



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 Saleyards
Advisory Committee was held in the
Committee Room, Lowood Road, Mount Barker WA 6324,
9.00am Tuesday 26 March 2013

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr B Bell, Cr L Handasyde, Cr C Pavlovich, Cr M Skinner 238/11

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Membership

Cr M Skinner – Presiding Member

Cr B Bell

Cr L Handasyde

Cr C Pavlovich

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

9.00 am The Presiding Member declared the meeting open.

1 RECORD OF ATTENDANCE / APOLOGIES

Members Present

Cr M Skinner (Presiding Member)

Cr B Bell

Cr L Handasyde

Cr C Pavlovich

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

2 CONFIRMATION OF MINUTES

Moved Cr B Bell, seconded Cr L Handasyde:

That the Minutes of the Meeting of the Great Southern Regional Cattle Saleyards Advisory Committee, held on 29 January 2013 as circulated, be taken as read and adopted as a correct record.

CARRIED

3 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 via letter dated 3 January 2013, 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 2013.

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

4 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

4.1 MANAGER'S REPORT – 23 JANUARY 2013 TO 19 MARCH 2013

SALE DATA

Total sale numbers for the from 23 January to 19 March were 13,765 (January 2,965, February 8,111 and March 2,689)

There have been no MSA cattle in this time.

A total of 197 cattle have received replacement NLIS tags over this time.

Nine animals were put down or removed.

A total of 105 bales of hay have been fed out over this time.

There have been 972 cattle processed for Private/Shipper Weigh.

A total of 372 cattle were sold under Landmark's Special Breeders (Coffey) Sale on 4February 2013.

GENERAL BUSINESS

- January was busy as usual with three sales continuing. Wash down and cleanup carried out as normal.
- In February, Erika dislocated her little finger and was rushed to hospital to get her sorted out. The finger is almost back to normal now.
- We had the Dunbar Angus (Coffey) dispersal sale on Monday 4 February and all animals sold well. There were lots of buyers and it was disappointing to farewell another respected local from the cattle industry. One of the stud bulls injured itself whilst being loaded off ramp 1 (dispersal).
- The last of the double sales finished on 7 and 8 February, which was two weeks earlier than usual, but we did start one week earlier than usual in November 2012.
- Double sales ceased due to lack of nominations of cattle. The thought was to go back to single sales retaining all buyers on the one day.
- On the following sale (14 February), 2,400 head came through, which was larger than anticipated. We believe some agents were sitting on animals waiting for single sales.
- A special permit came in on 18th February to tag and earmark 35 animals which had been running around on a blue gum plantation east of Albany. We held these animals until the Thursday sale, where they were sold in the sale. We understand there is still another 150 to come. They have been rounded into a secure paddock (apparently) and being fed at the moment to quieten them down for transport.
- A lift gate seal failed on a ram in Weighbridge A, which resulted in a high pitch whistle. This had been fixed by Al Curnow Hydraulics.
- We had a very successful open day celebrating '75 years of livestock sales' on 20 February. Around 50 people attended, including Harry Reeves and ladies from the CWA. By all feedback and newspaper coverage, it turned out to be a very good day.

- We added the Microchem HTC into the pond for the first time on the 27 February, with the second dose being added on 6 March. The visual indication is that this has helped with the settling of solids (or breakdown of solids) in conjunction with Klenzyme F.
- On 27 February we had a DEC inspection for our licence. The inspectors were not happy with the stock marking fluid (clay and turpentine based with a colour) being situated close to drains and dripping into drains. Paint is classified as an unauthorised discharge under the Environmental Protection (Unauthorised Discharges) Regulations 2004. The agents haven't been as clean with fluid as we would have liked and DEC issued a work order to clean up around drains within three days. This was done with photos taken and forwarded onto DEC. The paint removal was not an easy job.

The irrigation flow meter had to be re-calibrated. This has now been done and refitted. Other than that they seemed reasonably happy and could understand the problems we have with the sludge and vegetation growing in the ponds. At that stage, we had advised them that we intended to clean out one of the ponds, which unfortunately did not transpire.

- All staff did a fire extinguisher course at the fire station with Andrew Buchanan on 8 March.
- In the week of 11 March, arrangements were made for a long reach excavator to come and clean out north west pond, which we had blocked off since early December and had reasonably dry. However, with 65mm of rain that week, we are now back to square one. We may have to look at other options or try again next year.
- On Wednesday 13 March, the agent changeover took place. At this stage, all seems to have gone smoothly.
- Section 1 of the new yards was opened up for use as Plantagenet Sheds came and opened up access. There is still some plumbing to do on the troughs, but so far, all is well. Plantagenet Sheds and Steel is now getting organized to start section 2.
- General maintenance has been carried out as usual. RCD Testing and tagging has now been completed by Mount Barker Electrics. No significant issues were identified; we had one power board fail, and the deep fryers in the commercial kitchen failed and needed new power cables fitted, which has been done.
- There is no sale in the week before Easter and the week of the Anzac day holiday. Mount Barker Electrics will be here in the week before Easter to put the new cable in under the driveway to the power box, in readiness for Western Power to upgrade on 9 April. We will not have power for most of that Tuesday.

4.2 SALEYARDS FINANCIAL REPORT – 28 FEBRUARY 2013

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 26 March 2013

PURPOSE

The purpose of this report is to review the draft financial position of the Mount Barker Regional Saleyards for the period ending 28 February 2013.

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 Saleyards.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

A spreadsheet showing the 28 February 2013 position of operating and capital budget items is attached for information. Overall year to date (YTD) operating expenditure is \$411,610.00, which is \$27,173.00 below YTD budget. Operating income is \$217,332.00, which is \$10,595.00 below YTD budget.

The majority of expenditure budget items are below YTD budget. Budget Item 'Other Operating Costs' has almost been fully spent due to legal fees and ALMA Membership.

The concern raised previously in regard to the new DEC requirement relating to the calculation of their annual licence fee did not fully transpire. The final cost of the licence was \$4,333.00, which is still more than budget, but not as high as we had feared.

Operating Income is still below YTD budget, however, income received over summer has generated a current surplus of \$16,963.00.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr L Handasyde, seconded Cr M Skinner:

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 SALEYARDS - ANNUAL ENVIRONMENTAL REPORT

File No:	CA/126/1
Attachment	2012 Annual Environmental Report - Saleyards
Responsible Officer:	John Fathers Deputy Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
Proposed Meeting Date:	26 March 2013

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 Monitoring report has been prepared to satisfy Condition 19 of the Licence Number L7407/1998/9. The reporting requirements as specified in the licence are:

- '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;*
 - (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.'*

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

The Executive Summary of the report includes the following comments:

'In terms of surface water results, the average BOD level for SW1 increased over the year from 57 mg/l in 2011 to 74 mg/l in 2012. Of significance were the lower figures for the latter part of the year which resulted from the improvements in waste water treatment. The average total nitrogen level for SW1 in 2012 was lower than 2011 levels 46.7 mg/l compared to 64.5 mg/l respectively. The average total Phosphorous level in SW1 decreased from 4.1 mg/l in 2011 to 3.1 mg/l in 2012. Nutrient levels in SW3 showed a slight increase for total nitrogen from an average of 1.6 mg/l in 2011 to 2.4 mg/l in 2012 plus a decrease in total phosphorus from an average of 0.19 mg/l in 2011 to an average of 0.07 in 2012.

Irrigation loadings for 2012 are shown in the table below. The BOD, total nitrogen and phosphorous loadings are less than the loadings of 2011 and are all within limits set by the licence:

Waste Water Discharge	Actual Loadings discharged to irrigation
Nitrogen	166.3 kg/ha/yr
Phosphorous	9.20 kg/ha/yr
BOD	0.67 kg/ha/day

In order to reduce the amount of contaminant concentrations in the waste water in pond No. 3, two aerators have been installed. This pond is the source of irrigation water pumped out onto an irrigation paddock. It is intended to progressively clean up all effluent ponds. The use of enzymes (Klenzyme F) is also needed to enhance nutrient removal and reduce sludge in the waste water system.

A number of different aerator cycles needed to be tried and evaluated. Some reduction in TKN was achieved with the first cycle with ammonia nitrogen levels substantially reduced. BOD and COD levels elevated on peak sale days and suspended solids levels also elevated. For the second change settings as above BOD levels have been reduced as has TKN and some reduction of Total Phosphorous evident with reference to Baseline Data. By commencement of the third change in settings, a clear by layer could be observed on the pond surface and an analysis was conducted on sample taken at depth and at surface as above.

The benefit of improving primary and secondary loadings was not fully realised owing to delays experienced in commissioning the aerators. The aerators arrived on site in June 2012 but were not commissioned until September 2012. Nonetheless, the reductions achieved in total nitrogen and BOD levels to date are encouraging. The performance and operation of the of the waste water treatment facility, including aerators is still under review.'

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

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr C Pavlovich, seconded Cr B Bell:

That the 2012 environmental report for the Mount Barker Regional Saleyards, be noted and endorsed.

CARRIED

5 GENERAL BUSINESS

5.1 SIGNAGE

Following advice from Main Roads, a second quote has been sought but not received for the revised proposals, as indicated below. Formal approval has been obtained from Main Roads for the one on the road reserve:

- A 3.0m x 1.5m double sided sign, perpendicular to Albany Highway, installed adjacent to the saleyards entrance, able to be viewed from both directions.
- Replacement of four other signs which have the old logo on them, two on the boundary fence and two on the roof fascia.

5.2 CANTEEN

The canteen lessee has informally advised that he intends to seek approval to assign the lease. No formal proposal has been forthcoming. The current lease expires in November 2013.

5.3 2013/2014 BUDGET CAPITAL ITEMS

At this stage, the following capital works proposals are suggested for consideration in 2013/2014, excluding carry forward projects:

- | | |
|--|-------------------|
| • Soft Floor (Stage 2) | \$ 80,000.00 |
| • Outloading Ramp Bugle Modification | \$ 15,000.00 |
| • Roof Guttering replacement (ongoing project) | \$ 20,000.00 |
| • Replace Lawnmower | \$ 5,000.00 |
| • Bitumen Repairs | \$ To be assessed |

It is also proposed to put \$10,000 in the budget for consultant investigations into progressing the Environmental Action Plan. Given the ongoing problems with sludge removal, it is considered that a budget allocation may be required for an additional primary pond at some stage.

The current balance of the Saleyards Reserve Fund is \$176,467.00.

During discussion, members noted that the proposed new bull pens should be included in the 2013/2014 budget. Long term projects should include a roof over the northern dirt pens and an additional loading ramp to the new western pens. Both of these would need to be designed before any possible grant applications could be made.

It was requested that the replacement roof guttering be colourbond® rather than zincalume to ensure it has the longest possible life.

The Committee requested that this matter be re-listed for consideration at the April 2013 meeting, which should include priorities for budget consideration.

5.4 2013/2014 FEES

Possible budget fees and charges are listed on the attached spreadsheet, for consideration.

The Committee is aware that a new business plan is currently being developed for the saleyards, which will include an assessment of ongoing income and expenditure

requirements. However, some members may recall that at its meeting held on 1 March 2011, the Committee requested the administration to submit long term financial projections for the saleyards. At the meeting held on 12 April 2011, an analysis was provided.

The outcome from these assumptions was that an average increase in charges of 6.5% per year results in a break even scenario for the saleyards operation over the next 10 years. It was argued that the ongoing business case should also incorporate an additional return on investment of say 6%, the level of which would take into consideration a community benefit. A revised analysis which includes this return on investment indicated a requirement for a 7.7% average annual increase in fees.

Assumptions were as follows:

- Cattle numbers continue at 64,000 head. This is the average to date.
- Continuation of agent contribution of \$1.00 per head, to be put into a Saleyards Improvement Reserve. Any capital improvements to be funded from this reserve.
- Capital maintenance is reflected in the non-cash depreciation charges.
- Saleyards expenses to increase at 3% per year.
- A continuation of the \$1 per head contribution.

The attached spreadsheet considers a number of different scenarios. Until the Committee is able to have another look at long term projections, it is recommended that at least a 4% increase is considered for 2013/2014, which will enable the operation to keep pace with increasing costs (although ongoing aeration chemical costs are somewhat unknown at this stage). A 4% increase has been factored into the attached operating budget. It is estimated that this would result in a \$8,495.00 surplus. Wamia's current fees for the Muchea Saleyards have been included for information.

During discussion, the Committee requested that this matter be re-listed for consideration at the April 2013 meeting. In the meantime, the Saleyards Manager should attempt to seek advice on likely throughput trends for next year. At this stage, the budget could be framed based on a 4% fee increase. A meeting with agents could then be held in May 2013.

5.5 CORRESPONDENCE

Recent information from ALMA is attached.

Recent correspondence with Harry Reeves is attached in regard to the anniversary of 75 years of cattle sales in the district.

5.6 PROPOSALS FOR FURTHER CONSIDERATION

- Greater use of chlorinated water.
- Saleyards Strategic / Business Plan.
- Agents Agreements.
- MediaWiz Advertising Proposal.
- Procedure for dealing with sick and injured animals.

During discussion, members considered that onsite advertising should be included in the business plan.

6 NEXT MEETING

30 April 2013

7 MEETING CLOSURE

10.15 am The Presiding Member declared the meeting closed.

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