

AGENDA

Port Tarakohe Advisory Group

5 December 2023

12.30 pm – 2.30 pm

Takaka Service Centre or by

Join Zoom Meeting

<https://us02web.zoom.us/j/81759462155?pwd=T3diN0tEMkRCcWM5T1MxUVFJbEtPdZ09>

Meeting ID: 817 5946 2155

Passcode: 039538

1. Welcome
2. Opening Karakia
3. Apologies
4. Minutes of the previous meeting – The 5 July 2023 minutes are confirmed as a true and correct record of the meeting.
5. Operations and Health & Safety Report
6. Managers' Report
7. Financials
8. Progress on Stage 1
9. Water and fuel Supply
10. Shape Tasman: Lowering the speed limit around Pohara
[Speed Management Review | Shape Tasman](#)
11. Proposed Fees and Charges
12. General Business
13. Next Meeting date – TBC 2024
14. Closing Karakia

Port Tarakohe Advisory Group

Tasman District Council

Date and Time: 5 July 2023 @ 10.30 pm

Venue: Takaka Service Centre

Present: Cr. C Butler (Chair)
Cr Chris Hill, Daniel Hames (Port Tarakohe Services), Allen Reid (Talleys), Shane Bray (Sanford), Mike Holland (Clearwater Mussel Ltd), Roger Taylor (Enterprise Committee Representative), Martin Potter (Recreational Representative), Brian Godsiff (Clearwater). Tom Lakes (Commodore Pohara Boat Club) and Russell McGuigan (Tasman District Council).

Present by Zoom: Ned Wells (MFA), Cr Henry Dixon (Golden Bay Community Board Representative), Hemi D Toia (Ngati Kōata).

In attendance: Nick Chin (Enterprise and Property Manager), Gary Hamilton (Heron), Steve Tennant (Port Manager), Stephen Batt (Snr Enterprise Portfolio Officer), Dianna Henshaw (Port Tarakohe Administration) and Christina Ewing (Enterprise Portfolio Officer).

Meeting opened at 10.30 pm

1. **Welcome and Opening Karakia**

The Chair welcomed everyone to the meeting and Mr Nick Chin opened the meeting with a Karakia.

2. **Apologies**

Apologies for Merv Solly, Bob Butts (Port Tarakohe Limited) and Barney Thomas (MKM (Manawhenua Ki Mohua))

That apologies be received.

Moved: Cr Celia Butler

Seconded: Allan Reid

CARRIED

3. **Minutes of the last meeting**

That minutes from the 7 March 2023 be received as a true and correct record of the meeting.

Moved: Mike Holland

Seconded: Martin Potter

CARRIED

4. Action Items

The Chair went through the action items which were updated.

5. Port Tarakohe Managers' Report and Financials

Mr Chin took his report as read and welcomed Dianna Henshaw to the group.

Mr Chin outlined that Health & Safety has been a focus for Port Tarakohe. Council commissioned a consultant to do an independent gap analysis of the Port, which pointed out some areas that needed attention.

Some key requirements are:

- Appropriate PPE (Personal Protective Equipment)
- Traffic Management Plan
- Restricted access to the operational area
- Access only if inducted
- No Smoking
- Machinery certified. (Vehicles within the operational area must be legal).

Temporary ablution facilities are in progress for the berths, liveaboards and commercial users. Delivery expected by end of December. The public are still to use the public toilets at the boat club and the portaloos. An application for funding for a permanent facility is in progress with Kanoa. Then the temporary ablution facility can be moved to the western side of the Port. This will be the third attempt for funding. Much of the infrastructure installed

(wastewater system) for the temporary facility, can be used if funding comes through for the permanent facility. Costing is underway for a permanent wastewater tank to be installed.

Water Supply

The Port Manager is working on the connections to the water pump, for the non-potable water. This will be for the wharf and boat wash. The Resource Consent should be in place by Summer. The potable water supply to the wharf is restricted to 40m³ per day.

Current Works

The wave protection, concrete spalling repairs, large berths and fendering works were discussed. Expected completion should be February 2024.

Other items discussed were:

- Independent H&S (Health & Safety) review
- The repair to road to clubrooms once trenching is completed.
- Improved bandwidth for the Port
- The Port Manager has moved the existing fence back from the road, to improve visibility and safety.
- NPD contract has been signed. The diesel bowser will be relocated by the end of September to the end of the floating pontoon.
- Penguin fence - foundations has been prepared, we are waiting for the fencing contractor.
- New entry signage will be going up.
- New weighbridge software is in the testing stage, once Council is happy that it is accurate, it will be rolled out.
- Weighbridge process – Lines verse Weighbridge charges study, this has almost been completed and will be considered by Staff.

Key Financials

Mr Nick Chin showed a slide with the Port's key financials. He explained that even though the port is showing a positive EBIDTA, because of the existing debt it is showing -3% EBIDTA.

The forecasts are showing that currently berths are contributing the most income to the port, however, if we look at 5-to-10-year projections, mussels will be the highest revenue income for the port. The port needs to be fit for purpose for commercial use.

A discussion occurred regarding commercial verse recreational contributions. Mr Potter expressed concern that recreational user's fees have gone up in some cases 18%, yet no facility improvements had been done. Mr Chin responded that the general operating costs of the port have gone up, and as mentioned earlier, a temporary ablution block will be installed by Christmas and that a reliable water supply has also been sourced, this was one of the greater risks to the port.

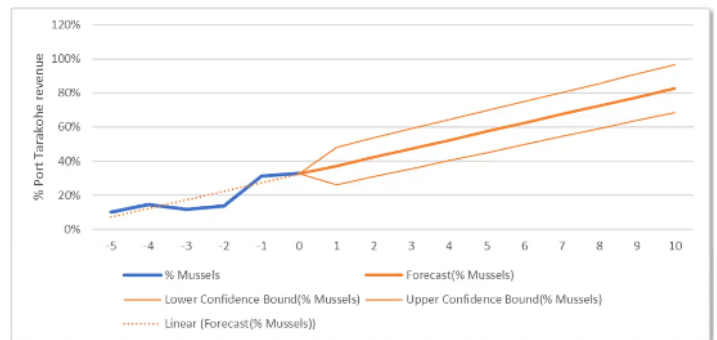
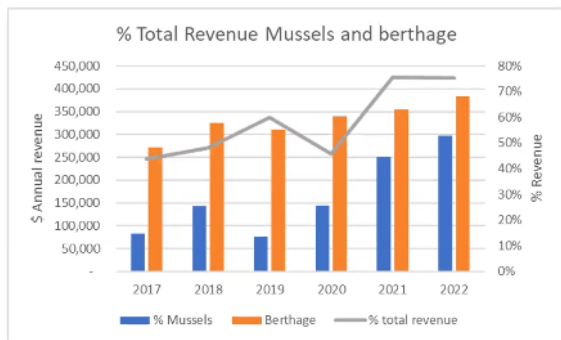
A discussion occurred around if the funding were secured, where the investment in the port would be. Mr Chin outlined that following the 2019 Provincial Growth Fund (PGF) case

study a sheet pile wharf and permanent ablation block would be the next projects. Mr Hames questioned if investing the money into the recreational area in the form of extra berths may be the better investment, as the rock and mussel industry are working well together as is.

The floating dock proposal that was presented to the group, was not going to go ahead, as it was too costly. The port manager suggested it would be better to expand the current pontoon. Mr Potter agreed that the space did need to be expanded.

Key financials

	2017-18	2018-19	2019-20	2021-22	2022-23	YTD May 2023-24
EBIDTA	-\$ 234,873	-\$ 205,046	\$ 53,729	-\$ 346,718	-\$ 192,069	-\$ 202,187
Interest and depreciation	\$ 330,006	\$ 338,082	\$ 389,128	\$ 387,710	\$ 399,213	\$ 415,472
NET	\$ 95,133	\$ 133,036	\$ 442,857	\$ 40,992	\$ 207,144	\$ 213,285
ROI (\$6.9M)	-1%	-2%	-6%	-1%	-3%	-3%



It was asked once the Heron works are completed would the parking become available again. The Port Manager replied that the parking will be made available again.

6. Port Taranaki Operations and Health and Safety Report

Mr Tennant tabled a report and gave a verbal update. He continued to outline the Operations and Health & Safety items for the Port which included.

Health and Safety

1. Water supply issues;
2. Private vehicles on the main wharf, this has improved with the new traffic flow system in place;
3. Port Induction, this has progressed and is in the final stages, everyone will need to be inducted to enter the operational area of the port;
4. Oil Spill kit, trailer purchased awaiting oil response gear from Maritime NZ;
5. New Integrity security system in place, Back gate being automated and Sifer cards will be issued with each induction completed;

6. Vehicles stopping at gate entrance creating bottle neck, this is a continued problem;
7. Speed limits past the port, staff are looking to see if speed reduction or measures can be put in place.

7. Port Operations Update

1. Still strong forward permanent bookings. Berths at capacity
2. Rock contract for Wellington Walkway is underway and working well with temporary ramp.
3. Weighbridge usage started to increase after a quiet couple of months. The forecast are encouraging.
4. Too much product is being left on the port for extended periods. This has improved.
5. New weighbridge software - this is at the stage of testing it will be implemented once Council are happy the weights are accurate.
6. Drivers need more explicit/accurate information when inputting information into the weighbridge– this is an ongoing problem. Penalties will be implemented from the 1st of July 2023. Including a \$700 penalty for trucks purposely not passing over the weighbridge.
7. Spalling repairs were completed with no problems.
8. The Heron Construction contract is underway and sensitive rocks removed with no issues. The main wharf will have a third closed off at time whilst fendering repairs are being done.
9. Some vessels are struggling to get insurance because of age and materials.
10. Western breakwater road will be reinstated when all pipework and drainage are completed.
11. Too much water in waste oil containers, this is costing Council thousands to extract.
12. Cruise Ship booking for late January 2026 – It was suggested that when the date is confirmed Mr Tennant would let Golden Bay Promotions know, so they could at a minimum let the retailers know.

8. General Business

There was no further general business.

The meeting closed at 2.03 pm.

Next meeting: – 8 November 2023

Closing Karakia by Mr Nick Chin.

9. Action Log July 2023

Action	Status	Assigned to:
Write a paper to the Enterprise Committee on Weighbridge vs Line charges.	Ongoing	Nick Chin

Unconfirmed

**Port Tarakohe Advisory Group
Managers' Report December 2023**

Financials

- 1.1 Although revenue was 35% ahead of budget, costs were 15% above budget, with an EBIDTA of -\$80,000, about \$15,000 ahead of budget (figure 10).
- 1.2 A lot of these extra costs were from installing services for the water supply.

Port Tarakohe	\$					
Q1 FY2023-24 Sept	Actual	%	Budget	%	Variance	% budget
Revenue	214,160		158,742		55,418	135%
Costs	294,235	137%	254,756	160%	-39,479	115%
EBIDTA	-80,075	-37%	-96,014	-60%	15,939	83%

Figure 1 Port Tarakohe FY 2022-23 results

Progress

- 1.3 Stage one progress on the fendering replacement and new berths is progressing well, with completion ahead of the scheduled date of February 2024.
- 1.4 There have been two significant variations. These are:
 - 1.4.1 An increase in pile size for the new berths and wave barrier. This decision was made to ensure a capacity to manage the large barges anticipated with the rock contracts (refer to photos below).
 - 1.4.2 The quantity of rock to construct the groyne extension was underestimated by 11,000 to 15,000 Tonnes. This is due to soft sediments, heavier rock (the scheduled rate is based on weight), a design change and an error in estimates.
- 1.5 Kānoa concessional funding of \$6 million has been approved for the construction of a resilience ramp, sheet piled wharf and new ablution/office facility.
- 1.6 A developed design is required for the new ablution block followed by building consent. An existing resource consent is in place. Construction and design are currently being tendered.
- 1.7 The current \$6.7 million stage one upgrade is well underway. This upgrade focuses on health and safety improvements (demolishing old wharf, new lighting and fendering), deferred maintenance (concrete wharf repairs, underground service replacement, new water supply) and improving revenue (new commercial berths). These works are expected to be completed by February 2024.
- 1.8 A concessional loan funding of \$6 million from Kānoa has been approved. This loan is anticipated to be drawn in 2024. This will fund a new wharf incorporating a ramp and a new ablution block incorporating a laundry, kitchen, toilets office and dining room. These works are anticipated to be completed by 2025.
- 1.9 These port upgrades in conjunction with the rock contracts have meant that the small existing ablution block cannot be used for health and safety reasons. Two portaloos have been installed as an interim measure however there has been significant

dissatisfaction with this approach. Cleaning frequency has been doubled and we are investigating alternatives.

- 1.10 Locating a suitable portable ablution facility has been difficult. A relocatable facility meeting compliance requirements has been identified and approved. The RC process will mean delivery will not be until April 2024. Given the new building is due at the end of the year, the \$200K investment is being reconsidered.
- 1.11 Works are underway to construct new berths and replace existing fendering at Port Tarohe. These works are expected to be completed in February 2024 at the latest.

Water and fuel supply

- 1.12 The resource consent process to use the bore is taking significantly longer than anticipated and it is likely will not be approved until after this summer. We are currently looking at ways to expedite this.
- 1.13 Fuel bowser. NPD was required to shift the fuel bowser to the end of the floating wharf by the end of last September. This is well overdue, and we are currently looking at options.

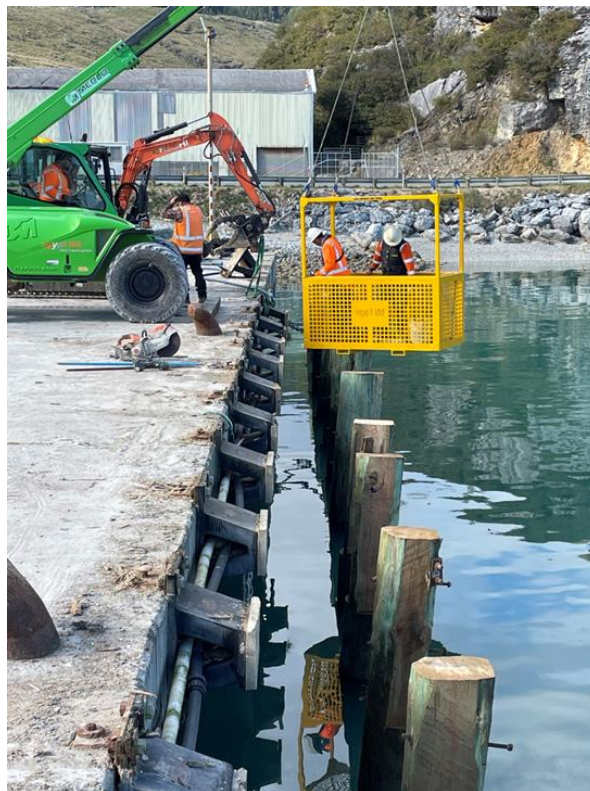
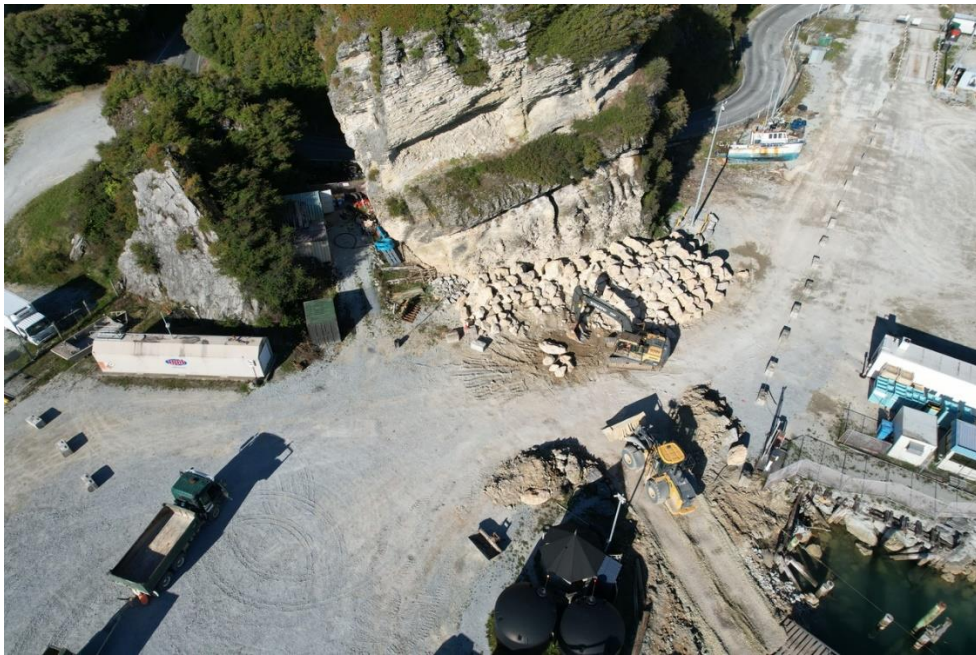


Figure 2 New fendering



Figure 3. New berths



Barge loaded with rock off temporary ramp. Existing tanks are adjacent to the loader

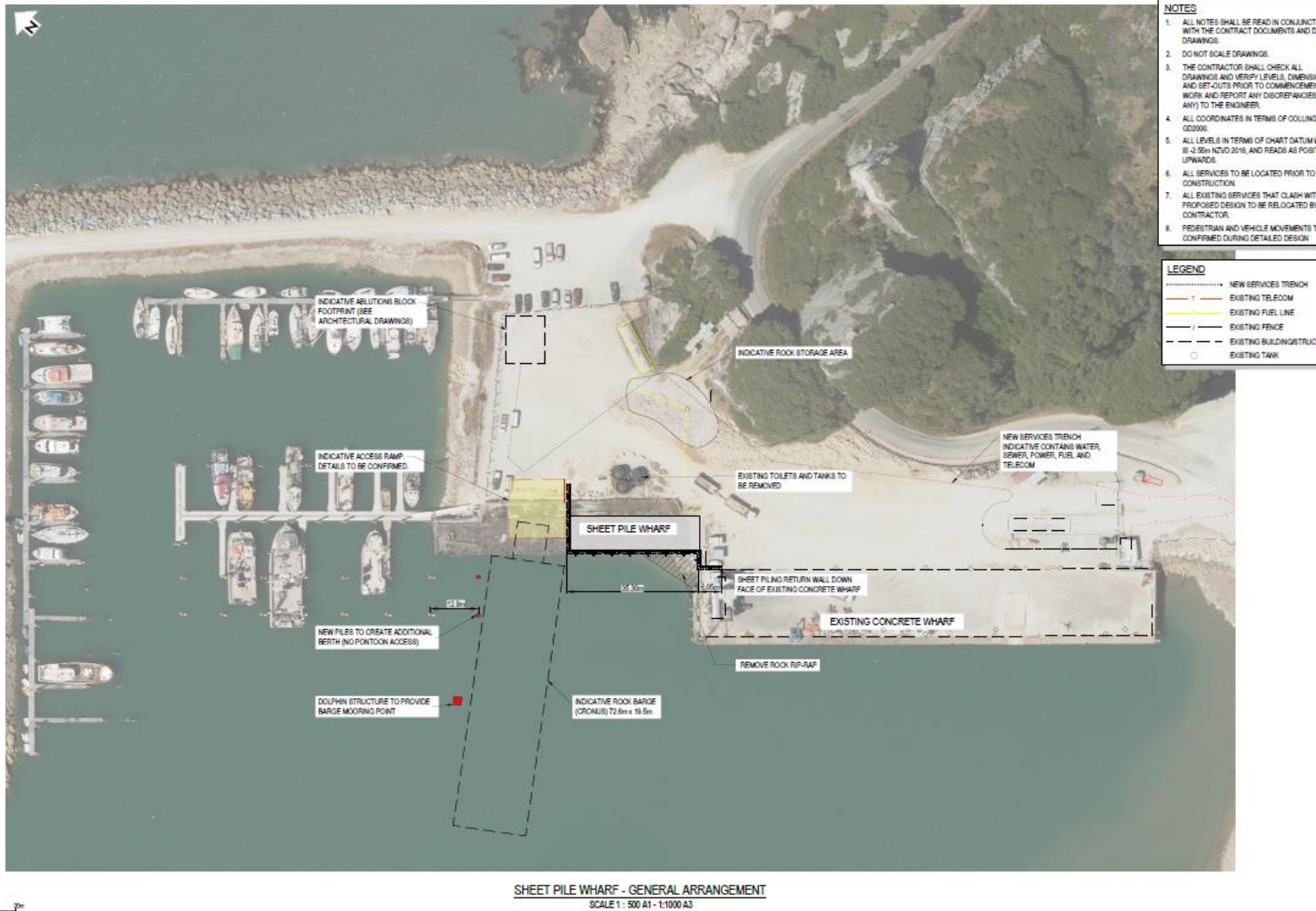


Figure 4 New wharf and ramp

Port Tarakohe

For the year to October 2023

Activity Balance Movement	Year to Date					Year End				YTD % Total Budget
	Actual Oct 2023	Budget Oct 2023	Variance \$	Variance %	Actual Oct 2022	Forecast Jun 2024	Budget Jun 2024	Variance \$	Actual Jun 2023	
EBITDA	(55,426)	(86,365)	30,939	-36%	11,950	(55,426)	183,004	(238,430)	232,209	-30%
Interest expense	(104,755)	(108,680)	3,925	4%	(47,049)	(104,755)	(326,040)	221,285	(172,606)	32%
Capital expenditure	(3,084,358)	(1,569,120)	(1,515,238)	-97%	(196,593)	(3,084,358)	(4,707,361)	1,623,003	(1,802,441)	66%
Dividends	0	0	0	0%	0	0	0	0	0	0%
Loan repayments	(140,058)	(176,496)	36,438	21%	(82,291)	(140,058)	(529,485)	389,427	(299,578)	26%
Asset sales	0	0	0	0%	0	0	0	0	0	0%
Loans raised	2,535,207	1,569,120	966,087	-62%	302,082	2,535,207	4,707,361	(2,172,154)	1,802,441	54%
Net movement	(849,390)	(371,541)	(477,849)	1	(11,901)	(849,390)	(672,521)	(176,869)	(239,975)	126%
Opening balance	0	(1,870,736)	1,870,736	-100%	(1,713,695)	0	(1,870,736)	1,870,736	(1,713,695)	0%
Closing balance	(849,390)	(2,242,277)	1,392,887	-62%	(1,725,596)	(849,390)	(2,543,257)	1,693,867	(1,953,670)	33%

Balance Sheet	Year to Date					Year End				YTD % Total Budget
	Actual Oct 2023	Budget Oct 2023	Variance \$	Variance %	Actual Oct 2022	Forecast Jun 2024	Budget Jun 2024	Variance \$	Actual Jun 2023	
ASSETS										
Land	1,890,000	1,890,000	0	0%	1,890,000	1,890,000	1,890,000	0	1,890,000	100%
Improvements & equipment	9,582,395	8,012,391	1,570,003	20%	5,142,473	9,582,395	10,868,865	(1,286,471)	6,584,155	88%
Total assets	11,472,395	9,902,391	1,570,003	16%	7,032,473	11,472,395	12,758,865	(1,286,471)	8,474,155	90%
LIABILITIES										
Activity overdraft	849,390	2,242,277	1,392,887	62%	1,725,596	849,390	2,543,257	1,693,867	1,953,670	33%
Term borrowings	8,836,366	8,921,941	85,575	1%	3,204,475	8,836,366	11,707,193	2,870,827	4,487,547	75%
Total liabilities	9,685,756	11,164,218	1,478,462	13%	4,930,071	9,685,756	14,250,450	4,564,694	6,441,217	68%
Total net assets	1,786,639	(1,261,827)	3,048,465	242%	2,102,402	1,786,639	(1,491,585)	3,278,223	2,032,938	-120%
EQUITY										
Accumulated equity & reserves	1,786,639	(1,261,827)	3,048,465	-242%	2,102,402	1,786,639	(1,491,585)	3,278,223	2,032,938	-120%
Total equity	1,786,639	(1,261,827)	3,048,465	-242%	2,102,402	1,786,639	(1,491,585)	3,278,223	2,032,938	-120%

Health and Safety

1. Issue with new rear gate hitting a car which has been rectified. Gate speed was too fast.
2. Defibrillator fitted outside office
3. Water supply issues. Emergency Firefighting pump being installed/Now being used for Port wash down/Still on restricted supply/Tanks/pumps/electrics all in place. Main supply to wharf to be installed. This will also include supply to PBC boat wash. Awaiting resource consent only allowed 5 cubes a day.
4. Too many private vehicles on the main wharf, these should be operational vehicles only. WIP/ New traffic flow and access will correct/ Better with new traffic flow system, may shift waste oil to assist with private entry. Waste Oil access a problem
5. Port Induction W.I.P. Being encompassed with port repairs and pending rock contract. Being actively progressed Brought in PON to assist/Tablet set up and induction being finalised roll out in July. Online QR code set up and roll out imminent roll out 1st Jan
6. Oil Spill kit being capability being fitted in with NPD lease once signed and their Tier 1 response is submitted. Oil Response Tier 2 trailer being installed at Harbour Master depot in Moteuka. TBA of Delivery/Trailer purchased awaiting oil response gear from Maritime NZ. At this stage no Tier 2 oil spill is being located at by MNZ. PT has options on Tier 1 oil boom but at a cost
7. New Integrity security system in place which will allow the port to roll out required security in the future. Barrier Arms connected to this system now. Sifer Card system to be spread to all gates. To be activated 2023/to be implemented with new traffic flow/Back gate being automated and Sifer cards will be issued with each induction completed. This being done in conjunction with QR Code roll out
8. Vehicles stopping at gate entrance creating bottle neck. Increasing problem/ Roading dept and Port working on a solution/WIP/ Still WIP
9. Speed past the port too fast/ WIP/Need speed reduction/ Still WIP
10. Current Car parking near the rock will have to be closed when the ramp and old wharf are up graded, there will be limited parking on the centre breakwater. Talley's yard will have to be utilised.
11. Dust suppression equipment has been purchased and will be trialled when have access to efficient water supply, More types will be add when we get to grips with wind and flow air etc.
12. Ladders have all been extended.

Port operations update

1. New Wharf and Ramp construction to start in February.
2. Dave Brownlie has retired so on the look-out for suitable replacement.
3. The temporary walkway will stay in place until the end of February as large 18 metre poles need to construct on the inner arm for the concert marina.
4. The new concrete berths need to be occupied as soon as possible by the Mussel industry as we have serious interest from recreational users.
5. Still strong forward permanent bookings. Almost no room for regular summer visitors. Fully booked for summer period/ Still strong bookings and berthage at capacity/ Berths at capacity/ Having to shuffle existing berths to accommodate upgrade.
6. Rock contract for wellington Walkway going ahead/ Presentation of operational area submitted/ Contract underway and working well with temp ramp. Still working well
7. Weighbridge usage starting to increase after quiet couple of months. A couple weeks away from harvesting/ Weigh bridge use ramping up/ Forecast is encouraging. Slow start to season but picking up
8. Too much product being left on port for extended periods. Slight improvement. Being monitored casual visitors can be problematic/ WIP/ Has improved/ Has been very good during up grade, long may it last.
9. New weighbridge software to be fitted Port users should have access to their transactions on a daily a basis. Hard ware hold up has curtailed this implementation. WIP/ nearly Implemented/Installed and being tested. Almost ready to go after Starlink fell over and IT issues.
10. Drivers need more explicit info to make the weighbridge system work. MPI declaration must be with Drivers Dockets. When crop gets in full swing, we'll be able monitor. Still issues/Penalties being implement from 1st of July. Many new drivers so companies have to be vigilant on info supplied
11. Heron Construction contract underway and sensitive rocks removed with no issues. Main wharf will have a third closed off at time whilst fendering repairs are be done. Fendering nearly completed and on the whole everybody worked well together
12. Some vessels are struggling to get insurance because of age and materials. Most have insurance the ones that haven't will be leaving until they can, working with individual vessels.
13. Western breakwater road will be reinstated when all pipework and drainage is completed, Break water road repaired, road around boat done in conjunction with drainage.
14. Too much water in waste oil container costing thousands to extract. Becoming a major issue.
15. Cruise Ship booking for Late Jan 2026. Traffic management needs to be in place prior.