



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.*

A Meeting of the Saleyards
Advisory Committee was held in the
Committee Room, Lowood Road, Mount Barker WA 6324,
8.30am Tuesday 23 June 2015

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr J Moir, Cr B Bell, Cr L Handasyde - 248/13
Mr M Skinner – Industry Representative – 21/14

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Membership

Cr J Moir – Presiding Member

Cr B Bell

Cr L Handasyde

Mr M Skinner

Cr J Oldfield (Deputy for any member)

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

8.30 am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIES

Members Present

Cr Jeff Moir (Presiding Member)
Cr Brett Bell
Cr Len Handasyde
Mr Michael Skinner

Staff

Mr Rob Stewart, Chief Executive Officer
Mr John Fathers, Deputy Chief Executive Officer
Mr Stewart Smith, Saleyards Manager
Mrs Erika Henderson, Assistant Saleyards Manager

3 CONFIRMATION OF MINUTES

Moved Mr B Bell, seconded Cr L Handasyde:

That the Minutes of the Meeting of the Saleyards Advisory Committee held on 26 May 2015 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 19 December 2014, giving permission for Cr J Moir and Mr M Skinner to participate in matters relating to the Mount Barker Regional Saleyards until 31 December 2015.

Mr J Fathers read aloud the letters, copies of which is attached to these minutes.

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 MANAGER'S REPORT –20 MAY TO 16 JUNE 2015

SALE DATA

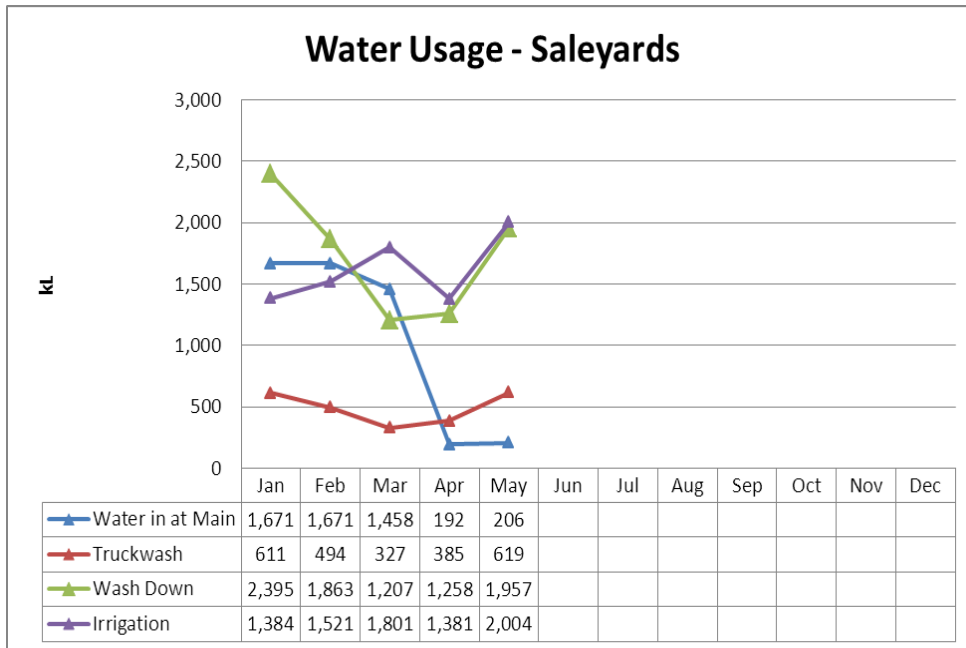
- Total sale numbers 3,579.
- There have been 8 cattle eligible for MSA sales in this time.
- 37 cattle have received replacement NLIS tags over this time.
- One animal has been put down or removed.
- 35 bales of hay have been fed out over this time.
- There have been 133 cattle processed for Private/Shipper Weigh.
- 39 transit cattle have passed through.

GENERAL BUSINESS

- On 28 May difficulties were experienced with the new computer and LE Saleyards program, which meant that whilst trying to fix the problem we lost the sale (deleted off program by LE Saleyards staff). This then meant we had to manually re-enter all data from sale back into the LE Saleyards program including weights, cattle type and RFIDs etc. We managed to get the sale completed by 8.30pm and transferred so no abattoirs were held up the next day. We have now rectified the problem which was caused by sleep setting mode on the new computer.
- John Maxwell from Maxwell Designs came out to the yards on Friday 29 May and re-looked at catchment possibilities from the new northern roof to the tanks.
- The honour board for the Gate 2 Plate Feedlot Challenge has now been hung on the canteen wall among our saleyard photos.
- Plantagenet Sheds and Steel are almost ready to start the final stages of the yard upgrade (bull pens).
- On 11 June we were visited by two Animal Angels Australian representatives (Dawn and Hugo) who wanted to have a look at our operations. They spent a couple of hours here and were very impressed with the cleanliness of troughs and the rubber matting of which Dawn was pleased with how calm and relaxed some cattle were. Whilst Stewart was talking to Dawn and Hugo, Dawn noticed an animal with weepy eyes and made comment that it had possibly been caused by a grass seed and she queried our action plan. The steer was put in the crush and the problem was sorted (grass seed in eye).

Dawn also queried what happens when we have broken horns on animals within the complex and asked if we treat the animal in question. My response was, 'at this stage no, but it is something that we should look at, but the implications with the chemical that can be used is that these chemicals i.e. (Extinosad) so go off pretty quickly'. The Manager is aware that they use this at the Katanning Sheep Yards, but with sheep it is used more often. We made it clear that we have a good working relationship with the Mount Barker Veterinary Clinic and they are called for advice if we are unsure. She also questioned what calibre of firearm we use to destroy cattle.

- On Friday 12 June we had a visit from Albany Business Telephones which have been asked to provide a quote on a system upgrade. They did look at our cord array under the desk and the modem and suggested that some of the cords could be rectified by putting the modem etc. in the network box in the disabled toilet. Further advice will come in this regard.
- Stewart is planning on taking annual leave for the duration of July so we look forward to the next report from Erika.
- The latest water usage graph is shown below.



OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr B Bell, seconded Mr M Skinner:

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 MAY 2015

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 26 May 2015

PURPOSE

The purpose of this report is to review the financial position of the Mount Barker Regional Saleyards for the period ending 31 May 2015.

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 May 2015 position of operating and capital budget items is attached for information. Overall year to date (YTD) operating expenditure is \$984,963.00, which is \$45,291.00 below YTD budget. There are no significant variances.

Few capital expenditures have been made to date. We are still working with Powell Security on the CCTV system and it is expected that the performance can be improved. The installation of above ground isolation valves to the existing underground washdown pipe network has been completed.

Overall year to date (YTD) operating income is \$675,175.00, which is \$6,133.00 above the revised YTD budget. Weigh and Pen Fees are \$21,696.00 above YTD budget.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, 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 ROOF OVER THE NORTHERN DIRT PENS – MOUNT BARKER REGIONAL SALEYARDS - DESIGN

File Ref:	N34124
Attachments:	Working Drawings for Saleyards Roof
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	26 May 2015

PURPOSE

The purpose of this report is to seek endorsement of the detailed plans for a roof over the northern dirt pens at the Mount Barker Regional Saleyards.

BACKGROUND

An application has been submitted for a grant of \$300,000.00 under the Great Southern Development Commission's 2014/2015 Royalties for Regions - Great Southern Regional Grants Scheme. The amount sought is approximately half the cost of the project.

Advice in regard to the success or otherwise of the grant is expected in June 2015. If a grant is secured, a condition of the grant funding is that the Shire would need to have funding and detailed plans in place by 30 June 2015.

The Saleyards Advisory Committee has supported the application and is of the view that the Council should consider borrowing the whole sum to take advantage of the current low interest rates, thereby leaving some capital in reserve in case it is required for other purposes.

A concept and preliminary costings from designer John Maxwell have been developed.

At its meeting held on 3 March 2015, the Council resolved that:

1. The construction of a roof over the northern dirt pens at the saleyards be supported.
2. Detailed design plans and tender documentation for this project be progressed.

Mr Maxwell has now finalised working drawings.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

EXTERNAL CONSULTATION

Consultation has occurred with designer John Maxwell.

FINANCIAL IMPLICATIONS

Financial implications for the overall project were presented to the Council at its meeting held on 3 March 2015. The project is expected to be funded by a combination of grant and loan funding. These matters will be dealt with in a future report to the Council if the grant applied for is approved.

POLICY IMPLICATIONS

There are no policy implications for this report.

ASSET MANAGEMENT IMPLICATIONS

The design and materials specification of the new roof (combined with the local climate zone) is such that the facility additions will require minimal maintenance. Once constructed the expected asset life is over 60 years.

Consideration has been given to the predicted financial effect on operations once the project is complete. An allowance for preventative minor annual maintenance of \$3,000.00 per annum is expected. These costs are offset by predicted increased income.

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'

The Shire's Mount Barker Regional Saleyards Strategic Plan 2014 – 2023 states that *'The Shire has proposed major improvements to the Saleyards that consist of expansion to receivals areas and roofing over an area of dirt floored pens'*.

The Shire's Mount Barker Regional Saleyards Business Plan 2014 – 2023 states that *'There has been a long term aim to provide a roof over the northern dirt pens of the Saleyards. This project is seen as the main priority to develop and source grant funding.'*

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

OFFICER COMMENT

The Shire has identified in its Business Plan (2014-2023) for the Saleyards that it is a strategic aim of the Council to ensure that animal welfare is a high priority. It was also noted that current rainfall and other (non-scheme) water sources are usually insufficient for requirements over summer. From 2007 to 2013 the average annual cost of scheme water was around \$20,000.00.

Consideration has been given to investigative work on alternative water strategies for the Saleyards and this project provides a method of water catchment and re-use.

By continually improving and upgrading the Saleyards' facilities in line with development priorities, the Saleyards can maintain its status as a state-of-the-art facility that values animal welfare and environmental best practices.

Features of the design are as follows:

- The design provides two skillion roofs separated by a ventilation gap.

- The roof is designed in bays. The number of bays can easily be reduced by a variation if the cost of the entire structure is prohibitive (subject to agreement of a grant funder).
- The structure will be in harmony with the existing roof structures and constructed of zincalume.
- The substructure will be galvanised steel to match existing works.
- It will enable storm water to be collected and delivered to the storm water catchment tanks. Excess water will flow into the fresh water dam, as it does currently.
- The design incorporates fluorescent lighting. The designer has investigated options with lower long term operating costs such as LED and this could be specified as a variation if considered desirable.
- The roof will cover the northern overhead walkway and all northern dirt pens.
- The design enables outloading ramps to be modified in future if required.
- All of the roof supports will be attached on top of existing gate posts or fence posts to minimise interference with current yard space. Footings will be upgraded where needed.
- Consideration has been given to the future addition of solar photovoltaic cells, however the design does not incorporate conduit and cabling as such equipment could be installed easily without this provision.

The structure been designed in conjunction with a structural engineer and will be certified by him in due course.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That it be a recommendation to the Council:

That the attached detailed design plans for a roof over the northern dirt pens at the Mount Barker Regional Saleyards be endorsed for the purposes of progressing tender documentation.

During discussion, it was agreed that advice be sought on the adequacy of overflows on the water tanks. In addition, it was agreed that advice be sought from a suitably qualified and experienced person, on whether there may be anything missed on the plans or any issues that may cause unforeseen issues during construction.

6 GENERAL BUSINESS

6.1 RAMP AND PEN ALLOCATION

At its meeting held on 26 May 2015, the Committee was informed of a recent meeting with Andrew Lindsay from Primaries about the request for all agents to rotate between pens on an annual basis and a more equitable system for weekly ramp allocation.

During discussion, the Committee agreed that the Shire has an obligation to provide an equitable solution in regard to the issues raised. It requested that options be developed for further consideration by the Committee at its next meeting.

A number of options for annual rotation are provided on the attached, for consideration. Option 2 is preferred as it is the most even distribution of selling positions between the agents. This involves Landmark (the agent with the highest throughput) swapping between 'front' and 'back' positions and Elders and Primaries swapping between the 'front', 'middle' and 'back' positions.

Elders is disadvantaged compared to the current system as it would be in the 'middle' position every second year. The system would have to be adjusted if the throughput distributions changed over time.

The suggested ramp allocations related to these selling positions are also shown on the attached. The solution basically involves Landmark with the three ramps on its side (front or back), with Elders and Primaries having one ramp to themselves and one ramp to share. This is seen as the most equitable situation, given their current average distributions. It should be noted that one of Landmark's ramps is currently used for Esperance trucks which carry cattle for potentially all agents.

Options 3 (Change the selling order every week) and 4 (one or more agents holds a sale on a different day) are not considered workable or desirable.

One idea for possible further development is to implement a low cost ramp into the new western pens or the space between pens on the eastern side of the yards. The Saleyards Manager will provide further explanation in this regard.

During discussion, the view was expressed that it should be possible to achieve an equitable solution to these issues without additional infrastructure, although there are likely to be some operational difficulties to address.

Considerable discussion ensued in regard to the merits of the various options presented. It was noted that, over the last two years, the throughput for the respective agents is Landmark 46%, Elders 31% and Primaries 23%.

In regard to ramp allocation, it was agreed that Landmark should continue to have an allocation of three ramps as it has almost 50% of the throughput. (It was noted that one of Landmark's ramps is currently used for trucks coming from Esperance which carry cattle for potentially all agents.) The two agents with the lowest throughput (currently Elders and Primaries) should have at least one ramp allocated to them with the third ramp either being a shared ramp or allocated to the agent with higher throughput on the day. This could be determined by the Saleyards Manager.

In regard to the allocation of selling pens, it was acknowledged that, because of the design of the saleyards, one of the agents would be disadvantaged. As Landmark has almost 50% of the throughput, logistically they must be allocated a 'front' or 'back' position.

The consensus was that the options presented may appease the agent seeking change, but they do not necessarily represent a more equitable arrangement. The ideal scenario would be to allocate selling pens based on weekly cattle nominations. The 'middle' position is the least preferred and should continue to be occupied by the agent with the lowest throughput.

However, it was acknowledged that there are currently impediments to implementing this arrangement, such as timing of nominations and un-nominated cattle. In view of this, and due to the design of the yards, the allocation of selling pens would have to remain as it is currently unless and until Primaries consistently has a higher throughput than Elders.

6.2 ALMA MEMBERSHIP

At its meeting held on 28 April 2015, the Committee noted that some recent minutes were being sought with a view to assisting in consideration of the benefits of membership. The view was expressed that any nominee should be an elected member with a good understanding of the cattle industry.

Further correspondence and a set of draft minutes are attached for consideration. Point 4.8 in the minutes does not entirely accurately reflect the advice to ALMA about a proposed representative and this position has been clarified now.

During discussion, Committee members were of the view that there would be some benefits to the Shire and to the industry generally from membership on the ALMA Board. The Presiding Member expressed the view that he would like to attend the annual conference in September to speak to other members and the CEO of ALMA before committing to a nomination. It was suggested ALMA may permit the Presiding Member to listen in to the July meeting via teleconference as a prospective member. It was agreed that a report to endorse Cr Moir's attendance at the AGM and conference would be prepared in due course.

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 2014/2015 has been included for an additional water source. A meeting has been held with a diviner / drilling contractor to seek a potential bore site. A second diviner is being sourced.
- Agents Agreements – The Primaries agreement has been signed by both parties. The Landmark Deed of Agreement has been signed by both parties. The Elders Agreement has not yet received back. This is not likely to be received until a new agreement drafted and discussion with agents about \$1.00 contribution. The draft agreement has been received back from a solicitor following feedback at the Saleyards Committee meeting on 11 November 2014.
The new agreements have now been sent out to agents.
- Concept design for Saleyards roof – A discussion was held in regard to expectations at the meeting held on 11 November 2014. The concept design and grant application have been submitted. The construction of a roof over the northern dirt pens at the saleyards has now been supported by the Council and detailed design plans are complete. It is hoped that these plans will be approved by the Council on 23 June 2015.

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- Standard Operating Procedures – Draft procedures have been developed and form an addendum to the new Agents Agreements.
 - During discussion at the meeting held on 19 August 2014, it was agreed that some thought should be given to a public relations opportunity for the millionth animal to go through the saleyards, expected to be in late 2015.

At its meeting held on 28 April 2015, the Committee considered that a similar event to what has been done previously to promote the yards would be appropriate, with a plaque, speeches and sash around the 1 millionth animal. Some thought will need to be given to how the animal is chosen.

- During discussion at the meeting held on 19 August 2014, members noted Cr Handasyde's comments within his report on the ALMA Conference that it will be increasingly more important to secure a position on the ALMA Board in order to have the inside running on the National Issues. It was agreed to give further consideration to this matter.

At its meeting held on 28 April 2015, the Committee noted that some recent minutes were being sought with a view to assisting in consideration of the benefits of membership. It was noted that when the live cattle trade received some bad press recently, the response was immediate and relentless. Having a representative at that level might be useful as it may provide intelligence from a wide cross section as well as identifying federal funding opportunities. The view was expressed that any nominee should be an elected member with a good understanding of the cattle industry.

Further correspondence and a set of draft minutes are attached for consideration.

- 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.
- During discussion at the meeting held on 3 February 2015, it was noted that the weighbridge scanners had been damaged by recent storm activity and scanning was being done by hand. The Committee agreed that an appropriate risk mitigation strategy warranted some investigation. The Saleyards Manager has discussed this matter with the Aleis who have indicated that this was an unusual incident and there should be no need to protect the equipment from this type of surge. The Manager is going to seek the views of Norm Burren from Mount Barker Electrics.
- At its meeting held on 3 March 2015, the Committee noted the Chief Executive Officer's 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.

7 NEXT MEETING

21 July 2015.

8 MEETING CLOSURE

10.01am The Presiding Member declared the meeting closed.

CONFIRMED: PRESIDING MEMBER _____ **DATE:** ____ / ____ / ____