

## **FURNEAUX GROUP SHIPPING SPECIAL COMMITTEE UNCONFIRMED MINUTES**

**DATE:** Thursday 6<sup>th</sup> August 2013  
**VENUE:** FAEC, Whitemark  
**COMMENCING:** 2pm

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### **PRESENT:**

Mayor C Cox	(Chair)
Deputy Mayor David Williams	(Council)
Cr Gerald Willis	(Council)
Mick Barrett	(Commerce)
Denise Gardiner	(CBIAA) (via teleconference)
Darren Grace	(Livestock - Roberts)
Michael Grimshaw	(Furneaux Freight)
John Johnston	(Tasports)
Travis Prins	(DIER) (via teleconference)
Sam Wilson-Haffenden	(Project Manager, Tasports)

### **APOLOGIES:**

Michael Bowman	(Transport)
Steve Crawford	(TFGA)
Raoul Harper	(General Manager, Flinders Council)
Garth Smith	(Tasports)

### **STAFF IN ATTENDANCE:**

Vicki Warden	(Executive Assistant)
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### **CONFIRMATION OF PREVIOUS MINUTES**

**Moved:** M. Grimshaw      **Seconded:** Deputy Mayor D. Williams  
That the minutes from the meeting held on the 30<sup>th</sup> May are a true record.

**CARRIED UNANIMOUSLY**

### **CORRESPONDENCE IN**

- Mick Barrett re working conditions in Port during redevelopment (3)
- Tasports re working conditions in Port
- Furneaux Freight thank you for "Captain Bill" visit
- Tasports - information re wharfage increases
- Tasports - Project updates from Sam Wilson-Hafendon

### **CORRESPONDENCE OUT**

- Mr Mick Barrett - Council ratified position on Committee
- Mr. Ronald Wise re issues raised in submissions
- Tasports re committee representation
- DIER and Tasports about fuel transfer options at Port
- Furneaux Freight thank you for "Captain Bill" visit - from Mayor and Committee

**Moved:** Cr G. Willis    **Seconded:** D. Grace  
That Correspondence inward and outward is endorsed.

### CARRIED UNANIMOUSLY

*The Chair welcomed Mick Barrett to his first meeting as Commerce Representative on the Committee.*

#### **Item 1** Meeting Procedure Policy and Rules (as passed by Council)

Noted by committee members.

#### **Item 2** Update on Lady Barron Port Redevelopment project from Project Manager, Sam Wilson-Haffenden

The Port redevelopment work is still progressing but is behind schedule.

The wharf strengthening has been brought forward in the schedule. All other tenders had been awarded on a fixed price basis so the wharf tender was released to see if it was achievable. Tender prices received established the need for additional commitment from Tasports in order to complete the work. Tasports has made that commitment so the work has commenced. The contractor working on the wharf is also undertaking another tender so that both jobs can progress simultaneously thereby reducing costs. The decision was made to only strengthening 2/3 of the wharf instead of the whole wharf and the work is a week away from completion. The contractor will then commence work on the Transit Shed.

Concreting of the Cattle Pens is almost finished. Rubber Matting will be installed by end of month. Work will soon commence on security fencing and minor works. Road works have stopped as the road base was of poor quality. They are now importing silica base to rectify the problem. The road won't be sealed until the base is fixed. The weather has also held up progress.

The overall completion date for the entire job is now the end of October.

**Q:** Time delays must be costing money. Who's paying for the variations?

**A:** The contractor undertaking the roadwork knew that weather could be an issue in winter and quoted accordingly. So far there has only been one minor variation with additional costs. The substandard base was not expected and Tasports has born the cost to rectify this matter. Tasports has fully funded the project and is committed to seeing the project through to completion.

**Q:** Why wasn't the commercial side of the port completed before commencing work on the wharf?

**A:** It is more cost effective for the contractor working on the wharf to undertake the work now rather than later as they are already on site and they can progress works according to the weather.

**Q:** Will the piles on the wharf also be improved?

**A:** Some repair of the piles has already been done.

The wharf strengthening had the support of this committee and although it may not be fully utilised by the current provider, it will be available for future use. The wharf load is being upgraded to match the road system (Highway loads) so that loaded trucks can drive straight off the road onto the wharf without issue.

The Contractors are pleased the community is no longer going down 'for a look' which has improved conditions.

Furneaux Freight was very happy with the outcome of the meeting between them, Tasports and Flinders Council held on 1st August. Considerable goodwill resulted from the meeting and Tasports and Furneaux Freight will continue to work together.

### **Item 3 Tasport's report on fuel transfer options**

There was no formal report forthcoming however Tasports and Furneaux Freight representatives provided an update.

At the 1<sup>st</sup> August meeting Tasports and Furneaux Freight talked through a range of options for bulk transport of fuel including ISO containers, trucks or pipeline. Tasports looks forward to receiving a proposal from Furneaux Freight for bulk fuel delivery to the island. Tasports needs to comply with standards regarding firefighting, oil spills, bunding etc. but these are not insurmountable. They have achieved this at other ports and do not see any issues with achieving it here. Furneaux Freight considers this a sensible approach and will be following up. Hopefully it will result in a reduction in fuel price on the island.

### **Item 4 Report on the motion passed at Council for Cr Willis to gauge community support for moving the boat ramp to another area in Lady Barron**

At the July Ordinary Council meeting, a motion was passed instructing Council to explore the development of a boat launching facility and associated infrastructure adjacent to the Tasports Slip at Lady Barron. Cr Willis was asked to develop a working group to liaise with community users on the design required for the facility and report back to Council on the preferred approach.

Recent discussions with Tasports suggest that they would welcome the relocation of the boat ramp, as soon as possible.

In 2003 a plan for a new boat ramp was organised by the Safe Harbour Group. The proposed location was in an awkward spot and consensus of opinion is that the boat ramp should be relocated parallel to the slip. The community needs to be consulted, MAST maybe approached to supply some funding and there is some land that could be used for parking etc.

**Q:** Has the working group been set up yet?

**A:** Waiting for a report from Chris Fenner (Safe Harbour Group) but expect to set up the working group in a week or so.

Tasports would like this to happen as soon as possible and are committed to assisting where they can including making the land available for parking. They have a good relationship with MAST and may be able to use this influence.

**Q:** MAST funding is usually \$ for \$, but then who owns it?

**A:** Council has opened discussion with Tasports on ownership and Council could consider car park.

**A:** Tasports don't own ramps anywhere else but might be able to take it on if MAST provides some funding.

*Note: All parties need to continue discussions to move this forward quickly.*

**Item 5 Update on Contingency Funding (Council motion at Ordinary Meeting of 28<sup>th</sup> March 2013 in line with Committee recommendation.)**

DIER has approved everything requested through the Shipping Contingency Fund and the funds are currently with Council, ready to expend. Equipment has not yet been purchased. Council would prefer not to own equipment e.g. forklifts, and there is no Council staff at the wharf to oversee their use. Council is discussing with Tasports the possibility of them taking stewardship of the equipment.

**Q:** If it is Council's preferred position not to own or maintain equipment, they should make their position clearly known to the committee.

**A:** Council should clarify this with the committee prior to making recommendations for the next round of contingency funding.

**Q:** How will the forklifts be managed? Private people may want to use them.

**A:** Tasports hasn't had the chance to look into it yet but will be looking at models for common usage of the equipment.

**Q:** Council should consider leasing the equipment to the stevedores.

**A:** The conditions of the contingency fund require that equipment be made available to all users of the port.

**Item 6 Wharfage increases from 1st August 2013**

This information was included in the agenda in order to inform the community regarding the new wharfage charges. There was initial confusion due to GST being included in the charges reported by Furneaux Freight.

Tasports was involved in discussions in respect to price changes for freight at Lady Barron. There have been few increases to wharfage charges since 2006. Due to inflation and maintenance, revenue wasn't matching costs so the fees had to be redressed. As a result there has been a jump in wharfage charges for animals but it is still only 10% of the cost of getting animals off the island.

**Q:** What does the shipping company get for wharfage?

**A:** Maintenance of stock yards, land rates, power, lighting, facility maintenance, improvements etc.

**Q:** What is wharfage used for?

**A:** Wharfage from ship to shore and shore to ship is how ports generate their revenue.

**Q:** Lady Barron is a relatively small port which will never cover costs. Can understand why increases are needed but when Tasports said they'd supply rubber matting for the stock yards there was no mention that wharfage would increase to cover the cost.

**A:** Rubber matting is just one expense, there are many more.

**Q:** Very little money's been spent on maintenance at the port since 2006. Fenders on the ramp have been missing a long time. Why increase wharfage?

**A:** There has been a full time employee doing maintenance since 2006. Lady Barron hasn't been singled out; there's been a review of pricing across the board. Tasports will look at reinstating the fenders on the ramp.

The meeting 1<sup>st</sup> August recognised there have been communication gaps. There is a need for a reporting procedure so that the users can report issues to Tasports if required.

The farmers were initially unhappy that the wharfage doubled on small stock. However they have accepted that the facilities will be improved and the rubber matting will be helpful in presenting animals better at the other end. Farmers now consider the charges to be acceptable.

Tasports is always looking for feedback from users and welcomes suggestions on how to do things differently or better.

#### **Item 7                      Other Business**

**Moved:** M. Grimshaw                      **Seconded:** M. Barrett

That the appointment of John Johnston as the new Tasports representative on the committee be put forward to Council for endorsement. (John will replace Garth Smith)

**Q:** How is the 'Captain Bill's' certification going?

**A:** Check the Furneaux Freight website later this week for an update.

Will need to start discussing the Shipping Contingency Fund at the next meeting, in approximately 3 months' time.

**Meeting Closed:** 3pm

Minute taker: Vicki Warden