



METUNG MARINA & CHINAMAN'S CREEK MARINA ANNUAL BERTH HOLDER MEETING NOTES

20 October 2018

Venue: Metung Yacht Club

9:00 am

1. Staff and Councillor(s) Introduction

Cr Dick Ellis chaired the meeting and introduced Marina Consultative Committee members and Council staff present.

Apologies

Kris Wain, Bill Newcomen, Geoff Cross, Hugh Howard, Zafer Senova

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
Angela Printz	Commercial Business Operations Officer

Berth Holders Present

Neil Hopkins	Berth Holder and Marina Consultative Committee berth holder representative
Martin Vause	Berth Holder
Gail Mulclair	Berth Holder
Eric Blennerhassett	Berth Holder
Ian Wightwick	Berth Holder
Anne and Andrew Bell	Berth Holder
Stuart Dalglish	Berth Holder
Doug Norton	Berth Holder
Morris Borgelt	Berth Holder
Simon Bazeley	Berth Holder
John Mayman	Berth Holder
Derek Russell	Berth Holder
Max Young	Berth Holder representative
Janet and Ian Eldridge	Berth Holder
David and Penny Luckock	Berth Holder
Ann Goodwin	Berth Holder
Barry Wood	Visitor

2017-2018 Annual Budget Performance Report

Metung Marina

Income

Licencing \$ 196,266

O & M Fees \$ 37,806

Total \$ 234,072

Expenditure & deductions

O & M Expenses \$ 136,225

Council Rates \$ 21,991

Land Tax \$ 315

Depreciations \$ 141,100

*Finance Expense \$ 54,921

Total \$ 354,552

Result - \$ 120,480

*Finance Expense – interest paid on Marina loan

Metung Operations and Maintenance

O & M Fees	\$ 37,806
Direct O & M Expenses	
Employee Costs – Direct Operations	\$ 27,972
Contractual Service Expense	\$ 36,356
Materials and Utilities Expense	\$ 12,554
Miscellaneous operations / insurance premiums	\$ 5,628
Administration Costs	\$ 11,935
Corporate Overhead allocation	\$ 41,780
Total	\$ 136,225
Result	- \$ 98,419

Metung incurred a loss of \$120K due to the marina costs outweighing the income – occupancy at 57%. Operations and maintenance budget was \$37,806 with \$48,910 spent on contractual service, materials and utilities.

Chinaman's Creek Marina

Income	
Licencing	\$ 35,448
O & M Fees	\$ 23,058
Total	\$ 58,506
Expenditure & deductions	
O & M Expenses	\$ 40,184
Council Rates	\$ 2,077
Land Tax	\$ 275
Depreciation	\$ 14,239
Total	\$ 56,775
Result	\$ 1,731

Chinaman's Creek Operations and Maintenance

O & M Fees	\$ 23,058
Direct O & M Expenses	
Employee Costs – Direct Operations	\$ 17,426
Contractual Service Expense	\$ 2,874
Materials And Utilities Expense	\$ 7,978
Miscellaneous operations / insurance premiums	\$ 1,134
Administration Costs	\$ 4,224
Corporate Overhead allocation	\$ 6,548
Total	\$ 40,184
Result	- \$ 17,126

Chinaman's Creek incurred a small loss of \$1,731. Operations and Maintenance budget was \$23K and total O&M expenditure was \$40K.

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

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
Material and Utilities Expenses	Electricity, Water, maintenance materials
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.

A berth holder requested the financials be provided prior to meetings.

Council advised this could be done for next annual berth holder meetings.

2018-2019 Fees and Charges

Council reported the 2018-2019 Fees and Charges for Chinaman's Creek marina will remain the same as the previous year and Metung will be reduced by around 20% and all have been adopted by Council and Signed off by the Ministers and are available on the website.

A berth holder asked when the invoices would be sent.

Council advised the sign off was only received this week. Invoices have been done and can now be sent out.

A berth holder asked about 15% for depreciation.

Council advised it is an accounting principle for all council assets to present accounts in a format of competitive neutrality. The depreciation value from all council assets becomes the next financial years capital funds for the renewal of existing assets.

A berth holder asked about insurance costs and insuring assets, specifically why the installation of stern piles at Metung were not covered under insurance. This question was furthered to question the liability of the designer and constructor.

Council advise there are a range of different insurances Council hold such as public liability, professional indemnity, insurance on assets. Etc and all berth holders are required to hold public liability under their agreement. Council provided the designer and constructor with all wind data for the area. Council are installing the stern piles as an improvement, the insurer will determine whether to approach the designer for reimbursement on Councils behalf. A review will be provided at the next Annual Berth Holder meeting.

A berth holder asked if the marina fees will increase with the probable increase in future insurance fees.

Council advised that fees are set on valuer recommendation, not insurance fees. Council noted there was a \$10K excess payable.

Operations and Maintenance Report

Council reported maintenance works completed in the past 12 months and planned future maintenance works:

Metung 2017/18 Maintenance conducted

- Installed additional mesh security panels at main gate
- Replaced Hoist chain motor – 6 monthly servicing schedule
- Conducted competency training on Hoist
- Refurbished small boat launch
- Refurbished hard stand boundary fence
- Ad-hoc Plumbing and Electrical
- Annual Maintenance Program – replaced mesh clips with bolt/washers

Plus storm damage – to be reimbursed by Insurer

- CrossCo condition report
- Cross Diving underwater report
- Emergency recovery works conducted by Jarvis Norwood
- *Storm damage repair – yet to be completed*

Chinaman's Creek 2017/18 Maintenance conducted

- 30 piles banded to prevent splitting
- White pile caps installed on all piles
- Annual Maintenance Program – tightening eyebolts

Planned maintenance for 2018/19

Metung:

- Storm damage repairs – covered by insurance
- Installation of stern piles – floating jetty pens
- Installation security mesh and Perspex at entrance
- Concept and design for amenities block

Hardstand:

- Concept and design for refurbishment of jetty
- 6 monthly maintenance of hoist

Chinaman's Creek:

- Installation of solar lighting
- Relocation of dinghy rack – Metung boardwalk extension

All:

- Annual cleaning – removal barnacles and pressure wash floating
- Annual service – fittings, etc

Potential works to be investigated:

- Metung – realignment of finger jetty ladders – outer jetty
- Metung – installation of underwater wave attenuation B26/27

A berth holder asked where the solar lighting would be installed and another asked whether the new boardwalk will have lighting.

Council advised the solar lighting would be installed to replace the existing bollards on the two jetties – K berths and although it was not part of the Marina asset, the boardwalk will have lighting in line with the existing lighting.

A berth holder asked if we could have fishing restrictions on the boardwalk near their M berths.

Council advised there are plenty of other fishing spots along the boardwalk, we will install signs near their berths.

A berth holder advised the water was shallow near the crane and asked if something could be done as vessels were at risk of damage from rock.

Council advised we were currently experiencing low water levels however we would investigate what could be done.

A berth holder asked for clarification on 'realignment of finger jetty ladders'.

Council advised removal of the toe-capping and lowering of the ladder section was required to provide a better toe-hold. Council were unable to source any local quotes for these works last year and will try again – may need to source from non-local contractors.

A berth holder enquired on the 'underwater wave attenuation'.

Council advised we would be investigating the widening of the pontoon at B26/27 with underwater concrete pipes which minimise the rolling movement as an improvement.

Metung Marina Storm Damage Repair Update

Council reported that the Marina repairs are governed by the Insurer. Their process took a considerable amount of time, we provided them with two quotes and they sourced one more and finally awarded the works to Jarvis Norwood who were given written authority late September. The pontoons have been ordered and are currently being manufactured by Superior jetties and should be ready for Jarvis Norwood to install in November with completion scheduled for mid December.

A berth holder questioned the original design.

Council advised the design was signed off by various parties including engineers and Gippsland Ports. Noting GPM (constructor of Metung Marina) stated the structure should not have failed.

A berth holder asked if the repairer would be checking the whole jetty.

Council advised the repairs are based on the engineering report conducted after the storm.

A berth holder asked if fittings/tackle would be installed on the new stern piles.

Council advised the timber piles would be fitted with eye bolts and rings.

The berth holder asked if divider lines could be considered.

Council advised there was no existing infrastructure on the jetty end however we can investigate it further.

General Business

A berth holder asked why moorings in Chinaman's Creek don't have a multiyear permit and why his K berth does not have the option.

Council advised moorings have never been multi-year permit and there is no intent to change this. Council will see if they can find out the history of why. This berth K16A is not included for multi-year permits as it is not an official berth.

A berth holder asked if the new amenities block would result in an increase in fees.

Council advised it would not. Any increase of fees would be driven by inflation via independent valuation. Costs of maintaining the amenities would be accommodated in the O&M fees.

A berth holder questioned the un-regulated floating jetty.

Council advised it was unmarked as it is a transit jetty used by race vessels and junior yacht programs.

Cr Ellis thanked all for attending, reminded all berth holder of their Marina Consultative Committee representatives and closed the meeting at 10.00am

Metung Marina and Chinaman's Creek Marina Annual Berth Holders Meeting

Saturday 20 October 2018



Agenda

- Staff and Councillor(s) Introduction
- 2017 -18 Annual Budget Performance Report
- 2018-19 Fees & Charges
- Operations and Maintenance Report
- Metung Marina Storm damage Repairs update
- General Business

Metung Marina

2017-18 Annual Budget Performance Report

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Chinamans Creek Marina

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Total	\$ 58,506

Expenditure & deductions

• O & M Expenses	\$ 40,184
• Council Rates	\$ 2,077
• Land Tax	\$ 275
• Depreciation	\$ 14,239
• Total	\$ 56,775

Result **\$ 1,731**

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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.
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2018 -2019 Fees and Charges

- Chinamans Creek Marina fees - No increase from last year
- Metung Marina Fees – reduction - Ministerial sign off

- Please refer to handout

Operations and Maintenance Report

Operations and maintenance of the marinas

Commercial Business Operations Officer
Commercial Business Coordinator



2017-18 Maintenance

Metung – GPM defect period – no cost

- Removal of protruding piles in C berths
- Replaced 3 missing lifebuoys and installed improved lifebuoy holders

Metung

- Installed additional mesh security panels at main gate
- Replaced Hoist chain motor – 6 monthly servicing schedule
- Conducted competency training on Hoist
- Refurbished small boat launch
- Refurbished hard stand boundary fence

2017-18 Maintenance

Storm Damage - to be reimbursed by Insurer

- CrossCo condition report
- Cross Diving underwater report
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- Storm damage repair – yet to be completed

Metung Other

- Adhoc Plumbing and Electrical
- Annual Maintenance Program – replaced mesh clips with bolt/washers

Chinamans Creek

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Planned Maintenance

Metung:

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- Installation of stern piles – floating jetty pens
- Installation security mesh and Perspex at entrance
- Concept and design for amenities block

Hardstand:

- Concept and design for refurbishment of jetty

Chinamans Creek:

- Installation of solar lighting
- Relocation of dinghy rack – Metung boardwalk extension

Scheduled:

- Annual cleaning – removal barnacles and pressure wash floating
- Annual service – fittings, etc

Planned Maintenance

Investigating potential works:

- Metung - Realignment of finger jetty ladders – outer jetty
- Metung – installation of underwater wave attenuation B26/27



General Business



East Gippsland Shire Council

