

**MINUTES OF THE BOARD MEETING HELD ON
FRIDAY 28 NOVEMBER 2003 AT 0900 HOURS**

Present: Mr. P.F. Bickford Chairman
Mr. A.M.B. Bell
Mr. J.P. Bottomley
Mr. P.J. Morgan
Mr. N.J. Offord
Mr. M.R. Orton
Mr. M.D. Reynolds
Captain M.J. Sansom Chief Executive

In Attendance: Captain M.K. Killingback Deputy Harbour Master
Mr. B.R. Buist Administration Officer
Mrs. B. Jenkins Secretary

The Minutes of the Board meeting held on Friday 10 October 2003 were approved and signed.

Matters Arising:

Modernising Trust Ports: A Guide to Good Governance:

a. **Harbour Revision Order:** Captain Sansom advised that he had received communication from the Parliamentary Agents that they had received a positive response from the Department in respect of the Order. However, an objection has been received from the RYA regarding the list of skills for Commissioners included in the document. They particularly objected to the following –

“management of boating or other water related recreational activities”

and suggested the following wording be inserted to replace the above –

“leisure boating and associated interests and the management of boating events”.

After discussion the Board agreed to accept the amendment and to advise the Parliamentary Agents to forward a final copy of the Order to the Department.

Captain Sansom also advised that in the Order commissioner appointments this year should be made by 1 November 2003. As this date has now expired the appointment date would be have to be amended. The Board authorised the Chief Executive to make the necessary alterations.

b. **Commissioner Appointments:** Confirmed that the following Commissioners appointments will run for a further three years commencing on 1 January 2004 –

Mr. P.F. Bickford
Mr. P.J. Bottomley

Confirmation has been received that Mr. Reynolds will complete the current three year term of office previously held by Mr. Ian Pike. This will terminate on 31 December 2005.

The Board agreed a press release be issued giving details of these appointments.

Port Marine Safety Code: Falmouth Bay Monitoring:

Captain Sansom reported that there is still a hold up in progressing the investigation of the radar mast site by means of a bore hole. FHC will be required to give an indemnity to the MCA Estates Department.

The Board were advised that the Pims extract giving details of vessel movements is now accessible on the website and should go live within the next week. The information given would be for 48 hours in advance only.

The Board requested that the press release should also be used to notify the public that this information is available on the website.

Captain Sansom reported that Peter Nicholson of Nicholsons Management Ltd had recently carried out a review of the Safety Management System and this had received a positive report.

Maerl Dredging: A copy of the report from Posford Haskoning was circulated to Commissioners and Captain Sansom advised that colour maps and plans are available for viewing by those who may wish to see them.

Mr. Reynolds requested that in future an executive summary be produced and circulated with such comprehensive reports.

The Board discussed the findings of the report at great length and recommended –

the live maerl beds be designated ‘no go areas’ from 1 January 2004

continue to monitor the maerl beds and if necessary stop dredging in any areas when depth of maerl drops below one metre.

liaise with the two current contractors regarding the technology available to enable the recording and monitoring of the maerl beds

The Board agreed that Captain Sansom should have an exploratory meeting with Posford Haskoning, English Nature and DEFRA to discuss the issues arising in the report. Mr. Bottomley and Mr. Morgan will also attend the meeting. Subsequent to this meeting an appropriate assessment will be drawn up and the Board's proposals for the future of maerl dredging should be put forward.

It was agreed that a copy of the full report be forwarded to DEFRA and English Nature.

Docks Development and Dredging Proposals: Captain Sansom advised that he had contacted the local office of the RDA regarding the dredging application for funding submitted and was informed that the RDA are carrying out appraisals on the application which will hopefully go before the RDA Board in January next.

Mr. Reynolds advised that A&P is well placed to carry out all building works because as a statutory body they do not have to apply for planning permission.

Waterfront Development: Mr. Bottomley reported that he had attended the recent meeting of the steering committee when the decision was made to go ahead and advertise for interested developers for the scheme. From those showing an interest in the development it is anticipated they will be asked to prepare an interim report on the options presented with any further proposals they may feel should also be included.

As a result of the survey carried out on the options for the waterfront development, option 3 had received the most votes. However the use of Quay Hill within the proposed option 3 was accepted as being un-workable.

Captain Sansom reported that he had received a letter from Mr. Winskill declining a meeting with FHC at present whilst awaiting the outcome from prospective developers.

The Board all agreed that a development strategy for the port including all the planned developments should be considered.

Falmouth Water Sports Association: Captain Sansom reported that the overall performance of FWSA had still not turned round primarily due to staffing problems and other issues which needed to be addressed.

Mr. Orton said he felt the FWSA Board were more positive about their responsibilities. He also felt that it would be very useful to the FWSA if they retained Ralph's services as Treasurer after the end of his year's contract.

Infrastructure: Reported that the shop window would be fitted out in late December/early January.

The re-design of the FHC logo and new stationery was also imminent and it was hoped to have a launch of the new image on 1 January next.

Workshop: The application for the redevelopment of the workshop and store at Grove Place had been submitted to planning and was being considered.

Fuel Barge: The fuel barge is licensed and operable dispensing petrol and diesel. It will come into full operation from April 2004.

Port Waste Reception Facilities Regulations: Captain Sansom reported that he had attended a meeting at the BPA with the Department and MCA on the EU Directive which states that facilities must be available to prevent waste disposal at sea. Charges for the provision of these facilities have to be raised.

The Yacht Haven berthing charge must in future include an element for the waste disposal facility.

Noted that FHC have a joint plan with CDC and these will be amended in due course to show a charge for the waste facilities.

International Ship and Port Security Code: Following completion of the appropriate questionnaire now awaiting inspection and assessment by TRANSSEC.

Mr. Reynolds advised that he had attended a seminar in Southampton the previous day and it could well be that port security officers may have to be appointed sometime in the near future.

Visit by Candy Atherton MP: Captain Sansom reported that he had kept in touch with Candy Atherton following the meeting with her over issues she had raised. No further

response had been received from her constituents following the press statement issued by FHC.

Ms. Atherton had been invited to this Board meeting but was unable to attend. However she will be informed of the dates of the 2004 meetings with an open invitation to attend whenever she wishes.

A full copy of the Harbour Revision Order to be sent to Ms. Atherton in due course.

Chief Executive's Report:

The Chief Executive's Report for the period 3 October to 21 November 2003 was received and adopted.

Mr. Bottomley commented on the provision of an extra 20 moorings for the next season and Captain Sansom explained that they would be sited at the end of the existing trots and towards Prince of Wales Pier.

Mr. Bottomley also commented on the 15 winter occupants berthed at the Visitors Yacht Haven and enquired if they were all quite satisfied with the winter arrangements.

Mr. Reynolds enquired about the new workshop proposal and how it would fit in with the other developments in the locality. Captain Sansom confirmed that the workshop building would be two storey and timber clad to keep in line with other buildings in the area.

Mr. Morgan asked if the plate thickness readings on the PENDENNIS hull were causing concern. Captain Killingback confirmed that the plate thickness report had been received and no further action was necessary at present.

Mr. Morgan also noted that the summer patrols had now ceased and enquired if any patrols would take place during the winter. Captain Sansom advised that periodic patrols would take place in the winter months and that the pilot boat crew would be assisting with these.

Harbour Master's Journal:

The Harbour Master's Journal was noted and signed.

Finance:

a. **Profit and Loss Accounts – September & October 2003:**

The following items were noted:

L.K. MITCHELL – no further expenditure expected other than normal running costs.

KILLIGREW – high expenditure incurred by the re-powering.

BANK CHARGES – The Board requested the Administration Officer to look into obtaining a better rate of interest on credit balances on the bank accounts.

Proposed by Mr. Reynolds, seconded by the Chairman, the Profit and Loss Accounts for September and October 2003 were approved.

Management Accounts to 30 September 2003: Highlights on the management accounts to 30 September 2003 were presented.

Draft Budgets – 2004: In light of the current climate and the uncertainty of bunkering within the port, two sets of budget papers had been prepared –

Budget without any bunkering income
Budget with only 30% bunkering income

Analysis of charges and income streams are shown within both budgets.

Mr. Reynolds felt that the Chief Executive should look closely at costs and stressed that it may well be necessary to substantially reduce running costs during the next year. He also stressed that he felt conservancy and pilotage rates should increase only in line with inflation.

Reported that enquiries had been received from several companies interested in becoming involved with the bunkering operation and the Board will be kept informed on any positive response in this area.

The importance of improving the overall turnover of the leisure business was also stressed and the Administration Officer has been tasked to explore ways of improving the profitable situation in the leisure areas.

The Board agreed that a radical review of the budgets should be carried out after the first six months trading of 2004.

The following increases on charges for 2004 were recommended:

Harbour Dues: Inflation increase of 2.7% - new rates 1.03p and 7.2p.

Small Craft Moorings: The charging system for small craft moorings is being changed from 1 April next when customers will be charged by the facility length and not vessel length. It is anticipated that this will result in an increase in the mooring income and as a result no increase to the charge per metre was proposed.

Yacht Haven: 10% overall increase on 2003 berthing fees to be introduced by making changes to the banding system.

Pilot Boat: Inflation increase on income and costs. The flexibility of the pilot boat crews was discussed and it was felt that their skills could also be used in other areas of the organisation to help with the trimming of costs in the future.

A review of the boat charges raised for carrying pilots to Dean Quarry is to be carried out as this service is presently running at a loss. An action plan is to be prepared to level the income/cost for these trips. It was agreed that an additional 100% charge for boarding or landing to quarry vessels outside of zone C should be introduced.

After discussion, the Board recommended that the 2004 budgets run for six months and should be based on a 30% income from bunkering.

Mr. Orton queries the state of debts at this time and it was confirmed that the debtor situation is well under control.

Report into Study of Options for replacing the L.K. MITCHELL:

A paper prepared by Captain Killingback was tabled and he gave a resume of the findings of visits carried out to other ports and boatyards. In brief a 50' vessel would cost in the region of £500k and a 60' vessel around £1m+. Captain Killingback felt that the Board would be looking for a vessel costing in the bracket £750k-£800k. However, in the present climate any consideration for replacing the L.K. MITCHELL may well have to go on hold.

The L.K. MITCHELL will be due an ashore survey in two years time with probably five years running time left as the vessel presently stands. Re-engining is another option which could be considered.

The Board expressed their thanks to Captain Killingback and his team for the information presented.

Dates of Board Meetings 2004:

A schedule of the proposed dates for board meetings in 2004 were tabled, amended and agreed.

Correspondence:

- a. **Grimaldi Shipping Lines:** Letters had been received from Grimaldi Shipping requesting the Board consider a reduction of charges for their vessels visiting the port. The Board declined their request.
- b. **Cornish Christmas Harmony Choir:** A request for a donation from the Commissioners for the Cornish Christmas Harmony Choir was received and declined.
- c. **DEFRA – Licensing of Maerl Extraction:** A letter from DEFRA was tabled in which they state that the Commissioners should carry out an appropriate assessment of the maerl beds in the harbour before further licences be issued. As this has already taken place the Board recommended that a copy of the Posford Haskoning report be forwarded to DEFRA for their information.
- d. **Peter Mahoney – Ferry Service:** Correspondence from Mr. Mahoney was tabled in which he requested information as to why the Commissioners were not backing the introduction of a ferry service from Falmouth to Europe. He had sent a copy of the Chief Executive's reply to the Falmouth Packet without permission. After discussion on the merits of Mr. Mahoney's letters, the Board advised the Chief Executive not to reply further.

The meeting ended at 1315 hours.

The next Board meeting will be held on **Friday 16 January 2004.**