pond at a low level during rainy periods. Quotation details are enclosed, which is in the region of \$20,000.

Following a discussion with the Chief Executive Officer, an order has been issued for this generator and pump. This matter is urgent as DEC representatives continue to visit the site to check on progress every few days. It is proposed to utilise part of the remaining unspent loan funds, which currently has \$39,135 left.

- **Material extracted from dirt pens left on lawn area**

The material extracted from the pens has now been removed from site. The remaining dirt pens are in the process of being cleaned out.

- **Irrigation system and flow meter not working**

The irrigation system and flow meter was thought not to be working during the audit. A valve had broken on the irrigation system which has now been repaired. The flow meter is in fact working.

- **The bitumen area near the truckwash is cracking and some water is not flowing to the concrete hard stand**

We have received a quote for repairs to bitumen area near the truck wash at around \$9,500. It is proposed that these repairs also be carried out utilising unspent loan funds.

6.2 ENVIRONMENTAL ASSESSMENT

At its meeting held on 27 July 2010, environmental consultant Charles Williams attended the meeting to discuss the 2009 Annual Environmental Report. The Committee will recall the Department of Environment and Conservation's (DEC) response to that report which indicated that the loadings at the Saleyards are well within the licence conditions, however there seems to be a trend of elevated nutrients. Mr Williams was asked to further investigate in conjunction with the Deputy Chief Executive Officer.

Mr Williams has had a more in-depth look at the report and met the Saleyards Manager and Deputy Chief Executive Officer at the saleyards to review the environmental mechanics. He will be taking some water samples on a more regular basis and from the sullage ponds for a month to get a better picture of the loadings arising from the weekly throughput. Mr Williams should be in a position to provide some formal advice to the Committee in late September.

7 NEXT MEETING

To be advised.

8 MEETING CLOSURE

1.52pm The Presiding Member declared the meeting closed.

CONFIRMED:
CHAIRPERSON _____ **DATE:** ____/____/____