

Minutes of the New Zealand Drillers Federation Inc. Teleconference Meeting held on Thursday 14 March 2013.

Meeting convened at 9.00 am.

Present: Iain Haycock, Steve Faulkner, Mel Griffith, Dale Preston, James Chapman, Marcus Durrant
Steve Pilcher Tony Lyons, Zane Brown, Jeff Ashby and Kevin Wafer, Executive Officer.

1. Apologies: Dennis Stowe, Ian Shaw, John Butt, Mike Ormsby, Ken Mears

Motion: *"That the apologies be accepted"*.

Moved: Jeff Ashby / Zane Brown Carried

2. Minutes:

Minutes of the previous meeting, held on Thursday 6 December 2012, were read.

Motion: *"That the minutes be accepted"*.

Moved: Jeff Ashby / Iain Haycock Carried

3. Matters Arising From Minutes:

There were no matters arising that were not on the agenda.

4. Correspondence Inwards

Request from Janet Lane, MITO CEO for a meeting.

Requests for membership information from McCullochs Ltd., AB Equipment, JB Attachments, AMC Drilling Fluids & Products, Strategic Drilling & Sulkem Co. Ltd.

Applications for membership from same.

Request for information on Drill Rig Guards from Geotechnics.

Advice from BNZ regarding term deposit maturing.

Advice from BNZ confirming reinvestment of part of term deposit.

Invitation to MITO Board Summit

Email from ADIA advising details of NZ magazine list.

5. Correspondence Outwards

Letter to Ashburton Contracting & Neville Curtain advising approval of membership.

Various letter / emails following up non-payment of subscriptions.

Letter to CEO MITO requesting clarification of a number of industry training issues.

Letter Russell Baylis advising the setting up of the NZDF technical committee etc.

Letter to the 3 joint recipients of the NZDF Awards.

Advice to BNZ regarding term deposit.

Letters to 6 prospective members based in the Waikato region advising the benefits of joining NZDF.

Letters to Well Drilling Direct, Transform Minerals, TJ Steel, Quality Machining cancelling their membership.

Motion: *"That Inwards/Outwards Correspondence be accepted and acted on accordingly"*.

Moved: Zane Brown / James Chapman Carried

6. Financials

The council reviewed the financial statements being the Bank Reconciliation Report for the period 1 December 2012 to 1 March 2013, which listed all outgoing payments and income since the last meeting, and the Cash Flow Report for the period from 1 July 2012 to 1 March 2013.

Balance of Accounts as at 1/03/2013:

00 A/c \$6286.76

02 A/c \$429.91

Accounts for Payment:

00 A/c

Tony Lyons \$386.62

Terminal tax \$336.00

\$5564.14

Kevin Wafer advised that \$10,000 plus \$1804 in interest had been transferred to the current account from a term deposit that expired in January. While we had asked that the interest be reinvested with the balance of the term deposit the BNZ had not reinvested the interest, however we are likely to need these extra funds as we had not received any funds from the ADIA relating to Drill 202. Kevin expressed his concerns that without the Drill 2012 funds finances were likely to be very tight towards the end of this financial year and in the first few months of the 2013/2014 financial year. It was suggested that subscription invoices could be sent out earlier to cover the start of the next financial year. It was also suggested that we look at the income from magazines at the next meeting as some costs had gone up just recently.

Iain Haycock has had discussions with Simon Fitzgerald who advised that the turnout of New Zealanders at DRILL 2012 had been 4% compared to 25% last year. This low turnout combined with the fact that profit from the conference was reasonably small led Simon to suggest it was best to offset the amount to be paid to NZDF against the amount NZDF owed in sponsorship for the pre-dinner drinks on the night of the gala dinner. He advised the ADIA would also make a generous contribution to the next NZDF AGM weekend. There was general discussion about the ADIA proposal and while it was difficult to make a considered decision without an indication of conference profits it was generally felt that the ADIA proposal should be accepted.

Motion: *"That the ADIA proposal to off-set any funds owed by ADIA from Drill 2012 against the amount owed by NZDF for pre-dinner drinks be accepted"*.

Moved: Jeff Ashby / Mel Griffith Carried

Term Investments:

\$67,585.36 Matures on 24/01/2014 – 4.75%

\$30,000.00 Matures on 20/01/2014 – 4.2%

Motion: *"That financials be accepted, accounts passed for payment."*

Moved: Mel Griffith / Zane Brown Carried.

7. New Members

Applications for Membership were received from the following:

Strategic Drilling Services (NZ) Ltd, Christchurch – Michael Hanlon, Director – Full membership

AMC – Drilling Fluids & Products, NSW, Australia – Terry Fuller, Area Manager – Associate Membership

JB Attachments, Manukau, Auckland. – Barry Goodey, CEO - Associate Membership

AB Equipment, Manukau, Auckland. John Familton, Manager. - Associate Membership

Sulkem Co. Ltd., Auckland. – Steve Rubie, General Manager. - Associate Membership

McCullochs Co. Ltd., Epsom, Australia. Ricky Dudley & Jeff McCulloch. - Associate Membership

Motion: *"That the applications for Membership be accepted"*.

Moved: Iain Haycock / Marcus Durrant Carried

There was discussion regarding implementing a trial or probationary period of a year for new members. It was also suggested that the subscription for Associate membership be increased as the associate members were being provided with a good source of networking and sales opportunities through the NZDF. As both of these proposals would require a decision at an AGM it was decided to discuss them further at the next council meeting with a view to agreeing on a proposal to go to the next AGM.

8. MITO / EXITO

Iain Haycock gave a brief summary of his meeting with Janet Lane the CEO of MITO who have taken on responsibility for drilling training and qualifications. MITO are still familiarising themselves with drilling training and have had some discussions with ADIA regarding the DICAT training programme. The MITO service model is different from the EXITO model and there is unlikely to be much government funding available to employers to reduce their training costs. Some positive comments were made about the service that MITO was providing in terms of the learner information being supplied to employers. It may take some time for the new service model to be put in place and in the meantime we need to progress our own registration system. MITO are aware of the proposed registration system and we should try to incorporate whatever qualifications are developed into the registration system.

9. GENERAL BUSINESS:

Registration of Drillers

Following the last meeting it had been decided to trial some registration applications, however the only trial application received to date was one for Senior Driller registration which involved grandfathering and so did not really trial the process. Iain Haycock felt it was time to progress the registration system and from his point of view the application form was reasonably straightforward to complete. He suggested that we move to implement the system without a pilot process. Zane Brown had dealt with some customers who were now starting to set their own standards and requiring drillers working for them to have the Tai Poutini Polytechnic qualification, therefore he believed we needed to put our own registration system in place as soon as possible. There was general agreement that this should be the case and there was further discussion on some of the details of the system including:-

- there was no need to have the name of the company on the registration certificate and ID card as the registration was of the individual
- there was no need to have a registration number on the registration certificate or ID card
- there was a need to add a disclaimer – with appropriate wording to be finalised. It needed to be made clear that this was not an NZQA qualification.
- a list of registered drillers will be added to the NZDF website – perhaps in order of renewal date

There was discussion about the practicalities of having a photo ID card. These cards cost about \$10 to print but had to be printed in batches of 100 therefore there would be issues with printing ID cards within a reasonable timeframe of receiving applications. It was suggested that it would be quicker to print our own registration ID cards and that the machines to print the card were not very expensive. Kevin Wafer will investigate the cost of the ID card printing machine.

There was discussion about the fee for a registration application. The fee would need to cover the administration time involved as well as the costs of printing certificates and ID cards, postage and toll calls. There was discussion over who would be paying the fee as this may impact on what level of fee was acceptable. It was generally felt that the employer would pay the fee although some may require a contribution from the employee or enter into some agreement with the employee.

Motion

“That the cost of making an application for registration would be \$250 including GST for a period of 2 years and that the cost renewal of the registration would be \$145 including GST for a period of 2 years”.

Moved: Zane Brown / Mel Griffith Carried

The EO will work on the information to be supplied to applicants and employers. This will include a cover letter, the application form and 1 or 2 pages outlining the application process, perhaps in the form of a flow chart.

Generally registration will only be available to people working for member companies and the nomination must come from a member company, however there could be an avenue for non-members to become registered in situations where the driller was between jobs or coming from overseas. In this case the NZDF council would consider the registration and nominate the driller. The cost would be \$500 including GST.

2013 AGM

It was confirmed that Queenstown was the proposed location for the next AGM and following the consideration of various venues that Rydges seemed to be the best as it was in central Queenstown. Possible dates were 6th to 8th September or 13th to 15th September. It was agreed to opt for Rydges from 13th to 15th September 2013.

It was felt that anywhere from 90 to 120 people could attend and it would be necessary to investigate possible back-up accommodation in case the numbers of attendees exceeded expectations. There was discussion about providing an opportunity to suppliers to network and promote their products even though this was not a full conference and there would be limited times where everyone was together at once. It was felt that room for large equipment and exhibition spaces would not be possible but smaller spaces with a few posters and promotional materials may be an option that was cost effective for suppliers.

Election

There was general discussion about Iain Haycocks intention to step down as NZDF President and the best timing of an election for a new President. It was agreed to defer any election until the next council meeting.

Next Meeting

The next meeting is likely to be held in June, however there may be the need for a teleconference to discuss the registration system prior to this. It was generally felt that the teleconference had been an effective and cost efficient way of progressing NZDF business but that at least every alternative meeting should be held in-person.

Meeting closed at 11.00am.