



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
9.30am Tuesday 27 February 2018

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

9.30am 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 (9.30am to 10.31am)
Cr M O'Dea
Mr M Skinner (9.30am to 10.31am)

Staff

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

3 CONFIRMATION OF MINUTES

Moved Cr B Bell, seconded Mr M Skinner:

That the Minutes of the Ordinary meeting of the Saleyards Advisory Committee, held on 30 January 2018 as circulated, be taken as read and adopted as a correct record.

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 29 March 2017, giving permission for Cr J Moir and Mr M Skinner to participate in the discussion on matters relating to the Mount Barker Regional Saleyards until 30 April 2018.

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

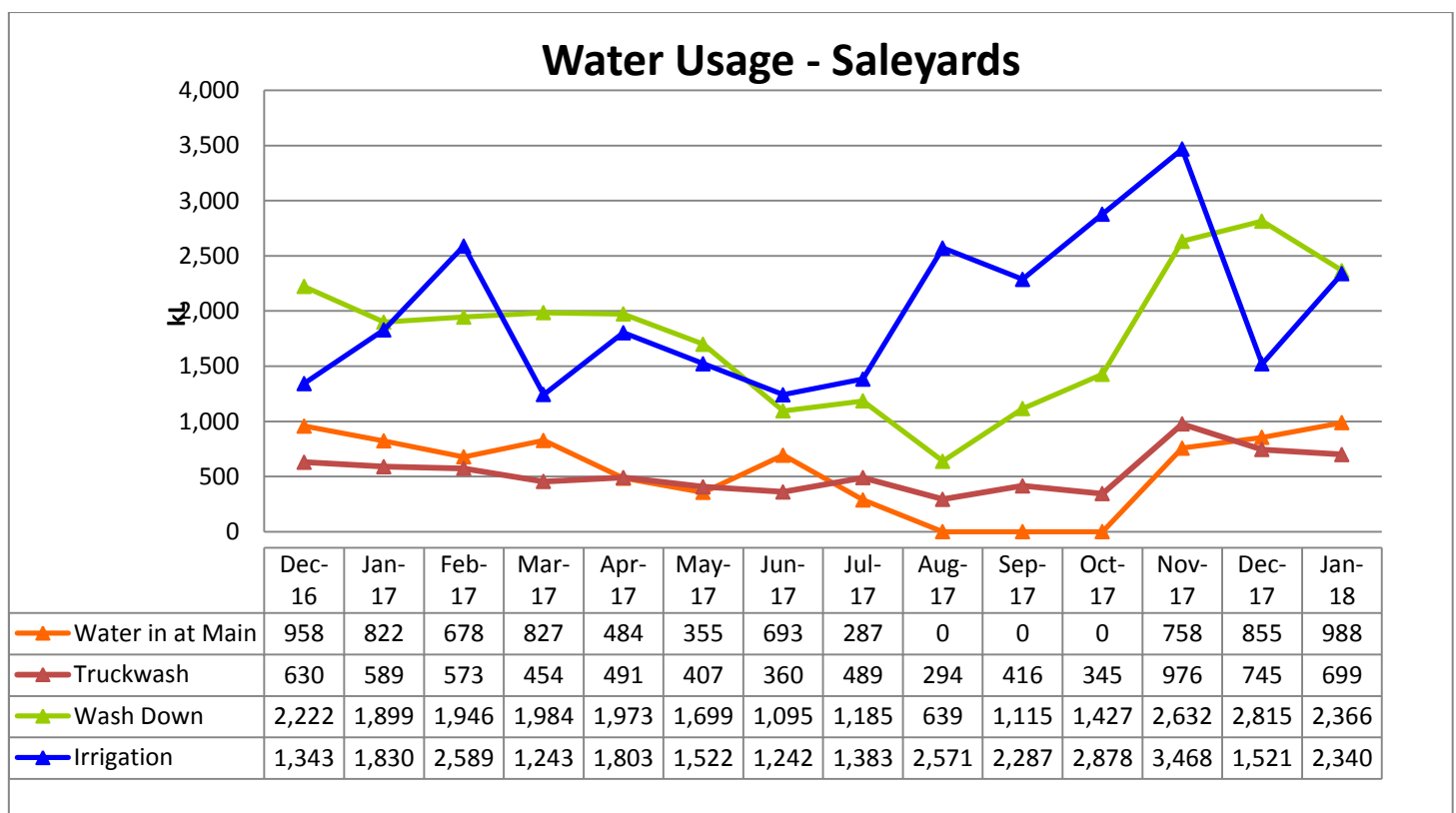
5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS**5.1 MANAGER'S REPORT – 24 JANUARY TO 20 FEBRUARY 2018****SALE DATA**

- Total sale numbers 7,066 head.
- There have been no cattle eligible for MSA sales in this time.
- 74 cattle have received replacement NLIS tags over this time.
- Five animals have been put down, 5 to pet food, 0 to tip.
- 52 bales of hay have been fed out over this time.
- There have been 441 cattle processed for Private/Shipper Weigh.

GENERAL BUSINESS

- On 25 January, there was a weaner sale only, due to Australia Day on the Friday. Stewart had to work on the Friday as there was a scheduled private weigh from Avon Valley Beef to make up numbers on a truck.
- On 30 January, another bump board on the outgoing ramps was repaired.
- On 5 February, the saleyards lost power due to a transformer going at the school. The generator was engaged for the day to complete washdown. Startup and changeover worked very well in Stewart's absence as he was fighting fires in Narrikup.
- On 6 February, the truckwash pump failed. Mount Barker Electrics attended onsite and the pump has now been replaced with a new one.
- On 7 February, the skidsteer loader had its 3,000hr service.
- On 8 February, a weaner sale was held. We also had a tour group from Japan (25 people) who were high end meat industry representatives who were touring the Great Southern. They had been to Irongate Wagyu the day before and on their way back to Perth decided to call in for a quick tour which lasted 2.5 hrs. They seemed very interested in the whole operation and our open auction system. When they left the saleyards, they went through the centre of Mount Barker and called in at Plantagenet Meats to see the presentation of the meat to the consumer and how they go about their business.
- On 13 February, Mount Barker Electrics did the test and tag and RCDs. They have all passed. Painter Terry Shaw also attended on site to assess what would need to be done with the painting of the underside of the weighbridge roofed area. A quote has now been received at \$23,000.00.
- On 14 February, Elders had their Narralda Shorthorn Bull and Breeder sale. Top price for bulls was \$9,250.00 plus top breeders was \$1,325.00.
- On 14 February, four animals with welfare issues were delivered and not received by any agent or employee. It was put into the hands of the authorities. Stewart will explain further at the meeting.

- On 15 February, staff arrived at 5.30am and it was discovered that one of the stud bulls from Narralda's sale had become stuck in a fence adjacent to a concrete trough. The bull was eventually freed to carry on his journey with no injuries.
- 15 / 16 February was the last of the double sales with all agents agreeing that numbers were back on previous weeks.
- On 22 February, the first of the prime sales will be held with curfew on Wednesday at 6pm. The sale commences on Thursday at 10am.
- Mark Vitler has been onsite doing some minor repairs to the building and some minor painting works.
- Casual staff member Brodie Mann has verbally resigned as he has now obtained full time work. We thank Brodie for his efforts over the busy season, and we are now looking for a replacement.
- The latest water usage graph is shown below.



During discussion, the Saleyards Manager clarified that one of cattle that had entered the yards unsupervised had been received with ingrown horns. The committee was very concerned about this abuse of animal welfare standards and discussed possible options to support the relevant authorities pursue a prosecution in such instances. It was also agreed to continue to educate producers via a number of avenues such as a media release, within the Cattle Tales publication and on the Saleyards' website. It was also agreed to follow up on the prosecution process to learn about the rules and constraints of that process.

5.2 SALEYARDS FINANCIAL REPORT – 31 JANUARY 2018

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 27 February 2018

PURPOSE

The purpose of this report is to review the preliminary financial position of the Mount Barker Regional Saleyards for the period ending 31 January 2018.

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 January 2018 position of operating and capital budget items is attached for information. Overall year to date (YTD) operating expenditure is \$580,237.00, which is \$87,154.00 below YTD budget. There are no significant variances, however depreciation is \$67,828.00 below YTD budget.

Overall YTD operating income is \$428,855.00, which is \$29,378.00 above YTD budget. Weigh and Pen Fees are \$30,362.00 above YTD budget.

5.3 SALEYARDS – 2017 ANNUAL ENVIRONMENTAL REPORT

File Ref: CA/126/1
Attachment 2017 Annual Environmental Report
Responsible Officer: Rob Stewart
 Chief Executive Officer
Author: John Fathers
 Deputy Chief Executive Officer
Proposed Meeting Date: 27 February 2018

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 2017-2026 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 2016/2017 – 2020/2021 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:

Water discharge

A total of 24,337 kL of water was discharged via the licensed irrigation system. The total volume discharged was approximately 20% lower than 2016. The Saleyards has a licence limit relating to total TP loading. A large reduction in the TP load was observed with the result being 37.5% lower than in 2016. This reduction is largely attributed to a flocculent dosing system that was commissioned in August 2017.

BOD and TN, which are also on the licence, observed stable to slightly higher loading when compared against previous years. These results however were within the licence conditions.

Surface Water Ponds quality

Surface water quality observed in the ponds was variable during 2017. Some spikes in pH, TDS and nutrients occurred. These spikes were recorded in the ponds (SW1 and SW2). Typically these readings were not as evident in SW3. These results are consistent with the water discharge to irrigation being managed well with concentration spikes indicative of operational variability that is a cyclical characteristic of the saleyards operation.

SW1 (pre-irrigation) recorded a strong reduction in TP consistent with the operation of the recently installed flocculent dosing system and aerator trial. Since commissioning in August 2017, the TP, TDS and TSS are all comparatively low relative to historical levels. Although BOD and nitrogen concentrations were higher on average across the year, the readings were not outside of typical when comparing historical data.

Monitoring Bores

Bore monitoring throughout the year revealed an overall improvement in ground water quality on site. There is a trending decline in nutrients, TSS, TDS and some other parameters. Perimeter bores were stable during the year. Bores down gradient of the water storage area are showing the most improvement in ground water quality. These results reflect prompt management of the water which is a clear intention of the licence.

Irrigation loadings for 2017 are shown in the table below.

Waste Water Discharge	Actual Loadings discharged to irrigation	Loading rate limit
Nitrogen	133.4 kg/ha/yr	180 kg/ha/yr
Phosphorous	17.6 kg/ha/yr	20 kg/ha/yr
BOD	0.51 kg/ha/day	30 kg/ha/day

The report also notes that the flocculent dosing system was installed in August 2017. If the September and December TP results for SW1 are anything to go by, it will have been very successful. Those readings show reduction in recent values by over 50% and are the lowest values since 2012.

6 GENERAL BUSINESS

6.1 WASTE WATER USAGE

During discussion at the meeting held on 30 January 2018, a query was raised in respect to the proposed irrigator, in particular whether it would be suitable for irrigating a crop. The suggestion was made that it may be beneficial to produce a crop which could effectively export nutrients off the property. It was also suggested that expressions of interest could be called for the waste water, which possibly could be utilised for nearby agricultural uses. It was agreed that a first course of action would be to identify the tenure of adjoining land. Information will be provided at the meeting.

6.2 WEIGHBRIDGE ROOF - CORROSION

During discussion at the meeting held on 30 January 2018, the Presiding Member identified that there was some corrosion on the cross bracing and some 'Z' purlins in the roof structure over the weighbridge area. It was suggested that some remedial work would be appropriate and that this might include cleaning down and application of Cold Gal paint. The Chief Executive Officer was requested to provide advice and possible budget allocation.

Saleyards and Building Services staff have met at the saleyards to review this matter. A quotation has been sought and received on suitable treatment for the western bay of the roof area as well as one of the covered walkways for purposes of budget consideration. The worst affected areas are the western end of the weighbridge roof and also the covered walkways. One bay of the three skillion roofs and two covered walkways can be carried out for approximately \$23,000.00. This sum has been included in the draft budget.

6.3 2018/2019 BUDGET AND FEES

Similar to previous years, the administration has prepared a draft budget incorporating a throughput of approximately 62,000 head and a fee increase of 2%.

The Consumer Price Index (All Groups Perth) has increased by 0.8% from December 2016 to December 2017. Recent throughput, CPI and fee increases are shown below:

Year	Throughput	CPI	Fee Increase
2013/14	69,010	2.5% (2012/13)	4%
2014/15	69,661	3.3% (2013/14)	3%
2015/16	62,657	1.2% (2014/15)	3%
2016/17	65,039	0.5% (2015/16)	2%
2017/18	40,801 (to Jan)	0.7% (2016/17)	2%

The proposed fee increases are attached. The only change not in line with 2% is to increase the minimum fee for removal of cattle from \$170.00 to \$200.00 as a further deterrent to introducing substandard cattle into the facility.

This scenario results in an operating surplus (excluding non-cash items) of \$101,956.00 at the end of 2018/2019. 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. The estimated end of year position of the Capital Improvements Reserve is \$82,565.00.

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 as expenditure can be contained to approximately this level, assuming the current throughput remains steady.

The scenario includes the following new capital budget requests:

- Outloading Ramp Bugle Modification (\$17,000.00) – Additional - Last one to be done.
- Bitumen Repairs (\$25,000.00) – Additional, ongoing program.
- Aeration Ponds – Transfer pipework (\$5,000.00). This has been discussed by the Committee and is part of the environmental plan for the facility. It will be subject to additional environmental argument (operational cost of \$5,000.00) and works approval by the Department of Water and Environmental Regulation.
- Painting of Galvanised Elements - Roof and Walkways (\$23,000.00). See Point 6.2 above.
- Diesel Motor - Irrigation Pump (\$5,000.00) As discussed in the January 2018 meeting, the irrigation diesel pump has done almost \$9,000 hours. It is considered prudent to replace the diesel moor and keep the old one as a spare.
- Servicing of Alies Weighbridge Scanners (Approx \$4/\$5000.00). It is time that the scanners are serviced, which will require a visit by Alies personnel from Queensland.
- New Modular Shower and Toilet Block (Estimate \$45,000.00, plumbed in to septic tank). 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.
- It is recommended that some scope in the budget be retained for a contribution towards an additional loading ramp. A design has been carried out and is being checked. It is intended to seek a quantity surveyor estimate of the construction cost.
- It should be noted that Budget Item 'Other Expenses - Tools & Sundry' includes an extra \$2,500.00 for a replacement bucket for the skid steer loader. Budget Item 'Building & Grounds - Facility Maintenance' includes an extra \$2,000.00 for a generator cover. These estimated costs will be firmed up.

During discussion, it was agreed to defer this matter until the next meeting of the Committee. In the meantime, the allocation to the Operating Loss Reserve could be factored back to 10%.

6.4 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 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 provided a report in this regard, which provides some drilling options. The Saleyards Manager will arrange for the drilling tests to be carried out. During discussion at the meeting held on 31 January 2017, members considered that it was worthwhile to undertake drilling to assess the yield.

- 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. Geoff Shipp has recently advised that Elders would sign the contracts. Bob Pumphrey from Landmark has also been followed up, with fresh contracts sent for signature.
- 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.
- Following the discussion at the meeting held on 14 November 2017, at the meeting held on 30 January 2018, Mr Skinner advised that Katanning Saleyards Manager has endorsed the idea of advocating for the 2019 ALMA conference to be held in WA and he will raise that with the Shire of Katanning administration. The Shire of Katanning could cater for it (Dome Hotel). There would be a focus on cattle and sheep. It was suggested that an ideal date would be later than normal, say late September 2019. Depending on the interest, Mr Skinner suggested that a joint working group be formed with the Shire of Katanning to co-ordinate.

7 OFFICER RECOMMENDATIONS / VOTING

VOTING REQUIREMENTS

Simple Majority

Cr J Moir and Mr M Skinner withdrew from the meeting at 10.31am.

Moved Cr B Bell, seconded Cr J Oldfield:

That:

- 1. That the report of the Saleyards Manager, relating to current activities at the Mount Barker Regional Saleyards, be received.**
- 2. The report of the Deputy Chief Executive Officer, relating to the current financial position of the Mount Barker Regional Saleyards, be received.**
- 3. That the 2017 Environmental Report for the Mount Barker Regional Saleyards be noted and endorsed.**

CARRIED

8 NEXT MEETING

27 March 2018.

9 MEETING CLOSURE

10.32am The Presiding Member declared the meeting closed.

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