



SLIP BIGHT MARINA ANNUAL BERTH HOLDER MEETING NOTES

14 October 2017

Venue: Paynesville Community Hall

2:00 pm

1. Staff and Councillor(s) Introduction

Cr Dick Ellis chaired the meeting and introduced Council staff present as well as Marina Consultative Committee Representatives.

Apologies

Nil

East Gippsland Shire Councillors present

Name	Position
Cr Dick Ellis	Chair, Marina Consultative Committee
Cr Colin Toohey	Marina Consultative Committee

East Gippsland Shire Council Staff present

Name	Position
Paul Holton	Director Development
John Morton	Manager Economic Development
Kris Wain	Commercial Business Coordinator
Angela Printz	Commercial Business Operations Officer

Berth Holders Present

David Mason	Berth Holder and Marina Consultative Committee berth holder representative
John Underwood	Berth Holder and Marina Consultative Committee berth holder representative
Robert Cove	Berth Holder and Marina Consultative Committee berth holder representative
Barry Wood	Berth Holder
Peter Hackman	Berth Holder
Ken Lucas	Berth Holder
Karen Lucas	Berth Holder
Jacques Armenante	Berth Holder
Leigh Collings	Berth Holder
Marilyn Daly	Berth Holder
N Buthfield	Berth Holder
Harry Leggett	Berth Holder
Rebecca Mattis	Berth Holder
Michelle Bourke	Berth Holder
Larry Field	Berth Holder
Doug Bilson	Berth Holder
Klaus Meichsner	Berth Holder
Werner Schalle	Berth Holder

2016-2017 Annual Budget Performance Report

Council advised of a successful year attending to marina critical activities. The budget \$195,421 for operations and maintenance was overspent by \$1,223 for the year.

Council provided clarification of which expenses are covered under each category provided by Council's financial system.

2017-2018 Fees and Charges

Council reported the 2017-2018 Fees and Charges will remain the same as the previous year and have been adopted by Council and Signed off by the Minister as required under the Slip Bight Agreement.

A valuation was conducted with the recommendation not to increase fees this year as they were on par with similar marinas.

There was a discussion around asset depreciation. Council advised the value for depreciation was reserved for future renewal of assets.

RSM Report

Council advised the RSM Report stated there were 2 breaches of the agreement. It was stated that Council had not sought approval by the Minister however when Council were made aware this was rectified. It was also stated there was a breach of the agreement in regards to transient vessels. Council disagrees with this being a breach and advised that there were some differences in interpretation of the term transient vessels. All short term stays and berth holders relocated from Metung during reconstruction are covered by an agreement.

Council advised the RSM report stated Council did not provide requested information. RSM have now corrected this as Council did provide the requested information.

DELWP requested the audit and have since provided a report of items to be discussed further working with Council. DELWP response to the RSM Audit clearly states there was no evidence of fraudulent activity.

Cr Ellis advised a sub-committee has been established to address the DELWP report with the first meeting scheduled for November. Information will be provided to berth holders on the website.

A berth holder provided his opinion regarding Councils presentation. There was a heated discussion between berth holders which was ceased and Cr Ellis advised only questions would be accepted at this forum.

Jacobs Report

Council reported the Marina was inspected by Jacobs (previously SKM). Report advised all work recommended from the previous report was conducted providing the Marina with a further 8-10years residual life.

A berth holder asked if a copy of the report could be published on the website.

Council advised it can't be published on the website but will be provided to berth holders.

There was a discussion around asset depreciation. Council advised the value for depreciation was reserved for future renewal of assets.

Operations and Maintenance Report

Council reported maintenance works completed in the past 12 months and planned future maintenance works. Encouraged berth holders to contact Commercial Business Operations Officer to address any new maintenance items your want considered/addressed.

A berth holder asked where the boats on Jetty 3 would be moved to during mesh replacement.

Council advised there will be no need to move boats. There would be minimal disruption as it would be done section by section. Viable boards will be re-used on other jetties until they are all changed over to mesh.

A berth holder asked about whether powerheads can be installed on the other side of jetty – currently has to climb under to plug in.

Commercial Business Coordinator advised Council will investigate.

Same berth holder also advised he had items stolen from his vessel and asked about security cameras.

Council advised this has previously been investigated as an item through the MCC. Currently the issue is that there is insufficient bandwidth to send and store the footage. Council will review when NBN is in place. Berth holders are welcome to have their own webcams as long as they are pointed at their own vessels only.

A berth holder asked about power leads being connected whilst unattended.

Council advised we are in the process of developing a policy to address this issue.

Marina Consultative Committee Representative vacant positions

Council advised there were two positions on the Marina Consultative Committee open for nomination. Nomination forms will be sent to all berth holders and if there are more nominations than positions a postal ballot will be held.

General Business

A berth holder questioned how many berth holders were not paying their fees, for how long and what is being done about it.

Council advised there 221 berths with 89% occupied and only 3 are in the hands of debt collection.

A berth holder asked if it is possible for visitors to attend MCC meetings and whether PMCC should have representation.

Council advised PMCC stakeholders have nothing to do with the Marina other than sharing a facility and should not have representation. Cr Ellis will look into individual berth holders attend MCC meetings.

A berth holder asked why the previous meetings minutes were not available.

Council advised this is not an AGM it is an Annual Berth Holder Meeting.

A berth holder reported that some unregistered tradesmen were accessing the marina without the proper insurance check.

Cr Ellis advised Council will look into this.

A berth holder questioned the timing of this meeting as it conflicted with a 'Blessing of the Fleet' sail past event.

Another berth holder advised the Berth Holder meeting date was set well before the Blessing of the Fleet date.

Council added although the last Annual Berth holder meeting was in April, it is traditionally in October.

A berth holder questioned the proposed new laws regarding towing away of vessels.

Council advised this was a new process previously undertaken by Water Police in consultation with Gippsland Ports and would be heard at Council this week.

A berth holder asked about a proposed new group taking over management of the lakes from DELWP/Ports/EGSC.

Council advised there has been some general discussion regarding clarifying management responsibilities of the lakes as there are currently 38 statutory agencies responsible with some cross-overs.

A berth holder wanted assurance that berth holders would not be funding any legal action to defend Council against suggested legal action being threatened by Slip Bight Inc.

Council advised all legal costs would be funded out of a corporate budget not specifically marinas.

A berth holder commented that current cleaner were doing a great job.

Council advised this was being done by Council staff from Eagle Point Caravan Park.

A berth holder suggested more bins be provided on public holidays.

Council advised we will consider more frequent emptying of the existing bins.

Cr Ellis thanked all for attending and closed the meeting at 3.28pm

Slip Bight Marina

Annual Berth Holders Meeting

Saturday 14 October 2017



Agenda

- Staff and Councillors Introduction
- 2016 - 2017 Annual Budget Performance Report
- 2017 - 2018 Fees & Charges
- Operations and Maintenance Report
- Jacobs Condition Report
- General Business



Slip Bight Marina

2016-17 Annual Budget Performance Report

Income

Expenditure & deductions

Result \$ 292,584



Slip Bight Marina

Operations and Maintenance

O & M Fees	\$ 194,198
Direct O & M Expenses	
• Employee Costs – Direct Operations	\$ 42,017
• Contractual Service Expense	\$ 29,549
• Materials And Utilities Expense	\$ 49,376
• Miscellaneous operations / insurance premiums	\$ 10,362
• Administration Costs	\$ 25,189
• Corporate Overhead allocation	\$ 39,018
• Total	\$ 195,421
Result	\$- 1,223

Expense Category Legend

Expense Category	Explanation
Employee Costs	Any salaries and wages of Council Employees carrying out works directly related to Marina Operations e.g. Marina Supervisor, Building Works Crew, extra cleaning undertaken by Caravan Park Staff etc.
Contractual Service Expense	Contract Cleaning, Plumbers, Electricians and other trades when required
Materials and Utilities Expenses	Electricity, Water, maintenance materials (in 2016/2017 the Jacobs condition report was allocated to this account code)
Other Miscellaneous Expenditure	Insurance
Marina Administration Costs	Costs incurred in administering the Commercial Business Unit, this includes salary, vehicle and telephone costs - apportioned across all Commercial Business Unit operations.
Corporate Overhead Allocation	Calculated as 15% of direct costs associated with operation of the marinas (including depreciation). Accounts for the provision of internal corporate services such as HR, Payroll, Financial Services, Information Technology and Property Services.

2017 -2018 Fees and Charges

- No increase from last year in council Marina Fees and charges

- Please refer to handout



Slip Bight Marina - DELWP Review

- DELWP instigated a review of Councils overall management of the Slip Bight Marina with reference to the Slip Bight Marina agreement of 1998. The review was conducted by RSM an Auditing and Accounting firm. The review commenced in January 2017.
- A summary of the findings and DELWP's response is following



RSM Report – Slip Bight Marina Paynesville

Recommendations from the *RSM Factual Findings Report 2017* and responses are highlighted below. Recommendations within the Report will be followed up by DELWP and the East Gippsland Shire Council in their capacity as committee of management. Regular updates will continue to be made to the East Gippsland Shire Council Marina Consultative Committee and berth holders.

No.	RSM Recommendation Heading	Summary and Response
3.1	Breach of Slip Bight Marina Agreement (Approval of Fees)	The Department became aware of this issue in 2016 and since this time, requisite approvals have been gained, with both DELWP and the Council establishing a stronger governance framework.
3.2	Breach of Slip Bight Marina Agreement (Transient Vessels)	RSM indicates there is a breach of the Slip Bight Marina Agreement: however, the Agreement does not define what constitutes a 'transient vessel'. Any review of the Agreement would need to address this. In the interim, an agreed interpretation of this term will be developed that supports Council's current practice of issuing short term berth agreements.
3.3	Historical Financial Information Assessment	<p>No evidence of fraudulent activity was noted in the RSM Report. Councils are required to go through an annual auditing process under part 7 of the <i>Local Government Act 1989</i>. The RSM report indicated some gaps in reporting information from Council. DELWP has worked with Council and RSM and additional information was provided by Council to RSM. Council and DELWP will continue to work on matters identified in Recommendation 3.3.</p> <p>Assets are depreciated in accordance with contemporary financial accounting practices that ensure asset renewal can be achieved as and when required.</p> <p>Condition assessments of the facility are undertaken by appropriately qualified specialists. The most recent condition assessment was completed in May 2017 and confirms that all previously recommended maintenance has been completed to a satisfactory level.</p>
3.4	Register/Listing of Current Berth Holders	The RSM Report indicates this information was not made available. This is incorrect and RSM has confirmed this material was provided as part of the audit process.

RSM Report – Slip Bight Marina Paynesville

3.5	Consultative Committee Members Meeting	The East Gippsland Shire Council convenes regular East Gippsland Shire Council Marina Consultative Committee meetings where representative berth holders from each marina attend. There are selection processes for membership of this committee and matters including condition assessments and maintenance recommendations are submitted to the Consultative Committee for review and monitoring. Likewise, financial material is also submitted to the Marina Consultative Committee. RSM recommend consideration should be given to more frequent meetings and this will be tabled with the Consultative Committee along with all other matters in the RSM Report.
3.6	Outdated Policies and Procedures	RSM recommends DELWP ensures that Council's policies and procedures relating to their committee of management role and management of the Slip Bight Marina facility are kept updated. DELWP considers that this is part of general business of Council and these documents are updated regularly.
3.7	Records Management	The RSM recommendation that record keeping may need to be improved has been noted.
3.8	Community Engagement	The East Gippsland Shire Council Marina Consultative Committee is not required under the conditions of the Slip Bight Marina Agreement but is a useful initiative adopted by the East Gippsland Shire Council to support communication and engagement with berth holders. RSM recommends ensuring engagement processes are in place including notifications to all berth holders. The consultative committee will be able to help guide engagement practices and consider the development of a Community Engagement Plan.
3.9	Complaints Handling Process	Complaints can be made in several ways ensuring there are practical opportunities for berth holders. RSM recommends all concerns are processed through one system. While this is considered part of general business for council, the consultative committee could help guide the implementation of complaints management for the marina.
3.10	Management Responsibility for the Marina	RSM recommends Council staff with roles and responsibilities associated with Slip Bight Marina are clearly articulated to berth holders. As with other recommendations, this will also be noted and followed up and reported on through the Marina Consultative Committee.
4	Determination on Slip Bight Marina Agreement	RSM recommends DELWP consider reviewing the Slip Bight Marina Agreement to ensure it remains contemporary and relevant. DELWP notes that any review would involve broad based consultation before proceeding.

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Next Steps

- A sub-committee of the East Gippsland Shire Council Marina Consultative Committee will be established to review and implement the recommendations of the RSM report. The focus of the sub-committee will be on DELWP's response to the recommendations of the RSM report.
- The sub-committee membership will include Senior EGSC officers, Senior DELWP officers and the Slip Bight Marina berth holder representatives that sit on the EGSCMCC.
- The sub-committee will be responsible for communicating on progress towards implementing the improvements that have been suggested for the management of the Slip Bight Marina. This will be communicated to all Slip Bight Marina berth holders via their representatives.
- This sub-committee will be established for a period of 12 months, and will hold their first meeting in November to confirm the membership, terms of reference, objectives and specific tasks of the sub-committee, and the timelines associated with addressing the DELWP's response to the recommendations of the RSM report.



Operations and Maintenance Report

Operations and maintenance of the marinas

Commercial Business Operations Officer
Commercial Business Coordinator



2016-17 Maintenance

Jetty 1-4

- Replaced 50 decking boards
- Structural Inspection – Jacobs
- Purchased mesh and banding materials

Jetty 5

- Installed 5 safety ladders
- Installed 2 safety rings

Adhoc Plumbing and Electrical

Berth Holder Facility

- Replaced zip boil
- Replaced hot plates
- Replaced dryer motor
- Replaced Shower heads
- Replaced shower floor
- Replaced decking outside berth holder facility

Jacobs Report

The aim of this inspection was to identify any urgent remedial work required and to update the expected residual life of the structures. We understand there has been ongoing maintenance work undertaken since our previous inspection and all of our 2010 recommended work has been completed. This inspection again involved visually assessing all the above water-line components and comparing the observations with the 2010 results. The same Diving Contractor was again engaged by the Shire. The Diver, this time, was able to inspect all the timber mooring piles and all the timber support piles.

Key Findings

- Marina estimated residual service life – 8-10 years
- Recommended joist replacement program
- Recommended lifting of approaches
- Repair work to several ladders
- Replace 16 decayed decking planks
- Current maintenance schedule resulted in positive outcomes considering age of marina and actions taken from 2010 condition report.

Planned Maintenance

As a result of Structural Report:

- 125 piles to be banded with steel straps and buckles
- Jetty 3
 - replace 4 decayed joists
 - replace timber decking with composite mesh panel
 - replace 2 ladder wailings
- Jetty 2
 - replace 2 decayed joists
 - replace timber decking with composite mesh panel
- Jetty 4
 - replace 1 decayed joist
 - replace timber decking with composite mesh panel
- Jetty 1
 - replace 1 decayed joist
 - replace timber decking with composite mesh panel

Planned Maintenance

Other:

- Re-paint red edging on Jetty 5
- Lighting audit across all Jetty's

Marinas Consultative Committee

- Current term of 2 Slip Bight Marina representatives expires end 2017
- Nominations will be called for by end October 2017
- Where more nominations are received than vacant positions a postal ballot will be conducted

General Business



East Gippsland Shire Council

