



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;*
- *Make recommendations to the Council regarding development works on the site;*
- *Make recommendations to the Council regarding the Saleyards Annual Budget; and*
- *Monitor the performance of the Saleyards and report back to the Council.*

A meeting of the Saleyards Advisory Committee
was held in the Committee Room,
Lowood Road, Mount Barker WA 6324
11.00am Tuesday 24 May 2022.


Cameron Woods
CHIEF EXECUTIVE OFFICER

Committee Members

Cr J Oldfield, Cr B Bell, Cr L Handasyde and Cr M O'Dea - 178/21

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Membership

Cr L Handasyde (Presiding Member)

Cr J Oldfield

Cr B Bell

Cr M O'Dea

Cr A Fraser (Deputy for any member)

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

11.00am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIESMembers Present

Cr L Handasyde – Presiding Member
Cr B Bell
Cr M O’Dea
Cr J Oldfield

Visitors

Cr C Pavlovich (departed 11.23am)

Staff

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 J Oldfield

That the Minutes of the Ordinary meeting of the Saleyards Advisory Committee, held on 22 February 2022 as circulated, be taken as read and adopted as a correct record.

CARRIED

4 DISCLOSURE OF INTEREST

Nil

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 MANAGER'S REPORT – MAY 2022

PRIME SALES

Although numbers are decreasing rapidly prices remain firm with plenty of competition on the rail.

BUDGET ITEMS UPDATE

Additional Water Tank for Washdown Water

The water tank has been installed by The Tankman and we are awaiting the plumbers to install all pipe work and plumbing. Whale plumbing has been onsite and will plumb in new tank directly. He will replace old pipework that services the washdown currently when doing this job.

Extra Dirt Pen

The job of the three new western dirt pens has been awarded and awaiting contractor startup.

Ramp 3 Bugle Modifications

Plantagenet Sheds & Steel were onsite last week measuring up for the modifications. They are waiting for materials to arrive to commence the job.

Allflex (Aleis) Scanner Panel Upgrade

Allflex were onsite on 2 May 2022 to commence removal and installation of the new panel scanners. Many thanks must go to staff member Rick for his help removing the old and tweaking the installation of the new scanners. They are 500mm shorter than the old ones so we did have a gap that needed to be filled between the new panels and the gate rail.

Rick has been fixing this and once completed and painted, they will look like they were always there. Plantagenet Sheds & steel have made four purpose built steel braces to replace the old ones that were too short. We were fortunately able to reuse the six braces that were holding the back of the old scanners. Allflex reps left after the sale on Thursday once we were happy that the scanners were working.

Saleyards Canteen and Ablution Block

I have been informed that the install date for this project has also been pushed back to May/June 2022.

Paddock Irrigator

All quotes for this purchase have been received. We are waiting for Greg to return to finalise the assessment.

Bitumen Repairs

The works crew was onsite on Monday 2 May to install a sump and drain on the north western end of the complex to drain away water that ponds on the roadway for most of winter. A sump was installed with pipework dug in back to the existing drain opposite the truckwash. Since completed, no water has been visible on road. The bitumen will now have a chance to dry and be repaired.

Rubber Floor Matting

Greg has been in touch with Mark McKay (formerly of Mitchells Transport - now Nutrien Livestock south west area livestock manager) about the possibility of sharing a consignment of mats. Mark has taken over the logistics of infrastructure upgrades for Boyanup saleyards. Mark returned Greg’s call while on annual leave; Greg to follow up when returned from leave.

ALMA CONFERENCE

This year’s ALMA conference is in Cairns on the last week in July 2022. Preceding the conference is a workshop ‘Saleyards Leadership Masterclass’. The Saleyards Leadership Masterclass will focus on improved communication and navigating difficult conversations.

Participants will explore what makes conversations tricky and stressful, ways in which to de-escalate conflict, managing emotions and how to know whether having a difficult conversation is even worth the time & energy. The Masterclass will have a saleyard focus and be practical, active, challenging and fun!

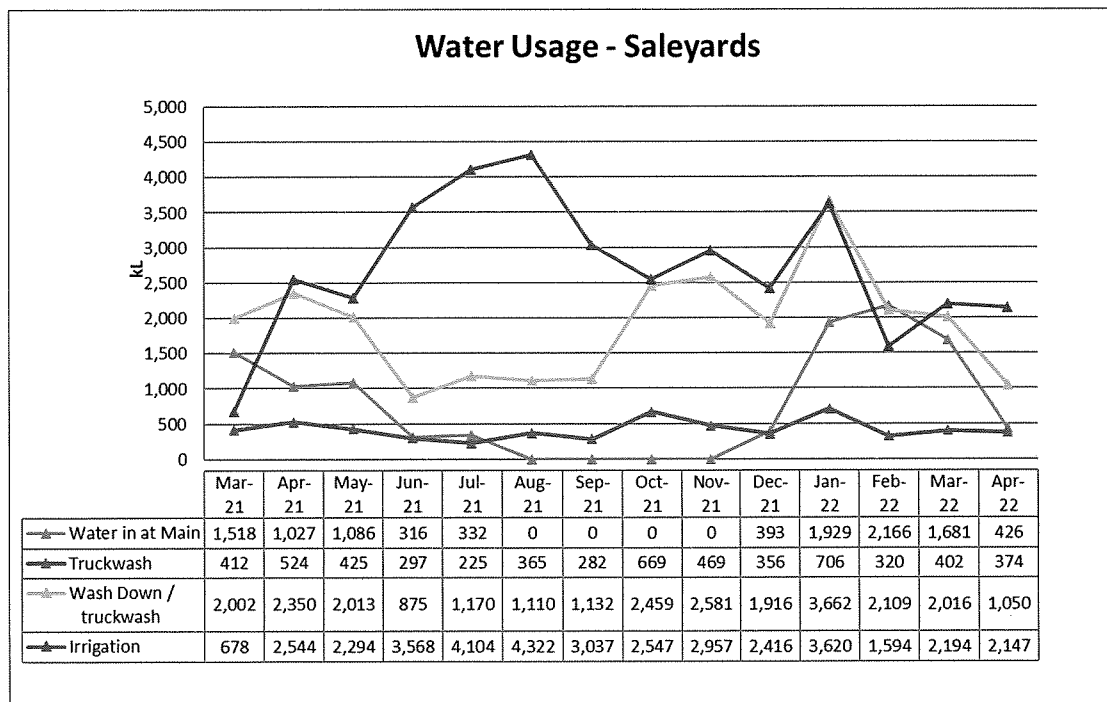
The Expo will commence with a welcome function on the evening of Tuesday 26 July. This will be followed by 2 days (Wednesday 27 & Thursday 28 July) of speakers, interactive sessions as well as networking events and a visit to Australia's most northern saleyard at Mareeba.

We will discuss staff attendance when Greg returns, but the Committee should also consider councillor attendance as well.

Cattle Mortality Statistics

2016/2017	45
2017/2018	62
2018/2019	41
2019/2020	48
2020/2021	29
2021/2022 (to date)	25

The latest water usage graph is shown below:



VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr M O'Dea, seconded Cr B Bell

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 – 30 APRIL 2022

File No: CA/126/1
Responsible Officer: Cameron Woods
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 24 May 2022

PURPOSE

The purpose of this report is to review the financial position of the Mount Barker Regional Saleyards for the period ending 30 April 2022.

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 preliminary 30 April 2022 position of operating and capital budget items is attached for information.

Overall operating expenditure is \$727,723.25. This is \$39,386.75 below the YTD budget.

There has been expenditure totalling \$87,299.03 on capital budget items to date, including new lawnmower, pump shed controller, additional wash down tank, bitumen repairs and a deposit on the staff canteen/ablutions block.

Operating income is \$657,047.96.00, which is \$47,689.04.00 below YTD budget, with sale fees being \$57,611.10 under budget.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr M O'Dea, seconded Cr J Oldfield

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 EXPRESSIONS OF INTEREST - BULK SALE OF MANURE - SALEYARDS

File Ref: N58156
Responsible Officer: Cameron Woods
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 24 May 2022

PURPOSE

The purpose of this report is to present the outcome of expressions of interest for bulk sale of manure from the saleyards.

BACKGROUND

The Shire has in the past been able to sell excess manure to Albany based soil conditioning firms. The level of interest had dropped off in recent years as similar product can be procured by them at a lower cost.

At its meeting held on 23 March 2021, the Council resolved that the following expressions of interest for bulk disposal of manure from the Mount Barker Regional Saleyards, for the period from acceptance until 30 June 2022, be accepted:

1. Nial Twigger \$5.00 per m³ (incl GST);
2. Geoff Mather \$2.00 per m³ (incl GST).

As that tender period is due to expire soon, expressions of interest were called for a further two year period.

STATUTORY ENVIRONMENT

Local Government Act 1995

The Council's annual schedule of fees and charges includes provision for sale of small quantities of manure.

FINANCIAL IMPLICATIONS

The ability to bulk sell manure should result in a substantial increase in income.

BUDGET IMPLICATIONS

The Council's 2021/2022 annual budget provides for income of \$11,220.00 from 'Saleyards – Other Income', which includes a nominal sum for the sale of manure. Currently, income from manure stands at \$227.00.

POLICY IMPLICATIONS

Policy implications do not apply for this report and it is the opinion of the author that policy development is not required.

LEGAL IMPLICATIONS

N/A

ASSET MANAGEMENT IMPLICATIONS

N/A

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.

OFFICER COMMENT

The fee in the budget for sale of manure at the saleyards has been established based on a fair value for small quantities, mainly for household use. It is not necessarily appropriate for larger quantities supplied to soil conditioning firms or other potential users, particularly when there is a benefit to the Shire in such persons removing the manure at the Shire's request.

Advertising of the expressions of interest has now been carried out and closed on 12 May 2022. General conditions of the expression of interest were as follows:

- The actual amount taken on each occasion will be agreed between the purchaser and Saleyards Manager.
- The prospective purchaser will be under no obligation to take manure when offered, but if manure is taken it will be at the cost made in this offer.
- The period of validity of the offer is for the period from 1 July 2022 to 30 June 2024.
- The highest or any offer will not necessarily be accepted. Multiple offers may be accepted.

One submission was received from Samuel Drugas for \$12.00 per m³ (incl GST).

Mr Drugas indicated that he has the equipment required to remove the manure but would require assistance with loading. There was no other conditions or requirements.

There is a benefit to the Shire in having people available to take manure at the Shire's request as there is only a relatively small concrete bunker and pad available for storage of manure, as required by the Department of Water and Environment Regulation licence over the facility.

It is considered that the expression of interest from Mr Drugas represents good value and may be accepted.

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr B Bell, seconded Cr J Oldfield

That it be a recommendation to the Council:

That the expression of interest for bulk disposal of manure from the Mount Barker Regional Saleyards, from Samuel Drugas for \$12.00 per m³ (incl GST) for the 1 July 2022 to 30 June 2024, be accepted.

CARRIED

**5.4 TENDER C07-2122 – LICENCE OF MOUNT BARKER REGIONAL
SALEYARDS CANTEEN**

File Ref: N58119
Attachments: Licence – Saleyards Canteen
Responsible Officer: Cameron Woods
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 24 May 2022

PURPOSE

The purpose of this report is to consider tenders received for the licence of the canteen at the Mount Barker Regional Saleyards.

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr M O'Dea, seconded Cr J Oldfield

That it be a recommendation to the Council:

That:

1. The tender submitted by Mrs Evonne Mitchell for the licence of the canteen at the Mount Barker Regional Saleyards for a three year period commencing 1 July 2022, at a rate of \$99.00 per sale day (including GST) and subject to annual consumer price index increases, be accepted.
2. Authority be granted for the Chief Executive Officer to execute the licence for the canteen at the Mount Barker Regional Saleyards on Portion of Lot 3 Albany Highway, Mount Barker to Mrs Evonne Mitchell.

CARRIED

6 GENERAL BUSINESS

6.1 2022/2023 BUDGET AND FEES

As requested by the Committee, options for fee increases at 1% and 2% are presented.

An emerging factor in determining the budget for 2022/2023 is the expected income from 2021/2022 throughput. Current operating income is \$657,047.96.00, which is \$47,689.04.00 below YTD budget, with sale fees being \$57,611.10 under budget. Throughput to end of April was 56,853 head, whereas it was 67,315 and 69,161 in 2020/2021 and 2019/2020 respectively.

The projected end of year income is for fees & charges is \$616,098.00, which is approximately \$130,000 lower than predicted. The result has been impacted upon by the exodus of breeders and heifers in 2018-2020. Not only are sales down but so are private weighs. While this is an unusually low year, the Assistant Saleyards Manager estimates that 2022/2023 should see a build up of cattle and should be back to around 65,000 head and 67,000 head thereafter.

Budget income estimates have been based on these figures, which are somewhat lower than when presented last year, which were based on higher average throughputs. The 2021/2022 capital works budget was relatively large with the canteen and ablution block costing approximately \$225,000.00. The estimated carried forward position in the Capital Improvements reserve is \$236,342.00.

The following works will carry forward:

Project	Carry forward	Comment
Aeration Ponds - Waste Water Treatment System Modifications	\$178,787	
Creation of four pens adjacent to Ramp 7	\$30,000	Estimated cost now \$38,000
Replace Irrigator	\$11,500	
Total	\$220,287	

Based on the other assumptions, this leaves approximately \$50,000.00 for new capital works. In order to retain a balanced budget position (and without resorting to use Operating Loss Reserve funds), the following budget items and actions are recommended:

New budget Items:

Project	Estimated Cost
Bitumen Repairs	\$10,000
Tile floor in male toilet	\$5,000
Total	\$15,000

Assuming the above projects are endorsed, the estimated 2022/2023 surplus would be around \$37,000.00. At this stage, the capital works project relating to the waste water treatment system modifications has been deferred to 2023/2024, but there would be some scope to commence works if we get to that point into the investigations, and depending on how the financial projections actually pan out. An allocation of \$10,000.00 has been included in Budget Item 'consultants' to progress this project.

A listing of possible capital works projects is enclosed as is a project budget.

In terms of fees, the following should be noted:

The Consumer Price Index (All Groups Perth) has increased by 5.7% from December 2020 to December 2021.

WALGA forecasts the Local Government Cost Index (LGCI) to increase 5.7% in 2021/2022 as supply constraints in materials and labour continue to place upwards pressure on prices. Demand too remains high as Government stimulus continues to wash through the economy.

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	67,711	0.7% (2016/17)	2%
2018/19	68,230	1.3% (2017/18)	1%
2019/20	75,943	1.6% (2018/19)	2%
2020/21	71,817	0.1% (2019/20)	2%
2021/22	58,507 to mid May 2022	4.2% (2020/21)	

Note that the EBA increase is calculated at 3% for this year's municipal fund budget preparation.

Overall, each 1% fee increase would result in approximately \$7-8,000.00 more in income. Guidance is sought on appropriate fee movements, given continued strong pricing and recent fee increases. Last year, the main cattle weighing and penning fees increased by around 2%. Most of the fees have increased by either 1% or 2% over the last few years.

Given the tightening situation, it may be opportune to raise the fees by more than 2%, especially given the staffing cost increases of 7% under the EBA, otherwise the position will worsen over time.

During discussion, given the current position and likely cost increases, the consensus among members was to recommend an approximate 7% increase in fees this year.

6.2 UWA INVESTIGATION – WASTE WATER TREATMENT

UWA has submitted the attached report on waste water treatment and reuse options. Dr Liah Coggins will make a presentation to the Committee about this report. The teleconference is scheduled for 12.00 noon. The report is attached.

The presentation from Dr Coggins was well received and members agreed to consider the matters raised and explore a course of action at the next meeting.

6.3 MEETINGS WITH AGENTS

Meetings with agents have been scheduled as follows for Tuesday 7 June 2022:

- 9.00am Elders
- 10.00am West Coast Livestock
- 11.00am Nutrien

The meetings will be in the Committee Room.

6.4 ALMA CONFERENCE

At the meeting held on 22 February 2022, Cr O'Dea advised that the 2022 ALMA conference would be held in Cairns. The 2023 conference is open to applications and suggested the Shire could make a bid for that to be held in Albany. It was requested that a report be prepared for the next meeting along these lines.

While a proposal was developed for a previous bid, there are several reservations about attempting a similar proposal again.

Convening a conference in WA may be a deterrent for many attendees and sponsors who would be coming from the eastern states. While one previous ALMA conference that I am aware of has involved multiple flights, having an additional flight or drive to Albany would possibly discourage more attendees.

The attendees may be more likely to attend a WA conference where they can stay in Perth and visit say the Muchea Livestock Centre as a day trip. A Perth option would limit the additional travel and there would be more attractions accommodation and hire car options while attendees are staying in WA.

The Shire is limited in the support it can provide to this proposal. It may be more worthwhile to Western Australia to recommend to ALMA that they approach Tourism WA and / or Perth Convention Bureau about a Perth conference. Those organisations may have funding available for staging the conference in Perth.

A possible side trip for those people that would like to stay on after the conference could be to visit Katanning and / or the Mount Barker Regional Saleyards.

During discussion, it was agreed that no councillor recommendation be made for attendance at the 2022 ALMA conference. Members generally considered that a local ALMA conference would be worth pursuing, however there is still a level of uncertainty about the domestic travel situation and should be put off for a couple of years. It was suggested that perhaps the Mount Barker Visitor Centre may wish to have input into a proposal.

7 NEXT MEETING

June 2022.

8 MEETING CLOSURE

12.32pm The Presiding Member declared the meeting closed.

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