



SALEYARDS ADVISORY COMMITTEE MEETING

MINUTES

SECTION 5.9(2)(a) LGA 1995

Committee Brief

- *Make recommendations to the Council regarding the strategic direction of the Saleyards;*
- *Make recommendations 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 recommendations to the Council regarding development works on the site.*

A Meeting of the Saleyards Advisory Committee
was held in the Committee Room,
Lowood Road, Mount Barker WA 6324
11.30 am Tuesday 12 April 2016

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr J Moir, Cr B Bell, Cr J Oldfield, Mr M Skinner – Industry Representative – 226/15

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Membership

Cr J Moir

Cr B Bell

Cr J Oldfield

Mr M Skinner

Cr L Handasyde (Deputy for any member)

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

11.30am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIES

Members Present

Cr J Moir (Presiding Member)
Cr B Bell
Cr J Oldfield
Mr M Skinner

Visitors

Cr L Handasyde

Staff

Mr R Stewart, Chief Executive Officer
Mr J Fathers, Deputy Chief Executive Officer
Mr S Smith, Saleyards Manager
Mrs E Henderson, Assistant Saleyards Manager

3 CONFIRMATION OF MINUTES

Moved Cr J Moir, seconded Cr B Bell:

That the Minutes of the Meeting of the Saleyards Advisory Committee held on 2 February 2016 as circulated, be taken as read and adopted as a correct record.

CARRIED

4 DISCLOSURE OF INTEREST

A Financial Interest was disclosed by Cr J Moir

Nature and Extent of Interest: Cattle Farmer - 100 head of cattle; and
Elders Employee – Work part time for Elders Rural Services

A Financial Interest was disclosed by Mr M Skinner

Nature and Extent of Interest: Cattle Farmer - 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 Communities via a letter dated 27 January 2016, giving permission for Cr J Moir and Mr M Skinner to participate in matters relating to the Mount Barker Regional Saleyards until 31 December 2016.

Mr R Stewart 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 – 1 JANUARY 2016 TO 5 APRIL 2016****SALE DATA**

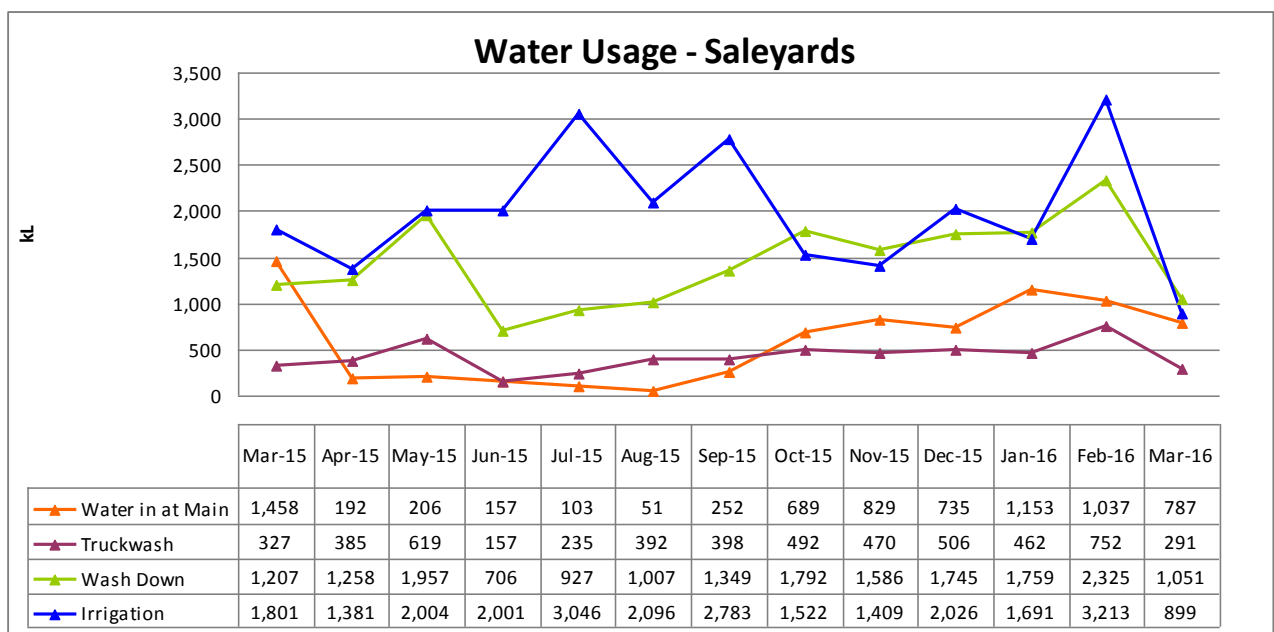
- Total sale numbers 11,788 head.
- There have been no cattle eligible for MSA sales in this time.
- 102 cattle have received replacement NLIS tags over this time.
- 9 animals have been put down or removed.
- 46 bales of hay have been fed out over this time.
- There have been 422 cattle processed for Private/Shipper Weigh.

GENERAL BUSINESS

- General Maintenance has been completed, as required.
- Spraying has been carried out around ponds, sheds, on the concrete and at the truckwash.
- RCD testing has now been completed with no issues.
- The CCTV camera was relocated on 8 February 2016 and is now back up and running.
- Feedback has been positive regarding the advert on TV from those that have seen it. We have had a number of people call in to have a look at the facility, i.e. a Welsh tourist who farms in England, happened to be staying in Kojonup and on a Wednesday evening saw the advertisement and decided to call in on his way to Albany. Stewart gave him a tour and he stayed for two hours. Also Yohan Greiff, a Senior Vet teacher from Murdoch University and a Chinese meat buyer who, after seeing the advertisement called in to have a look. This could potentially open doors with vet students in regard to tours and their practical training.
- Pond levels have now returned to an acceptable level following the high level of rain received in January.
- Numbers have increased this month, although there has been a reduction in weaner heifers coming through the sale system. This could be due to vendors retaining their better quality heifers for breeding in order to restock.
- The last double sales were on 25-26 February.
- On 10 March the agent changeover took place. It seemed to be a smooth transition with Landmark taking pen 1 and the east dirt pens. Elders are on the western side and finish at pen 144.
- On 15 March the Gate 2 Plate field day took place, which had in attendance 160 people. Although the day was very hot it was well received with plenty of positive comments. Feedback was that the speakers were very knowledgeable in their field and well worth the attendance.

On 16 March the school challenge was held at Willyung Farm with 90 students in attendance this day. The six schools that attended included Western Australian College of Agriculture Harvey, Cunderdin, Denmark, Narrogin, Great Southern Grammar School and Mount Barker Community College. Three more schools have expressed interest in coming next year. WACA Denmark was the overall winner again.

- Kate McGilvray, CEO of ALMA has asked whether Stewart would do a presentation of the Gate 2 Plate Challenge at the next conference in July.
- On Thursday 17 March, a bull died on the back of a farmer’s truck after waiting there for several hours. Apparently the vendor gave it a large amount of feeder pellets prior to it getting on the truck and it most likely died of bloat. The same day we had to call Mount Barker Vets to come and deliver a calf all at the vendor’s expense.
- On Monday 21 March Stewart attended the Apollo Briefing at the Department of Agriculture in Bunbury for the simulated desktop exercise which will be conducted on 18-20 May.
- There was no sale on 24 March due to the Easter break. With this week of no sale, the opportunity was taken to plumb in the newest concrete trough in the new bull pens.
- Rachel Williams attended the Royal Easter Show in Sydney, competing in the junior judging and handling as well as showing cattle for Quicksilver stud owner Doug Giles from Newdegate.
- As time and weather permits, more dirt yards have been cleaned out and replaced with new gravel before the roof commences.
- The compressors have had their six monthly services with no issues.
- A number of air lines have been replaced around the paint boxes.
- We have entered the ALMA Welfare Award which is run by the ALMA board.
- The latest water usage graph is shown below.



OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Mr M Skinner, seconded Cr J Oldfield:

That the report of the Saleyards Manager, relating to current activities at the Mount Barker Regional Saleyards, be received.

CARRIED

5.2 SALEYARDS FINANCIAL REPORT – 31 MARCH 2016

File No: CA/126/1
Responsible Officer: Rob Stewart
 Chief Executive Officer
Author: John Fathers
 Deputy Chief Executive Officer
Proposed Meeting Date: 12 April 2016

PURPOSE

The purpose of this report is to review the preliminary financial position of the Mount Barker Regional Saleyards for the period ending 31 March 2016.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

FINANCIAL IMPLICATIONS

This report identifies the current operating position of the Saleyards.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

A spreadsheet showing the 31 March 2016 position of operating and capital budget items is attached for information. Overall year to date (YTD) operating expenditure is \$769,463.00, which is \$43,407.00 below YTD budget. There are no significant operating variances. In regard to capital expenditure, the CCTV camera system is now fully operational and has therefore been paid for.

Overall YTD operating income is \$531,019.00, which is \$8,549.00 below YTD budget. Weigh and Pen Fees are now \$18,560.00 below YTD budget.

Amounts spent so far on the Saleyards Roof project are as follows:

Date	Payee	Description	Amount
1/07/2015	Maxwell Designs	Roof Design	\$6,531.82
29/10/2015	Opus Consultants	Tender Documentation	\$3,750.00
26/11/2015	Opus Consultants	Tender and Project Management	\$1,515.00
23/12/2015	Opus Consultants	Tender and Project Management	\$2,175.00
18/3/2016	Opus Consultants	Tender and Project Management	\$4130.00
			\$18,101.82

VOTING REQUIREMENTS

Simple Majority

During discussion, the Committee requested the administration to monitor costs given the lower than expected throughput at this stage of the year.

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr J Oldfield, seconded Cr B Bell:

That the report of the Deputy Chief Executive Officer, relating to the current financial position of the Mount Barker Regional Saleyards, be received.

CARRIED

5.3 SALEYARDS – 2015 ANNUAL ENVIRONMENTAL REPORT

File Ref: N36772
Attachment 2015 Annual Environmental Report
Responsible Officer: Rob Stewart
 Chief Executive Officer
Author: John Fathers
 Deputy Chief Executive Officer
Proposed Meeting Date: 12 April 2016

PURPOSE

The purpose of this report is to present the annual environmental report for the Saleyards, as prepared by the Shire and West Coast Analytical Services.

STATUTORY ENVIRONMENT

The Annual Environmental Report has been prepared to satisfy conditions of the Licence Number L7407/1998/9. The reporting requirements as specified in the licence are: contained in Conditions 18-20, as follows:

'18. The licensee shall, using the data collected in accordance with conditions 12 and 14, determine the contaminant loads discharged over the irrigation area for the parameters stated in Column 1 of Table 3 at the frequency stated in Column 2 of Table 3 and in the corresponding units stated in Column 3 of Table 3'.

Table 3: Calculation of Contaminant Load

Column 1	Column 2	Column 3
Parameters	Calculation frequency	Units
(i) Total Nitrogen; (ii) Total Phosphorus; (iii) Biochemical Oxygen Demand; (iv) Total Dissolved Solids; and (v) Total Suspended Solids.	Monthly and Annual Loads	Kilograms per day
(i) Total Nitrogen; (ii) Total Phosphorus; and (iii) Biochemical Oxygen Demand.	Annual Load	Kilograms per hectare per year

19. *The licensee shall provide the Director, by 31 January each year, an Annual Environmental Report containing data collected for 1 January in the previous year to 31 December of that year. The report shall contain, but not necessarily be limited to:*
- (a) the total number of animals held on site on a monthly basis;*
 - (b) monitoring data or other collected data required by any condition of this licence (data should be provided in tabular and in graphical format);*
 - (c) an assessment of the data collected against all limits set in this licence;*
 - (d) an explanation of the data in comparison with past data collected over the previous three years, and known applicable guidelines and standards;*
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- (e) *a discussion of the operation of the project, compliance with conditions, and environmental performance to date;*
 - (f) *any issues raised from inspections or incident responses during the reporting period together with details as to how these have been addressed or, if the required work has yet to be completed, how and when they will be completed; and*
 - (g) *any changes to site boundaries, location of groundwater monitoring bores, surface drainage channels and on-site or off-site impacts or pollution.*
20. *The licensee shall by 31 January in each year, provide to the Director an Annual Audit Compliance Report in the form in Attachment 2 to this licence, signed and certified in the manner required by Section C of the form, indicating the extent to which the licensee has complied with the conditions of this licence, and any previous licence issued under Part V of the Act for the premises, during the period beginning 1 January the previous year and ending on 31 December in that year.'*

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 3.5 (Appropriate infrastructure that supports sustainable economic development) the following Strategy:

Strategy 3.5.5:

'Manage and maintain the Saleyards to ensure that the facility is successful and self-sustaining.'

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

The Shire of Plantagenet Corporate Business Plan 2015/2016 – 2019/2020 also includes Action 3.5.5.2 *'Ensure compliance with DEC environmental licence and other relevant requirements'*.

OFFICER COMMENT

The Executive Summary of the report includes the following comments:

'Surface Water

BOD levels were mildly above the target range of 10-35 mg/l in 2015 in SW1 at an average level of 41mg/l. BOD levels declined in 2015 in SW2 to an average level of 19.8 mg/l when compared to 31.4 mg/l in 2014. BOD levels rose in SW3 in 2015 compared to the levels seen in 2014. The average levels were 16.9 and 4.1 mg/l respectively.

A fall in the average level of Total Nitrogen was seen in the 2015 result for SW1 but the level showed a rise in December. Total Nitrogen average levels in SW2 fell in

2015, in part due to the elevated result in early 2014. Total Nitrogen levels in SW3 declined again in 2015.

Total Phosphorous levels rose in the latter half of the year in SW1, and were unremarkable in SW2, whilst the levels declined in SW3 in 2015.

Suspended solids were variable in 2015 and in SW1 the levels were higher than those recorded in 2014. In SW2 and SW3 the overall values were lower in 2015.

Ground Water

An unusual reverse pattern was obvious in 2015 in groundwater monitoring bores with higher levels of Total Nitrogen detected in June in most bores (except MB7) with the levels then declining in December.

In most cases TN values have remained static with slight declines evident since 2012.

Total Phosphorous levels continued to decline overall in MB5 in 2015, whilst levels in MB4 rose.

Suspended Solids levels in 2015 declined substantially in all bores except MB7 where a minimal rise occurred in December.'

Irrigation loadings for 2015 are shown in the table below. While within licence limits, BOD and Total Phosphorous loadings increased in 2015 from 2014 by 29.4% and 10.1% respectively. (Total Phosphorous loadings increasing by 1.7 kg/ha). Nitrogen loadings decreased in 2015 from 2014 by 9.7%.

Waste Water Discharge	Actual Loadings discharged to irrigation
Nitrogen	61.3 kg/ha/yr
Phosphorous	18.5 kg/ha/yr
BOD	0.22 kg/ha/day

The only breach in licence conditions reported was that some weeds and grasses emerged on the pond banks. DER was advised that the spraying program had been largely successful, however, has not completely prevented all emergent weed and grass growth.

Coagulant Trial – Phosphorous Reduction

Reductions in levels of BOD and Total Nitrogen have been achieved since commissioning of the aerators in 2012. However management of reductions in Total Phosphorous levels have been more challenging.

Laboratory bench trials were conducted in 2014 using the 'Anykem' coagulant product 'Anycoag'. Anycoag is an industrial wastewater coagulant aimed at reducing Phosphorous levels going to the pond and reducing the amount of solids going to the ponds, due to coagulation and quicker settling in the separation dock.

During 2015, two field trials were conducted using the product. The first did not demonstrate any significant results, but a more comprehensive trial in October showed reductions in Total Phosphorous levels varied between 11% and 99% and the overall average reduction was 54%.

The decline in Total Soluble Phosphorous levels varied between 16 and 100% and the overall average decline was 59%.

In view of these very pleasing results, the necessary capital expenditure to establish a permanent mixing system will be included in the draft budget. It is also intended to make application to DER for a works approval.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Mr M Skinner, seconded Cr B Bell:

That the 2015 environmental report for the Mount Barker Regional Saleyards, be noted and endorsed.

CARRIED

5.4 ALMA BOARD MEETING - ATTENDANCE BY MR M SKINNER

File Ref: N37327
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 12 April 2016

PURPOSE

The purpose of this report is to authorise Mr Michael Skinner to attend the Australian Livestock Markets Association Inc. (ALMA) Board meeting to be held in Darwin on 26 - 27 May 2016.

BACKGROUND

At its meeting held on 15 September 2015, the Council resolved to nominate Mr Michael Skinner to the board of ALMA. Mr Skinner was successfully appointed to the Board at ALMA's annual general meeting in September 2015. Mr Skinner is the Industry Representative on the Council's Saleyards Advisory Committee.

Mr Skinner was previously authorised to attend the ALMA Board meeting held in Brisbane on 26 - 27 November 2015.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

FINANCIAL IMPLICATIONS

Accommodation for an estimated two nights will be approximately \$500.00. Air fares to and from Darwin will be approximately \$830.00 and travel / incidental expenses are estimated at \$160.00.

ALMA will cover the cost of accommodation for one night and breakfast the following day. In addition, each board member's sponsor organisation can place a claim to ALMA for up to \$2,000.00 per financial year. At this stage, the Council has used \$1,100.00 of this amount, so the cost of this trip will be mostly reimburseable, with an estimated \$340.00 payable by the Shire.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 3.5 (Appropriate infrastructure that supports sustainable economic development) the following Strategy:

Strategy 3.5.5:

'Manage and maintain the Saleyards to ensure that the facility is successful and self-sustaining'

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

OFFICER COMMENT

ALMA has previously advised that it would expect the Shire's representative to attend two of the four meetings per year. Mr Skinner is of the view that it would be appropriate to endorse Mr Skinner's personal attendance at this meeting.

ALMA is currently finalising the agenda and venue but given the location it is also aiming to include a visit to Noonamah Export Yards and AACo abattoir at Livingstone.

VOTING REQUIREMENTS

Simple Majority

During discussion, Mr Skinner advised for information that the Australian Competition and Consumer Commission had announced that it will commence a market study into the cattle and beef industry in Australia. The study will examine competition, efficiency, transparency and trading issues in the beef and cattle supply chain. A key issue to be covered by the study includes the implications of saleyard attendees bidding on behalf of multiple buyers.

OFFICER RECOMMENDATION / COMMITTEE DECISION

Moved Cr B Bell, seconded Cr J Oldfield:

That it be a recommendation to the Council:

That:

- 1. Mr Michael Skinner be authorised to attend the Australian Livestock Markets Association Inc. Board meeting to be held in Darwin on 26 - 27 May 2016; and**
- 2. The expenditure be initially charged to Budget Item Saleyards – Conferences and Training – 21320.0029 and recouped from the Australian Livestock Markets Association Inc.**

CARRIED

6 GENERAL BUSINESS

6.1 2016/2017 OPERATING BUDGET AND FEES

Similar to last year, the administration has prepared scenarios incorporating a throughput of approximately 70,000 head and fee increases of 2% and 3%.

The Consumer Price Index (All Groups Perth) has increased by 1.6% from December 2014 to December 2015. The Local Government Cost Index has increased by 0.7% from September 2014 to September 2015.

The suggested budget scenarios are presented for information. The main change is an extra \$10,000.00 for TV advertising for the full 12 month period, based on the current schedule.

The scenarios result in operating surpluses (excluding non-cash items) of \$124,282.00 and \$130,706 for the 2% and 3% scenarios respectively. It should be noted that the current arrangements provide for one third of the surplus to be transferred to the Operating Loss Reserve and two thirds to be made available for capital works. That would result in the following amounts being transferred / available:

	2% Increase	3% Increase
Saleyards Reserve Fund - Capital Improvements	\$82,855	\$87,137
Saleyards Reserve Fund - Operating Loss	\$41,427	\$43,569

Given the state of the economy and that the current income levels are meeting requirements, it is considered that a 2% increase in fees would be sufficient, assuming the current throughput remains steady.

The scenarios include the following new capital budget requests:

- Vehicle Changeover - Estimated net cost of \$20,000.00 –Current vehicle is almost three years old now and has done over 70,000km.
- New Irrigator - \$10,000.00 - Existing one needs replacing; additional \$5,000.00 to allocation in 2015/2016.
- Bitumen Repairs- \$25,000 - Additional – ongoing program.
- Outloading Bugle Ramp - \$15,000 - Additional – ramp since successful completion of first ramp modifications in 2015/2016.
- Saleyards Office - Water Purification - 3,000.00 – The office water supply currently comes direct from tanks with no purification.
- Transfer Aerators to Pond 2 - \$5,000.00 – Minor works to progress environmental action plan.
- Chemical Dosing Equipment (Phosphorous Reduction) - \$6,000.00 – The trial was a success and it is considered prudent to have the ability to treat phosphorous prior to entry into waste water treatment system.

During discussion, members agreed to recommend a 2% increase in fees to the Council, subject to the current fee for Cattle Removal being a minimum charge, with actual costs for removal and disposal being added. The proposed capital items were endorsed. It was noted that the 2016/2017 budget figures would be re-calculated based on the lower throughput expected for 2015/2016.

6.2 GATE TO PLATE DINNER

The Saleyards Manager advised that the Gate to Plate Dinner would be held on 27 May 2016 at Southern End. Crs Oldfield and Handasyde were nominated to attend. It was agreed to support a sponsorship of the Gate to Plate event in 2016/2017.

6.3 PROPOSALS FOR FURTHER CONSIDERATION

- Greater use of chlorinated water / Water sustainability – At its meeting held on 27 May 2014, members agreed that the requirements specified in the letter from the Health Department of WA make the operation of the waste water re-use system unviable. A budget item for 2015/2016 has been included for an additional water source. A meeting has been held with a diviner / drilling contractor to seek a potential bore site. Ruhi Ferdowsian has now provided a report in this regard, which is under consideration.
- Agents Agreements – The new agreements have now been sent out to agents. Draft procedures have been developed and form an addendum to the new Agents Agreements.
- During discussion at the meeting held on 9 December 2014, the Committee agreed that need for an independent power supply to run the sale and provide water to cattle was becoming more important. The Committee requested the Saleyards Manager to investigate options for a suitable on-site generator. The Saleyards Manager has made some initial enquiries.
- At its meeting held on 3 March 2015, the Committee noted the intention to investigate and provide advice to the Saleyards Advisory Committee in regard to options for the purchase and / or lease of a skid steer loader, with such advice including a history of the current machine, most appropriate machine and a cost benefit analysis of leasing versus other procurement / trade-in options. Some preliminary enquiries have been made and one machine tested. An ideal machine has not yet been identified.
- During discussion at the meeting held on 13 October 2015, it was suggested that the Shire should take the opportunity to educate and advise producers on common animal welfare issues. The Chief Executive Officer agreed that it would be appropriate to erect a sign at the saleyards, together with a mailout to all producers who have used the saleyards pointing out the expectations under the Code of Conduct and what will happen to cattle which arrive at the saleyards that are not fit to sell.

During discussion at the meeting held on 8 December 2015, the Saleyards Manager advised that he had discussed this matter with the Department of Agriculture and the feedback is that there is currently a strong industry wide focus on such issues.

During discussion at the meeting held on 2 February 2016, the Committee discussed a previous proposal to educate and advise producers on common animal welfare issues. It was agreed that the advice be a combination of the above and an opportunity to provide information on recent developments. Major issues to be covered are nomination of cattle, horns growing into heads, NILS / NVD requirements.

- During discussion at the meeting held on 2 February 2016, members considered it appropriate to hold a strategic planning session, focussing on the Saleyards, to look at and review the current Strategic and Business Plans for the saleyards.
- During discussion at the meeting held on 2 February 2016, some proposals were made regarding updates to the Saleyards webpage, with the suggestion that it be reviewed from a marketing perspective. It was noted that a Youtube video would be prepared for inclusion on that page, using footage from the advertisement which had been recently developed.

Contact has been made with Lomax media for a proposal to develop a longer piece of vision, suitable for Youtube and other marketing uses.

7 NEXT MEETING

10 May 2016

8 MEETING CLOSURE

11.00am The Presiding Member declared the meeting closed.

CONFIRMED: PRESIDING MEMBER _____ DATE: ___ / ___ / ___