

MINUTE

A & B - PUBLIC

Harbour Board

Boardroom, Port Administration Building, Sellaness

Wednesday 25 April 2018 at 2pm

Present:

M Burgess A Cooper
A Manson D Simpson

Apologies:

S Coutts A Duncan
S Leask

In Attendance:

J Smith, Acting Executive Manager – Ports and Harbours
G Maitland, Harbourmaster
P Bryant, Depute Harbourmaster
A Inkster, Team Leader – Port Engineering
K Main, Team Leader – Port & Marine Operations
S Summers, Administration Manager
B Robb, Senior Management Accountant
P Wishart, Solicitor
L Malcolmson, Committee Officer

Chair

Ms A Manson, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The minutes of the meeting held on 5 March 2018 were approved on the motion of Mr Cooper seconded by Mr Burgess.

10/18 Sullom Voe Harbour Area – Development Planning

The Board considered a report by the Acting Executive Manager – Ports and Harbours (PH-08-18-F), which presented proposals on how best to progress the consideration of planning and marine development guidance for the Sullom Voe Harbour Area.

The Acting Executive Manager – Ports & Harbours introduced the report and advised that the Development Committee, at its meeting on 23 April 2018, authorised the development of a Marine Development Masterplan for the Sullom Voe Harbour Area (SVHA). He also advised that the report had been presented to Environment and Transport Committee on 24 April 2018, where approval of the report for consideration by the Policy and Resources Committee was agreed.

During questions the Acting Executive Manager – Ports and Harbours was asked where, given the costs associated with this piece of work, a positive return to the Harbour Account could be identified. The Acting Executive Manager – Ports and Harbours explained that the financial estimates were high level and approximate

through discussions with the Executive Manager – Planning who has experience in this area and that the actual cost will be identified, as decisions are taken throughout the process. He advised that the Harbour Account is funded by harbour users, and having discussed with the Oil, Gas, Fishing and Aquaculture industries there was acceptance that this is an investment that will give continuity and a steer on what development may be possible. He said that there would be no cost to the Harbour Account and Harbour Users are content that it is a rational and useful process. The Acting Executive Manager – Ports and Harbours added that the outcome of the SVHA Masterplan could not be determined but the work is seen as beneficial by the harbour users.

The Acting Executive Manager – Ports and Harbours confirmed that the Sullom Voe Association (SVA) had been advised of these proposals through a report at their last meeting and their discussion had been neutral. He said however that the SVA realise that they will be a consultee and will have their existing interest reflected forward.

The Board also noted that SOTEAG would be consultees and have a different interest from the oil companies. Concern was expressed about what impact there may be to the unique information pool, with new forms of activity being introduced. The Acting Executive Manager – Ports and Harbours said that there had been discussion with SOTEAG and the St Andrews representatives had identified opportunities for additional monitoring. He said that it was important to make the terms of reference for the Masterplan not just a map of zone but on how long term health and balance of an activity can be assured. The Acting Executive Manager – Ports and Harbours added that it was important to consider that the process is starting with the best arrangement in place for environmental monitoring.

Reference was made to the Risk Management paragraph at 6.9 and following some discussion, it was agreed that the current statement should be rephrased to take account of the fact that the Masterplan could move from a highly regulated position to a reduced level of restriction. The Board was advised on the discussions held at Development Committee and Environment and Transport Committee and the need to understand the environmental mapping information available spanning 40 years, which is unique, and that no one would want any new activity to create environmental conditions that would affect that. The importance of being open with the community was highlighted so that they are aware that this exercise may result in no further activity. Reference was also made to where liability rests for any pollution incident in the harbour area, and that it is currently the responsibility of the terminal operator to undertake any clean up required. It was acknowledged therefore that it was important to ensure that such an obligation is not compromised.

Mr Cooper approved the recommendations contained in paragraph 1.2 in respect of the Harbour Board. Mr Simpson seconded.

Decision

The Committee APPROVED the content of the report for consideration by the Policy and Resources Committee.

11/18 Business Justification Case – Purchase of Multratug 30

The Board considered a report by the Acting Executive Manager Ports & Harbours (PH-07-18-F), which provided the Harbour Board with an opportunity to consider and comment on options to purchase Multratug 30 and to consider the renaming of the tugs.

The Acting Executive Manager Ports & Harbours introduced the report.

The Chair advised that an informal meeting with the Tug crews had taken place and feedback from them indicated that the Multratug30 was a good clean vessel with fewer hours on the engine than the Multratug29. She advised that training was being well managed and the crew and pilots are happy with the vessels.

In responding to questions, the Acting Executive Manager – Ports and Harbours advised that the purchase price, indicated in the report, was taken from the contract, which was the most economically advantageous option in the charter contract negotiations. He said that this had been checked with shipbrokers.

Mr Cooper moved that the Board approve the recommendation in paragraph 1.1. Ms Manson seconded.

In referring to the decision required at paragraph 1.2 the Acting Executive Manager – Ports and Harbours advised that the proposal was to own the vessels in name and the Board were advised that as the Tirrick and Shalder tugs had been renamed by their new owners there was no barrier to reusing these names for the Multratugs 29 and 30.

A suggestion was made for the vessels to be renamed with a new name or with a formerly used name such as the Lyrie and Swaabie. During discussion, it was acknowledged that the Tirrick and Shalder were well known call signs and very favourable operationally and that through consultation with crews, pilots and those with a history associated with the tugs there was a general view that consideration be given to retaining Tirrick and Shalder.

Ms Manson moved that the Board approve the recommendation at paragraph 1.2. Mr Simpson seconded.

The Acting Executive Manager – Ports and Harbours advised that preparations would be put in place for a naming ceremony on 9 June 2018.

Decision

The Harbour Board AGREED with the matters highlighted in Section 4.6, order to inform the Councils decision on exercising a purchase option for Multratug 30 within the bare boat charter contract for that vessel through the reporting of the Business Justification Case for decision to the Policy and Resources Committee by the Capital Programme Service; and

The Harbour Board APPROVED the renaming of Multratug 29 to “Tirrick” and Multratug 30 to “Shalder”.

12/18 Ports & Harbours Business Programme

The Board considered a report by the Acting Executive Manager Ports & Harbours (PH-09-18-F), which provided the Harbour Board with an opportunity to consider the proposed Ports & Harbours business programme for 2018/19.

The Acting Executive Manager Ports & Harbours introduced the report and following some discussion on the timing around some of the decisions required going forward, the Board agreed that a special meeting would be called if required. The Acting

Executive Manager – Ports and Harbours advised that an updated business programme will be presented at the next meeting of the Board.

Decision

The Harbour Board NOTED the proposed reporting actions of the Ports & Harbours service in partnership with other Council services over the coming period.

The meeting concluded at 2.45pm.

Chair