

I.1. Construction of Mechelinki Landing Place

- Construction of the landing place was held based on the resolution No. III/12/2010 as of 30/12/2010 in support of enacting a long-term financial forecast for the Kosakowo Commune in the period 2011 - 2018 **(see Appendix I.01)** (Lack of any other resolution in support of starting construction works).

- Construction project of the landing place **(see Appendix I.2.A)** as well as working plans and specifications **(see Appendix I.2.B)** were delivered by Biuro Projektowo – Inżynierskie REDAN Sp. z o.o. ul. Jagiellońska 69, 70-382 Szczecin.

- As a result of tender a contractor Mostostal Warszawa S.A. ul. Konstruktorska 11A, 02-673 Warszawa Acciona Infraestructuras S.A., Avenida de Europa 18 Parque Empresarial la Moraleja 28108 Alcobendas, Madrid, Spain was chosen **(see Appendix I.03. & I.03 A.)**

- Contract engineer was chosen to be B-ACT Sp. z o.o. ul. Paderewskiego 24, 85-075 Bydgoszcz **(see Appendix I.04.)**

- Kosakowo Commune received financial aid from the European Union on the basis of a proposal regarded as 3.3. Investments in fishing ports, unloading spots and landing places. **(see Appendix I.05. & I.05 A.)**

I.2. Errors and renunciations in preparatory phase of Mechelinki Landing Place construction

- 1. Unjustified construction of building for direct sale – cost on the basis of proposal (see Appendix I.5.) pt 6 + pt 11 and pt 14 - total of 1 748 031 zł**

According to data presented by the Marine Fishing Institute in an analysis of infrastructural condition in fishing ports, paying special attention to investment needs, published in November 2012 basing on year 2011, p. 165 (see Appendix I.06.) 72 tons of fish amounting to 957 disembarkations were unloaded in Mechelinki.

Calculations show that an average disembarkation equals $72\ 000\ \text{kg}/957 = 75,24\ \text{kg}$.

In practice, already at the time of submitting the proposal it was acknowledged, that the number of caught fish did not allow to decide about construction of a building for direct sale. Caught fish are sold directly to wholesalers and during holiday season to owners of local restaurants. Local residents are allowed to buy the fish only after placing an order, through private contacts.

Proof for the meaninglessness of constructing the building for direct sale is explained by the fact that since it was put to commission on 19/07/2014 it has never been and will not be exploited by the fishermen.

2. Unjustified construction of the anti-storm embankment – cost on the basis of proposal (see Appendix I.05.) pt 1 - 1 492 525 zł

Construction project Part 07 – designating wave parameters in order to assist the design process of the jetty, as well as bank fastenings in the area of Mechelinki contains pt 4B, which presents calculations implying a projected height for bank protection $H_{\text{projected}} = 1,29$ m. (see Appendix I.07.)

The above shows that there was no reason to build the embankment 3,5 m high (see Appendix I.08.)

It is worth mentioning, that there never was a case of flooding in Mechelinki, since the dune which was there until now, effectively withheld the wave.

Furthermore, this emphasizes the fact that protection against flooding implemented into all door openings and gates in the buildings was unnecessary.

The attached photograph (see Appendix I.09) shows one of the rails for particular panels, which are to be inserted during bad weather conditions to prevent the water from entering the buildings.

Spending such amount of resources in order to create the rails alongside unique panels is a very clear process of wasting public money. Why were additional and costly protections planned, if the anti-storm embankment was able to fully prevent flooding?

Using the methods mentioned above would prove, that it is a sufficient protection against bad weather conditions, which have not threatened the area to date.

Cost loss related to an unnecessary construction of barriers can be calculated on the basis of detailed estimate for respective elements.

3. Unjustified construction of a fishing pier – steel construction – cost on the basis of proposal (see Appendix I.05.) pt 2 – 2 925 823 zł.

Arguments for the meaninglessness of constructing the fishing pier are presented in pt 1 of this document. During the design stage, it was obvious that the fishermen will not be using the spot located 200 m away from their back room, due to the amount of caught fish. Transporting the fish through the steel pier, pulling up fish crates on the pier using a crane and afterwards, moving 75 kg of fish (3 crates) to the selling spot, (distance of over 180 m) would be clearly unfeasible. None of the fishermen are using or will be using the spots located by the pontoons.

The fact, that fishermen will not be using the spots located by the pontoons was already foreseen. Proof for that, is the fact that the Commune used its own budget to finance the purchase and installation of winches and dolphins allowing to drag the boats to water.

The proposal directed to the EU, did not project neither winches nor dolphins, as it would be undermining the purpose of investment. Fishing boats were supposed to be moored to pontoons or alternatively dragged to the shore in case of repairs, using a concrete ramp specifically built for this activity.

Additional facts proving, that the fishing pier along with pontoons will not be utilised by the fishermen, are presented in the further part of this document, which will also mention the irregularities related to handling the investment.

4. Unjustified construction of the fishing pier – reinforced concrete construction – cost on the basis of proposal (see Appendix I.05.) pt 3 – 2 564 625 zł

Construction of the reinforced concrete fishing pier, similarly to the meaninglessness of the steel fishing pier presented in pt 3 of the document, is extremely questionable.

The truth is, that currently the reinforced concrete fishing pier is used by strollers who treat the pier as a tourist attraction, which was not the purpose of the investment. According to the investment's agreement conditions, the investment shall be utilised consistently with its purpose.

I.3. Errors and renunciations in the construction phase of Mechelinki Landing Place

Construction of anti-storm embankment

1. **Failure to comply with the obligation mentioned on pg. 4 of the project Detailed Technical Specification (see Appendix I.10.) stating: “Prior to the construction of the anti-storm embankment, the investor is obliged to determine, along with the Maritime Authority, who will cover the yearly costs of sand deficit in the embankment”**

Proof of not accomplishing the above condition is a script signed by the Investment Project Director Andrzej Klemenski. (see Appendix I.11.)

Lack of agreement will in consequence lead to a yearly budget charge due to high maintenance costs of the anti-storm embankment. Failure to sign a suitable agreement with the Maritime Authority is a negligence leading to suffering costs by the Commune.

2. Partial investment takeover – anti-storm embankment not according to documentation. Money loss for the Commune min. 117 500 zł

In July 2014, Kosakowo Commune received the land part of the Mechelinki Landing Place investment. The anti-storm embankment was an element of the land part framework. According to the documentation (see **Appendix I.08.**) the anti-storm embankment's base width should be 3 m and the pitch 1:3 towards the water.

Condition of the embankment, at the moment of reclamation is presented in the picture taken during the ceremonial opening of the landing place. (see **Appendix I.12.**)

The attached picture clearly shows, that at least half of the sand crucial for forming the embankment stated in the project, is missing. (see **Appendix I.8. or I.8.A.**)

Failing to properly receive the anti-storm embankment leads to extra costs for the Commune, which is obliged to repair the lack of sand. On 29/05/2015 the embankment did not correspond completely with projected parameters. (see **Appendix I.13.**)

It is worth mentioning, that the process of adding a 1 m thick layer of sand, at a distance of 235 m, width of 10 m amounting to 2350 m³, at the cost of 50zł/m³ for purchasing 1 m³ of sand along with transport, gives in total a **loss of min. 117 500 zł.**

3. Fishing pier – steel construction along with pontoons for jetties and landing place

The brief description of the steel fishing pier as well as the floating piers is included in “Detailed Technical Specification” on pg. 6 (see **Appendix I.10.**)

however a detailed description can be read in “Technical Specification of completing and receiving construction works” on pg. 62 (**see Appendix I.14.**)

Basic parameters of the jetties and floating piers, crucial in the further part of the document: using concrete to create them and establishing a width of 2.4 m.

In the period between 4/12/2013 and 10/12/2013, during a rampant hurricane Ksawery, all pontoons were completely damaged as seen in attached pictures (**see Appendix I.15. and I.16.**)

Neither the Commune nor any higher instance should bear responsibility for the pontoon damage. According to descriptions seen in the project drawings (**see Appendix I.17.**) pontoons were supposed to be demounted for the Winter period. This concludes, that the contractor, as well as the supervision engineer are to be blamed.

In the existing situation, the Commune should enforce the righteous investment completion along with enforcing penalties for delays instead of concluding unprofitable amendments.

Given the circumstances, accepting the Amendment no 1 (**see Appendix I.18.**) on the 18/12/2013, which changed the deadline of constructions works, was relatively right. However accepting the Amendment no 2 (**see Appendix I.19.**) on the 29/04/2017 regarding the act no RI/36/2012 from 19/07/2012 (**see Appendix I.20.**) was an obvious act to the detriment of the Commune.

Amendment No. 2 (see Appendix I.19.) contains three crucial facts

- deadline for completing construction works of the steel fishing pier and floating piers was changed to 14/08/2014

- partial construction work takeover was determined for
 - a) land part
 - b) reinforced concrete fishing pier alongside the infrastructure on this pier
- an extremely unfavourable entry for the Commune was introduced in § 3 act 1

According to the entry § 3 act 1 it was established that *“the Ordering Party is entitled to charge the Contractor a contractual fee of 0.1% from the accepted contractual total (including VAT) described in the Deed of Covenant, less value of construction works or segment for which the Ordering Party issued the takeover.”*

In practice, the part that was not taken over is the fishing pier along with pontoons representing a value of 2 925 823 zł. The contractual fee according to the statement above would amount in 0.1% of that value, meaning an amounting 2 925,82 zł.

Accepting the change of the contractual fee as written in Amendment no 2 was a conscious act to the detriment of the Commune.

Considering such a beneficial change in the Amendment, it was not in the Contractor’s interest to complete the investment and the Kosakowo Commune was forced to complete it on its own.

However, the issue was not only the fact that the Commune authorities acting alongside the Contractor led to unfavourable acts. The more significant problem

was the fact that the Commune ordered the pontoons against the rules of the documentation and did not draw conclusions from the hurricane accidents. Ordering the pontoons, did not fix the issues that caused the destruction in the first place.

A common belief that hurricane Ksawery and not demounting pontoons before Winter was the cause for the destruction is by all means untrue. The fault lies with the construction party.

According to the data from the document in which the projected wave parameters at the pontoon spot are $H_{\text{projected}} = 2.07 \text{ m}$ (see **Appendix I.7.**) currently installed pontoons will suffer damage at the earliest storm opportunity, not necessarily a winter one.

Locating the pontoons in two spots within 0.86 m and 1.3 m from stationary elements guarantees that the pontoons will be destroyed already at a 1 meter high wave. **Appendix I.21.** is a picture showing stationary support elements for steel gangplanks as well as spots where pontoons move under the reinforced concrete fishing pier.

The mentioned constructional defect can be seen in the **Appendices I.22., I.22.A, I.23., I.24.**

It is shameful to say that the issue of pontoons moving under the reinforced concrete fishing pier (see Appendix I.24.) was known to the Head of the Commune. This was proved in his declaration where he stated that he is aware of the issue and that it will be removed by the earliest disassembly before Winter.

4. Consequences of ordering pontoons with changed parameters

As was mentioned before, the ordered pontoons did not comply with the parameters from the project design.

Project on pg 63 (see **Appendix I.14.**) plans that the jetties will be provided by e.g. Karos company, type M2716BRS or M2720BRS (see **Appendix I.25.**). Basic parameters include the weight of respectively first 17.4 t and second 21.81 t, and width for both of 2.4 m.

Decreasing the weight of pontoons below 15 t while simultaneously increasing the width, will lead to increasing the so called freeboard by 20 cm, which in consequence means decreasing the distance between the surface of pontoons and stationary elements mentioned previously. Lighter pontoons are more susceptible to wave movement, which is unfavourable when they are supposed to be a mooring spot for the boats.

Increasing the width would lead to difficulties in mounting the pontoons, as seen in picture (see **Appendix I.26.**) and forced to remove the check.

5. Consequences of mounting pontoons by the original piles

During negotiations on 15/01/2015 executed alongside the substitute pontoon contractor, it was concluded that *“the placement of piles was subject to change in consequence of sinking previous pontoons which may lead to the landing place wedging during high wave movements.”* Negotiation protocol (see **Appendix I.27.**) contains a solution consisting of changing the reels in pile clamps to reels of smaller diameter. (see **Appendix I.28.**)

The consequence of changing the reels is an increased resilience (more room at fastening) as described in the protocol, meaning a decreased stability of pontoons.

It is worth mentioning, that as long as the substitute contractor Tomasz Szczepanik running a business under the name Hullkon Tomasz Szczepanik, may possess suitable PRS certificates for pontoons and reels, it is doubtful that he owns a certificate for the reels with modified parameters.

In the order description (**see Appendix I.29.**) on pg 3, it is stated that the pile rails are approved for piles of 508 and 711 mm diameter with a ± 5 cm possible deviation for pile spike. Additionally, piles must be sank vertically (allowed deviation from the vertical position being 5 mm x 1 m).

The information included in the negotiation protocol, concludes that the deviations are significantly larger, meaning that after changing the reels, the rails lose their correct certificate. This may lead to future lack of acknowledgement of claims regarding damages throughout the exploitation process.

Summary

The planned goal of the procedure as written in the financial proposal: ***“Improving safety, parking conditions as well as services for boats moored at the landing place in Kosakowo”*** in no way was fulfilled.

The constructed landing place not only hindered fishermen’s jobs, but also took away a charming place for walks and leisure from the remaining inhabitants of the Mechelinki village and the Commune. The high embankment, deprived the local people of the attraction of admiring the bay and simultaneously hindered the fish transport.

The attached picture (**see Appendix I.30.**) taken on 09/06/2015 in pre-noon hours, perfectly presents the utilisation state of the landing place. Boats are dragged onto the shore, and mooring spots by the pontoons are empty.

Appendices I.31. & I.32. as of 16/11/2015 and 27/11/2015 respectively, present the current condition of the landing place.

From over 16M zł, spent on the landing place construction, only money spent on booths for the fishermen, the social-workshop building and partially the construction of the jetty in terms of a “tourist attraction” can be treated as well managed. The remaining parts of the budget were a large loss to the Commune.

Operating costs of the landing place in its current condition are in practice not precisely determined however they should fluctuate between 700 and 900 thousand zł. annually.

The following factors will influence the operating costs:

- demounting and mounting of pontoons (costs of tugging, crane, parking spots) before Winter and during Spring respectively
- maintaining sand in the anti-storm embankment
- service costs, landing place manager and security guards
- repair costs
- utility costs (water, electricity, litter removal)

All costs mentioned above will be incurred during the following 5 years, without possibility of compensating with commercial use of the landing place. Wastefulness will be additionally painful, because neither the sale hall nor the landing place built nearby the pontoons, will be utilised by the fishermen.