



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
10.00am Tuesday 26 March 2019.

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr J Moir, Cr B Bell, Cr L Handasyde, Cr M O'Dea, Mr M Skinner – Industry Representative – 225/17

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Membership

Cr L Handasyde - Presiding Member

Cr B Bell - Deputy Presiding Member

Cr J Moir

Cr M O'Dea

Mr M Skinner

Cr J Oldfield (Deputy for any member)

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

10.00am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIESMembers Present

Cr L Handasyde (Presiding Member)
Cr B Bell (Deputy Presiding Member)
Cr J Moir
Cr M O'Dea
Mr M Skinner

Observers

Cr J Oldfield (from 10.46am)

Staff

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

3 CONFIRMATION OF MINUTES

Moved Cr B Bell, seconded Cr M O'Dea:

That the Minutes of the Ordinary meeting of the Saleyards Advisory Committee, held on 26 February 2019 as circulated, be taken as read and adopted as a correct record, subject to the reference to Cr O'Dea being Presiding Member being removed.

CARRIED

4 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

Cr J Moir

Type: Financial/Indirect Financial Interest (Section 5.60 (A) and 5.61 LGA)
Nature: Cattle Farmer and Employee of Elders
Extent: Sell cattle through the Mount Barker Saleyards on average six times per year. Average number of cattle held is 80 head.
Part time employee of Elders in a non-managerial position.

Mr M Skinner

- Type: Financial/Indirect Financial Interest (Section 5.60 (A) and 5.61 LGA)
- Nature: Hold equity in a farming enterprise of which my son owns/farms approximately 400 head of cattle.
- Extent: Son sells cattle through the Mount Barker Regional Saleyards approximately 8 times per year.

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 4 June 2018, giving permission for Cr J Moir to participate in the discussion and decision making at the Saleyards Advisory Committee on matters relating to the Mount Barker Regional Saleyards until 30 April 2019.

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 – 20 FEBRUARY 2019 TO 19 MARCH 2019****SALE DATA**

- Total sale numbers 5,506 head.
- There have been no cattle eligible for MSA sales in this time.
- 38 cattle have received replacement NLIS tags over this time.
- Eight animals have been put down (Seven to pet food, one to tip)
- 40 bales of hay have been fed out over this time.
- There have been 460 cattle processed for Private/Shipper Weigh.

GENERAL BUSINESSEFFLUENT PONDS / AERATORS

Willyung Electrical were onsite on Monday 11 March to check aerator operation and check / reset auto run program with regard to our electricity usage at the saleyards. A fault was recognised with one of the electrical control switches and we are waiting for a new controller to be sourced and installed, this should happen in the very near future.

NEW CATTLE LOADING RAMP

The new loading ramp has been completed and is now in use. A small truck load of cattle was given the opportunity of unloading cattle off the ramp during receivals last Wednesday. All concerned were very happy with the ramp and it was decided to put the ramp into full service. Some positive feedback was received from Landmark with just some minor modification made to one of the ramp gates. It is also our intention to install some rubber matting to the ramp floor as has been done with the other six ramps.

Paddock IRRIGATOR

The paddock irrigator that was sourced from Parks and Gardens has been in use now for a little over a month now. It has given us a few little teething issues which we seem to have sorted out and we are now able to use the irrigator as intended and as required according to the environmental licence.

MANURE STORAGE

With limited customers looking for or requiring manure this month and our storage bunkers near full capacity, it was decided to have all the bunkers cleaned out and all manure removed and dumped in to a stockpile at the Shire depot. This has been completed.

SALEYARD PENS

Two Department of Primary Industries and Regional Development officers were on site to measure and inspect sale pens with regard to pen stocking density rates. They have taken this information and will be issuing us with new requirements with regard to pen density rates that are now industry standard. Pen stocking rates is an important area of compliance and there have a few instances recently where pens were close to their carrying capacity. I have spoken with selling agents and asked them to be mindful of not overstocking pens.

SKIDSTEER LOADER

Prices and quotes have been received for a replacement unit. A number of options were presented to us and we are currently deciding on which option best suits our requirements.

IRRIGATION PUMP – DIESEL ENGINE

A quote has been received for a replacement engine which is just the engine from fan to flywheel. We would then need to fit exhaust, radiator and most importantly the electrical controls. I have had discussions with our mechanic and he has concerns as to whether the existing wiring harness will be suitable to transfer to a new engine to operate the electrical controller. The price to have a new stop / start protection panel (controller) kit would be \$1,125 plus GST. I will have some further discussion with the suppliers regarding the compatibility of the old electrical componentry to a new engine. Should we decide to proceed with the purchase this engine would not be available until July 2019. I have also been quoted a price on another complete engine and control unit that is compatible but the price on this unit is considerably more expensive and would fall well outside our proposed budget allocation.

WEIGHBRIDGE / PAINTBOX PNEUMATIC CYLINDERS

In recent times, some of these cylinders which raise and lower the gates have and are developing air leaks through worn seals. I have engaged a technician to source seal kits and replacement cylinders. He has after some time come back to me and managed to source some seal kits but is having trouble with the air cylinders as this particular component has been discontinued. He is now trying to source compatible cylinders for us and will advise of price and availability. It is worth noting that these cylinders have now been in operation since 2000 and more of them may need servicing and/or replacement in the future. We currently have 28 of these cylinders in use. It is my intention to purchase (subject to price and availability) 2 or 3 of the new complete cylinder assemblies to have as back up and send any requiring re-sealing away to be reconditioned as required. This area is integral to the saleyards operation and will need strong consideration for future funding allocation.

SALEYARDS DAM

Unfortunately our window of opportunity for cleaning out the silt and expanding the dam to increase storage capacity has closed with the recent rain events we have had in the last couple of weeks flowing into the dam.

Anykem

The calibration of the system is causing a few issues with the dosing of the washdown water. A representative will be onsite on 29 March to recalibrate and install a non-return valve etc and a new control cable. Also, the question was asked if we could send back the pods to be reused as they are costing us \$200 a month, and we received positive feedback that they would reduce the cost by half.

AGENTS CHANGEOVER

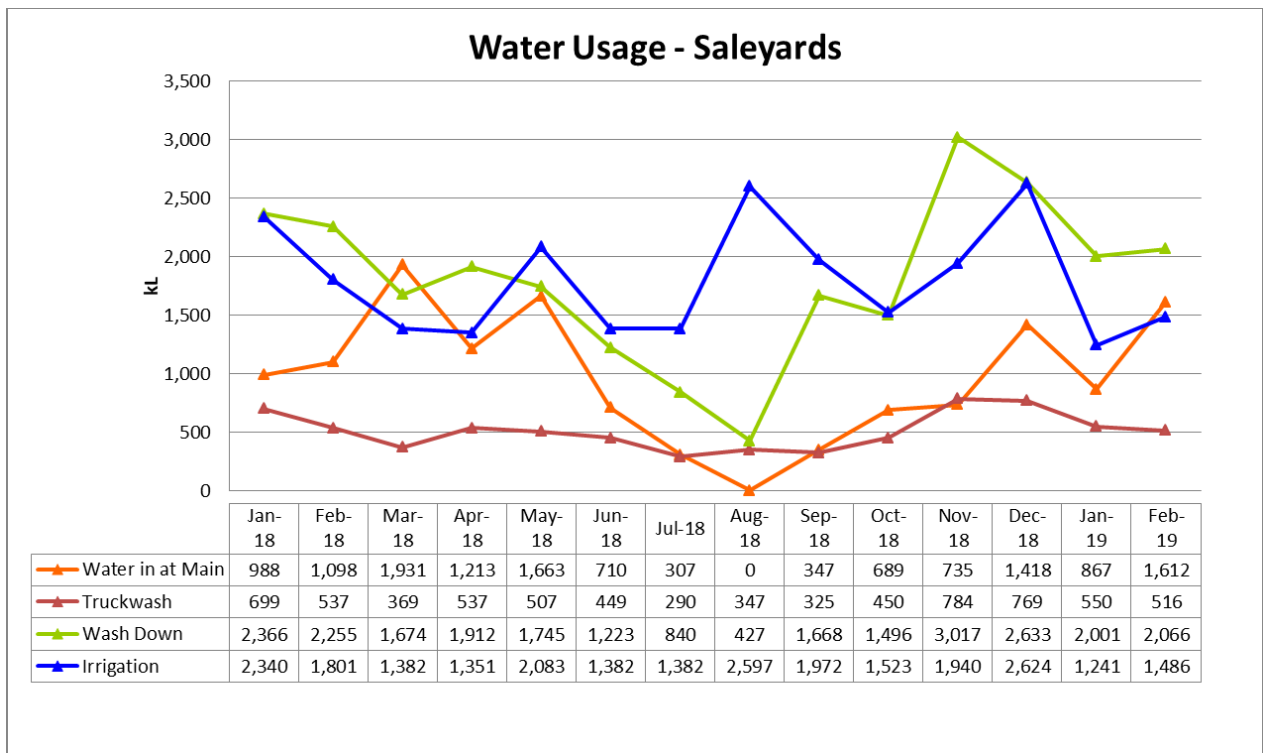
There was a smooth changeover this year with Landmark heading to the western end of the receival yards and Elders taking up first spot and Pen 1.

End of Year figures are as follows:

AGENT	NOMINATED	ACTUAL	PERCENTAGE	RAMPS
Landmark	32,342	31,273	47.87%	3
Elders	21,550	20,627	31.58%	2
Primaries	13,554	13,426	20.55%	2

Dirt pen allocation has stayed as it has over the last three years with the only note being that Dirt pens D5, D6 and D7 have been coloured to Primaries but are shared pens with Landmark depending on nominated numbers (See plan on page 5).

The latest water usage graph is shown below.





VOTING REQUIREMENTS

Simple Majority

During discussion, members considered that at a forthcoming separate planning day, the guidelines to be put in place in the event of a request from a 4th agent to utilise the facility should be reviewed. In addition, biosecurity should also be discussed.

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Mr M Skinner, seconded Cr M O'Dea:

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 – 28 FEBRUARY 2019

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 26 March 2019

PURPOSE

The purpose of this report is to review the financial position of the Mount Barker Regional Saleyards for the period ending 28 February 2019.

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 28 February 2019 position of operating and capital budget items is attached for information. Overall operating expenditure is \$842,084.00, which is \$5,886.00 above the adjusted year to date (YTD) budget. The facility operating budget item is currently \$6,325.00 above YTD budget, mainly as a result of high power charges due to aerator issues and scheme water charges.

Year to date operating income is \$534,690.00, which is \$47,075.00 above YTD budget, due to a similar level (\$38,664.00) over the YTD estimate on weigh and pen fees.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr B Bell, seconded Cr J Moir:

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

CARRIED

6 GENERAL BUSINESS**6.1 2019/2020 BUDGET**

An amended draft budget incorporating a throughput of approximately 65,000 head is attached.

During discussion at the meeting held on 26 February 2019, there was general consensus among members present to propose a 1% fee increase option at this stage, for further consideration and discussion with agents. This option averages slightly higher than 1% across the range of fees and is generally in line with CPI.

This scenario results in an operating surplus (excluding non-cash items) of \$83,201.00 at the end of 2018/2019. It should be noted that the current arrangements provide for 10% of the surplus to be transferred to the Operating Loss Reserve and 90% to be made available for capital works.

The estimated end of 2018/2019 position of the Capital Improvements Reserve is \$141,537.00. The estimated end of 2018/2019 position of the Operating Loss Reserve is \$289,421.00, which is nearing the maximum value of \$300,000.00 determined previously.

Based on the following budget assumptions, the estimated end of 2019/2020 position of the Capital Improvements Reserve would be \$49,846.00.

The scenario includes the following:

Current /Ongoing Items

- Additional Outloading Ramp Bugle Modification (\$17,000.00).
- Bitumen Repairs. It is expected that approximately \$20,000.00 will be used in 2018/2019 to resurface parts of the roadway that need repairing. The left-over \$25,000.00 can be made available for reallocation.
- \$7,000.00 for a long wand and data logger to be carried forward. This will be required when computer systems are updated to Windows 10.
- A sum of \$5,000.00 was allocated for transferring pond pipework. A review is being undertaken on additional waste water treatment system modifications. This is subject to further discussion by the Committee and will also require a works approval by the Department of Water and Environmental Regulation. There will likely be a need for a substantial additional funding allocation. At this stage, it is suggested that \$50,000.00 is pencilled in.
- Painting of Galvanised Elements - Roof and Walkways (\$23,000.00). Ongoing project.
- Desludge Southern Pond - A sum of \$30,000.00 has been added to the operating budget. The southern most pond is currently out of action due to the amount of sludge within it.

New Items

- **2nd hand skid steer loader (\$40,000 estimate)** - The skid steer loader has been identified as reaching the end of its economic life for some time. It is proposed to seek a 2nd hand model, with similar characteristics to the current one in terms of height and width for entry into pens and through weighbridge

gates, lifting capacity and maximum reach (parallel lift) and entry into manure bunker.

- **Dam Extension (\$5,000)** – Further to previous discussions on additional water harvesting, discussions with a local earthworks contractor have indicated that a preferred option is to clean out and extend the dam to increase water storage and reduce the amount of scheme water used. For around \$5,000.00, the capacity that the dam holds could be extended to almost double what it currently holds.
- **Undercover area - Generator and Lunch Space (\$7,900)** – A quote has been sought to build a structure outside the office block which would provide a cover for the generator, but would also provide an undercover eating area for people who might wish to eat their lunch outdoors.
- **Pneumatic Ram Replacement (\$7,000)** – Some of the pneumatic rams are leaking and, while suppliers trying to source seal kits, it is expected that there will be a need to replace some rams going forward. It is proposed to buy two new rams at \$3,500.00 each, so that the old ones can be swapped out when required.
- **Building Extension (\$103,000.00)** - An extension to the building is proposed, which would include two showers, two toilets and a larger office. The current shower and toilet facilities are becoming inadequate for the demand. The location within the office block is also problematic for office security, potential future demand for the corner office and the amount of dirt brought in by those attending to shower and change. The office is considered too small and there are also privacy issues with the current layout. A quote is being sourced; current estimate is \$103,000.00.

The suggestion has been made that grant funding for a new roof over the eastern dirt pens could incorporate this project as well. Availability of grant for a building extension on its own would be unlikely. This has not been included in the draft budget at this stage.

- **Extend Western Yards and New Slam Gate (\$14,000)** – Following the completion of the new ramp, there will be an opportunity to extend the yards adjacent to the new ramp to provide for additional receival pens. This cost also includes the installation of an additional safety gate (from main laneway that lead into the paint box area). This is considered to be a lower priority than projects listed above.
- **Reticulation** - Saleyards staff are currently discussing with the Parks and Gardens team, a proposal to install reticulation in the front lawn. For a minimal cost, current reticulation lines could be extended to cover most of the grass areas around the building. This would result in labour savings over the current manual system, which also constitute a trip hazard. It is hoped that this can be accommodated in the operating budget. More information will be provided when known.
- **Water Tank Repairs** – One of the 250,000 litre water tanks has developed a rust spot. The tank will be emptied during the break in April to enable an investigation of the extent of damage internally. A budget item may be required for repairs.

Cr J Oldfield entered the meeting at 10.46am.

During discussion, there was agreement to recommend to the Council the following items to be included in the draft budget for 2019/2020:

- *Additional outloading ramp bugle modification - \$17,000.00.*
- *Long wand and data logger - \$7,000.00 to be carried forward.*
- *Waste water treatment system modifications - \$50,000.00.*
- *Painting of galvanised roof and walkways - \$23,000.00.*
- *Desludge southern pond - \$30,000.00.*
- *2nd hand skid steer loader - \$40,000.00.*
- *Dam extension - \$5,000.00.*
- *Undercover area - generator and lunch space - \$7,900.00.*
- *Pneumatic ram replacement - \$7,000.00.*
- *Extend western yards and new slam gate - \$14,000.00.*

It was further agreed to seek meetings with stock agents to discuss budget matters and other items of interest.

6.2 PROPOSALS FOR FURTHER CONSIDERATION

- At the meeting held on 14 November 2017, Mr Skinner advised that the Shire of Dubbo was installing new moulded bar soft floor matting into 220 new pens. It was requested that we attempt to get a sample of the new matting, which may be appropriate for the paint box areas.
- At the meeting held on 30 January 2018, a query was raised about the Shire's obligations in respect to new Chain of Responsibility laws and how this might relate or conflict with animal welfare requirements. Some direction was sought in this regard.

During discussion at the meeting held on 29 November 2018, there was consensus on waiting to see how the Australian Livestock Markets Association tackles this issue at a national level.

- During discussion at the meeting held on 27 March 2018, the view was expressed that additional water tanks should be installed to harvest as much water as possible. The administration was requested to provide advice on what has overflowed since the new roof and tank was installed, and what is the cost benefit of additional tanks, given what we know at the moment.

At the meeting held on 26 February 2019, the Chief Executive Officer advised that he intended to authorise expenditure of approximately \$5,000.00 to expand the Saleyards dam, subject to weather and availability of a contractor.

- During discussion at the meeting held on 27 March 2018, the Committee requested pricing for modular and permanent toilet options, for consideration in 2019/2020.

During discussion at the meeting held on 29 November 2018, the view was expressed that grant funding avenues be explored for this project.

A proposal was raised at the meeting held on 26 February 2019 for an extension to the building, which would include two showers, two toilets and a larger office. The suggestion was made that grant funding for a new roof over the eastern dirt pens could incorporate this project as well.

7 NEXT MEETING

To be advised.

8 MEETING CLOSURE

11.26am The Presiding Member declared the meeting closed.

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