

**Minutes of Board Meeting for
North West Mull Community Woodland Company Ltd
Meeting held at Dervaig Church Hall on
Monday 18th February 2013**

Present: Colin Morrison, John Morrison, John Addy, James MacPhail, Andy Mayo and Iain Thomson.

Also Present: Ian Hepburn (Development Manager) and Belinda Hale (Administrator and Company Secretary).

1. CM **welcomed** everyone to the Meeting.

2. There were **apologies** from Catriona Laurie.

3. The **Minutes** of the Board Meeting held on 28th January 2013 were **signed** by CM as a true record of the proceedings.

4. **Matters Arising. Kildavie:** The current structure of the archaeological group is not clear and it was agreed that work at Kildavie should not be continued until this matter is resolved. **Action IAH** to write to the group leaders requesting them to confirm that any future work at Kildavie will be carried within agreed guidelines of good archaeological practice by a properly constituted group.

JM and JA hope to complete the work on the loose cattle grid at Kengharair this week.

Secure Compound. The drawings for the building have been sent to Napier University who have agreed to check them free of charge. A small, interim storage space for drying and storing cut and split firewood may be erected using salvaged materials. JM will notify A&B of the temporary structure but no planning permission is required.

Septic Tank. The local resident has accepted that her septic tank repairs must conform to the Board's terms and lawyers' details have been exchanged to formalise the agreement.

There has been some further correspondence from Mr Charlsworth about his disabled access to the haul road on his adapted quad bike. It has been pointed out that no restrictions have been applied to him that would not be put on walkers.

5. Two **items** were **declared** that were not on the **Agenda**. i. Email correspondence from a local resident, ii. Chainsaw training course.

6. JM had previously circulated his **Finance Report**. Cash is quite low at the moment but over £4000.00 is due to be repaid by the CARES loan scheme in the next couple of weeks.

7. The **Development Manager's Report** had previously been circulated by IAH. The recent Pier User Group meeting IAH had attended was very useful. FCS have indicated that they will not pass on depreciation costs to pier users. Once the pier is ready for use our export costs should reduce. There has been some interest from local people re buying fuel wood for woodchip. One load has been ordered and if things work well for the buyer he could place a regular order.

A local resident has written letters to several people including A&B, UPM Tilhill and CM complaining about the timber haul operations and questioning IAH's authority to respond on behalf of NWMWC Ltd. The Directors were in agreement that the resident knew at the time she built the house that it was surrounded by commercial woodland that would be harvested once mature. They further agreed that the traffic was not unreasonably frequent. **Action CM** to respond explaining that the start time in the mornings has already been delayed by 90 minutes and cannot be moved any more. He will also confirm that IAH works on the instructions of the Board with their full confidence. CM has also responded to a letter in Round and About that criticises our timber haul operation.

8. **Annual Accounts for 2011-2012.** The Annual Accounts have been prepared and formatted by Clements in accordance with all current legislation. This year full, externally audited accounts were required because the Company income has reached the threshold set by charity law. IAH and JM went

through the accounts for the benefit of the Directors answering questions and giving explanations as required. The Trading Company Accounts were also briefly shown as the Charity is the sole shareholder. The Directors unanimously agreed to approve the Annual Accounts. **Action BH** to arrange for the Accounts to be displayed on the website.

9. Forest Croft Allocation. Two of the prospective crofters have yet to agree who will have which of the crofts designated 1 and 2. It was agreed that they will be given four weeks to sort it out themselves after which time one or both may have to withdraw their application. **Action IAH** to write. In the meantime advertising of croft 7 will be postponed.

10. Micro Hydro. The planning application has been submitted to A&B but is still at the pre-validation stage while a few minor issues with the drawings are resolved. IAH has approached Mott Macdonald to ask for a quote to put together a design specification so the job can be put out to tender. The response to the suggestion of a debenture scheme circulated to the Members has been positive and, if carried out, could raise around £70,000. Initial indications of value of the building plots have been received. The PDA area could realise c£200,000 if sold as one lot, but also has potential to be sold as several smaller parcels. The six individual plots, if sold with outline planning permission (OPP), could realise c£50,000 each. An architect is having an informal meeting with JM on Thursday to give a fixed price cost estimate re getting OPP on the plots including surveying, boundaries, maps etc.

11. Woodland Burials. JM, IAH and Ailsa Morgan visited the prospective woodland burials site and provisionally selected a 2 hectare area for further investigation. The site has extensive views out to sea and across to Coll and Tiree. There is potential for an access track and a good location for a shelter. IAH has requested quotes for ground depth surveys that could include ground radar and exploration pits. It was suggested that a draft business plan be drawn up and submitted to HIE who have indicated that they may be able to help with funding for start up costs. It was further suggested that Members could be sent an email asking if they would be interested in reserving a lair as this could provide good evidence of need to HIE.

12. Fundraising. This was not discussed as CL was absent.

13. Correspondence. An invitation had been received to the Scottish Highland Renewable Energy Conference but as delegate rates were quite high it was agreed not to send anyone.

14. Any other competent business. i. There has been new correspondence from a local resident concerning the AGM, new Directors and the Annual Accounts. It was agreed that CM should keep replies to a minimum but inform her that everything is done in accordance with the law and our Articles of Association.

ii. There are now quite a few people who have expressed an interest in taking a chainsaw course. It was agreed that it would be a good idea to run at least one set of courses in 2013. **Action BH** to follow up and organise if feasible.

As JMac will be standing down as a Director at the AGM he was thanked for all his valuable help while on the Board and he has offered his continued support.

15. The next Board Meeting will be held on **Monday 25th March** 2013 at 7.30pm in Dervaig Church Hall. The Meeting after that will be on 22nd April.

The Meeting closed at 9.30pm.

Development Managers Report February 2013

1. **Timber Haul Road** – the road is holding up well given that over 25000 tonnes have been hauled across it but some further repair is now necessary.
2. **Fishnish Fixed Pier** –
 - a. Work on site commenced, Piling due to start early February and completion still anticipated late June early July
 - b. 1st Pier user group meeting held 29th January general discussion about booking usage etc but confirmation that the costs of pier depreciation will not be charged into the pier dues.
3. **Timber Harvesting** –
 - a. Harvesting is continuing in Langamull with current breakout and production rate lower than before, this is due to the variation in timber quality in the higher areas, no issues as such and the quality is expected to pick up again as the harvesting moves towards the B8073.
 - b. A small change to the LTFDP is needed to allow harvesting of the Sitka immediately north of the B8073 and west of the haul route, previously listed as continuous cover conifer but now replaced by the shelter belt larch along the Langamull track on the open ground.
4. **Timber Haulage and Floating Pier** - the timber haulage continues with 1 – 2 vehicles running to meet the shipment programme.
5. **Potential Timber Sales for Chip** – currently in discussions with some local businesses about supply of timber.
6. **Forest Crofts** - An invitation to commence registration has been sent to the remaining 6 crofters. Belinda is progressing the registration of 5 of the 6, one potential crofter has indicated that he will not proceed and we need to re-advertise the vacant croft.
7. **Access Feasibility Study** – Priority given to re-instating Kildavie path and creating additional access via the Haul Route hammerhead. Bill Paterson and Kevin Luscombe are pushing for completion or at least the re-instatement.
8. **HIE/FCS 5 year Review meeting**– Agreed with HIE that in principle they would assist with ongoing development of the company in particular the Micro Hydro and Woodland burials – IAH and Andy Mayo will progress this.
9. **Medium Term Income**
 - a. Woodland Burials – The final clearance of and management of the retention in 915 is now virtually complete. Site walked and preliminary location agreed but a survey to establish soil depth and condition is required.
10. **Micro Generation – Hydro West Ardh**
 - a. The connection offer has been received :-
 - i. None contestable items only £3,617.00 Paid w/c 14th
 - ii. Connection available May 2014 but with export restriction to 50Kw subject to any reclaimed capacity becoming available or major upgrade to the Taynuilt – Inveraray link
 - b. SEPA CAR licence £594 and Planning applications £319 + advertising £156 submitted. Consultation underway to confirm that a Town and Country Planning Act section 22(3) permitted development notification will be needed for the West Ardh to B8073 track, if so, the cost will be £60 to register the notification.
 - c. Compilation of a planning application for the new entrance to the West Ardh – B8073 track at the B8073 is under way. Cost approx £700
 - d. Draw down of all the above costs from the CARES loan has been agreed, application for £4959.00 has submitted.
11. **Complaint from local resident** – I have written to the resident as agreed at the last meeting but no reply has been received however in the meantime she has written to JST contractors complaining about the start time and to Colin Morrison querying my status in writing to her, as well as asking for clarification as to responsibility for the haulage operation and asserting to write to whoever she likes about the haulage operation. In

addition the resident has complained to Argyll and Bute Environmental Health department and I'm now awaiting contact from the Environmental Health Officer.

We need to keep in mind the following:-

- a. The resident built the house in a woodland in the knowledge that trees get harvested.
- b. Chose to live 120 meters from the haul route.
- c. Never objected when the route consultations were carried out.
- d. A&BC imposed no restrictions on the operations when permission for the Route was given.
- e. We've already deferred the start time by 1.5 hours
- f. The resident refuses to discuss the issue with us.
- g. We've already granted her access rights to an area of our land free of charge for her lifetime.
- h. We've also in the last 3 weeks given her the right to erect a sign on our land free of charge.

The text of the last letter to the resident is set out below:-

4th
February 2013

Dear

Haulage Operations

Thank you for your letter dated 13th of January. My response also refers to the letter to Mr. Neil Mackinnon at TSL Ltd dated 11th December 2012 and your further letter to Mr Iain Moody of UPM Tilhill Ltd dated 17th January.

In May 2012 TSL wrote to you at our request confirming that the start time would be delayed until 06.00 to ensure that vehicles did not pass your house before 06.30.

Following an exchange of e-mails after receipt your copy letter to TSL dated 11th December we have met with TSL to discuss the ongoing operation of the timber vehicles and I can confirm that the start time agreed last summer will be maintained.

I can only apologise for the instances where the agreed start time has been breached.

As in my letter last May can I ask you to discuss your concerns with either the Directors of NWMCCWC Ltd or myself rather than with the contractors.

Yours sincerely

Ian A Hepburn
Development Manager
North West Mull Community Woodland Company Ltd

North West Mull Community Woodland Company Limited

Finance Report to 15th February 2013

General

Petty cash stands at £6.17.

Cash available is £5,636.39. This balance is after payment of salaries and all other invoices due this week.

A quiet period for cash movements.

Significant movements during the past month were

- 1) A credit from HMRC of £150.40 for Gift Aid Tax rebate for gifts up to 31/07/12.
- 2) Payments for the four 100 Club winners totalling £63.00.

Haul Route

In the coming months, there will be one further bill related to Servitude final payment to be paid to FCS (£15,000).

Fundraising

The Directors must continue to focus on future/innovative fundraising activities and / or grant opportunities to help meet upcoming costs.

Upcoming Costs and Receipts

Further significant costs will be incurred in the coming months re the Haul Route (Servitude as noted above), Mini Hydro, Forest Crofts and Paths and Access projects. Some details noted below:

- Mini Hydro - Planning re the access at West Ardhu - approx £700
 - Access works at West Ardhu - second quote awaited.
 - legal fees associated with the project.

Under the Cares loan scheme associated with the Mini Hydro project, a claim has been submitted, totalling £4,959 which will shortly be credited to the Company.

A submission has been made to HMRC for Gift Aid Tax rebate, covering the period 01/08/12 to 31/01/13 which will result in a credit to the Company of approximately £623.37.

There should be a small receipt in due time re chip and firewood proceeds of sale of the roadline timber.

Short Term Future Financial Position

Cash remains secure for the next several months.

Trading Company Balance

Balance stands at £1,248 with further revenue from firewood sales of approximately £110 due for paying in.

J.N.Morrison - Treasurer