

**Minutes of Board Meeting for  
North West Mull Community Woodland Company Ltd  
Meeting held at Dervaig Church Hall on  
Tuesday 29<sup>th</sup> May 2012**

**Present:** Colin Morrison, John Morrison, Ailsa Morgan, John Addy, Iain Thomson, Andy Mayo, Catriona Laurie and James MacPhail.

**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 Alex Duncan.

3. The **Minutes** of the Board Meeting held on 1<sup>st</sup> May 2012 were **signed** by CM as a true record of the proceedings after a small omission from item 10 was added.

4. **Matters Arising.** JM has replied to Argyll and Bute Council re the Dervaig toilets explaining that the lack of facilities is causing people to use the viewpoint car park as a lavatory with all the associated health risks.

IAH has made an initial approach to the CARES scheme re funding for the Micro Hydro and it has been accepted in principle pending a more detailed application. **Action IAH** to continue to progress.

The safety goalposts for the haul road have been erected and are complete. Gavin Brown has been approached about inviting the community to watch the harvester and forwarder at work and a suitable date is expected to be arranged soon. **Action IAH** to progress.

CL offered to help CM in the Communications area of management responsibilities.

A reply had been received from FCS re scavenger licences detailing the term (3 months per site) and that no chainsaws, power tools or lifting equipment are allowed. **Action IAH** to contact NFU re insurance implications.

No alterations have been suggested for the Housing Needs Survey. **Action IAH** to circulate.

5. Two **items** were **declared** that are not on the **Agenda:** i. Directors attendance/apologies, ii. Activity on land owned by Hugh Balfour Paul.

6. JM had previously circulated his **Finance Report**. He is in the process of changing the signatories on the Charity Bank Account. Andy Mayo has agreed to be the third signatory to replace Ann Evans. Electronic banking is being set up for the Trading Company and more extensive use is to be arranged for the Charity as most statutory bodies (ie HMRC) now prefer electronic payments. An email audit trail will be set up to show consent for payments instead of signatures on cheques.

7. The **Development Manager's Report** had been previously circulated by IAH. A secure compound is required to store materials and equipment as things have been going missing. **Action JA** to look at options for a volunteer work party building something suitable. **Action IAH** to check planning and building regulations requirements.

There is a delay in the building of the fixed pier at Fishnish that has implications for our profit margins on harvested timber, however we are still making a profit using the floating pier.

The 5 Year review has been delayed but the final draft is due very shortly. **Action IAH** to circulate to Board as soon as it arrives. **Action Directors** to send comments back within a week of receipt.

The access road for the Micro Hydro at the side of private land is overdue and the owner has requested that it be built soon and include traffic calming measures. A draft solicitor's agreement was circulated to the Board who unanimously agreed it. Action IAH to check if the standard for the planning application would

allow us to prepare the plans ourselves to reduce costs.

IAH has helped with some research for the Community Woodlands Association who have agreed to pay the Company £400.00. He will also make a presentation which will be paid for.

**8. There were no Progress Reports.**

**9. Fundraising and Woodland Event.** CL is to co-ordinate arrangements for the Woodland Event which will include: Children's Treasure Hunt, Teddy Bear's Picnic, Silly Games, Cycle Races, Running Races, Refreshments including BBQ, Duck Race, Raffle and live music from Iain Thomson. **Action CM** to organise Cycle and other races, **JM** to contact slaughterhouse re meat for BBQ, **IAH** to contact Tobermory High School, Jan Dunlop. It was agreed that there would be no entry charge but a bucket for donations. The date was set for Saturday 1<sup>st</sup> September 2012 from 1.00pm to 5.00pm. (This date has since been changed to Saturday 25<sup>th</sup> August).

**10.** Matthew Reade has **resigned** as a **Director** as he currently has a lot of other commitments.

**11.** Full funding for the **First Aid course** has been offered by Forestry Commission Scotland Community Seedcorn Fund. The date has been set for Friday 22<sup>nd</sup> June and from the original list of 13 volunteers interested 12 can definitely attend and 1 is still a possible. **Action BH** to continue to progress.

**12. Correspondence.** Argyll and Bute Council have notified us that Dave Thomas has withdrawn his planning application for a camp site. It was agreed that a letter should be sent requesting him to reinstate our boundary.

Complaints have been received from a local resident via TSL and Tilhill concerning the timber transport traffic on the haul road. A meeting was held attended by IAH, CM, JM, Gavin Brown from UPM Tilhill and Neil MacKinnon of TSL. All the complaints were discussed and IAH sent a reply agreed by all attendees.

**13. Any Other Competent Business.** Although Director attendance at Board Meetings is mentioned in the Articles of Association the Board discussed the need for a policy to address the practical application of the rules. A suggestion is that if a Director misses three consecutive Board Meetings without good reason they should be asked by the Chairman what their intentions are. **Action IAH** to draw up a draft policy to present at the next Meeting.

Hugh Balfour Paul has held a camping weekend for the Highland 4x4 Club on his land at Druimghigha. Access was gained via the haul route and this appears to be outwith the terms of his servitude. Advertising banners hung on our fence at the road end were removed by IAH. An email from HBP indicates that he differs in his interpretation of his rights to use the haul route from our understanding of the servitude. Advice is being taken from our solicitor and any suggested letter will be circulated prior to issue. **Action IAH** to follow up and circulate.

**14.** The **date of the next Board Meeting is Tuesday 26<sup>th</sup> June 2012** at 7.30pm in Dervaig Church Hall. The Meeting after that will be held on Tuesday 31<sup>st</sup> July.

The Meeting closed at 10.20pm.

## **General**

Petty cash stands at £26.16.

Cash available is £32,478.81. This balance is after payment of salaries and all other due invoices up to 28th May 2012.

Significant movements during the past period were

- 1) Payment of £8,124.12 to HMRC for VAT, mainly re timber sales.
- 2) Payment of £2,400 to Tilhill for annual management fee.
- 3) Payment of £960 to Tilhill for FDP modifications to cover W.Ardhu windblow.
- 4) A credit of £14,201.88 from Tilhill for proceeds of part of sale of Roadline timber.

## **Haul Route**

In the coming months, there will be two further bills related to Servitude final payments to be paid, one to FCS (£15,000) and the other to HBP (£13,000).

## **Fundraising**

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

## **Upcoming Costs and Receipts**

Further significant costs will be incurred in the coming months re the Haul Route (Servitudes as noted above), Mini Hydro, Forest Crofts and Paths and Access projects. Specific costs are noted below;

Mini Hydro - Planning and connection fees - approx £1,500 ( no action to take place on this until latest information of 'fits' is available in the next few weeks).

Access works at West Ardhu - quotes being obtained.

Paths and Access - All bills for this study have been paid and the Company will be due approximately £6,000 of Grant funding to offset our expenditure.

VAT repayment on proceeds of sales to date of Roadline timber, approx £2,900 will need to be paid to HMRC..

Further payments will be received from Tilhill re Roadline timber sales, £3,351.94 in June. There should also be a small receipt in due time re chip and firewood proceeds of sale of the roadline timber but that will be not be significant.

## **Short Term Future Financial Position**

Cash remains secure for the next several months.

## **Trading Company Balance**

Balance stands at approximately £1,800.

## **J.N.Morrison – Treasurer**

1. **Timber Haul Road**
  - a. All spare fencing materials collected, evidence of items going missing. We need to create a locked storage yard for materials. Minor fencing needed to complete around one internal cattle grid on Kengharair but not critical.
2. **Fishnish Fixed Pier**
  - a. Neither we nor Tilhill are parties to the construction contract our influence on the timescale is therefore limited to that of a potential major customer. I have an enquiry in with FCS in Edinburgh who are chasing via Les Bryson the Operations Director for Scotland, I expect an update on possible completion date in time for the meeting on the 29<sup>th</sup>. The cost to us of each months delay is considerable in terms of lost reduction in shipping cost.
3. **Timber Harvesting**
  - a. Harvesting is now continuing in Langamull with the breakout and production rate significantly better than the prediction used for the initial budgeting on the project.
  - b. Public intrusion onto the working areas is much reduced. Given the recent spate of fatalities in the Industry (4 deaths this year) we cannot afford to take any risks with our operations, will you all be aware of, and emphasise the risks of, entering areas that are subject to warning signs whenever you are talking about the operations to our members and the public.
  - c. If anyone wishes to visit the operations will they please contact me so that we can arrange an accompanied visit and provide Hi-vis tabards and hard hats.
4. **Timber Haulage and Floating Pier**
  - a. The timber haulage contract is now underway using the Low Ground Pressure vehicle and another Central Tyre Inflation vehicle from TSL direct.
  - b. The floating pier is now moored at Fishnish fully operational, the first shipment left on 14<sup>th</sup> may carrying 700 Tonnes of sawlogs and pulpwood to the sawmills at Kilmallie.
  - c. we have a backlog of Pulpwood at the moment and given its limited in-forest life this is being cleared as a priority, there are boats scheduled every other day until the end of this week to clear the backlog
  - d. The timber stocking area in the Forest Enterprise yard at Aros is completed and was almost full but is now back to usual working capacity
5. **Forest Crofts** – The crofting commission is now satisfied with the results of the advertising process and the contracts have now been submitted to the Land Court for final approval which is expected to take 4 – 6 weeks and cost us a further £750.
6. **Access Feasibility Study** – The final report has been received and is available in the office, we now need to start work to prioritise the possible projects.
7. **HIE/FCS 5 year Review** – The final report was expected by early May. Personal issues affecting one of the consultants have resulted in a 3-4 week delay I now expect to have a date for the final draft by the board meeting.
8. **Housing - Sale of Proposed Building Plots - Use of Sitka** - No change
9. **Medium Term Income**
  - a. Woodland Burials – as soon as the preferred area in Langamull North has been harvested initial surveys on soil depth etc will be undertaken
  - b. Leasing Birch Woodlands – Not progressed this month.
10. **Micro Generation – Hydro West Ardu**
  - a. A local landowner has raised the issue of the shared access into the PDA, under the Excambion we were obliged to create an access acceptable both to the Letley's and their successors and Argyll and Bute Roads within 2 years, this we have failed to do. Following a meeting I have had a draft letter of undertaking compiled which amends slightly the Excambion by incorporating the obligation to include traffic calming measures in the shared entrance if we use the entrance for anything other than Agriculture, forestry or the construction and servicing of a Micro Hydro plant. If the board accepts the draft I will try to agree the letter with the person concerned.
  - b. When we create the access which needs to be in the near future we will need to obtain planning permission, it is not expected that that will be an issue although it will probably cost in the region of £750 overall including the preparation of all drawings.
  - c. Initial acceptance received onto the CARES Loan scheme and detail application is now underway.