



Port of Port Fairy Delegated Committee Meeting

Agenda

Wednesday 8 September 2021

3.00pm

TBC

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CONFIDENTIAL AGENDA ITEMS

8. Debtors/Finance Report

Committee Members

Cr Jim Doukas
Cr Jordan Lockett
Mr Daniel Hoey
Mr Rex Grady
Mr John Sproal
Mr Russell Allardice
Mr Garry Stewart
Mr Peter O'Keeffe

Officers (non voting attendees)

Ms Leah Johnston – Acting Director Infrastructure and Environment
Mr Robert Gibson – Manager Environment and Regulatory Services
Mr David Mattner – Port Coordinator
Ms Brett Anders – Personal Assistant I & E Directorate (Minutes)

Acknowledgment of Country

The Chair will read the following:

We begin by acknowledging the Traditional Custodians of the land on which we meet today and pay our respects to their Elders past and present. We extend that respect to Aboriginal and Torres Strait Islander peoples here today.

Declarations of Conflict Interest

Reference: Local Government Act 2020 – Sections 130 (1)(a) and 130(2) Disclosure of Conflict of Interest in respect of a matter to be considered at a Council Meeting

A relevant person who has a conflict of interest in respect of a matter must:

- a) disclose the conflict of interest in the manner required by the Council's Governance Rules [Refer to Governance Rules – Division 2 Councillor conflict of interest disclosures]
and
- b) exclude themselves from the decision making process in relation to that matter, including any discussion or vote on the matter at any Council meeting or delegated committee, and any action in relation to the matter.

Members of Staff

If a member of Council staff has a conflict of interest in a matter which they are providing advice to Council:

- a) if the advice is included in a report, the report must disclose the conflict of interest
- b) if the officer is speaking in the Council meeting, the officer must disclose the conflict of interest before speaking on the matter.

Confirmation of Minutes

Recommendation

That the Minutes and Confidential Minutes of the previous meeting held on 27 May 2021 be confirmed.

Attachment(s)

Attachment 1 – Minutes of 27 May 2021 PoPF Committee Meeting

Attachment 2 – **Confidential** Minutes of 27 May 2021 PoPF Committee Meeting

Attachment 3 – 27 May 2021 PoPF Committee Meeting notes (Committee members)



Port of Port Fairy Delegated Committee Meeting

Unconfirmed Minutes

Thursday 27 May 2021



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CONFIDENTIAL AGENDA ITEMS

- 8. Non-Compliant Port Berthing
- 9. Debtors/Finance Report



Minutes of the Port of Port Fairy Delegated Committee Meeting held on 27 May 2021, at Southcombe Lodge, Port Fairy commencing 3pm

Committee Members in Attendance

Cr Jim Doukas (Chair)
Cr Jordan Lockett (left the meeting at 5.05pm)
Mr Daniel Hoey (from 3.15pm)
Mr Rex Grady
Mr John Sproal
Mr Russell Allardice

Officers (non-voting attendees)

Mr Trevor Greenberger – Director Infrastructure and Environment (I&E)
Mr Robert Gibson – Manager Environment and Regulatory Services
Mr David Mattner – Port Coordinator
Ms Brett Anders – Personal Assistant I&E Directorate (Minutes)

Apologies

Mr Peter O'Keeffe
Mr Garry Stewart

Acknowledgment of Country

The Chair read the following:

We begin by acknowledging the Traditional Custodians of the land on which we meet today and pay our respects to their Elders past and present. We extend that respect to Aboriginal and Torres Strait Islander peoples here today.



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No declarations made at this meeting.

Confirmation of Minutes

Mr Sproal moved, Mr Grady seconded that the Minutes and confidential Minutes of the previous meeting held on 25 February 2021 and the Minutes and Confidential Minutes of the Special Meeting held on 18 March 2021 be confirmed.

Motion carried 5:0

3.15pm Mr Hoey joined the meeting.



1. Business Arising from Previous Meeting

1a Moyne Shire Council Debtor Management Policy

Overview: Presentation of the Moyne Shire Council Debtor Management Policy

Mr Allardice moved, Cr Lockett seconded that the Port Board note and receive the Moyne Shire Council Debtor Management Policy as presented.

Motion carried 6:0

1b Dredge Operations

Overview: Dredging operations and options

Mr Sproal moved, Cr Lockett seconded that the Port of Port Fairy Delegated Committee note and receive the documents as presented [in the Agenda] regarding dredging operations.

Motion carried 6:0

2. Port Quarterly Operations Report

Overview: The report contains information pertaining to the operation and management of the Port of Port Fairy for the period from February 2021 to May 2021.

Mr Grady moved, Mr Hoey seconded that the Port of Port Fairy Delegated Committee note and receive the Port of Port Fairy Quarterly Operations Report as presented.

Motion carried 6:0



3. Masterplan update

Overview: Update of Masterplan documents provided by Land Design Partnerships

No motion moved in relation to this item.

4. Correspondence In/Out

Mr Hoey moved, Mr Allardice seconded that the Port of Port Fairy Delegated Committee note and receive the correspondence in and out as listed in the Agenda attachments

Motion carried 6:0

5. Port Fairy Historic Lifeboat Committee Minnutes 28 April 2021

Overview: Presentation of Minutes from the Port Fairy Historic Lifeboat Committee meeting held on 28 April 2021.

Cr Lockett moved, Mr Sproal seconded that the ~~Port Board~~ Port of Port Fairy Delegated Committee note and receive the documents as presented by the Port Fairy Historic Lifeboat Committee.

Motion carried 6:0

6. Port of Port Fairy Budget Update

Overview: Update of 2020-2021 Budget
Confidentiality of Finance report lifted

Mr Allardice moved, Mr Grady seconded that the Port of Port Fairy Delegated Committee note and receive the budget update for 2020-2021, as per the Finance report in the confidential agenda.

Motion carried 6:0



7. General Business

General Committee discussions:

- Bait Shed
- Fees and Charges 2022-2023
- Suggestion of additional lifebuoys around the Port precinct

Closure of Open Meeting

4.28pm Mr Grady moved, Mr Hoey seconded that the open meeting be closed in order that the Confidential Agenda be considered.

Carried 6:0

Next Meeting

Thursday 19 August 2021

Meeting closed at 5.18pm

Confirmed this 19th day of August 2021

.....

Chair

1. Business Arising from Previous Meeting

1a Port of Port Fairy Non Compliant Berthing Policy

Overview: Presentation of the Port of Port Fairy Non Compliant Berthing Policy

Recommendation

That the Port Board adopt PoPF-01 Non Compliant Berthing Policy as presented.

Attachment(s)

Attachment 1 – PoPF-01 Berthing Policy



Non-Compliant Berth Holder Policy

| | | |
|--|--------------------------------------|-----------------|
| Non-Compliant Berth Holder Policy | Policy No: | PoPF-01 |
| | Adopted by Port Board: | <i>Aug 2021</i> |
| | Review Date: | <i>Aug 2025</i> |
| | Version No: | 001 |
| Policy/Procedure Owner: | Port Manager | |
| Related Policies: | Moyne Shire Debtor Management Policy | |
| External References: | Port Management Act 1995 | |

1. PURPOSE

To provide consistent and transparent process for addressing berth holders who fail to adequately comply with requirements or conditions associated with a permit to berth vessels within the Port of Port Fairy.

2. INTRODUCTION

This policy is to provide Port Management with clear, consistent direction on the process to be applied to non-compliant berth holders. It is also intended to provide transparency for berth holders or prospective berth holders to ensure the consequences of non-compliance are clearly explained.

3. SCOPE

This policy is to be applied by Port Management and applies to existing berth holders as well as prospective berth holders within the Port of Port Fairy

4. DEFINITIONS

| | |
|--------------|---|
| Agent | Any Individual, individuals or entity who reasonably or realistically claims to represent the Berth Holder. |
| Berth Holder | Individual, individuals or entity that own a vessel physically berthed at the Port of Port Fairy or have been issued a permit to physically berth a vessel within the Port of Port Fairy. |

Prospective Berth Holder Individual, individuals or entity that have applied or expressed interest in berthing a vessel at the Port of Port Fairy.

5. TRAINING REQUIREMENTS

The Port Coordinator and respective Manager are required to understand this policy and its application.

This policy is to be provided to all berth holders

This policy is to be provided to any prospective berth holder following receipt of an application to berth a vessel within the Port of Port Fairy.

6. QUALITY RECORDS

(List the documentation and records to be completed to ensure compliance with this policy)

| Record | Retention/Disposal Responsibility | Location |
|-----------------------------|-----------------------------------|----------|
| Berthing Terms & Conditions | Port of Port Fairy Coordinator | EDRMS |
| Berthing Permits | Port of Port Fairy Coordinator | EDRMS |

7. PROCEDURE OBJECTIVES

- To encourage prospective and existing berth holders to comply with obligations associated with berthing vessels within the Port of Port Fairy.
- To ensure all prospective and existing berth holders are aware of the implications and consequences of not complying with obligations associated with berthing vessels within the Port of Port Fairy.
- To ensure non-compliant berth holders are provided reasonable opportunity to comply with requirements when non-compliance is identified.
- To ensure non-compliance with obligations associated with berthing vessels within the Port of Port Fairy are responded to in a fair, consistent and transparent manner.

8. PROCEDURE

- All berth holders are to be provided with details of obligations associated with berthing vessels within the Port of Port Fairy annually via provision of the Berthing Terms and Conditions.
- Any amendments or additional obligations are to be communicated to Berth Holders in writing and in a timely manner.
- Berth Holders are to be provided reasonable opportunity to comply with changes to requirements, taking into account the nature of the changes and the time, effort or cost associated with compliance.
- Non-compliant Berth Holders are to be advised in writing when a non-compliance is detected and provided 14 days to either rectify the matter or contact the Port Coordinator to negotiate arrangements for compliance.
- If the non-compliance is not resolved or the Berth Holder fails to contact the Port Coordinator and negotiate a reasonable timeframe for compliance within 14 days, the Port Coordinator will attempt to inform the Berth Holder of the non-compliance by any appropriate means including post, email, telephone or email.
- If the subsequent attempt to contact the Berth Holder fails to resolve the non-compliance, or the Berth Holder fails to negotiate a reasonable timeframe for compliance within 14 days of the contact attempt, the Port Coordinator is to notify the non-compliant Berth Holder in writing of the Port's intention to cancel the relevant berthing permit and ask the non-compliant Berth Holder to show cause as to why the berthing permit should not be cancelled. The non-compliant Berth Holder will have 14 days to comply with requirements or negotiate a reasonable timeframe for achieving compliance. The non-compliant Berth Holder is to be advised at this point that cancellation of a berthing permit will involve the vessel being relocated to an itinerant berth with the non-compliant Berth Holder to be charged a daily itinerant berth rate.
- Should the non-compliant Berth Holder fail to comply or satisfactorily negotiate a timeframe for compliance with 14 days of the notice of intention, the Port Coordinator is to relocate the vessel to an itinerant berth. Within 7 days of the vessel being relocated, the Port Coordinator is to notify the non-compliant berth holder in writing this has occurred and if the vessel is not permanently removed from the Port of Port Fairy within 14 days, the Port will commence legal proceedings to have the vessel removed at the non-compliant berth holder's expense.

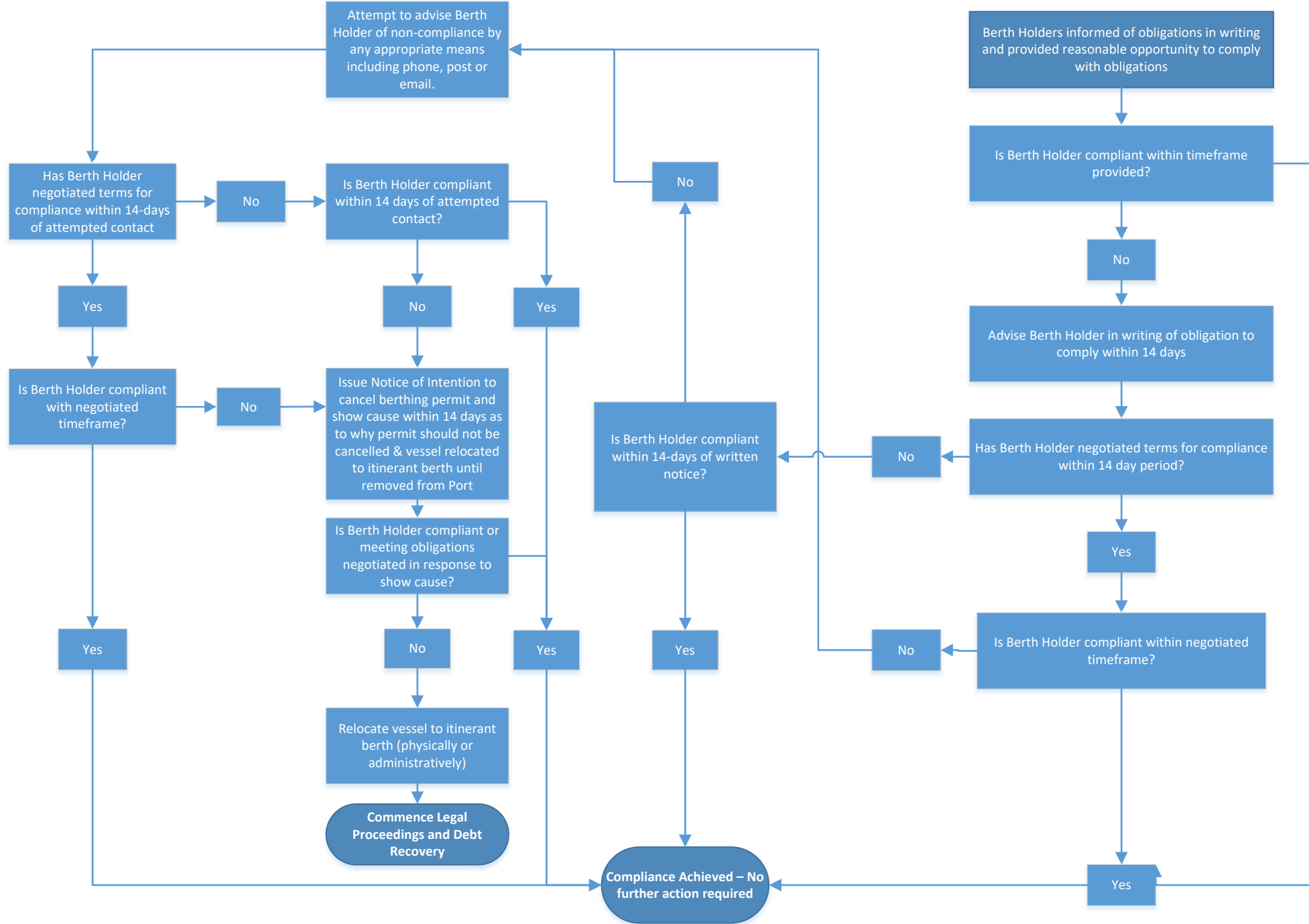
- Once the vessel is relocated to an itinerant berth, the Port Coordinator is to notify the Finance Department to commence billing the non-compliant Berth Holder at the itinerant berthing rate.
- When negotiating timeframes or standards with a non-compliant berth holder, the Port Coordinator must take into account the nature of the non-compliance and the time, effort or cost associated with achieving compliance.
- If terms for compliance cannot be successfully negotiated, a 14 day timeframe applies from the point negotiations fail.
- Any advice or request from a non-compliant berth holder or their agent to communicate by a particular means or with a particular party supersedes any relevant specification detailed in this policy.
- In addition to any other non-compliance that may be identified, Berth Holders are deemed non-compliant if:
 - Outstanding debts exceed 90 days.
 - Acknowledgement of Berthing Terms & Conditions are not signed and returned within specified timeframe
 - Evidence of adequate insurance cover is not provided within specified timeframe, or
 - Vessel is not assessed as seaworthy.

9. ATTACHMENTS

(Attach guidelines, flowcharts, process maps, etc.)

| Version Number | Details of change |
|----------------|-------------------|
| | |
| | |
| | |
| | |
| | |

1. Attachment - Non Compliant Berthing Policy, Page 5 of 5



2. Port of Port Fairy Annual Report

Overview: Presentation of the Port of Port Fairy Annual Report 2020-2021

Recommendation

That the Port Board adopt the 2020-2021 PoPF Annual Report as presented.

Attachment(s)

Attachment 1 – PoPF Annual Report 2020-2021



Moyne Shire Council

Port of Port Fairy Annual Report 2020-2021

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Introduction

This 2020-21 Annual Report is the fourth report as prescribed by the Port Fairy of Port Fairy Management Agreement for the term 1 July 2017 – 30 June 2022.

Moyne Shire Council and the Port of Port Fairy Delegated Committee (Port Board) is committed to continue with a high level of accountability in reporting the Port's performance and is dedicated to maintaining a strong working relationship with the local port community and stakeholders.

This report provides a summary of key services and performance at the Port for the 2020/21 financial year and indicates plans for future management of the Port.

Port users, partners, stakeholder and members of the public are welcome to provide feedback on performance and plans for the future of the Port of Port Fairy.

Chairman's Report

I am pleased to present the 2020-2021 Port of Port Fairy Annual Report.

Despite the continued challenges posed by the COVID-19 pandemic, the Board continues to deliver quality services to mariners, visitors and the wider community.

Exciting achievements during the past 12 months include completion of the Port of Port Fairy masterplan, an asset assessment for all buildings within the port, replacement of anodes under King George Square Wharf, continued implementation of the dredging program and upgrades to seating and safety railing at Martins Point.

The Board continues to face challenges with aging infrastructure throughout the Port. By 2022 the Board will complete an assessment of above water assets and commence development of a comprehensive asset management plan. Pylon wrapping under the north and south wharves will commence to ensure these valuable assets remain structurally sound and continue to provide reliable service to port users into the future. The Board also expects to continue an anode replacement program in 2022 to help maintain the long term viability of metal assets immersed in salt water.

The completion of the Port of Port Fairy Masterplan will provide the Board with clear direction and enable the Board to advocate for funding to implement actions identified within the masterplan.

Based on the findings of the 2019 underwater asset assessment and in line with asset management recommendations within the masterplan, the Port of Port Fairy Board will continue to focus on repairing and maintaining valuable underwater assets within the Port.

As in past years, the Board will continue to provide services for recreational and commercial vessels including mooring, berthing, slipway access and channel maintenance programs.

Following the Moyne Shire Council elections in October 2020, Council appointed a new Board in accordance with policy. I would like to acknowledge the work of previous Board members and thank them for their contribution to the Port of Port Fairy. I look forward to working with the recently appointed Board to commence implementation of the masterplan

On behalf of Port Board, I thank the Ministers for Ports & Freight, Transport Infrastructure, and Fishing & Boating and associated staff for their contribution in the past year and to the continued success of the Port of Port Fairy in the years ahead.

Cr Jim Doukas

Chairman

Port of Port Fairy Delegated Committee

Executive Officer's Report

The last twelve months have been a busy period for the Port of Port Fairy with major achievements including completion of the Port of Port Fairy Masterplan. The Masterplan provides a realistic and achievable approach to maintaining and improving services. Completion of the Masterplan and appointment of a new Port Board provides an exciting opportunity to improve the appearance and functionality of the Port of Port Fairy.

Asset management continues to remain a focus of the Board and Port management. The past twelve months has included wrapping of pylons under the fuel jetty and installation of anodes under King George Wharf. With the support of additional funding from the State Government, pylon wrapping is expected to commence under the South and North Wharves during the latter half of 2021. This work will extend the functional life of these assets beyond 2040.

Moyne Shire Council resolved to facilitate wider community access to the Port Fairy Yacht Club building by way of license agreements rather than the leasing arrangement that previously applied. Council will continue to work with users of this facility to negotiate acceptable outcomes for all.

A small number of non-compliant berth holders have been identified as a concern to Port management. With the support of the Board, issues associated with non-compliant berth holders will be addressed to ensure the safety and security of all vessels berthed within the Port of Port Fairy.

In addition to the above, the Board remains focussed on five priorities being:

Priority Area 1 - Port Service Delivery

Outcome - Operating with innovation, transparency, accountability and sustainability

Priority Area 2 - Service Planning and Development

Outcome - A clear vision to develop and maintain a reputable and sustainable port

Priority Area 3- Community Engagement

Outcome - An engaged port community

Priority Area 4 - Asset Management

Outcome - Port facilities and assets managed at consistently high standards

Priority Area 5 - Visitor Amenity and Economy

Outcome – An active and vibrant port

Finally, the commitment and dedication of the Port of Port Fairy staff, contractors and the Port Board is acknowledged. In particular, the Port Board's guidance, support, enthusiasm and dedication to continuing to improve the Port of Port Fairy.

Robert Gibson

Manager Environment & Regulatory Services

Committee Membership

Moyne Shire Council's Delegated Committee, the Port of Port Fairy Board, has continued to provide guidance and advice with ongoing management and development of the Port of Port Fairy. The below provides notification of Board members and staff during the period:

Port Board Community Representatives

- Peter O'Keeffe
- Garry Stewart
- Doug Abbott (Until 23 October 2020)
- Brian Atkins (Until 23 October 2020)
- Bruce Rae (Until 23 October 2020)
- Peter Young (Until 23 October 2020)
- Russell Allardice (From 24 November 2020)
- Rex O'Grady (From 24 November 2020)
- John Sproal (From 24 November 2020)
- Daniel Hoey (From 24 November 2020)

Port Board Councillor Representatives

- Cr Colin Ryan (*Chair*) (Until 23 October 2020)
- Cr Mick Wolfe (Until 23 October 2020)
- Cr Jim Doukas (*Chair*) (From 24 November 2020)
- Cr Jordan Lockett (From 24 November 2020)

Council Officers

- Trevor Greenberger – Director Infrastructure and Environment,
- Robert Gibson – Manager Environment and Regulatory Services,
- David Mattner – Coordinator Port of Port Fairy,
- Brett Anders – Personal Assistant to Director Infrastructure and Environment.

Meetings held during the reporting year

| Date of Meeting | Attendance |
|--|--|
| 20 August 2020 | Cr Colin Ryan, Cr Mick Wolfe, Peter Young, Brian Atkins, Peter O'Keeffe, Bruce Rae Robert Gibson, David Mattner, Brett Anders. (<i>Council Officers</i>) |
| 25 February 2021 | Cr Jim Doukas, Cr Jordan Lockett, Peter O'Keefe, Rex Grady, John Sproal, Russell Allardice, Garry Stewart, Daniel Hoey Robert Gibson, David Mattner, Brett Anders (Council Officers) |
| 18 March 2021 Special Meeting | Cr Jim Doukas, Cr Jordan Lockett, Daniel Hoey, Rex Grady, John Sproal, Russell Allardice, Garry Stewart Trevor Greenberger, Robert Gibson, Brett Anders. (<i>Council Officers</i>) |
| 27 May 2021 | Cr Jim Doukas, Cr Jordan Lockett, Daniel Hoey, Rex Grady, John Sproal, Russell Allardice. Trevor Greenberger, Robert Gibson, David Mattner, Brett Anders. (<i>Council Officers</i>) |

Summary of Operations

Berths and Mooring Permits Issued

The Port presently maintains 98% occupancy of long term berths:

- 35 Alongside moorings,
- 6 Jetty berths, and
- 27 Marina berths

A berth waiting list with up to 32 vessel owners is maintained with six changes in ownership or vessels within the Port over the reporting period. Processes and documentation continue to be improved in order to capture and manage details in a more effective manner.

Itinerant Vessel Berthing

Due to the on-going COVID-19 pandemic, itinerant berthing was notably reduced in 2020/21 with 21 itinerant vessels mooring for a total of 46 days. The average stay duration was down to a three year low of 2.2 days.

Port management continues to actively promote port facilities and liaises with the tourism sector to encourage additional mariners to stopover at the Port of Port Fairy. Consequently, there is an expectation these figures will increase again over time.

Table 1: Itinerant Vessel Berthing for 2018/19 – 2020/21

| | 18/19 | 19/20 | 20/21 |
|------------------------------|-------|-------|-------|
| No. of Vessels | 35 | 47 | 21 |
| Total Annual Days | 107 | 115 | 46 |
| Ave. Slip Stay (Days) | 3.05 | 2.44 | 2.2 |

Slipway Traffic

It appears the COVID-19 pandemic has contributed to reduced use of both slipways. Port management will continue to promote the availability of slipway services and encourage mariners from outside Port Fairy to utilise the slipways. The Board will also continue to encourage berth holders to utilise the slipways for vessel maintenance and compliance with conditions on berthing permits.

Table 2: Slipway Use for 2019/20 and 2020/21

| | Large Slipway | | Small Slipway | |
|------------------------------|---------------|-------|---------------|-------|
| Year | 19/20 | 20/21 | 19/20 | 20/21 |
| No. of Vessels | 51 | 36 | 15 | 18 |
| Total Annual Days | 179 | 163 | 34 | 52 |
| Ave. Slip Stay (Days) | 3.5 | 2.9 | 2.2 | 2.9 |

Major Works Completed, Underway or Planned

The following provides a summary of the works program at the Port of Port Fairy over the period of 2020-21:

- The Port of Port Fairy Masterplan has been completed.
- Pylons supporting the fuel berth were wrapped and sealed to prevent further degradation
- Anodes were attached to the large slipway tracks and minor repairs completed to ensure the slipway remains safe and functional.
- Anodes were affixed to metal infrastructure underpinning King George Wharf
- The annual dredging program continued with Slurry Systems Marine removing sand from the Moyne River over a 31 day period to maintain safe, navigable access to the port.
- Fenders have been prepared for installation to replace aging and failing fenders throughout the port during the latter half of 2021
- An assessment of buildings throughout the port has been completed and will inform the asset management plan.
- One hydrographic survey has been completed to monitor sediment levels within the Moyne River.
- The Port of Port Fairy Safety and Environment Management Plan has continued to be implemented including regular safety inspections and maintenance.
- Conservation of the Battery Hill cannons and carriages has been complicated. The two larger carriages require additional structural work to safely support the larger barrels. The two smaller barrels remain in storage while options for removing cannonballs embedded in the barrels are explored.
- Pylons under the South and North wharves are scheduled for wrapping and sealing in 2021
- An assessment of all above water assets is to be completed in 2021 and will inform the development of the asset management plan.
- Anodes will be installed on the yacht marina, the small slipway jetty and the small slipway in 2021/22
- 35 failing ladders are to be replaced throughout the port in 2021/22

Events

- There have not been any community events conducted within the Port over the past 12 months due to COVID restrictions.

Performance Reporting

Table 3: Port of Port Fairy Program Delivery for 2020-21

| | |
|---|---|
| - Operations in comparison to budget | <p>The annual operations budget outcome was favourable with a surplus of \$15,484. This will be reallocated to an asset management project in 21/22.</p> <p>\$168,610 in grant from DoT was received late 20/21 to undertake pylon maintenance under the South Wharf. The entirety of this budget will be carried forward for commencement in 21/22.</p> <p>All other projects commenced in 20/21 have been completed so there is no requirement to carry incomplete projects through to 21/22.</p> |
| - Cash flow details in comparison to budget | No budget cash flow statement for Port operations available. |
| - Commentary on variations | The most notable variation relates to fuel provisions. COVID has reduced the amount of marine traffic reducing both income and expense by \$26,000 resulting in no discernible impact on the budget result. |
| - Cost of dredging | \$88,160 including \$33,336 funded by Council. |
| - Days of dredging | 31 |

Incident Reports

Several incidents were reported during 2020/21 period:

1. On Saturday 29 August 2020 two offenders cut the mooring lines of the vessel 'Killarra' which was moored at the Martins Point jetty. The vessel drifted southward and came to rest on sand close to the Griffith Island causeway. Following a report at 7:30am, Port management with support from the Port Fairy Marine Rescue Service retrieved 'Killarra' using the Port workboat. Killarra was secured to the Martins Point jetty and a report made to police. The owner and DoT were notified that morning.
2. Small historical timber vessel at permanent mooring was observed taking on water. Port staff initiated pumping of vessel to ensure it didn't sink. Owner was contacted and removed vessel from the water to have repairs done. No damage to infrastructure.
3. Vessel Killara being launched at large slipway and while motoring out of the cradle swung vessel while reversing and bent side yacht arm of cradle. No damage to vessel, repairs to arm cost less than \$1000.

Safety and Environment Management Plan

The Safety and Environment Management Plan (SEMP) is a legislative requirement under Part 6A of the Port Management Act 1995 and provides the basis for safety and environmental management within the Port of Port Fairy.

The aim of the SEMF is to present an integrated system for managing and improving environmental and safety performance at the Port of Port Fairy and to promote best practice safety and environment risk management across all aspects of Port activities. Port employees, users, visitors and the wider Victorian community are all beneficiaries of the plan.

The 2015 SEMF was subject to full review and the 2020 SEMF was adopted by the Port Board at its Ordinary Meeting of 25 August 2020.

The SEMF Annual Report is provided as part of this annual report.

The Safety and Environment Management Plan (SEMP) Annual Report is designed to inform the Minister and prescribed bodies (Environment Protection Authority Victoria, Transport Safety Victoria and WorkSafe Victoria) about relevant matters. It is intended as a high level, simple report.

Introduction

Include the name of the port manager, names of ports managed and the time period covered by this SEMP Annual report (e.g. July 2016 to June 2017). Ensure that this section makes the time period the plan covers clear i.e. financial year or calendar year. Please ensure you indicate if the SEMP Annual Report is being included in the port manager's Annual Report or submitted as a standalone document.

| | |
|-----------------------|--|
| Port Manager | Moyne Shire Council |
| Port(s) | Port of Port Fairy |
| Period of this report | 1 July 2020 to 30 June 2021 |
| Report Type | Incorporated in Port Manager's Annual Report |

KPIs

Provide an assessment of all KPIs including:

- *Achievements*
- *Shortfalls (the reason behind shortfalls and the improvement actions (either taken or planned))*
- *Changes made and the reasons behind these changes.*

Performance Measures can be reported using numbers or percentages. For example, if the port managers target is to have three management meetings within the reporting period and this target was met, place a '3' in the 'Target' and 'Actual' fields. The status at the end of the reporting period can be shown as 'met', 'unmet' (exceeds 5% variance), unmet within 5% variance or recorded as no measure.

Use the table below as a template to report the status of each key Performance indicator using the copy and paste function. You can refer to the second table as a reference guide.

| Performance Indicator | Target (for Reporting period) | Actual (for Reporting period) | Reporting Period End Status |
|---|---|--|-----------------------------|
| 1) Maintain 2 metres depth of water in main channel by carrying out dredging in a planned and effective manner | Fortnightly soundings conducted with work boat 6 monthly hydrographic surveys arranged | Three monthly hydrographic surveys conducted to develop long term plan. Survey to be done prior to planned dredging contractor commencing. | Met |
| 2) Ensure maintenance and functioning of Navigation Aids 95% of time or greater. | 95% | 99% | Exceeded |
| 3) Timely completion of incident form – within 24 hours or next working day. | End of shift | 100% | Met |
| 4) Monthly inspections of assets for preventative and maintenance works | 100% | 100% | Met |
| 5) SEMP updated | SEMP adopted | SEMP adopted | Met |
| 6) No workplace deaths | Nil | Nil | Met |

Explain how the measure has been determined here for each KPI –

- 1) Fortnightly inspection of channel using workboat sounder to ensure no risk areas identified. Previous data of build-up of areas known for inundation of sand through training walls to allow targeted approach to dredging planning. Hydrographic survey to be done immediately prior to scheduled dredging operations.
- 2) Monthly inspections of navigation lights done. Expectation for KPI to have some down time during repair and maintenance work. For this period two incidents with first being Griffiths island light house not operating. Reported to online monitoring system through

AMSA minor adjustment to light done at the time via online system. Second incident with Nunn Buoy in Pt Fairy Bay broke away from its mooring after severe storm. Recovered and replacement parts added after scheduled maintenance and replacement of hardware in February 2021 prior to storm event.

- 3) Incidents reports to be submitted within 24 hour period or next working day to assist with notification process to stakeholders. Risk management and preventative action if required in a timely manner. All reports submitted punctually and within guidelines
- 4) Monthly inspections conducted utilising iAuditor program. Monthly asset inspections and maintenance records completed. Actions resulting from inspection are highlighted and tasked for remediation work.
- 5) SEMP updated and adopted by the Port Board 25 August 2020
- 6) No deaths reported for this work place. Focus within this KPI is additionally on workplace injury. During reporting period no workplace injury was reported, no injury or loss of time was reported by any staff member or contractor during the reporting period.

Provide any supporting notes here for each KPI – example: The variation in performance has occurred due to induction reporting discrepancies with contractors. This issue has been placed on the Risk Assessment and Management Plan for review.

Major works continue to be programmed to maintain below water assets by applying a strategic and targeted approach to remediation works. This consists of pile remediation and anode replacement for prevention of further damage.

Remediation works on the fuel berth pylons have been completed. Piles at the Northern and Southern wharf area have been identified as priorities and expected to undergo remediation works in 2021/22 financial year. Remediation works will involve:

- Replacing (Jacking) severely damaged or broken pylon components and then wrapping and sealing pylons
- Wrapping and sealing depleted pylons
- Attaching anodes to metal structures for preventative maintenance, and
- Replacing fender and whaler boards as required.

Due to specific areas having varying stages of repair work required, High use and Risk factors will be utilised to determine priority. Additionally, works will be sectioned into:

- Immediate. North and South Wharf high priority piles
- 1-3 year plan Marina pylon refurbishment
- 3-5 year plan Newmans Landing, Haldanes Landing and Martins Point
- 5-10 year plan Full refurbishment of Main wharf piles
- 10 year plan Redevelopment of Marina Wharf and piers

Completed works

- Fuel wharf,
- Slipway Anodes
- King George Wharf anode replacement.
- Red buoy navigation marker repairs

Other Information

Provide an overview of any major issues with management plans and improvement measures or strategies that have been implemented:

Provide a brief summary of any major issues with the Management Plans and improvement measures or strategies, including;

Any reviews of the Management Plans undertaken during the year and any noteworthy findings changes; Incidents that could be reported include:

- *Any incident that was reported to a regulatory authority (e.g. TSV, WorkSafe, EPA, etc.);*
 - *Any incident that resulted in a fatality or lost time injury on site;*
 - *Any incident that resulted in offsite impacts (e.g. air emissions, contaminated water release, etc.);*
 - *Safety or environment incidents that resulted in police, fire brigade or ambulance attending the site;*
 - *Any major spill; and*
 - *Any incidents in line with the above that occurred with tenants, licensees or service providers.*
- 1) Small historical timber vessel at permanent mooring noticed taking on water. Port staff initiated pumping of vessel to ensure it didn't sink. Owner was contacted and removed vessel from the water to have repairs done. No damage to infrastructure.
 - 2) Temporally moored vessel Killara tied up at Martins Point during the middle of the night had mooring lines cut and drifted off before grounding near causeway. Offenders identified by security camera at the location and charged by Police. Vessel returned to location with only damage being the cut mooring lines.
 - 3) Vessel Killara being launched at large slipway and whilst motoring out of the cradle swung vessel while reversing and bent side yacht arm of cradle. No damage to vessel, repairs to slipway cradle cost less than \$1000.

If the following items are not included in your annual report you must include them here.

Status of compliance

Provide an update on the port manager's status of level of compliance against any other certified management systems

MEMP- Municipal Emergency Management Plan, compliant.

SEMP –Safety and Environmental Management Plan, compliant.

Audits and Regulatory

Provide a summary of significant findings and outcomes arising from any internal SEMP audits, external safety and environmental audits or audits by relevant regulators.

SEMP update completed and copy to be forwarded on request

Authorisation and Review

| | |
|--------------------------------|--|
| Issuing agency/division/branch | Port of Port Fairy |
| Document number | N/A |
| Date effective | 30 June 2021 |
| Enquiries | Coordinator, Port of Port Fairy |
| Contact | 0408 529190 |
| Approved by | R. Gibson, Manager Environment & Regulatory Services |

Attachments

Nil

Projected Performance

- Implement and report on the 2020 Port of Port Fairy Safety and Environmental Management Plan to ensure the Port continues to operate in a safe manner with minimal impact on the environment.
- Commence implementation of the Port of Port Fairy Masterplan
- Continue to engage dredging contractors to reduce sediment load in the Moyne River and maintain a navigable port.
- Commence wrapping pylons under the North and South Wharves;
- Continue program of replacing anodes on submerged metal infrastructure;
- Undertake an assessment of above water assets within the Port precinct

Disclosures

Freedom of Information Act 1982

- There was one FOI request submitted from a former berth holder arising from a dispute with the Board.

Protected Disclosure Act 2012

- Nil requested

Annual Financial Report

– 2020/2022 for the period ending 30 June 2021

| Job | 2020/21 Annual Budget | 2020/21 YTD Actuals | YTD Variance |
|---|-----------------------------|---------------------------|-----------------|
| Expenses | | | |
| 1035 Port of Port Fairy Operations | 55,572 | 46,591 | 8,981 |
| 1043 Port Management/Supervision | 247,250 | 226,988 | 20,262 |
| 1044 Dredging and Channel Maintenance | 57,429 | 52,913 | 4,516 |
| 1045 Navigational Aids Maintenance | 18,093 | 6,486 | 11,607 |
| 1046 Rock Training Walls Maintenance | 552 | 552 | 0 |
| 1047 Dredge and Pipeline Maintenance | 3,511 | 1,600 | 1,911 |
| 1048 Marina Maintenance | 944 | 984 | (40) |
| 1049 Wharf Maintenance | 122,366 | 122,729 | (364) |
| 1050 Jetty Maintenance | 1,656 | 1,656 | 0 |
| 1051 Boat Ramp Maintenance | 5,328 | 2,908 | 2,420 |
| 1052 Large Slipway Maintenance | 25,400 | 25,435 | (34) |
| 1053 Small Slipway Maintenance | 3,290 | 3,734 | (444) |
| 1054 Large Slipway Operations | 3,424 | 3,790 | (367) |
| 1055 Small Slipway Operations | 716 | 716 | (0) |
| 1056 Port Parks Maintenance | 11,507 | 11,637 | (130) |
| 1057 Port Garbage and Waste Collection | 8,000 | 8,685 | (685) |
| 1058 Port Depot Maintenance | 13,832 | 12,900 | 932 |
| 1059 Port Plant and Equipment Maintenance | 16,284 | 16,395 | (111) |
| 1068 Port Plant and Equipment Purchases | 8,368 | 8,302 | 66 |
| 3430 Port - Asset Maintenance | 0 | 859 | (859) |
| 3917 Port Refuelling Facility | 93,000 | 66,098 | 26,902 |
| 4540 Fuel Jetty Refurbishment | 25,465 | 25,457 | 8 |
| 4877 Fuel Bowser Upgrade | 468 | 595 | (127) |
| 5171 Rocket House Rising Damp | 5,370 | 5,370 | 0 |
| Total Expenses | 727,827 | 653,382 | 74,444 |
| | | | |
| Income | | | |
| 1035 Port of Port Fairy Operations | (469,460) | (462,911) | (6,549) |
| 3430 Port - Asset Maintenance | (133,998) | (133,998) | 0 |
| 3917 Port Refuelling Facility | (98,500) | (71,958) | (26,542) |
| 5140 South Wharf Pile Repairs | 0 | (168,610) | 168,610 |
| Total Income | (701,958) | (837,477) | 135,519 |
| | | | |
| Grand Total | 25,869 | (184,094) | 209,963 |



Port Fairy Office
Princes Street, Port Fairy

Mortlake Office
1 Jamieson Avenue, Mortlake

Phone: 1300 656 564
Email: moyne@moyne.vic.gov.au

  @moyneshirecouncil

www.moyne.vic.gov.au

3. Port Quarterly Operations Report

Overview: This report contains information pertaining to the operation and management of the Port of Port Fairy for the period from May 2021 to August 2021.

Officers' Recommendation

That the Port Board:

1. **note and receive the Port of Port Fairy Quarterly Operations Report;**
 2. **approve the disposal of the crane as surplus to requirements; and**
 3. **approve additional life bouys at Martins Point and King George Square.**
-

Works Program

Slipways

Anode replacement has been completed at the large slipway. Minor restoration works are still to be done including replacement of some depleted bolts and minor repairs to wear points. Once water visibility increases divers will continue with maintenance and upgrade. Likewise the small slip way is scheduled to have anodes replaced and this will be done once environmental conditions improve to allow visibility for the divers.

Pile Restorations

Funding from State government has been received with the amount of \$168,610 to treat approximately 60 heavily depleted piles (price based on about \$3000- per pile) at the north and south wharf. The previously completed underwater assessment survey will assist with targetting priority piles. Scope of work and tender documents have been completed and expected to be out for public tender shortly. Works should be scheduled within the next 6 months.



Ladders

Replacement ladders are still being cycled through with 15 out of the total of 35 left to be built. There are five ladders at James St still in preparation and painting stage or awaiting fitting.



Telehandler

Lease agreement has been accepted for 3 tonne telehandler through Dieci. Documents in regards to funding have been completed and funds allocated within the budget.

Plant is currently in Melbourne and anticipated to be delivered by the end of the month (August) Company has added a bit of an upgrade with boom reach being extended from 7m to 9 at no extra cost.

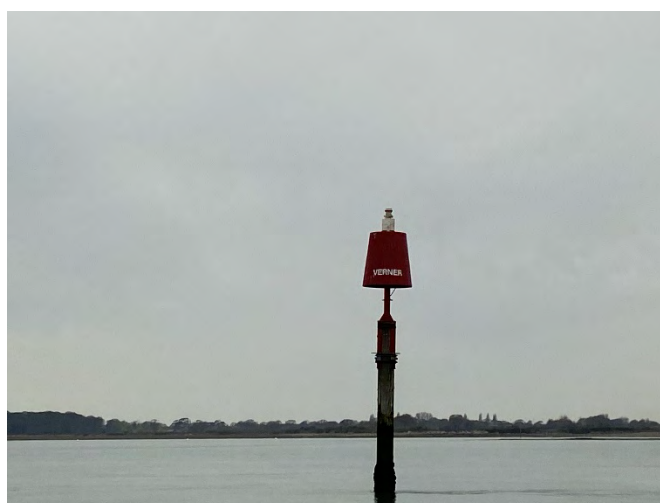


The Port's BHB crane is a State asset and has been listed with DoT for interested parties to express interest in procuring. If no one is forthcoming, the intention is to send it to auction.

Red Buoy

Maintenance costs for the red buoy have escalated, especially with the tether breaking and having the buoy wash up on East Beach. Replacement of the hardware, black snake mooring lines was about \$1500 and divers to relocate and reconnect a temporary buoy to the mooring was about \$4000. An alternative option is to replace the red buoy with a fixed marker (similar to channel marker illustrated below) Rough cost of fixed marker is about \$30-35,000.

Does the Port committee support the idea of further investigation into replacing the red buoy with a permanent navigation marker?.



General Maintenance

Griffiths Island closure signs have been set up in a storage box at the entrance which contains two lengths of chain and signs which get padlocked to posts when high seas are expected to impact the access causeway. Port staff, local laws and environmental team have key access to deploy when required.



Signs have been erected on the south western breakwater indicating unstable surface due to recent storm damage removing more of the concrete capping.



Other areas of attention have been the repairing of small sink holes near Newmans landing and along the edge of the training walls throughout the Port. These get identified and treated quickly with either fill or quickset concrete.



Lawn maintenance at Yacht club will now be done by Port staff as well as inspection of premises after booked events to ensure its left in a clean and tidy state.

Life Buoys

Several Life buoy boxes have been painted on the sides to highlight their location. Option is to leave all white, all red or as shown in the below images just the ends.



Location of buoys

There are 10 lifebuoys within the Port precinct (not including those on commercial vessels that could be accessed)

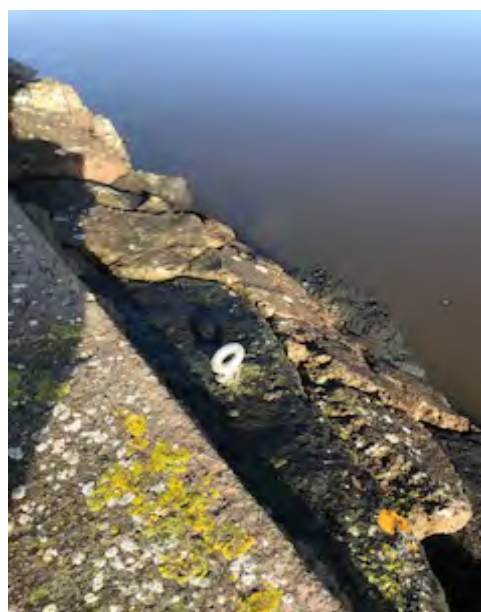
One at Haldane's landing, five at the alongside wharf and four on Griffiths Street side



Recommendation would be to put brackets up for another lifebuoy at Martins Point and another in front of King George Square. The suggestion is to use U shaped brackets rather than enclosed boxes. Would this be accepted by the committee?

Dredge Points

Old anchor points along the training wall used to secure and winch the dredge along are being replaced with galvanised eyelets with about 20 having been done so far. Eyelets are being used instead of big steel hooks as the visual and environmental impact is far less.



Wharf Cleaning

Areas around the Port which build up growth quickly have regular cleaning done with a pressure cleaner and includes the fish cleaning areas and boat ramp.



Slip

Large slip has been consistent but with lower than normal numbers throughout this period.

Total number of vessels 13 with total of 48 days

Average days of usage 3.69

Visiting itinerant vessels

Only 2 vessels with a single overnight stay during this period.

Incidents

No recorded incidents during this period

Berthing terms and conditions mail out.

This year the mail out has gone shortly after the end of financial year and berth holders have received ongoing notification to comply with their obligations. Text messages have been utilised as this is a way of recording time date and messages received and sent and is annoying enough to encourage berth holders to comply.

As a result there has been a higher than normal completion rate compared to previous years and currently there is one vessel still to have marine surveyor inspection prior to getting insurance certificate issued and four yet to supply details. There has been one complaint from a berth holder expressing grief, stating port expectation and demands were uncalled for and the text message was not appreciated.

Strategic Management

Safety and Environment Management Plan (SEMP) and Masterplan Documents have been completed and copy's available for the Public.

Industry Support and Engagement

Department of Transport

Business case submitted and accepted for funding of pile refurbishment.

Attachment(s)

Nil

4. Correspondence In/Out

CONFIDENTIAL

Reasons for attachments being Confidential - Section 3 of the Local Government Act 2020, Governance Rules - Personal information - Information which would result in the unreasonable disclosure of information about any person or their personal affairs if released

Recommendation

That the Port Board note and receive the correspondence in and correspondence out.

Attachment(s)

- Attachment 1 – **CONFIDENTIAL** Letter Rogers
- Attachment 2 – **CONFIDENTIAL** Letter Oswin
- Attachment 3 – **CONFIDENTIAL** Letter Morgan
- Attachment 4 – **CONFIDENTIAL** Letter Miller
- Attachment 5 – **CONFIDENTIAL** Letter Dunnachie
- Attachment 6 – **CONFIDENTIAL** FOI Letter of response
- Attachment 7 – EMV request for extension to Jetty
- Attachment 8 – Letter advising of adoption of Masterplan



15 June 2021

Ben Penrose
Manager Marine & Road Rescue
Emergency Management Victoria
Level 23, 121 Exhibition Street
MELBOURNE VIC 3000

Dear Ben

***Rescue 101* Berth, Port Fairy**

I write on behalf of the Port Fairy Historic Lifeboat Committee and the Port of Port Fairy Delegated Committee with regard to berthing *Rescue 101* at Port Fairy.

The Port of Port Fairy welcomed *Rescue 101*, having provided a suitable berth for the vessel close to the Port Fairy Marine Rescue Service operations centre last year.

Unfortunately, an unforeseen impact of berthing *Rescue 101* at this location has arisen. The Port Fairy Historic Lifeboat Committee use this jetty to facilitate launching and retrieving the historic lifeboat. As *Rescue 101* occupies half the jetty, the historic lifeboat cannot be safely brought alongside due to the risk of damaging the historic lifeboat and/or *Rescue 101*.

In order to safely launch and retrieve the historic lifeboat, the committee have asked that State Government fund an extension to the northern end of the floating jetty to ensure neither the historic lifeboat nor *Rescue 101* is put at risk of damage.

Preliminary analysis indicates the required 10 metre extension will cost in the order of \$35,000. The Port Fairy Historic Lifeboat Committee is requesting EMV's financial support to extend the floating jetty to ensure all community groups who operate from within the Port of Port Fairy continue to benefit from the presence of *Rescue 101* without hindering use of the jetty by the Historic Lifeboat Committee.

I welcome an opportunity to discuss this matter with you in detail should you require further information. I can be contacted on 0409 073 796 or rgibson@moyne.vic.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read "Robert Gibson", written over a light blue horizontal line.

Robert Gibson
Manager Environment & Regulatory Services



29 July 2021

To the resident/submitter

Dear Sir/Madam

Port of Port Fairy Masterplan

I write on behalf of the Port of Port Fairy Board to provide an update on the development of the Port of Port Fairy Masterplan.

The Port of Port Fairy Board endorsed the Masterplan at a Special Meeting held in Port Fairy on 18 March 2021. Moyne Shire Council subsequently adopted the Port of Port Fairy Masterplan at its Ordinary Meeting of 6 July 2021.

If you would like to view the Masterplan, please visit the Moyne Shire Council website <https://www.moyne.vic.gov.au/Your-Council/Forms-documents-policies-and-reports/Plans-Documents-Policies-and-Reports> alternatively use the QR code below to access the document. If you have difficulty accessing the documents, contact Mr David Mattner, Port of Port Fairy Coordinator on 0408 529 190.

The Port of Port Fairy Board is looking forward to implementing the Masterplan and continuing to provide valuable maritime and tourism services to the community.

Yours sincerely

A handwritten signature in black ink, appearing to read "J. Doukas".

Cr Jim Doukas
Chair – Port of Port Fairy Board



5. Fee Strategy for Port of Port Fairy

Overview: This report is provided in order for the Port of Port Fairy Delegated Committee to consider a strategy for increasing fees at the Port of Port Fairy.

Officer's Recommendation

The Port of Port Fairy Delegated Committee recommend to Council that when setting future budgets, Council:

1. Apply an annual increase to all bething fees applicable to the Port of Port Fairy by 10% per annum for 10 years commencing 1 July 2022,
 2. Apply a 6% increase to the fee for slipping a vessel greater than 10m on the Port of Port Fairy small slipway in the 2022/23 financial year, and
 3. Apply a 6% increase to the fee for slipping vessels greater than 20m on the Port of Port Fairy large slipway each year for three years commencing 1 July 2022.
-

Background

In a review of local ports in Victoria, the Department of Transport identified the Port of Port Fairy as one of the lowest fee charging local ports in the state. This triggered a more detailed review of berthing and slipway fees charged at the Port of Port Fairy.

The data provided by Department of Transport is provided at Attachment 1

Strategic Link

Port of Port Fairy Business Plan 2021.

Discussion

Berthing Fees

In reviewing berthing fees charged at Port Fairy, the Port of Port Fairy berthing fees were compared with the average and the median fees charged at Apollo Bay, Gippsland, Portland, Corner Inlet and Port Albert. All berthing comparisons are based on the fee per metre length of vessel per year. As berthing fee calculation methods vary between ports, three comparisons are provided to establish a level of

consistency. These are for 12m and 18m vessels berthed alongside as well as marina/pen type berths.

It is apparent the Port of Port Fairy charges approximately half the average rate charged at the comparison ports for alongside berths and slightly more than half the average for marina/pen type berths.

The average per metre fee for an 18m vessel is approximately 10% less than the average per metre fee for a 12 metre vessel. An objective of the Port of Fairy is to encourage activity in the port, particularly by commercial operators. Consequently, there may be value in providing a 10% discount to commercial vessel operators as they tend to operate larger vessels.

Table 1: Comparison of Berthing Fees between Port Fairy and Other Local Ports in Victoria

| | Port Fairy Cost/Metre/ Year | Average for Others | Increase to Match Average | % Increase to Match Average | Median for Others | Increase to Match Median | % Increase to Match Median |
|------------------------------------|-----------------------------------|-----------------------|---------------------------------|--------------------------------------|----------------------|--------------------------------|-------------------------------------|
| 12m Alongside Berth | \$156 | \$337 | \$181 | 116% | \$357 | \$201 | 129% |
| 18m Alongside Berth | \$156 | \$300 | \$144 | 93% | \$315 | \$159 | 102% |
| Marina/Pen Berth | \$116 | \$214 | \$98 | 85% | \$228 | \$112 | 97% |

Increasing alongside and marina/pen berthing slipway fees by 10% per annum will bring Port Fairy fees in line with the state average in ten years based in the assumption other ports increase fees at a rate of 2% per annum.

A spreadsheet detailing the impact of a 10% annual fee increase over time is provided at Attachment 2

Slipway Fees

Slipway fees vary in terms of how they are calculated at each local port and there are limited comparative slipways available to assess Port Fairy slipway fees against. As such, Apollo Bay has been identified as a relatively comparable operation. For consistency, comparative fees are based on the average slip time at Port Fairy being 3 days.

Slip fees are comprised of two elements. Slipway operators tend to apply a larger fee on day one which is associated with the process of safely moving the vessel onto the slipway. This can be a complex process and requires skilled port staff to assist.

Removing vessels from the slipway tends to be less time consuming so is typically not factored into pricing, however a daily rate is applied for each day the slipway is occupied.

The pricing ratio between slipping a vessel on the first day and subsequent days spent on the slipway at Port Fairy are considered satisfactory. Therefore, a uniform increase to both fee components is appropriate.

The Port of Port Fairy operates two slipways, a small 4-tonne slipway and a large 40-tonne slipway. As there are more facilities available at the large slipway, fees for slipping vessels of the same size are higher at the large slipway than for the small slipway. Port Fairy's slipway fees are broadly comparable with fees applied at Apollo Bay however, Port Fairy fees for larger vessels are approximately 15% less than at Apollo Bay.

Table 2: Comparison of Slipway Fees Between Apollo Bay & Port of Port Fairy

| Port Fairy Small Slip 3 Days | | | |
|------------------------------|------------|----------------------------|-------------------------|
| Port Fairy | Apollo Bay | Discrepancy | Recommendation |
| \$319 | \$327 | \$8 less than Apollo Bay | 2% p.a. |
| \$476 | \$517 | \$41 less than Apollo Bay | 6% 1 year then 2% p.a. |
| Port Fairy Large Slip 3 Days | | | |
| Port Fairy | Apollo Bay | Discrepancy | Recommendation |
| \$411 | \$327 | \$84 more than Apollo Bay | 2% p.a. |
| \$708 | \$517 | \$191 more than Apollo Bay | 2% p.a. |
| \$944 | \$1,113 | \$169 less than Apollo Bay | 6% 3 years then 2% p.a. |
| \$1,413 | \$1,663 | \$250 less than Apollo Bay | 6% 3 years then 2% p.a. |

Consultation

Stakeholders have not been engaged at this point however there will be opportunity to explain the fee strategy to port users at the annual Port Users forum conducted in December.

Financial Implications

Currently the Port of Port Fairy accrues approximately \$110,000 in berthing fees and \$25,000 in slipway fees. As such, increases to berthing fees will have a significantly greater impact on port revenue than would be achieved by increasing slipway fees.

The Department of Transport advise that as a benchmark, local ports should be attempting to recoup one third of the total port budget in fees and charges.

Increasing berthing fees by 10% per annum over a ten year period will bring Port of Port Fairy berthing fees into line with forecast local port fees elsewhere in Victoria and also generate 33% of the port budget.

The port is a major tourism attraction and maritime operations facility with assets that require continual maintenance and renewal. A strengthened revenue strategy will accumulate an additional estimated \$550,000 in revenue after 10 years and \$1million after 13 years.

In terms of financial impact on berth holders, the recommended strategy will in effect double the cost of berthing a vessel at the Port of Port Fairy after 10 years. Under the current 2% fee increase, the cost of berthing a 12m vessel alongside would increase from \$1,872 at present to \$2,237 after 10 years and \$4,414 over the same timeframe if a 10% per annum increase is applied.

Risk

There is a risk berth holders will oppose the increased fees and remove their vessels from the port. Offering a 10% discount to commercial vessels will have minimal impact on budgets but promote Port Fairy as an active commercial port. Demand for berths remains high with 32 vessels currently on the waiting list for a berth. The proposed fee increases acknowledge the level of demand for berthing at Port Fairy while remaining competitive in comparison to other local ports in Victoria.

Conclusion

Berthing fees in particular are approximately half those charged on average by other local ports in Victoria, with the fees collected equating to approximately 19% of the operational costs at the Port of Port Fairy. By incrementally increasing fees by 10% per annum over a ten year period, fees charged at the Port of Port Fairy will be comparable with other Victorian local ports and account for 1/3 of port operating costs as recommended by Department of Transport.

Attachment(s)

Attachment 1 – Berthing Fee Data for Local Ports in Victoria Provided by Department of Transport

Attachment 2 – Data Summary Underpinning Analysis of Berthing Fees at Port of Port Fairy

5. Attachment 1- Berthing Fee Data for Local Ports in Victoria Provided by Department of Transport

| Port | Berth type | Length/ pen size | Unit rate (incl GST) | Units | Annual rate | Fee period | Administration fee | Services available |
|---|--------------------------|------------------|----------------------|-----------------|-------------|-------------------|--------------------|--|
| A. Alongside - 11 metre vessel (DCV - tour operator) | | | | | | | | |
| Port Fairy | | | | | | | | |
| Port Fairy | Alongside | 12m | \$ 39.00 | Per m quarterly | \$ 1,872.00 | 2019-20 & 2020-21 | No | CCTV, power, water. Note power was previously separately provided and charged |
| Gippsland Lakes | | | | | | | | |
| Lakes Entrance Post Office Jetty | Alongside | 11m | \$ 408.00 | Per m pa | \$ 4,488.00 | 2020-21 | \$ 242.80 | Power, water, oil collection, waste collection, fire services, gated |
| Lakes Entrance Boat Harbour Central | Alongside 1, 3, 4 | 11m | \$ 367.20 | Per m pa | \$ 4,039.20 | 2020-21 | \$ 242.80 | 3 phase power |
| Corner Inlet and Port Albert | | | | | | | | |
| Port Welshpool Marginal Wharf | Alongside 1-4 | 11m | \$ 347.00 | Per m pa | \$ 3,817.00 | 2020-21 | \$ 242.80 | Commercial vessels. Not protected |
| Apollo Bay | | | | | | | | |
| Apollo Bay | Marina Berth | 12m | \$ 2,718.00 | Per berth | \$ 2,718.00 | 2020-21 Proposed | No | Waiting list application fee \$262 (one off) |
| | | | | | | | | |
| B. Alongside - 18 metre vessel (DCV - commercial fishing) | | | | | | | | |
| Port Fairy | | | | | | | | |
| Port Fairy | Alongside | 19m | \$ 39.00 | Per m quarterly | \$ 2,964.00 | 2019-20 & 2020-21 | No | CCTV, power, water. Note power was previously separately provided and charged |
| Gippsland Lakes | | | | | | | | |
| Lakes Entrance Eastern Wharf | Alongside 1-15 | 18m | \$ 421.30 | Per m pa | \$ 7,583.40 | 2020-21 | \$ 242.80 | Loading and unloading to vehicles, net storage, gated. Alongside \$7,000 pa |
| Corner Inlet and Port Albert | | | | | | | | |
| Port Welshpool Fishermans Jetty | Alongside 1-12 | 18m | \$ 353.00 | Per m pa | \$ 6,354.00 | 2020-21 | \$ 242.80 | Not protected |
| Apollo Bay | | | | | | | | |
| Apollo Bay | Marina Berth | 18m | \$ 2,718.00 | Per berth | \$ 2,718.00 | 2020-21 Proposed | No | Waiting list application fee \$262 |
| Portland Bay | | | | | | | | |
| Portland Trawler Wharf | Trawler Wharf Berth | 16-20m | \$ 4,978.50 | Per annum | \$ 4,978.50 | 2021-22 Proposed | No | Utilities (power, waste, water) additional cost to users |
| | | | | | | | | |
| C. 14 metre Pen Berths - recreational vessel | | | | | | | | |
| Port Fairy | | | | | | | | |
| Port Fairy | Marina Pen (Large) | 12-14m | \$ 1,504.00 | Per annum | \$ 1,504.00 | 2019-20 & 2020-21 | No | CCTV |
| Portland | | | | | | | | |
| Portland Bay Marina | Marina - Berth Section 1 | 12-15m | \$ 3,370.00 | Per annum | \$ 3,370.00 | 2020-21 | No | Security, power, water, CCTV |
| Portland Bay Marina | Marina - Berth Section 1 | 15-20m | \$ 3,645.00 | Per annum | \$ 3,645.00 | 2020-21 | No | Security, power, water, CCTV |
| Portland Bay Marina | Marina - Berth Section 2 | 15m | \$ 4,138.00 | Per annum | \$ 4,138.00 | 2020-21 | No | Security, power, water, CCTV |
| Corner Inlet and Port Albert | | | | | | | | |
| Port Welshpool Ferry Berth | Pen Berth | 4.6x15 - 15.4m | \$ 2,381.00 | Per annum | \$ 2,381.00 | 2020-21 | \$ 242.80 | |
| Mallacoota | | | | | | | | |
| Karbethong Jetty | Pen Berths 1-2 | 14x5m | \$ 1,452.50 | Per annum | \$ 1,452.50 | 2020-21 | \$ 242.80 | Lacks services |
| Gippsland Lakes | | | | | | | | |
| Lakes Entrance Boat Harbour Western | Pen Berths 20-24, 45-46 | 5.3x14m | \$ 2,882.50 | Per annum | \$ 2,882.50 | 2020-21 | \$ 242.80 | Access to power, water, fire services, gated, waste collection, \$3,570 pa 6m wide pen with finger jetty |
| Apollo Bay | | | | | | | | |
| Apollo Bay | Marina Berth | Not known | \$ 2,652.00 | Per annum | \$ 2,652.00 | 2020-21 Proposed | No | Power, secure gate. Wait list application \$262 (one off) and Marina key replacement fee |
| Portland Bay | | | | | | | | |
| Portland Bay Marina | Marina - Unsecure rate | 12-15m | \$ 3,370.00 | Per annum | \$ 3,370.00 | 2020-21 | No | Open gates business hours. Security, power, water, CCTV included |
| Portland Bay Marina | Marina - Secure rate | 15m | \$ 4,138.00 | Per annum | \$ 4,138.00 | 2020-21 | No | Power, water, CCTV, locked gates 24/7 |
| | | | | | | | | |
| Note: No establishment fees charged for berths | | | | | | | | |

5. Attachment 2 - Data Summary Underpinning Analysis of Berthing Fees at Port of Port Fairy

| Impact of a 10% Increase on Port of Port Fairy Berthing Fees Compared to a 2% increase on the Average and Median Fees Charged at Other Local Ports in Victoria* | | | | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 12m Alongside Berths | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 10% Annual Increases | Port Fairy | \$ 156 | \$ 172 | \$ 189 | \$ 208 | \$ 228 | \$ 251 | \$ 276 | \$ 304 | \$ 334 | \$ 368 | \$ 405 | \$ 445 |
| 2% Annual Increases | Average | \$ 337 | \$ 344 | \$ 351 | \$ 358 | \$ 365 | \$ 372 | \$ 380 | \$ 387 | \$ 395 | \$ 403 | \$ 411 | \$ 419 |
| 2% Annual Increases | Median | \$ 357 | \$ 364 | \$ 372 | \$ 379 | \$ 387 | \$ 394 | \$ 402 | \$ 410 | \$ 418 | \$ 427 | \$ 435 | \$ 444 |
| 18m Alongside Berths | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 10% Annual Increases | Port Fairy | \$ 156 | \$ 172 | \$ 189 | \$ 208 | \$ 228 | \$ 251 | \$ 276 | \$ 304 | \$ 334 | \$ 368 | \$ 405 | \$ 445 |
| 2% Annual Increases | Average | \$ 300 | \$ 306 | \$ 313 | \$ 319 | \$ 325 | \$ 332 | \$ 338 | \$ 345 | \$ 352 | \$ 359 | \$ 366 | \$ 374 |
| 2% Annual Increases | Median | \$ 315 | \$ 321 | \$ 328 | \$ 334 | \$ 341 | \$ 348 | \$ 355 | \$ 362 | \$ 369 | \$ 376 | \$ 384 | \$ 391 |
| Berthing Pens | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 10% Annual Increases | Port Fairy | \$ 116 | \$ 128 | \$ 140 | \$ 154 | \$ 170 | \$ 187 | \$ 206 | \$ 226 | \$ 249 | \$ 274 | \$ 301 | \$ 331 |
| 2% Annual Increases | Average | \$ 214 | \$ 218 | \$ 222 | \$ 227 | \$ 231 | \$ 236 | \$ 241 | \$ 245 | \$ 250 | \$ 255 | \$ 260 | \$ 266 |
| 2% Annual Increases | Median | \$ 228 | \$ 232 | \$ 237 | \$ 241 | \$ 246 | \$ 251 | \$ 256 | \$ 261 | \$ 267 | \$ 272 | \$ 277 | \$ 283 |
| * Based on fee per metre of vessel per annum. | | | | | | | | | | | | | |
| Cummulative Impact of Increasing Berthing Fees by 10% Per Annum in Comparison with a Continued 2% Increase Per Annum | | | | | | | | | | | | | |
| | Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Increase @ 2% | | \$ 110,000 | \$ 112,200 | \$ 114,444 | \$ 116,733 | \$ 119,068 | \$ 121,449 | \$ 123,878 | \$ 126,355 | \$ 128,883 | \$ 131,460 | \$ 134,089 | \$ 136,771 |
| Increase @10% | | \$ 110,000 | \$ 121,000 | \$ 133,100 | \$ 146,410 | \$ 161,051 | \$ 177,156 | \$ 194,872 | \$ 214,359 | \$ 235,795 | \$ 259,374 | \$ 285,312 | \$ 313,843 |
| State Funding @ 2% | | \$ 445,000 | \$ 453,900 | \$ 462,978 | \$ 472,238 | \$ 481,682 | \$ 491,316 | \$ 501,142 | \$ 511,165 | \$ 521,388 | \$ 531,816 | \$ 542,453 | \$ 553,302 |
| Port Budget | | \$ 580,000 | \$ 574,900 | \$ 596,078 | \$ 618,648 | \$ 642,733 | \$ 668,472 | \$ 696,014 | \$ 725,524 | \$ 757,183 | \$ 791,190 | \$ 827,764 | \$ 867,144 |
| Fees as % of Total Budget | | 19% | 21% | 22% | 24% | 25% | 27% | 28% | 30% | 31% | 33% | 34% | 36% |
| Additional Income From 10% Fee Increase | | \$ 8,800 | \$ 18,656 | \$ 29,677 | \$ 41,983 | \$ 55,707 | \$ 70,994 | \$ 88,003 | \$ 106,912 | \$ 127,914 | \$ 151,222 | \$ 177,072 | |
| Accumulated Additional Income From 10% Fee Increase | | | \$ 27,456 | \$ 57,133 | \$ 99,117 | \$ 154,824 | \$ 225,818 | \$ 313,821 | \$ 420,733 | \$ 548,647 | \$ 699,870 | \$ 876,941 | |
| Increase in fees after 10 years at 2% p.a. | | | | | \$ 21,460 | | | | | | | | |
| Increase in fees after 10 years at 10% p.a. | | | | | \$ 149,374 | | | | | | | | |
| Increase in State Government Funding after 10 years at 2% p.a. | | | | | \$ 86,816 | | | | | | | | |
| Cummulative Impact of Increasing Berthing Fees by 10% Per Annum For a 12m Berth in Comparison With a Continued 2% Increase Per Annum | | | | | | | | | | | | | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 12m Berth at 2% Increase p.a. | | \$ 1,872 | \$ 1,909 | \$ 1,948 | \$ 1,987 | \$ 2,026 | \$ 2,067 | \$ 2,108 | \$ 2,150 | \$ 2,193 | \$ 2,237 | \$ 2,282 | \$ 2,328 |
| 12m Berth at 10% Increase p.a. | | \$ 1,872 | \$ 2,059 | \$ 2,265 | \$ 2,492 | \$ 2,741 | \$ 3,015 | \$ 3,316 | \$ 3,648 | \$ 4,013 | \$ 4,414 | \$ 4,855 | \$ 5,341 |

6. Port of Port Fairy Budget Update

Overview: Update of End of Financial Year Actual Budget 2020-2021 and Port of Port Fairy Budget for 2021-2022

Recommendation

That the Port Board note and receive the end of financial year actual budget for 2020-2021 and Port of Port Fairy budget for 2021-2022

Attachment(s)

Attachment 1 – Port of Port Fairy Budget 2021-2022

Attachment 2 – EOFY Actual Budget 2020-2021

Port of Port Fairy Budget 2021/22 as of July 2021

For Period July 2021

| EXPENDITURE | 2021/22 Budget | 2021/22 Actuals |
|---|-----------------------|------------------------|
| Total 1035 Port of Port Fairy Operations | \$61,194.75 | \$0.00 |
| Total 1043 Port Management/Supervision | \$370,252.32 | \$9,906.44 |
| Total 1044 Dredging and Channel Maintenance | \$52,000.00 | \$0.00 |
| Total 1045 Navigational Aids Maintenance | \$5,500.00 | \$4,041.32 |
| Total 1046 Rock Training Walls Maintenance | \$0.00 | \$0.00 |
| Total 1047 Dredge and Pipeline Maintenance | \$0.00 | \$0.00 |
| Total 1048 Marina Maintenance | \$25,000.00 | \$0.00 |
| Total 1049 Wharf Maintenance | \$28,999.96 | \$6,626.30 |
| Total 1050 Jetty Maintenance | \$16,024.00 | \$535.86 |
| Total 1051 Boat Ramp Maintenance | \$0.00 | \$0.00 |
| Total 1052 Lg Slipway Mtce | \$6,000.00 | \$274.43 |
| Total 1053 Sml Slipway Mtce | \$4,000.00 | \$64.95 |
| Total 1054 Lg Slipway Operations | \$0.00 | \$355.38 |
| Total 1055 Sml Slipway Operations | \$0.00 | \$0.00 |
| Total 1056 Port Parks Maintenance | \$1,000.00 | \$230.91 |
| Total 1057 Port Garbage and Waste Collection | \$8,000.00 | \$0.00 |
| Total 1058 Port Depot Maintenance | \$9,300.08 | \$594.81 |
| Total 1059 Port Plant and Equipment Maintenance | \$11,000.00 | \$2,254.46 |
| Total 1068 Port Plant and Equipment Purchases | \$10,176.00 | \$0.00 |
| Total 3430 Port - Asset Maintenance | \$0.00 | \$150.00 |
| Total 3768 Port Risk Mitigation | \$0.00 | \$0.00 |
| Total 3917 Port Refuelling Facility | \$80,000.00 | \$13,124.29 |
| Total 5140 South Wharf Pile Repairs | \$168,610.00 | \$0.00 |
| TOTAL EXPENDITURE | \$857,057.11 | \$38,159.15 |
| INCOME | | |
| 2655 Port - Mooring Fees | -\$110,000.00 | -\$26,011.07 |
| 2660 Port - Slipway Fees | -\$26,000.00 | -\$2,675.45 |
| 2665 Port - Leases/Rental | -\$4,000.00 | \$0.00 |
| 2846 Government Grants - Operating State Gov | -\$326,000.00 | \$0.00 |
| 2790 Sales Other | -\$88,000.00 | -\$3,214.16 |
| 2846 Government Grants - Operating State Gov | -\$133,758.00 | \$0.00 |
| | -\$ | -\$ |
| 5140 South Wharf Pile Repairs | 168,610.00 | 168,610.00 |
| TOTAL INCOME | -\$856,368.00 | -\$200,510.68 |

6. Attachment 2 – EOFY Actual Budget 2020-2021

| Job | 2020/21 Annual Budget Update | 2020/21 YTD Actuals | YTD Variance |
|---|---------------------------------------|---------------------------|-----------------|
| Expenses | | | |
| 1035 Port of Port Fairy Operations | 55,572 | 46,591 | 8,981 |
| 1043 Port Management/Supervision | 247,250 | 226,988 | 20,262 |
| 1044 Dredging and Channel Maintenance | 57,429 | 52,913 | 4,516 |
| 1045 Navigational Aids Maintenance | 18,093 | 6,486 | 11,607 |
| 1046 Rock Training Walls Maintenance | 552 | 552 | 0 |
| 1047 Dredge and Pipeline Maintenance | 3,511 | 1,600 | 1,911 |
| 1048 Marina Maintenance | 944 | 984 | (40) |
| 1049 Wharf Maintenance | 122,366 | 122,729 | (364) |
| 1050 Jetty Maintenance | 1,656 | 1,656 | 0 |
| 1051 Boat Ramp Maintenance | 5,328 | 2,908 | 2,420 |
| 1052 Large Slipway Maintenance | 25,400 | 25,435 | (34) |
| 1053 Small Slipway Maintenance | 3,290 | 3,734 | (444) |
| 1054 Large Slipway Operations | 3,424 | 3,790 | (367) |
| 1055 Small Slipway Operations | 716 | 716 | (0) |
| 1056 Port Parks Maintenance | 11,507 | 11,637 | (130) |
| 1057 Port Garbage and Waste Collection | 8,000 | 8,685 | (685) |
| 1058 Port Depot Maintenance | 13,832 | 12,900 | 932 |
| 1059 Port Plant and Equipment Maintenance | 16,284 | 16,395 | (111) |
| 1068 Port Plant and Equipment Purchases | 8,368 | 8,302 | 66 |
| 3430 Port - Asset Maintenance | 0 | 859 | (859) |
| 3917 Port Refuelling Facility | 93,000 | 66,098 | 26,902 |
| 4540 Fuel Jetty Refurbishment | 25,465 | 25,457 | 8 |
| 4877 Fuel Bowser Upgrade | 468 | 595 | (127) |
| 5171 Rocket House Rising Damp | 5,370 | 5,370 | 0 |
| Total Expenses | 727,827 | 653,382 | 74,444 |
| | | | |
| Income | | | |
| 1035 Port of Port Fairy Operations | (469,460) | (462,911) | (6,549) |
| 3430 Port - Asset Maintenance | (133,998) | (133,998) | 0 |
| 3917 Port Refuelling Facility | (98,500) | (71,958) | (26,542) |
| 5140 South Wharf Pile Repairs | 0 | (168,610) | 168,610 |
| Total Income | (701,958) | (837,477) | 135,519 |
| | | | |
| Grand Total | 25,869 | (184,094) | 209,963 |

7. General Business

Next Meeting

Thursday 18 November 2021