



MINUTES

1. Present / Apologies for absence

Meeting Chairman, 7 Board Members, and 93 attendees signed in, inc. Alan Reid MP and 5 A&BC Councillors : 21 members apologies received

2. Welcome and introduction by meeting Chairman - Sir James McGrigor MSP

Short address from Jamie; joined OBM in September 2007; attended several members meetings; aware many Oban projects proposed have not been completed; Oban key part of W Coast Sailing zone; Vice-Convener of Cross party group on Marine Tourism in Scottish Parliament; recently tabled a motion asking the Scottish Parliament to note the importance of marine tourism, which brings £300million a year into the Scottish economy, and register its disappointment at the Council decision not to fund the Oban project. Jamie also noted the backing of local businesses, and the economic benefit to Oban and Scottish Marine Tourism as a whole.

3. The Story to Date – Mike Robertson

Mike thanked those attending for their courtesy; he expressed happiness that all council members of the CHORD programme at their public meeting the preceding Friday had clearly and unequivocally stated they want to see this facility in place; but understood they had to follow AECOM consultant's advice, noting they had no known west coast experience.

AECOM had failed to see answers to the challenge; all their highly paid skills were applied to looking for problems; the CHORD board members stated they wished to see the project happen.

Oban CHORD Board paid AECOM c. £60k: £100/hour = 600 hours; OBM had 1 day/8 hours of junior consultants time - what message did that sent to us; OBM had no meetings with council officers to find a way forward; despite repeated requests from ourselves, Jim Mather MSP, Alan Reid MP and others for joint meeting of funders – A&BC, Crown Estate, HIE – all refused.

Following the January 08 meeting many local businesses paid £100 month to OBM, raising almost as much as A&BC paid AECOM. OBM paid Morag Brown as Project Manager using her skills and experience gained at Tobermory; for wave surveys which confirmed that any installation north of the North Pier would require much more extensive infrastructure to be viable; but mostly paid Wallace Stone Consultants who have wide-ranging West Coast experience including Glensanda. OBM total spend to date is c. £73K including HIE grant of £22k; not including many hundreds of voluntary hours.

OBM have

- a. a plan in place for a 50 berth town centre transit marina; since adjusted to assist fishing boat manoeuvring, amended to allow up to 12m overhang at North Pier; argued step by step against AECOM's proposal for unsightly piles at double the cost; anchor positions tweaked to facilitate Calmac – both AECOM and the CHORD board agreed on Friday the technical aspects will work.
- b. full planning consent without limit of time; Section 34 Marine Coastal consent; SEPA consent; environmental consents. We have achieved a very great amount.

CHORD requires every project to succeed in 3 areas; OBM has been operationally and technically accepted but financially rejected.

Board of OBM feel we owe it to our generous supporters to explore alternative ways forward, and try our utmost to succeed.

4. The Tobermory Experience – Brian Swinbanks, Tobermory Harbour Association.

Brian: don't be disappointed by web forum comments, where supporters list their names and detractors are anonymous; words do not build infrastructure. This is an opportunity to rebuild the project; re-assess support of funders; partnership and community enterprise are the way forward, profit not required. Infrastructure at sea is required in Oban, esp. in community ownership.

Tobermory now into phase 6; currently investigating breakwater for shelter from NE wind.

Tob started small, when funding was a little easier. In 2004 = 2985 boat nights, 2009 = 7314 boat nights; x 4 people per boat = 30,000 people ashore, @ £30 per head = minimum spend £1M; supports infrastructure way above its small population size of 1000 inc. 17 restaurants; 100% pontoon occupancy during height of summer; still looking to expand income streams; and supporting all kinds of local support services.

Brian felt this was a no-brainer, THA with 40 berths and 26 swinging moorings make a profit, their accounts are available by email from him.

5. Looking Ahead – John MacGregor

As Chairman of OBM, John thanked those attending for support; referred to financial sheets provided. Marina costs calculated at £1.715M inc. dredging, shore facilities, attenuator, pontoons, power, chains - everything to make it work; everything is quantifiable, majority of items are bought off-the-peg at fixed cost; dredging is exception, cost shown of £120K is dependent on not finding rock. Adding 5% contingency for main items and 100% on dredging, av 11%, = total estimated cost £1.9M.

OBM were approached by Council to take part in CHORD; OBM project described as single most important project in Argyll, best placed for quick result with customers already there. But OBM is the only CHORD project required to borrow funding - £800k loan from Crown Estate.

Employed to assess our proposals, AECOM Consultants firstly recommended a much more expensive piled system, citing concerns from Calmac; OBM have since learned no correspondence exists between AECOM and Calmac on this subject. Wallace Stone conclusively demonstrated the proposed chain and anchor system was correct; AECOM's recommendations discredited.

The Council paid AECOM again to examine fleshed out revised proposals; calculations in their latest report, unseen and still not available, are believed to be based on OBM figures inc. the contingencies above; plus project manager fees, plus additional contingencies. OBM allowed £200k contingency; current recession means favourable negotiating conditions in a buyers market. Berthing demand continues to grow; no personal benefit for me, but huge for the town.

OBM income projections based on estimated 50% occupancy = 5900 boat nights @ average £22.50/night; AECOM say 23% average. Income disallowed from the projections include short stay day boats; cruise liner income - currently £6k going to North Pier, but availability of a better facility would increase benefit to the town; small boats; shallow draft boats; seaplane; advertising and sponsorship; or fuel – planning amendment required, but an essential service provided everywhere else.

Costs include staffing £49K; maintenance £20K; electricity £5K; admin £5K; advertising £2K; insurance £7K; total £88K. Capital and interest repayments 7% to Crown Estate = £62K p.a. OBM is only CHORD project having to make repayments. CEC very positive - indicated willingness to find other ways to help us. Total projected annual expenditure = £150K. Cashflow shows project will make a profit.

John felt while Council has said no, does not mean it's the right decision; Councillors could only react to their Consultant's report; acknowledged some Councillors tried everything to help us.

6. Questions from the floor

Q: Cllr McCuish: asked Brian how much capital A&BC had put into Tobermory pontoons;

A: Brian - £0 into pontoons; John replied Mallaig was funded by HIE and Highland Council; Brian later replied that beginning in 1983 Strathclyde Regional Council had invested £500 - £800K for land based structures into THA project to allow them to go ahead with pontoon project.

Q: George Berry Oban FM: expressed concern about town centre parking; felt transit marina would add to traffic congestion; felt traffic infrastructure should be put in place first.

A: Brian: Strathclyde Regional assisted Tobermory to make a car park in community partnership, could work in Oban; but first generate income by investing in facilities afloat. Chair felt boats should not add to parking problem; from the floor Cllr MacIntyre added OBM had planning in place taking into account parking and traffic issues.

Q: Anon: Will we have a marina in Oban?

A: Chair: on behalf of panel and floor felt this was the hope of the meeting

Q: George Seaton: as Council appears unwilling to form a Harbour Trust for Oban Bay, has OBM thought of taking this initiative?

A: Mike: felt while long over due, and would be of great benefit, cost would be prohibitive for Community Company and would require Act of Parliament.

Q: Joey Gough: did panel know of any pontoon system in the country not making money?

A: Brian; did not know of one; thought short stay transit marinas were of particular benefit to town centres; adding consultant's occupancy comparisons for transit vs. conventional marinas are wrong.

Comment: Duncan Martin: managing small landing stage and visitor moorings at Dungallan, its usefulness much appreciated; driving up expectation of OBM project; Joey Gough: it's en route to pay off its debts in 4.7 years; Cllr McCuish: a fantastic facility which the Council invested in.

Q: Cllr McCuish : Asked John to clarify the £900K allocated from Council was not required to be paid back? Was it not right and proper that whoever borrowed from the Crown Estate should pay it back?

A: John: correct, at no time were we asked to pay back the Council allocation. John asked why this is the only project that has to borrow money; and why at the time the £900k was allocated was there no mention of the 'green book' contingencies. From the floor, Cllr MacIntyre described how Oban had applied to the CHORD pot for 4 projects, subsequently awarded £6M to development road, and £900K for 3 projects identified within Oban Bay / Harbour; the allocation of it all to OBM had been wholeheartedly supported by the Oban CHORD board.

Q: Sandy MacArthur: the Enchanted Forest project in Pitlochry is a Community Interest Company – have OBM considered this route to funding?

A: Mike: this a new statutory vehicle, could have many advantages for us, will explore further.

Chair observation: Councillors seemed to be all for the project until the AECOM report was published. John stressed the importance of taking the project out to tender as no robust budget costs are fixed so far; we are not putting this in the water at any cost; it has to be a properly run business producing benefit to everyone.

6. There bring no further comments or questions from the floor, the Chair read out **the Motion** :
"Having considered the decision of Argyll and Bute Council's CHORD Programme Management Board that they cannot financially support a proposed yacht facility in Oban Bay, and heard the response from your Board tonight, do you wish the company to continue, and the board to continue to seek funding? " - members only to vote

On a show of hands, 100% voted in favour; no votes against; Chair declared unanimous approval.

There being no further business, the Chair closed the meeting at 8.50pm

A vote of thanks was proposed from the floor, which was gratefully received.