

**Minutes of Extraordinary Board Meeting for
North West Mull Community Woodland Company Limited
Meeting held at Dervaig Church Hall on Thursday 30th June 2011**

Present: Colin Morrison, John Morrison, John Addy, Ailsa Morgan, Alistair Scarlett, James MacPhail, Alex Duncan, Chris Baker and Matthew Reade. Calum Duffy came into the Meeting after the Resolution had been voted on.

Also Present: Ian Hepburn (Development Manager), Belinda Hale (Administrator).

There were **apologies** from Iain Thomson, Catriona Duncan and Andy Mayo.

All the Directors, including those not present, had agreed to waive the usual seven days notice required for a Board Meeting.

CM **welcomed** everyone to the Meeting and explained that further discussion was required about the Harvesting Tenders. A briefing note and a letter from the Company Solicitors had previously been circulated to give the Directors an overview of the issues.

CM apologised for unintentionally misleading the Board about the right to choose the Harvesting Contractor. AS stated that he disagreed completely with what was about to happen while accepting that the legal situation has to stand. IAH clarified how the wording of the relevant clause in the Tilhill contract had been arrived at. At one point in the negotiations NWMCWC Ltd did propose wording that would have given them the right to select the Harvesting Contractor but this had later been replaced with the wording in the initial heads of terms for the contract with Tilhill as part of the wider deal. IAH, CM and JM all apologised for inadvertently giving wrong information about this clause.

CM proposed the following **resolution** to the Board: "The Board of North West Mull Community Woodland Company Ltd accepts the result of the UPM Tilhill harvesting tender process which will appoint Colin Brolly as the Harvesting Contractor for the Langamull woodlands". This resolution was unanimously accepted by the Directors present.

CD now joined the Meeting. AS stated he was unhappy with how the situation arose. JA suggested the Board should concentrate on damage limitation at the moment. JM asked for a review of the processes, procedures and knowledge requirements of a Director of a Charity ie the obligation to put sound management of the financial viability of the Charity above all else. AM said that as NWMCWC Ltd was set up to help the Community, decisions that benefit the Community should take precedence when financially practicable.

A discussion followed about what was agreed at the Board Meeting where the tendering process was discussed. The approved Minutes of the Meeting held on 16th May 2011 were looked at to show that the agreed procedure had been adhered to. AS was concerned that we have no recourse if Tilhill try to sell our timber too cheaply. IAH explained why this would not be in Tilhill's best interests as their management fee is based on the sales value that they realise for us. He also gave a resume of the whole process of negotiations to get up front funding for the haul road. This included the information that the loan from Tilhill was interest free, something that could not have been obtained anywhere else. CB pointed out that when the District Valuer came to value the Woodlands prior to purchase he had written down the timber at nought as it had no value while it was so inaccessible. Building the road has turned it into a cash crop.

Returning to damage limitation, it was agreed that apologies are due to both Tilhill and Hugh Duffy for the mistakes made. **Action CM** for both letters. A letter of clarification will also be sent to R&A as the reference made to harvesting in the reply to Graham Dale's letter implies that NWMCWC

Ltd has the right to choose the Contractor rather than having a high level of input into the selection by Tilhill. **Action CM.**

JM suggested that discussions about the way forward and lessons to be learned should appear as Agenda items for the next ordinary Board Meeting. **Action Directors** with suggestions for items to be discussed should send them to CM by the morning of Monday 18th July 2011 so IAH/BH can pull together any information required and circulate it before the Meeting on 25th July 2011. CD thinks that in future the Board should be more businesslike in the way it makes decisions.

CM thanked everyone for their contributions to the discussion and declared the Meeting closed at 8.35pm.