

Minutes of Special Committee Meeting

Saturday 15 April 2017

Meeting held at LUCS Tearoom

Subject: The 'New boat' contract

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| Present | Mr A Melling | Chairman |
| | Mr J Green | Deputy Chairman & Boat Convener |
| | Mr D Shirres | Treasurer |
| | Mr N Foulner | Secretary |
| | Mrs J Green | Tea Room Convener |
| | Ms L Nelson | |
| | Mr S Rennie | Marketing Convener |
| | Mr G Hewit | |

1. For the purpose of clarity it was stated that the 'contract' was only supplied to the committee 24 Hours before this meeting.
2. The Treasurer stated that A L Gordon, the prospective contractor for the boat to replace St Magdalene, had passed a credit check.
3. The Treasurer and the Secretary strongly expressed the view that the contract should be subject to due diligence check by a legal professional to ensure that the risks associated with the resultant potential liability of £170,000 are adequately addressed. The Treasurer advised that, in his role as Company Secretary, he had sought guidance from OSCR, the LUCS Accountant and the previous LUCS Treasurer on this point who all considered that it was wrong to commit to a contract without professional advice. He also pointed out that in rejecting this advice, the committee could be considered to be acting recklessly and thus, despite the company's limited liability status, may become collectively liable for any consequences of a decision to proceed without due diligence checks. Thus, he asked that contract signature would be delayed a few days for such checks.
4. Gordon Hewitt advised that this would put LEADER funding in jeopardy so he believed it was not possible to delay signing the contract by even a couple of days without threatening the new boat. As a result, it was decided that the Treasurer would ask LUCS solicitors Pagan Osbourne to review the contract after it had been signed
5. It was indicated that we should have a contingency fund for any changes or omissions that could occur. The Treasurer is to advise although a figure of £5,000 was mentioned.
6. It was intimated that A L Gordon has expressed a wish to limit the LUCS personnel having access to the boatyard. The boat committee had already expressed to A L Gordon that four people were the only ones that could have access and only J Green had the authority to change anything. G Hewit was his backup. The other two people were A Melling (Chairman) and S Rennie (for media and marketing actions).

7. A motion was put forward by the Chairman (A Melling), seconded by J Green, Deputy Chairman, “that the contract for the new boat should be signed on 19th April without any diligence checks”.

8. As the vote was taken, the Treasurer asked for confirmation of what the vote was actually for, as he wished to make it clear that he was not voting against the new boat to replace St. Magdalene.

9. This motion was passed by six votes to two.

10. NOTE: The Treasurers opinion was that, had the few days extension to arrange a due diligence check been agreed, he would have gladly voted that we sign the contract for the new boat.