



Oban Bay Marine
Minute of AGM at 7pm on Thursday 25th February 2010
at Oban Sailing Club, Dungallan Park, Oban.

The Meeting started at 7:10 pm

Attended

Directors: John MacGregor, Chairman (JM); Mike Robertson, Company Secretary (MR); Elaine Lauder (EL); Roger Parry;

Members : R Clement; Stephen Thomas, Hebridean Pursuits; Colin Mossman; Irene Murray, RHYC; Maitland Murray, MCA; Jill Bowis, LORN; Tim Bowis; Alison Chadwick; Jim Battison Cologin; Colin Davidson; John Peden; Dr Duncan Martin, Oban Community Council; Cameron Smith, Struan Smith – Coastal Connection; Calum McLeod, Eeusk, G Campbell; M Miller, Oban Times; Dave Sturrock.
15 members proxy votes also received.

1. Apologies

Directors

Paul Sloan; Calum MacLachlainn; Adrian Lauder

Members

Bill Taylor; Mrs E Taylor; David A Taylor; Brian Swinbanks, THA; JH Ian Wallace; John Anderson; Helen Anderson; Dave Petrie; Twig Olsen; Mike Balmforth, British Marine Federation; David Vass, WHAM; Billy Fortieth; Alan Bowes; Colin Taylor, Seascope; John Readman; Tony Hill, Sea.fari Adventures; Sue Anderson, Island Focus; Brain Fair, Photography; Chris Barrow, MV Diving Belle; Andy and Riona Bell; Chris Jackson, MV Chalice; Robert Kincaid, Oban Sea School; Hannah Thompson, Argyll Charter Boats Association; Tony Ratcliffe, North West Marine; Sue Deacon, Oban Marina; Terry McNair; Chris Jackson, Morvern Marine Services; Norman Donald; David Wilkie; James Heward; Tom Lynn; Martin Waterhouse, Marine Resource Centre; Green C Kayaks; Martin Downing; David Lindsay; Alan Cathro, Oban Chamber of Commerce; Tony Hammock. Seafreedom Kayaks;

2. Chairman's Report – John MacGregor (JM)

JM welcomed members present for attending. Since last year, Argyll and Bute Council have developed their town centre regeneration plans - known as the CHORD Programme - and have appointed Robert Pollock and Nicola Debnam as Programme Board managers; each of these 5 Argyll towns have been developing projects which have been scrutinised through the due diligence process and individual Project Boards have been appointed.

Consultants AECOM were appointed last summer to appraise the Oban Bay Marine project as it stood at the time of the planning application, and they presented their report to the Project Board in December 09. AECOM costed the project at £3.4m based on figures from work currently underway in the Isle of Man - double our own estimate of £1.7m in large part due to recommending a piled breakwater as opposed to the chain and anchor system we proposed; with a reduced number of berths to 50, and including numerous costs we believe are unnecessary. Their report also raised a number of technical and operations points citing concerns from Calmac.

We received this report after it had been presented to the Project Board, who then made the recommendation to the Programme Board for refusal of our project.

AECOM based their report on work supplied for the planning application and not detailed design statements. We agree small variations to the plan as suggested and have established that no new planning application is required.

AECOM based their revenue forecasts on very narrow income streams – they did not allow income figures from – amongst others – advertising and seaplane. Berth numbers were reduced to 50; and other prices quoted include 'contingencies' of £400k. Following discussions, AECOM have revised their project costs to £2.6m to include the piled breakwater. Based on this figure and our secured CHORD funding of £900k, our proposed borrowing of £800k would double, the repayments for which

would make the project unsustainable.

We managed to persuade the Project Board to allow us the opportunity to revise our business case, and have been granted until 2nd April to do so.

JM reported that AECOM had pointed out this project is a necessity for Oban; their investigations had concluded it's in the best location; and it would be able to generate a favourable economic return of £1.90 for every £1 spent. Using the Programme Director's own analogy of the '3 legged stool' of sustainable cost / technically achievable and operationally manageable we believe that technical and operational concerns raised can be overcome; and AECOM agreed the project is sustainable on our borrowing calculation of £800k.

JM reminded the meeting that the CHORD project was set up for regeneration of town centres throughout Argyll; and ours was the highest scoring project according to all the consultants reports so far produced. But Oban Bay Marine has not attracted 100% funding from CHORD and, by our calculations, require borrowing £800k. HIE have proved invaluable and have appointed a Business Consultant to assist with formulating the revised business case to expand our arguments towards sustainability. But whatever happens, sustainability for this project will be a 'photo-finish'.

Our consultants, Wallace Stone, had a very positive meeting with Calmac Representatives yesterday, and we are very confident the chain and anchor system we propose for the breakwaters will be acceptable to Calmac.

We are a volunteer steering group, and with the constant support of our local Councillors, we are more confident than ever that having come this far we have wide-ranging support from all sides. HIE have reaffirmed that all their research shows the sailing community is firmly behind us. The next step for us now is to take our case back to the Project Board who will then submit a recommendation to the CHORD programme board - this means we have to compress all we have done so far into 3 months work but we are confident we have a good chance to go ahead.

It's been a something of a rollercoaster this year; but we continue to believe this is the right project in the right place and will make a focal point in the town; we aim to replicate the effort made by Tobermory and the way that has transformed both Tobermory and Mull.

JM went on to answer questions from the floor. Asked if a chain and anchor type of breakwater is acceptable what would be the cost?, he replied that our consultants, Wallace Stone, are adamant their costs of £1.7m (plus a little for inflation etc over the year) are robust; we were awarded £900K from CHORD and perhaps with hindsight if we had asked for more we might have had more, adding AECOM have huge costs built into their reports which we do not accept, but we believe we can narrow the apparent gap in funding.

In reply other points raised, JM said the earliest we could be operating would be April 2011; we are constrained by planning restrictions to summer berthing April – October only which in turn places constraints on potential income sources; although the pontoons would remain in position year round.

3. Financial Report

The Financial report – *attached below* – was perused and accepted without further comment.

4. Election of board members.

There being no nominations the present Board were re-elected en-bloc, proposed by Bob Clements; seconded by Jim Battison and carried unanimously.

5. Election of Auditor

The Board proposed that Jean Ainsley be re-appointed to audit the accounts, which was unanimously carried.

6. Special Resolutions

MR read out the following proposals to alter the wording of Memorandum and Articles of Association.

a) **Article 33.** quorum required for general meetings **20% of members**

propose to alter to: **10% of members by proxy, with 2 present**

reason for proposed change: The AGM struggled to reach the 20% min. no. last year. Without a quorum the whole meeting has to be abandoned. In terms of the new Cos. Act, the minimum quorum for either a private company like this one, or even a PLC. , is only 2 persons present and eligible to vote. The proposed amendment provides for a higher percentage, but allows members to appoint a proxy if they can't attend in person

- ▶ After discussion of comments raised, the feeling of the meeting was to accept this change.

b) **Article 46.** The maximum number of directors **shall be 9**

propose to alter to: **shall be 16**

reason for proposed change: The present Board regard themselves very much as a steering committee to, hopefully, see the project started. Should the funding be made available, a much larger variety of skills and interests will need to be represented, (along the lines of the Tobermory Harbour Association.)

- ▶ In answer to points raised from the floor – MR explained the quorum for Board meetings is fixed at one third of Board members present.

JM felt new directors would be required following Project Board approval to allow the project to reach fruition, and anticipated 2 council officials would join plus representatives from stakeholder groups.

In response to a query regarding how new directors would come to be appointed JM gave an undertaking to the members present to call an EGM at an appropriate time for the purpose of appointing new directors.

Motion proposed by Stephen Thomas, seconded by Duncan Martin , unanimously carried.

c) **Article 66.** meeting of the directors at least **6 times** a year

propose to alter to: **3 times**

reason for proposed change: The Board, large or small, will meet as the business arises. Many meetings are informal. The proposed change is simply to reduce bureaucracy

- ▶ accepted without further comment

7. AOB

JM opened the floor to questions.

Asked about provision for paid officials in the business plan, JM reported allowance had been made for 3 staff - to include 1 manager–style position - in rotation so the pontoon would be continuously manned during daylight hours in the season.

A discussion about how best to utilise the members to support the project followed. JM said while the councillors are aware all the reports say this project is essential to Oban, they should feel the heat of opinion, be encouraged to stand behind us, and stop the politics. MR felt that members could write directly to their councillors, but added support at this crucial stage should be kept subtle; a public meeting right now is not thought advisable. JM pointed out that it is the local Oban Project Board who make the next decision to recommend the project (or not!) to the overall Programme Board, noting all the Oban councillors are very keen to support us – especially in the light of the fact that 320

people had turned out for the initial public meeting; and the town traders of Oban had donated £72,000 of their own money to this project. JM reminded the meeting that debate about support from the wider boating circles was not at issue – this project will turn on the 3 primary issues of sustainability; technical feasibility and operational management- and reiterated that we stand an excellent chance of demonstrating these points if £800K is all we need to borrow.

EL was asked to provide contact details of all members of the Oban CHORD project for circulation – *attached below*

There being no other business, JM thanked members for attending, and thanked OSC for the use of the Sailing Club.

A vote of thanks to the Board was proposed from the floor.

The meeting ended at 8pm.

On following pages

3. Financial report

7. Contact details as discussed

3. Financial Report

Oban Bay Marine Ltd Trading and Profit and Loss Account for the year ended 31 October 2009

<i>period 1.7.07 to 31.10.08</i>			<i>year ended 31.10.09</i>	
£	£		£	£
		turnover		
	£136.00	memberships	£3.00	
	£28,600.00	donations	£11,750.00	
	£8,685.00	grants received	-	
£37,421.00				£11,753.00
		cost of sales		
	£12,191.00	project management	-	
	£25,853.00	engineering costs	£6,562.00	
	£5,588.00	survey costs	-	
£43,632.00				£6,562.00
-£6,211.00		gross profit / (loss)		£5,191.00
		other income		
		deposit account		
£62.00		interest		£9.00
-£6,149.00				
				£5,200.00
		expenditure		
	£76.00	post and stationery		
	£12.00	advertising	£17.00	
	-	sundry expenses	£15.00	
	£400.00	accountancy	£975.00	
	-	consultancy	£200.00	
	£35.00	legal fees	£35.00	
£623.00				£1,242.00
-£6,772.00				£3,958.00
		finance costs		
	£12.00	bank charges		-
-£6,784.00				£3,958.00

this page does not form part of the statutory financial statements

Oban Bay Marine

CHORD programme; contact details for Oban Project Board Members

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