

# MINUTE

# ‘A’ & ‘B’

## Harbour Board

Scalloway Harbour Office, Blacksness Pier, Scalloway

Thursday 8 November 2007 at 10.00 a.m.

### Present:

A T J Cooper	A T Doull
I J Hawkins	R S Henderson
J H Henry	

### Apologies:

E L Fullerton  
R C Nickerson  
F A Robertson  
C Smith  
N McCracken

### In Attendance (Officers):

J T Dickson, General Manager, Ports & Harbours Operations  
A Inkster, Port Engineer  
R Moore, Operations Manager, Marine  
S Summers, Administration Manager

### Chairperson:

Mr A T J Cooper, Chairperson of the Board, presided.

### Circular:

The circular calling the meeting was held as read.

The Chairman advised Members that sadly, Marine Operations lost 2 apprentices in a fatal road accident on Wednesday morning. The Chairman said that on behalf of the Harbour Board, he wished to pass on condolences to the families of Mr Henderson and Mr McPherson. Members were also reminded that another SIC apprentice working for Infrastructure Services, Mr Sandison, had been lost in a separate road traffic accident early on Sunday morning. Members observed a one minute silence.

### Declarations of Interest:

Mrs I J Hawkins declared an interest in the Mussel Farm Landing Dues item in the minute of 27 September 2007 stating that a family Member was involved in the Mussel Farming Industry.

### Minutes:

With the exception of the undernoted item, the minutes of meetings held on 27 September 2007 and 15 October 2007, were confirmed.

### Min Ref 22/07 – Mussel Farm Landing Dues

The Chairman said that the issue on landing dues was not resolved with the industry and asked the General Manager to arrange a meeting with them to discuss the charges for both the Salmon and Mussel Farm Landing Dues. He said that when setting the 2008/09 dues the problem had to be resolved, and the outcome had to be equitable for both the industry and the Council.

## **Members' Attendance at External Meetings – Update**

General Manager      Annual Conference of the British Ports Association and the, Newcastle - 10 and 11 October 2007

Annual Conference of the UK Harbour Masters Association, London – 15 October 2007

### **27/07      Throughput Forecasts, Sullom Voe Terminal 2007-2012**

The Board considered a report by the General Manager (Appendix 1).

The General Manager briefly introduced the report and advised that over the years the charges had been based on predictions, however these were never met due to technical problems offshore. In response to a query, the General Manager gave examples of the technical problems that may be encountered, but advised that he was not formally informed of such problems. He said that Schiehallion was back up to 100,000 barrels/day, depending on whether the weather allowed the transfer of oil to the tanker, and storage available on the FPSO.

The Chairman said that the figures needed to be verified as being correct. He said that there had to be another way of charging for ships coming into Sullom Voe that would allow the Council the benefit of system dues. He said that a fresh look at charging was needed, and if the current system was proven to be the best, then it would remain.

Mr J H Henry urged caution and said that it was important to look at the other competing ports. The General Manager advised that there was an international process for banding, depending on the size of ships, and he suggested an all in charge inclusive of all harbour costs.

Mrs I J Hawkins moved that the Board approve the recommendations in the report, seconded by Mr A T Doull.

### **28/07      Port Project Monitoring Report**

The Board noted a report by the General Manager (Appendix 2).

#### **Scalloway Dredging – RCM 2308**

The General Manager provided an update and advised that he would keep close contact with the Lerwick Port Authority who would be receiving tenders for dredging in Lerwick Harbour during November. He advised that Consents were part of the process he was following, and that these would be in place for March. The General Manager said that once quotes had been received they would be appraised by Capital Project Review Team. He added that the environmental impact assessment was part of the consents process.

#### **Dock Symbister – RCM 2309**

The Port Engineer advised that at the last meeting of the Harbour Board, the Conservation Engineer had missed the 12 October deadline. He advised that he sent further emails to Scottish Natural Heritage and the Conservation Engineer and was glad to report that he had today received the Conservation Engineer's draft report. The Port Engineer advised that once the formal report was received, Arch Henderson would be able to proceed with a fresh planning application. He went on to state that the project would have to be redesigned and costs estimated, to suit

the revised method of repair, and once the anticipated costs were provided, he would approach the Capital Programme Review Team for funding.

#### Scalloway – RCM 2312

The General Manager advised that the warehouse is now complete and in use.

#### Tug Replacement Programme – RCM 2313

The General Manager advised that the programme was on schedule and on budget and the General Arrangements had been agreed and signed off.

The Chairman said that he would want the project to come in at, or under budget, but if the costs were to escalate beyond the tender price, the Board had to be advised and any change would have to be approved at Council before the increase is permitted. He said that he was confident that the General Manager and his staff would drive the project and keep it in budget. The General Manager advised that this project was an agreed fixed price and escalation was built in. He said that any further increase in costs would have to be approved, but that situation had never arisen in other projects managed by Ports and Harbours Operations. The Chairman said that this was not a criticism and Mrs I J Hawkins added that the Chairman's comment was about laying down a marker.

#### Uyeasound – RCM 2314

The General Manager advised that a contractor had been appointed, and that the funding for the current year would be spent on the steel work. He said that once the steel had been delivered it would be coated and the work would begin in the spring.

In response to a query, the General Manager advised that the contractor had responsibility for sourcing the rock armour for the breakwater. He added that after the contractor was appointed, part of the process was to meet with the contractor to see how the cost of the project may be reduced. The Port Engineer added that the contractor was given the opportunity to make suggestions, and regular meetings were held and minuted. He advised that the original contract had a specification and any changes would be carried out on a Variation Order. Members were advised that any benefits are split with both parties. The Port Engineer advised that once the process had started the contractor was briefed from the start. He said that at the last meeting prices were agreed for the Schedule and the Bill of Quantity, but the final variation had not yet been approved.

#### Navigational Aids

The General Manager advised that this year's budget would be sent on improving communications to/from Scalloway Harbour Office and VTS Sella Ness. This would be in operation by the end of March 2008.

#### Sellaness Pier

The General Manager advised that this item would be removed from the report.

29/07

#### **Port Operations Report**

The Board noted a report by the General Manager (Appendix 3).

The General Manager introduced the report and took Members through the harbour activities and advised Members that there had been the first lost time injury, which involved a Pilot coming off the ladder and hitting his ribs on the guardrail of the Pilot

Boat. The General Manager said he was pleased to report that the Pilot was back at work.

#### Sullom Voe Strategic Plan

In addition to the information in the report, the General Manager advised that Part 1 - Professor Alex Kemp would complete a study on the Sullom Voe Oil Terminal by 31 March 2008 and would provide monthly updates on progress. Part 2, other harbour related new business opportunities, the General Manager said he hoped that this work would be complete by the end of April, and Members would be kept up-to-date on progress.

Members discussed new business for the port, in particular dry-docking, and the Chairman said that new business would be secured if it was commercial viable.

*(Mrs I J Hawkins declared an interest as a Director of the Viking Energy Project)*

#### Viking Energy

Members were advised that the General Manager had attended a productive meeting with regard to the use of piers and laydown areas within the Sella Ness complex. In addition, offices and the use of an accommodation vessel were also discussed. Close touch would be maintained with Viking Energy during the planning process.

#### The Met Office

The General Manager advised Members that he had a positive meeting with the Operations Director of the Met Office, and said that a weather radar in Shetland would also benefit Orkney and the Highlands. He said that he had written to 23 Companies and 6 had responded, and he expected to receive more. The General Manager said that all responses received to date had indicated support for the radar, which included Scottish and Southern Energy and the Lerwick Port Authority.

On another matter, Mr R S Henderson asked that, when reporting on fish landings, the press report on the landings at Collafirth Pier. The press agreed to seek this information from LHD. The Chairman said that he would also raise this at the next meeting with Shetland Seafoods.

The Chairman advised Members that Port Operations were taking over the permitting of jetties from BP. In response to a request, the Port Engineer agreed to prepare a report for the next meeting to inform Members of what this involves.

The meeting concluded at 10.55 a.m.

A Cooper  
CHAIRPERSON