

Update Newsletter

Title: Summary of Quarterly Meeting – 2022-04-27

Date: 2022-05-01

Update# 2/22

On April 27th, 2022, the first regular quarterly meeting convened at 20:00 in the PTA Auction Room, as committed and as scheduled. Regular meetings are intended to be held on a quarterly basis, with the next meeting scheduled for the end of July 2022. Final date and details will be announced in due course for the July meeting.

A list of the participants in the meeting is included at the end of this memo.

The attendees stated that the meeting was considered productive and useful.

All members of the community and industry are encouraged to participate personally and directly in the future meetings.

Below is a summary of the primary points discussed.

FUEL

Fuel prices – reductions and volumes

- SHG initiated the 20% reduction in markup on fuel costs paid by SHG to suppliers as of April 1st, as committed.
- SHG confirmed its commitment to perform a regular quarterly audit of the fuel volumes purchased; as the volumes of fuel purchased through the quay increase, SHG will be able to consider further reductions of the markup. SHG's intention is to keep the overall net absolute revenue coverage static, so as fuel volumes increase, the markup can decrease relative to the actual costs of the purchase of the fuel.
- General agreement that pricing has been on downward trend in last weeks.
- Noted and agreed that SHG does not control the market price for fuel. The single greatest factor affecting price (beyond the inherent market forces) is purchasing power of SHG due to volumes.
- SHG is performing competitive pricing for the purchase of fuel to the extent possible, given the purchasing power of SHG arising from the fuel volumes purchased. As the volumes of fuel purchased through the quay increase, the purchasing power of SHG to secure better market pricing will be enhanced.
- In parallel, SHG will continue to pursue additional avenues in attempting to secure better purchase prices of fuel, including potential partnering with other purchasers (to check marine based as well as non-marine based) to take advantage of combined enhanced purchasing power, but not subordinate the competition that could lead to loss of independence.

- At suggestion of PTA, SHG will publish fuel pricing information as widely as possible on multiple platforms and channels to keep community and industry informed and advised.

Fuel testing

- Testing regimen will continue quarterly.
- Last test performed in February 2022; next test planned in May 2022.
- SHG committed to implementing recommendations arising from testing of tanks.
- Results are posted. At recommendation of PTA, SHG will publish fuel testing results information more widely on multiple platforms and channels to keep community and industry informed and advised.

SUPPLY OF POWER ON PONTOONS IN SHEPHERD'S WHARF

- Agreed at meeting that cost benefit analysis renders the proposed project unviable due to the relative high capital costs and limited interest in number of users.
- Suggested at meeting to install additional outdoor power outlets accessible from quayside to enable additional power points for use of power tools, etc. SHG to follow up and take action.

ICE PLANT

- Acknowledged by all participants regarding the additional effort that was required and productively made by all (industry and SHG) to overcome the interim inconveniences of the failures of the ice plant. Serves as an example of cooperation and collegial coordination to overcome an obstacle.
- Ice plant has been repaired and is back to proper functioning order.
- SHG committed to keep spare parts in inventory to mitigate and minimize downtime from such future events.
- SHG has commissioned professional to perform analysis on the sources and effects of heat on the dispensation of ice from the silos, that render the first half-tonne unusable.
- Results of the analysis will be translated into an action plan and reported on to community/industry in due course.

ADDITIONAL MOORING SPACE IN HARBOUR

- SHG has commenced a comprehensive review of the seabed and quay walls in Sutton Harbour to determine both the depths, structures and geology around Shepherd's Wharf, Bailey's Wharf, and the harbour area in front of Harbour Arch Quay and Sugar Quay.
- The results of these explorations will inform analysis and considerations as to the possibilities for dredging and deepening of Sutton Pool, along with possible expansion of mooring and reconfigurations of the harbour.
- This is a long term project and reports will be shared with the fishing industry in due course as meaningful progress is made.

FISH QUAY REDEVELOPMENT

- An update of the status of the project was provided.
- The PCC is currently in purdah until the election. A leadership of the PCC is expected to be settled by the third week/end of May.

- The consideration of the redevelopment and timing can be considered upon the settlement of the leadership of the PCC.
- SHG remains interested and committed to the leadership, subject to the necessary role of the PCC in the seeking of funds in particular for the fish processing redevelopment and supporting infrastructure.

AOB

- PTA advised on the founding of a CIC (Community Interest Company). Further information to follow.
- PTA recommended that SHG be more proactive in disseminating information to the community/industry at large in terms of actions taken and modes of communication employed. SHG to action.
- Agreed that the meeting was a useful forum to engender open dialogue and foster a cooperative strategic working relationship to the mutual benefit of both the industry and the ownership of SHG and that such meetings should continue.

ONGOING MEETINGS

- The next meeting will be scheduled for the end of July 2022. Final date, time and venue will be advised in due course.

List of Participants in Meeting

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|----------------------|------------------------------------|
| • Philip Beinhaker | Sutton Harbour Group |
| • Corey Beinhaker | Sutton Harbour Group |
| • David Pessel | PTA |
| • Rodney Anderson | PTA |
| • Philip Whitby | PCC Council Liaison |
| • Darren Andrews | R&B Fishing (Shore side Husbandry) |
| • Christopher Newman | Provider II |
| • Graham Searle | Emma Louise/Charisma |
| • Emma Searle | Emma Louise/Charisma |
| • Mark Veale | Sutton Harbour Group |
| • Nick Eggar | Sutton Harbour Group |