

**FURNEAUX GROUP SHIPPING SPECIAL COMMITTEE
UNCONFIRMED MINUTES**

DATE: Thursday 29th January 2015
VENUE: FAEC, Whitemark
COMMENCING: 10am

PRESENT:

Mayor C Cox	Chair
Deputy Mayor Marc Cobham	Council
Cr Peter Rhodes	Council
Tessa Bird	Department of State Growth (via phone)
Denise Gardner	CBIAAI
Michael Wickham	TasPorts (via Phone) (in lieu of John Johnston)
Jeff Phillips	Transport Representative
Dave Madden	Commerce Representative

APOLOGIES:

Scott Woods	Livestock Representative
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STAFF IN ATTENDANCE:

Brian Barnewall	Works & Services Manager	10am - 10.10am
Sophie Pitchford	Acting General Manager	10am - 11.09am
Vicki Warden	Executive Officer (Minute Taker)	10am - 11.09am

CONFIRMATION OF PREVIOUS MINUTES

Jeff Phillips noted the following amendments to the minutes:

- Item 3, 1st paragraph, remove the word 'slam' from slam locks.
- Item 4, 3rd paragraph, add that the mooring bollard would be in position within 4 weeks.

Moved: Jeff Phillips Seconded: Dave Madden

That the minutes as amended from the meeting held on the 1st August 2014 are a true record.

CARRIED

CORRESPONDENCE IN

2014.08.01	Tessa Bird - Thank you for meeting
2014.09.29	Andrew Poole - Change of Department of State Growth Representative
2014.09.29	Media Release Furneaux Shipping Solution - Rene Hidding, Minister for Infrastructure
2014.11.18	John Johnston - Animal Welfare for Animals Transiting Lady Barron
2014.11.24	John O'Dell - Spraying Port Effluent
2014.11.29	Roberts response re TasPorts Flinders Island
2014.12.15	Furneaux Freight's Christmas Opening Hours
2014.12.15	Furneaux Freight Stevedore Arrangements - Port of Lady Barron

CORRESPONDENCE OUT

2014.07.24 Mr Dave Madden - acknowledgement of receipt of nomination
2014.08.04 Mr Dave Madden - recommendation of your nomination by committee
2014.08.31 Mr Darren Grace - thank you for committee membership
2014.09.01 Mr Dave Madden - ratification of appointment to committee
2014.09.01 Mr Scott Woods - ratification of appointment to committee
2014.09.03 Householder - Furneaux Freight's services to the Islands
2014.09.17 Update to Committee members
2014.09.18 Update to Committee members
2014.09.24 Update to Committee members
2014.09.30 Householder - Continuation of Furneaux Freight's service
2014.11.18 Letter from John Johnston (2014.11.18) referred to Roberts Ltd CEO.
2014.12.01 Update to Committee members

Moved: Cr P Rhodes Seconded: Cr M Cobham
That the correspondence in and out be noted.

CARRIED

AGENDA ITEMS

Brian Barnewall gave an update on the forthcoming blue metal delivery: Investigations into cheaper ways to deliver bulk goods to the island resulted in Council letting a tender to Stornoway to deliver blue metal to Whitemark wharf via barge. They are able to deliver 3,500 tonnes per load into Whitemark and will be delivering up to 4 loads. Details are currently still being fine-tuned. The first barge was originally due 9 February however it is now expected 24 February.

JP: Concern that Whitemark jetty has been condemned. How will the unloading impact on the jetty?

BB: Permission gained from Department of State Growth and TasPorts to use the jetty. The ramp has been built up and the barge will be unloaded via the ramp only.

DM: Will only Council trucks be used for unloading or will contractors also be used?

BB: We will be using as many trucks as are available to unload as quickly as possible. The barge has been hired for 20 days only so the quicker the turn around the better.

JP: Good to see a notice in Island News to let people know what will be happening.

BB: Will continue to update the community via Island News and householder.

Item 1 Department of State Growth Representative

The meeting noted that Tessa Bird is now the Department of State Growth (DoSG) representative on this committee and Council will be advised accordingly.

Action: Chair to notify Council.

Item 2 Submissions

The meeting noted that the request for submissions was advertised in the 9th October 2014 Island News and no submissions were received.

Item 3 Animal Welfare for Animals Transiting - John Johnston

The meeting noted that a letter was received from John Johnston of TasPorts drawing attention to and raising concerns at the amount of time cattle were being held in the yards at Lady Barron for transport.

The letter was referred to the CEO of Roberts Ltd, Mr Alan Barr, and a response received that indicated transit periods were within recommended time frames and that the vet is present at nearly all loadings.

Mr. John O'Dell was also contacted as local vet and quarantine officer and responded confirming the ongoing ability for effluent from the stockyards to be sprayed onto paddocks.

In October 2014 TasPorts added a \$1 per head levy to the movement of cattle through the port.

No response was sent to John as the committee had not met until now.

MW: Effluent issues are directly related to the amount of time cattle are in the yards. They are transit yards, not holding yards, and stock are being held there for too long.

JP: What is the maximum time period cattle can be in the yards?

MW: No earlier than midday the day before – less than 24 hours.

CC: Isn't that what currently happens?

MW: Sometimes they can be there for up to 2 days.

CC: If the cattle are there longer it would only be because the boat is late or departure has been delayed.

JP: This is a Roberts' management issue.

MW: John Johnston is currently working with Roberts on this issue and engineers are planning an effluent catchment system to be installed in the near future.

CC: Some of this is a TasPorts design problem. They were advised at the start of the project to design for increasing numbers of stock being transported.

DM: What are the requirements regarding feeding restrictions prior to transport?

MW: The recommendation is that cattle should be off green feed for 12 hrs before being loaded onto the truck to be taken to the vessel.

PR: Is there any capacity to create holding yards next to the transit yards?

CC: There was talk of TasPorts extending the yards out towards the Coast Road.

JP: There was also a request for a second load ramp point.

MW: The second load ramp point is already being looked at and will discuss the possibility of extending the yards with John Johnston.

CC: Please keep us updated so as to stop misinformation in the community.

JP: Why has the \$1 per head charge been introduced? What other charges are there for farmers in order to move cattle off the port?

MW: The \$1 per head charge is the same as on King Island and is a stock yard levy fee used to upgrade the stock yards. There is a wharfage charge on top of that.

CC: Wharfage charges are listed on the TasPorts website.

Action: The Committee notes the conversation and expects that where there are still deficiencies within the livestock transit infrastructure, these be corrected as soon as possible to facilitate the trade of livestock to and from the island.

Item 4 Ongoing Development - Next Stage General Discussion

Michael Wickham gave an update on the Lady Barron Port improvements: In the last 6-8 weeks TasPorts has finalised many of the outstanding issues including replacing the damaged fence, relining the fence around office, additional cleats added to stock yards, concreted the area at the bottom corner of the yards, and pile driving completed.

Engineers are currently designing the concreting along the front of the transit shed to be completed in the next month or two and water drainage work is going to be done in the near future.

JP: Is there a work list available of outstanding work?

MW: A list exists which mostly includes outstanding work from the project and also items identified by users.

JP: Would like TasPorts to upgrade their Public Relations as the community struggles to know what's going on.

MW: Have been focusing on fixing the issues rather than PR. People can call anytime with questions and am available for questions when visiting the island every 6 weeks. Will talk with John about putting out an update letter to the community.

PR: Recommend also putting something in Island News to update people.

DM: Will the concreting outside the transit shed be level?

MW: That's what has been asked for.

CC: All through the project development level concrete was identified as a high priority.

MC: The local Land Care group were involved in a vegetation project outside the port area. Based on discussions with TasPorts they understood that TasPorts would be responsible for mulching, weeding and maintaining the garden. This has not happened and the Land Care group are very disappointed. Land Care is interested in helping with a project on the western side of the port but won't bother if the original garden is not maintained.

JP: The garden needs a path through the middle of it as this is the shortest route to walk to the office when parked outside.

MW: Not aware of what TasPorts indicated they would do however will talk to Garth about tidying it up and about a path.

CC: Now that the fencing is done around the office, is the toilet accessible to the public?

MW: Yes

CC: Where trucks unload livestock it gets muddy and muddy boots can be dangerous. Are there any plans to fix this?

MW: Intention is to just keep it level and gravelled, so will keep the gravel up.

CC: What will be the role of the new position advertised in Island News and will it cause an increase in wharfage charges?

MW: Will answer to Michael Wickham, liaise with customers and take care of day to day administrative duties. This will free up Garth to undertake more maintenance duties. The new position will not increase wharfage charges. These are based on CPI increases and we try to restrict those as much as possible.

CC: Some cattle escaped recently. Are the gates in the livestock area being maintained regularly?

MW: Garth continues to maintain the yards. Let Garth know if something's broken and he'll fix it.

Action: Michael to speak with John Johnston about putting out a householder updating the community on the project.

Michael to speak with Garth about tidying up the garden and creating a path.

Item 5 Contingency Fund

An update on the Shipping Contingency Fund was provided by Tessa Bird:

The main purpose of the fund is to have monies available in the event that a contingency arises. An informal agreement exists to enable us to use funds remaining at the end of the year for projects that benefit shipping users more broadly. Currently approximately \$205,000 remains in the fund and it is estimated that at the end of year there will be about \$168,000 remaining. Up to \$60,000 annually is allocated to Furneaux Freight as a subsidy for the Cape Barren run, \$50,000 covered the costs of the third party stevedore for 3 months and \$10,000 went to Furneaux Freight for emergency dredging works.

It is open to the Shipping Committee to put forward a proposal for projects to use the remaining funds for agreed priority projects as per the Shipping Policy. The committee needs to start thinking now of how to use the money as any funding requests need to be approved within Government by mid-May at the latest. The current budget environment is very tight so proposals must demonstrate strong strategic merit against the shipping policy and contingency fund guidelines.

JP: Fuel is being transported to Cape Barren Island by different means. Who pays for that?

DG: Cape Barren Aboriginal Association Inc. pays for everything that is transported to Cape Barren Island including the fuel. What does the Furneaux Freight money cover?

SP: Is it to reduce the freight price for the consumers?

TB: We were not aware fuel is being delivered by a different provider. The payment to Furneaux Freight is to guarantee a service to Cape Barren Island because the volume of freight is too small and the costs too high to attract a commercial service. Freight rates to the consumer should be fair as set out in the Shipping Policy; if they are excessively high we can look into it if we have information to support it.

DG: Will look into the freight charges and contact Tessa.

Item 6 Stevedoring

The Committee noted that the third party stevedore agreement brokered to enable a continuous service by Furneaux Freight, which includes the presence of a Qube employed stevedore at the Lady Barron Port, will be in place until November 2015.

JP: What is the job description for the stevedore as he seems to just stand and watch proceedings?

- MW: Qube employs the stevedore and determines the job description. Qube's role is to ensure all port operations meet safety requirements.
- JP: Are we being charged a 2.5% increase to pay for oversight on the wharf? There are regulations around stevedoring and they are there to ensure the standards are met.
- MW: The problem was initiated by noncompliance with regulations and a reluctance to see any improvements.
- DM: Furneaux Freight's alleged failure to meet the required standards has seemingly resulted in additional staff and costs.
- CC: There was a reluctance for Furneaux Freight and TasPorts to come together to solve the issues without a 3rd party involved.
- JP: Did the initial government sponsored Qube employee provide a report with recommendations?
- MW: Unable to answer that as they reported directly to the minister.
- CC: Any deficiencies identified at the time were picked up and improvements made.
- MW: Operations are now meeting legislative requirements.

Item 7 Fuel Transport

The Flinders Island Fuel Supply Study – Summary Report that was instigated by Council on the recommendation of the Shipping Committee has been completed and was received by Council at the January Ordinary meeting of Council.

Motion Passed Unanimously: (Cr Chris Rhodes absent from meeting)

"1. Council receives and notes the revised report and directs the General Manager to make the report available to the public via the Council website.

2. Council directs the General Manager to send the report to the Federal Member for Lyons and the Federal Member for Bass and seek their support in requesting the Australian Competition and Consumer Commission (ACCC) to investigate the high price of fuel in the islands."

Attachment 2: Flinders Island Fuel Supply Study – Summary Report, January 2015.

The Study identified that the local service stations do add on a substantial price increase. 16 cents was the top limit however it is usually 12 cents. The increase is needed to cover their operational costs and to cover fuel not paid for. TasPorts own the bowsers at the service stations.

- JP: There are rumours that large containers of fuel can be brought onto the island independently and there are other options that can be looked into e.g. bringing b-doubles loaded with fuel to the island. Alternatives will hurt the main supplier – TasPorts.
- DM: Tas Petroleum is going to bring fuel onto the island in competition.
- CC: Council is appreciative that TasPorts were willing to supply a lot of information for the report.
- MW: We are working hard to find a better solution to supply fuel to the islands to reduce costs.

Question from Rate Payer.

"It is noted that diesel is delivered from Bridport to Lady Barron in 1000 litre containers. It has recently been noticed that similar containers are being used to deliver petrol from Lady Barron to the Corner. The question is why can petrol not be shipped from Bridport to Lady Barron in the 1000 litre containers?"

MW: Plastic containers have to be specifically designed and certified to transport either diesel or petrol and have a 5 year lifespan.

PR: Can anyone bring in petrol in an approved container?

MW: Yes.

Michael Wickham left the meeting at 11.05am.

Item 8	Other Business
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Meeting closed 11.09am.

Next meeting end of February to discuss Contingency Fund.