

MILFORD HAVEN PORT AUTHORITY

MINUTES OF 148th BOARD MEETING
HELD AT MHPA OFFICES GORSEWOOD DRIVE
AT 0930 FRIDAY 28th JANUARY 2011

Present:

In Attendance:

1. APOLOGIES FOR ABSENCE
2. DECLARATIONS OF INTEREST
3. MINUTES OF PREVIOUS MEETING



4. MATTERS ARISING

5. SAFETY

Environmental

Alan reported that a system (Airsweb) had now been identified for the establishment of an online intranet to support incident reporting, and making risk assessments and procedures more readily accessible. The new system may also involve the use of mobile phone technology as an aid to spreading and deepening the safety culture without impairing operational effectiveness.


The Safety Management System would be extended to include Environmental Management to create one all embracing system: the Safety and Environment Management System (SEMS). This proposed system was now under consideration by the Safety Committee. Environmental issues would be raised at Board level and subject to an auditing regime.

Incidents

No LNG breast line failures had been reported since 14th November.

Mark Andrews advised that the vessel Al Mafyar had both an engine failure and a breast line failure within the period.

Security



6. RISK REGISTER

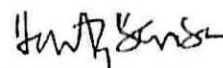
Paper No. 02/11 was received and noted.

an item on future safety meetings agenda.

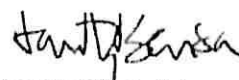
With regard to the top risk, i.e. fire in MHPA server room, mitigating measures were being put in place by way of the installation of a fire suppression system in the next couple of months.

An acetylene gas cylinder had caught fire at Milford Docks on the 14th January and had been dealt with appropriately. The individual concerned had not adhered to the safety procedures which require a 5 metre exclusion zone and would be disciplined accordingly. Refresher training was to be given.

7. NOVEMBER AND DECEMBER TRADING RESULTS



8. CHIEF EXECUTIVE'S REPORT



H M Coastguard

Johnny Allen-Mirehouse declared an interest in the H M Coastguard closure.

Following the announcement of the closure of the Milford Haven Coastguard unit within two years, consideration was being given to bringing the building, which is currently subject to a lease, back into MHPA ownership.

9. MARINE REPORT



Failures of Moorings at South Hook

MHPA had been approached and had agreed to participate in research regarding mooring line failures.

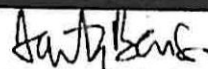
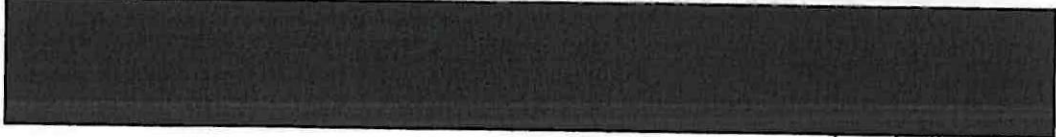
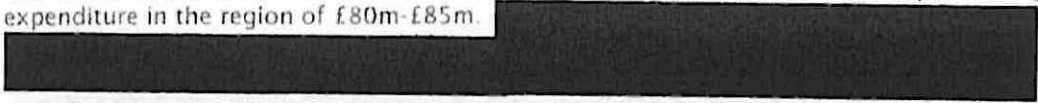
MWL 03.10 - RWE NPOWER MARINE WORKS LICENCE 03.10 COOLING WATER INTAKE FISH RETURN SYSTEM

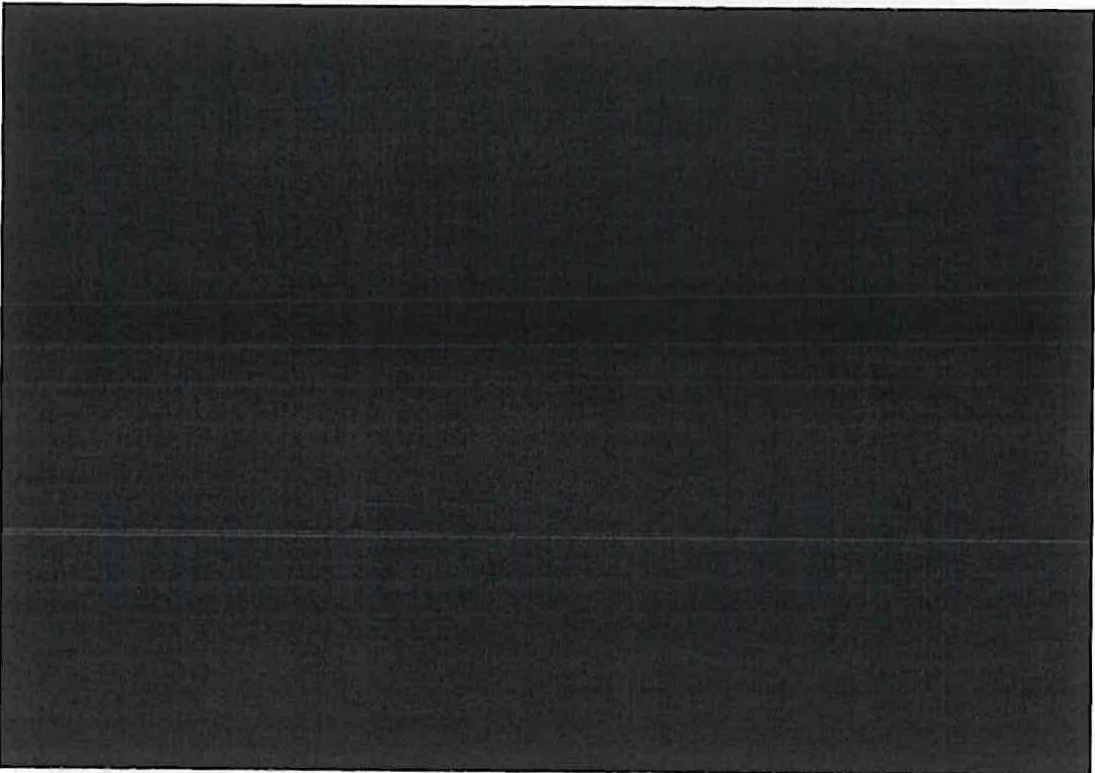
Members had approved the above Marine Works Licence following the email recommendation circulated on the 21st December 2010.

10. MARKETING REPORT

Paper No. 06/11 was received and noted.

Dick reported on the work he had undertaken, investigating the viability of the Blackbridge site and he had come to the conclusion that it would be a difficult site to develop, involving expenditure in the region of £80m-£85m.





In summary, the four big issues to be considered were – support; environmental issues; complex logistics and the identification of costs.

It was essential to reach agreement with the Council to progress proposals for the site and Johnny confirmed that PCC are on board with regard to the development of the Blackbridge site.

Dick was congratulated on his comprehensive commercial report on Blackbridge. It was acknowledged that there was still a great deal of work to be undertaken and that this was a step in the right direction.

11. ENGINEERING REPORT

Mid Channel Rock

Members were advised that there was a possibility that the rig would be moving to site to undertake the bore hole work over the next 24 hours.

Yacht Lock

Andrew confirmed there was pressure with regard to the deadline for grant funding and those present were cautioned against advertising European grant funding until such support had actually been received.



12. HR REPORT

13. HRO REPORT

14. PEMBROKESHIRE MARINE GROUP REPORT

Paper No. 10/11 was received and noted.

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Johnny had previously expressed concerns regarding CMG but advised that these concerns had been allayed. It was noted that MHPA could withdraw from the JV if that was deemed necessary and no MHPA assets had been assigned to the JV.

In order to expedite completion of the work prior to the season commencing in March:

IT WAS RESOLVED THAT:

The expenditure of up to £230K on Marina Pontoon works, the amount budgeted in 2011, be approved, subject to detailed approval of Chief Executive and Chairman.

15. 4GAS

Paper No 11/11 was received and noted.

Discussions had been held with 4Gas who were wishing to sell all their assets at the Waterston site. Discussions had also taken place with SemLogistics and Dragon. MHPA was 4Gas' only option for complete withdrawal from the site. Ownership of this land would place MHPA in a much better position in working with Sem and Dragon to expand and enhance this site, provide a land bank in adjoining Blackbridge and enhancing the deep water facility. It was hoped to acquire the site for a sum in the region of £3-£3.5m. It was acknowledged that there would be on going maintenance obligations as well as environmental issues which would have to be resolved.

IT WAS RESOLVED THAT

The Authority progress the acquisition of the land, incurring an estimated £300,000 of potentially abortive transaction costs to investigate and negotiate the acquisition, subject to the approval of the Board at a future meeting once the final transaction terms have been agreed and due diligence completed.

16. MARTELLO QUAYS

The Chairman explained that Martello Quays Ltd have proposed going forward on a 'staged' programme, the first phase being the landside development plus creation of a marina. The proposed Marina would be in direct competition with both Milford and Neyland Marinas. The second and third phases would both relate to the construction of the housing platforms, and would effectively become optional for the developer.

However, circumstances at the present time required MHPA and PCC to give the developers two pieces of land and, in so far as the developer is seeking a variation to the original agreement, there was now an opportunity for MHPA to re-consider its position. The Board was advised that there was now more probability of there being port related alternative uses for the sites. Considerable discussion took place on how best to proceed and

IT WAS RESOLVED:

To allow the Martello Quays project to proceed on a staged basis and that MHPA would bid to control any marina development.



17. LAND ACQUISITION PEMBROKE PORT

A review of activity at Pembroke Port had identified the need for a land use plan to enable forward planning and to maximise the potential of MHPA land assets. The acquisition of a 'triangle' of property within MHPA land (comprising five sites at Pembroke Port which are owned by four other parties) is necessary to enable future development. Negotiations with these other land owners have failed thus far and it is therefore intended to compulsorily purchase these sites.

IT WAS RESOLVED TO APPROVE:

The commencement of a compulsory acquisition process of the land identified in Pembroke Dock with the ultimate cost of acquisition expected to be in the region of [REDACTED]

It was hoped however that interested parties would sell the land to MHPA in a private transaction.

18. SOLAR ENERGY FOR SCHOOLS

Alec advised that PCC are now considering the schools' solar panel proposals and that there were possible add-ons to other community buildings and felt that this could create a mechanism to spread this proposed development beyond Pembrokeshire. Currently there are plans in the budget to spend £1.5m on solar panels on MHPA buildings to generate electricity for MHPA use. Plans are also being developed for a green energy park at Llideston and possibly use of the 4Gas land, if acquired.

The robustness of The Green Electrician (TGE) which currently has a turnover of between £1m-£2m was discussed and it was emphasised that MHPA commitments are only website costs and a few legal costs at the present time. MHPA could potentially own 10% of the business but would not receive a profit from Solsmart as a trading entity. It was noted that although TGE is not a Welsh company, the solar panels are to be produced in Wales.

The Chairman asked members to give consideration as to the corporate structure for Solsmart.

IT WAS RESOLVED:

- To enter into a contingent subscription and shareholder agreements with TGE
- To appoint an Energy Manager for MHPA, who will initially also be the Commercial Manager and driver of Solsmart. (Though the MHPA head count is increasing, such expansion is focused on the development of commercial activities).
- MHPA to proceed with the speculative expenditure of £75k, which notionally can be set against the already authorised Major projects fund of £350k established at the May board meeting

19. ANY OTHER BUSINESS

None.

20. NEXT MEETING

The next meeting was scheduled to be held at 0930 on Friday, 25th March 2011.



MILFORD HAVEN PORT AUTHORITY

MINUTES OF 149th BOARD MEETING
HELD AT MHPA OFFICES GORSEWOOD DRIVE
AT 0930 FRIDAY 25th MARCH 2011

Present:

In Attendance:

21. APOLOGIES FOR ABSENCE

22. DECLARATIONS OF INTEREST

23. MINUTES OF PREVIOUS MEETING

The Minutes of the previous meeting, held on 28th January 2011, were signed as being a true and accurate record of the proceedings. However, it was agreed under 'Matters Arising' that the resolution with regard to the 4Gas land acquisition be amended to add "Subject to a robust business case being submitted".



24. MATTERS ARISING

Transec Security Levels

Alan had queried the 'moderate' security level with Transec as requested at the last meeting of the Board and had been advised that this level was correct - accurately reflecting current intelligence reporting for marine operations.

4Gas

IT WAS RESOLVED THAT the resolution with regard to the 4Gas land acquisition as approved at the Board Meeting held on the 28th January be amended to add **"Subject to a robust business case being submitted"**.

The Board were advised that a Memorandum of Understanding had been signed with 4Gas to acquire all of 4Gas' assets for a specified price. MHPA are now in a three month exclusivity period, subject to a confidential agreement with 4Gas and costs of appropriate due diligence were likely to be in the region of £250K. The acquisition of the land supported the long term strategy of development of the port. It was also noted that the Newton Noyes Jetty, although derelict, is situated on the 4Gas site which might give grandfather rights for an extended jetty to deep water.

Anne advised awareness of 4Gas' financial obligations to the local community which had previously been raised through a liaison committee.

Martello Quays

In response to a query from Danny, Alec advised that the point had not yet been reached to appoint a marina operator of the proposed project.

Solar Panel Project

It was reported that the proposals had changed somewhat in that the 10% interest for MHPA had been put to one side and a new entity covering South Wales was under consideration. There might be a commitment of £50K but the deal should be feasible. It was also reported that Pembrokeshire County Council were highly enthusiastic about the proposed scheme.



25. STATUTORY ACCOUNTS AND JANUARY AND FEBRUARY 2011 TRADING RESULTS

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26. SAFETY

As reported in the paper, there has been one accident since the last meeting of the Board.

Alan provided a verbal report on the incident involving the Dry Dock Caisson Gate – procedural errors had been investigated and amended. The incident had had the potential to have serious consequences and the Chairman stated that resources would always be made available to prevent such incidents.

With regard to the mooring line failures at South Hook, Mark advised that additional measures were now in place to address the problem. This would involve a full investigation of the incident and in certain circumstances it was possible that some vessels might be delayed. Further contingencies included the use of the guard and second tug. David expressed concern at such activities delaying vessels and undertook to circulate suggested actions he had received from Trinity House.

A Working Group had been established to look into these line failures and MHPA had agreed to participate. The results of the research were anticipated in September when it was hoped SICTTO would make general recommendations to the gas industry.

27. RISK REGISTER

28. CHIEF EXECUTIVE'S REPORT

Paper No. 18/11 was received and noted.

Alec reported on a busy period for oil and gas ships.

It was anticipated that Pembroke Port would provide facilities for the construction of the Bristol Array Wind Farm and a long term contract was being pursued. A business agreement had been reached with [REDACTED] for fabrication work and discussions were taking place with Mustang and [REDACTED] for further business opportunities.

Alec confirmed that an agreement had been reached with Pembrokeshire County Council for road access to Unit Engineering at Pembroke Port which would enable a security re-view to be undertaken with a view to reducing Gate 4 security costs.

Visit by Mike Penning MP, David Jones, Minister, Welsh Assembly Government and Stephen Crabb MP, 21 March 2011

A visit to the port had taken place the previous Monday and was followed by a meeting with Pembrokeshire County Council. Mike Penning had been the first Transport Minister to visit the port in fifteen years.

The impression was that he was generally supportive of the work undertaken by MHPA.

Both Mike Penning and David Jones complained about the extremely poor road access to Milford Haven, namely, the A40.

Blackbridge was discussed at their meeting with PCC when views were taken into consideration and the Minister advised that both parties should work together to reach agreement, failing which he would impose a solution that was likely to leave one party dissatisfied.



Safe Haven

An announcement had been made from Safe Haven following a letter being received by them from the European Commission. The UK Authorities had agreed to compile a risk assessment for typical LNG vessels using the port. MHPA would cooperate but the key points were that the vessels are legal, are authorised by class and are regularly inspected and maintained. The role of MHPA is to consider under what conditions it is safe for vessels to enter the port, undertaking a risk assessment on every occasion. The premise of the EU is to provide locals with reassurance that safety has been re-assessed.

Pembrokeshire Coastal Forum

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29. MARINE REPORT

LNG

The 'Excelerate' incident (PIR 06/11) involving a minor release of gas had not thus far been picked up by Safe Haven. Mark advised that the concern expressed in the marine board paper regarding the consequences of the earthquake in Japan on the flow of LNG to South Hook were not now likely to materialise.


Dredging

The dredging campaign at the Pembroke Power Station had been completed the previous day.

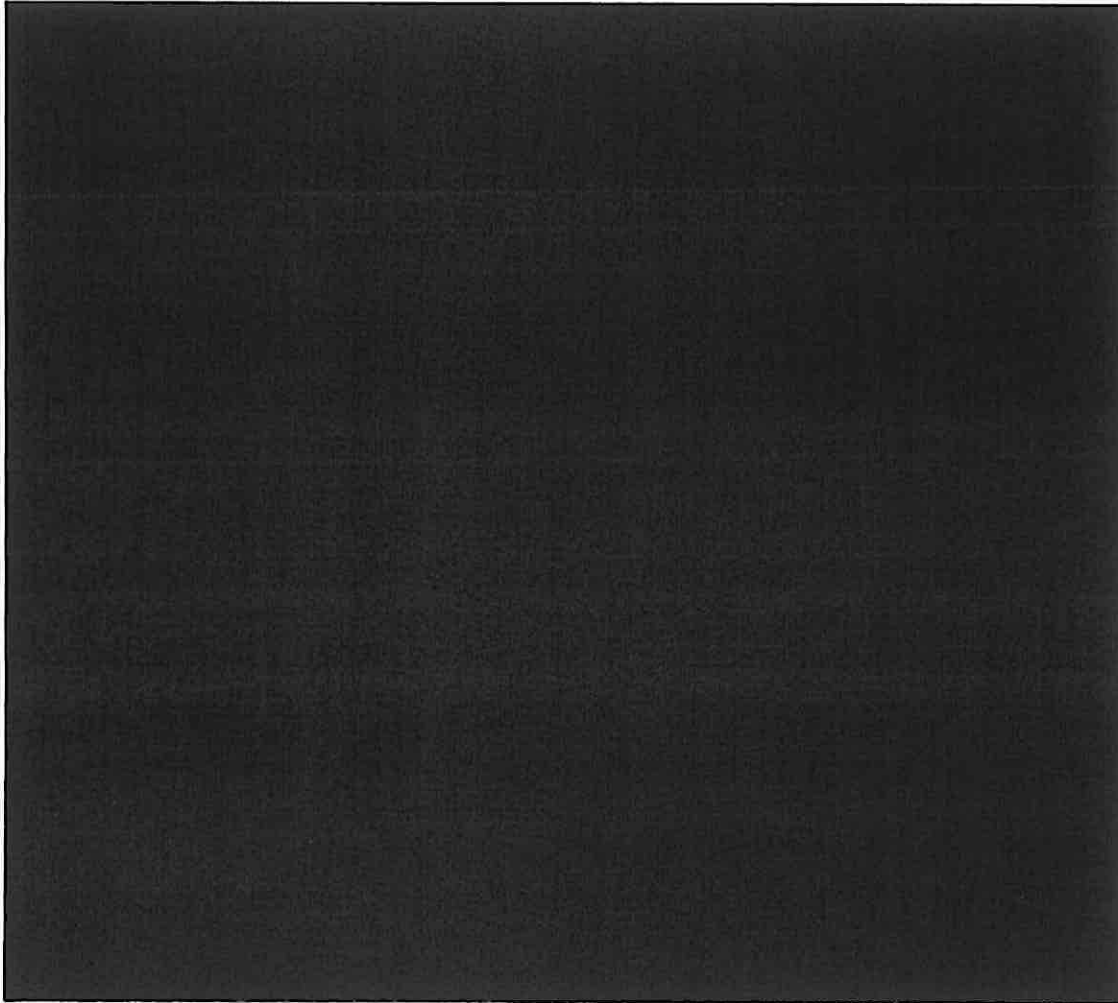
Martin Maloney, Dredging Consultant, and Dave Levell, Environmental Manager, had met with the Welsh Assembly Consents Unit to discuss the financial non-viability of not having a long-term maintenance dredging strategy. CEFAS were considering how the limit could be increased and a further meeting was to be held, which would hopefully provide some solutions. This was taking some time to progress and it was anticipated that a two-year licence would have to be applied for in the interim.

Failures of Moorings at South Hook

There have been two further mooring line failures at South Hook.

7 

30. MARKETING REPORT



31. ENGINEERING REPORT

Paper No. 21/11 was received and noted.

Andrew had met with Stephen Jones of PCC who would chase the Council to progress the 'Option 2 Blackbridge agreement'. £100K had been spent on the marine ecological study thus far and an area of development was required to proceed. Dick's identification of the throughput required to make the scheme work meant that the required approvals were now above the MMO level and would have to go to IPC which meant greater public consultation would be required. The Environmental Impact Assessment could not now be undertaken until the area had been defined.

32. LOCK GATE INVESTMENT

expressed by several members of the Board, particularly during this time of recession. Ray expressed the view that the Board needed to see the marketing efforts of Pembrokeshire Marine Group being stepped up.

Andrew confirmed the grant as being £800K, and explained that it was part of a 'Visit Wales' grant being managed by PCC. The total Visit Wales grant was for £4m which included two other external projects and these might be negatively affected if MHPA mishandled its application within the complex rules of the grant.

Andrew further explained that a third set of gates would of great benefit to the organisation, there being £50K's worth of work required to the Inner caisson gate this year with the probability that it would need replacement within the next ten years.

IT WAS RESOLVED to approve the gross expenditure of £4.7m (£3.9m net of grant) for the installation of intermediate mitre gates and the associated works, subject to the agreement of satisfactory terms in relation to the proposed grant and subject to the caveat that regular updates on developments be forthcoming.

33. HR REPORT

34. PEMBROKESHIRE MARINE GROUP REPORT

35. ANNUAL REPORT

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36. PORT WELFARE LEVY

37. ANY OTHER BUSINESS

38. NEXT MEETING

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MILFORD HAVEN PORT AUTHORITY

MINUTES OF 150th BOARD MEETING
HELD AT MHPA OFFICES GORSEWOOD DRIVE
AT 0930 FRIDAY 27th MAY 2011

Present:

In Attendance:

Board Members were asked by the Chairman to consider how best to diversify the business of the port, there having been no further progress made with Pembrokeshire County Council over the development of the Blackbridge site. Other opportunities were presenting themselves which might be considered in light of this lack of progress. A debate ensued on how best to take matters forward with the Council and it was agreed that David, Danny and Alec would seek to meet with Bryn Parry Jones and the leader of the council John Davies to find a way forward on the issue. Johnny reminded the Board that cost estimates for the development of the site had escalated over the last eighteen months which might have influenced the Council's thinking.

39. APOLOGIES FOR ABSENCE



40. DECLARATIONS OF INTEREST

41. MINUTES OF PREVIOUS MEETING

The Minutes of the previous meeting, held on 25th March 2011, were signed as being a true and accurate record of the proceedings with the exception that:

The figures for the yacht lock should have read as:

"IT WAS RESOLVED to approve the gross expenditure of £5.5m (£4.7m net of grant) for the installation of intermediate mitre gates and the associated works, subject to the agreement of satisfactory terms in relation to the proposed grant and subject to the caveat that regular updates on developments be forthcoming."

and not £4.7m (£3.9m net of grant) as shown.

42. MATTERS ARISING

There were no matters arising.

43. SAFETY

Nine incidents and twenty one near misses were reported in the period.

'Coastwatch', which had been introduced twelve months ago, had experienced a good initial response, receiving good information from the public.



44. RISK REGISTER

45. MARCH AND APRIL 2011 RESULTS

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HyB

46. CHIEF EXECUTIVE'S REPORT

Marina

Alec reported that general interest in the marina was there but that development would very much depend on economic conditions. Alec still felt that the current development at the marina was the best possible activity to grow our leisure business.

It was pleasing to note that fishing activity was performing well.

4Gas

The key issues summarised in Alec's Board paper showed that the corporate and land ownership were extremely complex and substantive risks had been identified. The due diligence exercise incurring costs of £180K had been halted as a result.

It was agreed there was a need to go back to 4Gas to re-negotiate given the information that had come to light.

Pontoons

A discussion took place on the proposal by Pembrokeshire County Council that MHPA take over the provision of pontoon facilities in the Haven. Alec had suggested a meeting with PCC to discuss the core issues but had yet to receive a response from Mark Lewis.

MB

47. MARINE REPORT

Safe Haven

A consultant had now confirmed his intention to prepare a diagram (in line with that of the H&SE) as recommended by the European Commission. However, Mark would seek to bring this date forward from the confirmed date of August if at all possible.

"Skomer" and "Picton"

The final report had been received, the problem identified and recommendations had been made. Mustang Marine and Camarc had been invited to attend a meeting to resolve the issue. No reply had been received from Camarc as yet and if no reply was forthcoming, MHPA would proceed with the required work in any event.

MWL - 01.11 - Chevron - Safety Boat/Rib Pontoon

In order to service the berths at Chevron a boat pontoon is provided. Given the 24/7 operation the pontoon is continually in use with no spare capacity, Svitzer had applied (on behalf of Chevron) for a Marine Works Licence for the mooring pontoon adjacent to Berth 4 to be extended eastwards to accommodate a standby safety boat which would address a safety concern for their mooring and maintenance teams as well as providing additional safety cover for the Haven. Given the safety of life issues involved MHPA gave interim approval and

IT WAS RESOLVED THAT

Marine Works Licence number 01.11 Chevron - Safety Boat/Rib Pontoon be approved.

48. MARKETING REPORT

Paper No. 32/11 was received and noted.

Biomass

Dick reported on the work he had undertaken, and on what is a very diffused and evolving market. The key would be to identify the main chance with regard to the type of Bio Mass fuel that is likely to be adopted by investors.

The Government was due to publish a white paper at the end of July which, hopefully, would clarify the position.

49. MUSTANG MARINE LTD

Paper No. 37/11 was received and noted.

Dick reported that Mustang Marine Ltd required more space to expand the business and also needed help on the investment side.

IT WAS RESOLVED THAT

MHPA commence detailed lease negotiations with a view to completing a new 25 year lease on or before 31 August 2011, subject to detailed scrutiny of the business plan, a close study of Mustang pro forma balance sheets going forward and investigation of Corporate Venturing as a tax efficient way for MHPA to participate.

50. ENGINEERING REPORT

Members were advised that there was potential to use some of our estates assets to put in place solar panels and also to utilise the 4Gas land for solar energy if it was acquired.

Andrew advised that solar panel and oil supplier tenders had been received.

Progress was being made on the preliminary work for the yacht lock.

Following the move to less proactive maintenance, monitoring works had been undertaken on the lock walls with further monitoring taking place in around six months time.

51. HR REPORT



52. PEMBROKESHIRE MARINE GROUP REPORT

Paper No. 35/11 was received and noted.

It was noted that the planning application for the Dry Stack facility had been submitted.

53. HR STRATEGY

54. ANNUAL CONSULTATIVE MEETING - 22 JULY 2011

55. ANY OTHER BUSINESS

56. NEXT MEETING



MILFORD HAVEN PORT AUTHORITY

MINUTES OF 151st BOARD MEETING
HELD AT MHPA OFFICES GORSEWOOD DRIVE
AT 0930 FRIDAY 22nd JUNE 2011

Present:

In Attendance:

57. APOLOGIES FOR ABSENCE

58. DECLARATIONS OF INTEREST

59. MINUTES OF PREVIOUS MEETING

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60. MATTERS ARISING

Alec had also had a recent one-to-one meeting with John Davies, Leader of the Council. The purpose of the meeting would be to discuss how to move forward on Blackbridge and is likely to involve discussion of the status of the port. Alec advised that if the issue with the Council amounted only to genuine concerns about the perceived risk of, having given MHPA rights over Blackbridge, MHPA then being privatised, these concerns could be addressed by, for example, including terms in any agreement/lease whereby the agreement could be revoked and the land returned to PCC if privatisation occurred.

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62. ANY OTHER BUSINESS

1/2/14 

Cedar Court

On a recent visit to Cedar Court, David had noted the local youths using Cedar Court for skateboarding and had asked management to make provision (cost circa £30K including public liability insurance) for a proper skate boarding park to be created in the North end of the docks area.

Proposed Visitors' Pontoon

David advised that consideration was being given to the provision of improved channel markers in the Pembroke River area to stimulate more visiting yachts to Pembroke.

63. NEXT MEETING

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