

Minutes

Port Tarakohe Advisory Group

Date and Time: Wednesday 15th September 2021, 12.30pm

Venue: TDC Takaka Service Centre, Takaka

Present: Cr Celia Butler – Councillor (Chair) Tasman District Council

Mike Holland – Clearwater

Dan Hames – Port Tarakohe Services

Martin Potter – Tarakohe Marina Association

Graeme Baigent – Pohara Boat Club

Merv Solly – Sollys

Logged in remotely: Ned Wells – Marine Farming Association

Bob Butts - Port Tarakohe Ltd

Apologies: Barney Thomas – MKM

Dean Higgins - Kono

In attendance: Nick Chin – Enterprise Portfolio Manager, Tasman District Council

Steve Tennant – Port Manager Tarakohe, Tasman District Council

Andrea Meldrum Enterprise Portfolio Officer, Tasman District Council (minutes)

Graham Rimmer - Tasman District Council (for first part of meeting)

Meeting opened at 12.30pm

1. Welcome

The Chair welcomed everyone to the meeting.

2. Apologies

Apologies from Dean Higgins, Barney Thomas

Moved: Celia Butler, seconded: Merv Solly

3. Minutes of previous meeting – 3 June 2021

That the minutes of the previous meeting are accepted as a true and correct record of the meeting.

Moved: Merv Solly, seconded Martin Potter

4. Action items from the previous meeting

Spill Kit:

Steve spoke about research on oil spill kits - we should have tier 2 equipment on site and supplied by Maritime NZ, cost is up to \$100,000. It has to be replaced and checked on a regular basis so ongoing cost needs to be factored in. Steve is convinced Maritime NZ should pay for this and will keep pushing for this to be done, he is doing a working paper. The commercial committee will be updated.

Stantec Report:

Stantec report has distributed since last meeting.

5. Health and Safety Update

Council (Communications Department) is taking over the Snapit camera system including upgrade. May be in conjunction with item 6 below.

Still working through an updated contractor induction system more appropriate for port operations. WIP first draft with H&S. Once the final layout of the port is determined we can then complete a suitable induction form.

Attaining a Maritime NZ spill kit is still a priority. Steve is asking Maritime NZ why other ports are funded and this port isn't. Meeting with Ports of Marlborough postponed due to Covid. Rescheduled for early Oct.

Access system to be upgraded with total port on one set up. Initial hardware about to be implemented in the next week.

Serious assault incident - individual spoken to and has been advised of obligations

Lighting Tower past its use by date and new lighting format has been devised and costing supplied. Three poles for the lights and one pole will have a camera on it. Lights will be shining directly down.

Mike Holland spoke about wharf/fuel ladders. A good solution would be if the ladders had side bars for hands rather than using ladder rungs. Steve said fuel should be at end of concrete. Nick said NPD will be shifting the fuel bowser. Nick will report back with timeline. Timber is rotten on fendering. Fendering is being upgraded. Council will undertake to make the ladder safe regardless of impending NPD actions.

6. Port operations update

20 berths and 10 moorings on wait list, more requests coming.

Port Tarkohe requires a forecast of future mussel vessels expecting to come and operate in the bay

Exceptional mussel crop across weighbridge up 1000% in this financial year so far.

Mike said the Collingwood block mussels have fattened in the winter. Markets are coming back. Getting them out of the country and staffing factories are challenges. Ned said he would like to start adding vessels into the bay tomorrow, but if there's nowhere to berth them, it's a problem. They've had to berth a ship in Nelson instead. Merv's opinion is the mussels won't go away, but the transporting might. It looks like the cycleway will be going ahead February 2022. We need to start making some sort of facility that caters to new boats. Celia said one of the new mussel farms is already bringing through a huge increase.

Storm events have delayed Diving Services

Upgraded barrier arm and operating system is almost there. The system has been tweaked so daily passes can be added on card system. There will be no cash. Kiosk being built by Nelson alarms. Steve Tennant to liaise with Chris Choat to communicate change to community

Power cable installation should be started in the next 2 weeks

Temporary toilet at boat ramp will be staying there through the next summer at least.

In discussions with Daniel Smith (Daniel Smith Industries) and Graeme Boon from Rakua Engineering for upgrading concrete wharf/ fendering buffer system. Will also approach Heron Construction for scope of work.

Minor storm damage around the marina mainly snapped ropes, however this is starting to be an ongoing theme. Breakwater arm extensions will help.

Graham Rimmer presented a map for Bob Butts regarding pumping station (Graham left meeting at 1.08pm)

8. Financial update/Nick's report

Report below – Nick spoke to the information included. Merv feels the resilience ramp would be better off in another area- rather than dredging in the proposed site. Merv and Nick will walk through Port and discuss other options.

Council has asked Nick to submit proposal for funding from the Strategic Partnering Fund.

Dan said it has been confusing as he's come across resource consents that have been lodged by Stantec which don't match up with plans. Nick said the dredging resource consent is on hold and will talk with Stantec and respond to group.

Bob said we make money immediately from new marina berths. Mike said the marina has been there for five years and it's paying for itself and it concerns him that they've been waiting so long to have toilet and showers and if the recreational side is to be moved, those facilities will be in the wrong spot. They are viable users and paying their way – why are they missing out on facilities? Dan said we should have diverse income streams coming into port. Ned said the TDC will have to take some risk and fund the asset. Bob said the wharf can cope with increase in use, problem is fitting all the boats in (berthage). Mike said there's 15 years of historical data and the marina is profitable but issues with wharf and marina are getting confused. Merv said it's disgusting how much has been spent on consultants' reports. He also said we've got 20 new customers so we should build 20 more berths. Dan said all other marinas make money. Mike said a lot of mussel boats are coming in at the same time due to weather - a 100m wharf could process 400 tonnes in 1.5 hours.

Celia said the main issue coming through from discussion today is berthage.

8. General business

Moving the ice tower (in Nick's report), new funding options and oil spill kit were discussed earlier in meeting.

Nick distributed a map of proposed fence line to protect the little blue penguin colony. Bob said the fence protects the penguins from tourists looking into the nesting boxes – he supports the protection of the birds. Ned wants to make sure the port plans aren't stymied by protection areas. Nick wants feedback/concerns regarding the fence. Martin said if recreational marina users are moved to the western side, the relocation plans may be compromised by protected areas. Merv said denying access to people fishing on the arms will be an issue. Mike wondered why penguins can't be moved. A site meeting will be arranged.

Ned said the new funding is a very similar model to PGF.

Martin said marina users were consulted for feedback. Feedback received included recycling, ablutions, pets on boats, dingy berths and that the 3 knot limit within the port is not being adhered to. Steve will follow up speed limit and recycling facilities.

Nick thanked everyone for their time and input and closed meeting with a karakia.

Meeting closed at 2.24pm

Next meeting proposed 12.30-2.30pm 30.11.21 at the Pohara Boat Club

Action Log – 15.9.21

Action	Assigned to:
Timeline for shifting fuel bowser	Nick Chin
Liaise with Chris Choat to communicate new info re barrier arm	Steve Tennant
Discuss alternative locations of resilience ramp	Merv and Nick
Site visit to be arranged with PTAG members	Nick Chin
Talk to Stantec and respond to PTAG	Nick Chin
Reminder about 3 knot speed limit within port	Steve Tennant
Recycling options for marina	Steve Tennant

REPORT TO THE PORT TARAKOHE ADVISORY GROUP

Meeting 15th September 2021

Summary

1. Port Tarakohe ended the financial year (2021-22) with an EBITDA of \$352k. This was 42% higher than the budgeted \$248k (or a positive \$104k variance). The surplus was primarily due to lower costs and a \$111k credit.
2. Revenue for rock wharfage in particular was lower than anticipated due to Contract delays. Revenue was \$55k below budget (↓8%).

Revenue

3. Overall revenue for FY 2020-21 was \$658k. This is a variance of \$56k (↓8%) below budget. Revenue for the previous year was \$595k. This variance was primarily due to mussels (-\$10k below budget) and rock wharfage (-\$39k below budget).

Expense

4. Total expenses for the 2020-21 FY are \$306k. Please note this included a -\$111k credit for professional fees associated with the PGF funding application.

Profitability

5. EBITDA for FY 2021-22 was \$351k, with a positive variance of \$104k (↑42%) compared to budget, mostly due to the credit in professional fees (see above).
6. Depreciation was significantly below budget (\$227k vs \$609k) due to the reconsideration of the level and timing of redevelopment at the Port.
7. Port Tarakohe surplus for FY 2020-21 was -\$15k. Although a small deficit, this is considerably lower than the budgeted -515k.

Operational Matters

8. Demolition of old timber wharf: This is in progress and planned for February 2022. The timing has been adjusted to allow penguins nesting in the rock wall to fledge. The proposal is to remove the horizontal timbers and leave the piles in place. This is significantly less

costly and mitigates any risk to penguins. The cost of this work is an operational cost so will impact the 21/22 financial operations result.

9. The installation of a new power cable takes place in September. This has been delayed by a couple of months due to supply chain issues.
10. The relocation of the Talley's Ice Tower has been paused following concerns expressed. A business case will be required to justify this initiative now planned for 2023.
11. A Resource Consent for dredging is underway. This will be a requirement for the proposed improved commercial berthage, a new recreational marina and Ice Tower relocation. Whilst these initiatives are still at planning stage and require a business case, the RC lasts for 10 years and will not hinder progress.
12. New rules and license agreements have been implemented for all users. There are delays with the roll-out however all berth holders should be signed up by the end of September 2021.

Plan for 2021-22 to 2023-24

13. TDC's recent (June 2021) aquaculture review highlighted issues with on-land infrastructure primarily related to the facilities at Port Tarkohe, which are seen as not fit for purpose and dangerous at times. Particular concerns were expressed about how the port infrastructure will cope when mussel farming is at full production, with issues being experienced now when farming is not fully developed.
14. As a consequence, Capital Works for the next three years will focus on the following;
 - a. Removing the old wharf. A new facility will require a Business Case including an agreed design with costings;
 - b. Repairs and improvements to the concrete wharf. This is subject to the spalling investigation currently underway and projected costs.
 - c. Infrastructure and H&S repairs.
 - d. Improvements. This includes services and the development of a business case for an expanded commercial berthing facility with a new ablution facility.
 - e. Resilience improvements. A ramp and the potential to utilise this for rock barges will require active consultation.
15. The budget for costing, design and implementation of works is c\$3M over 3 years (figure 1 below). Further funding is likely to be required.

Opportunities

16. The new Regional Strategic Partnership fund is an opportunity to re-apply for development funding. Port Tarakohe meets all of the funds' criteria. There are no limits to this fund however, applications above \$20m will require Cabinet approval. The issue of equity and loan funding vs. grant funding along with commercial risk management will still need to be resolved. An application will be made this year.

Forecast

17. Financially, Port Tarakohe will break even at best in FY 2021-22.

Action	2021-22	2022-23	2023-24	Notes
Deferred maintenance and H&S				
Replacing the wooden wharf				
Old wharf top removal				Feb-22
Costs and design				
Install new wharf				
Repairing the concrete wharf				
Spalling investigation				In progress
Carry out repairs				Determined by urgency
Spec. Fendering repairs				
Implement fendering repairs				
Infrastructure and H&S repairs				
Light tower removal and replace				
Road entrance improvement				
Port security (software and cards)				
Road/Yard drainage				
Outside breakwater storm protection				Spread over 3 years
Oil spill kit				
Improvements				
Power /water / sewerage yard				In progress
New office and ablution block				
New ablution Design and consents				Consult stakeholders
New ablution Install				
Improve commercial Access				
Plan and costs to relocate recreational				Consult stakeholders
Relocate recreational				Requires funding
Dredging Resource Consent				In progress
Dredging				Requires business case
Design new large berths				
Install new berths				Requires shifting recreational boats
Swing mooring				
Icetower relocation				Requires business case
Resilience				
Design inner breakwater				
Construct inner breakwater				Requires business case
Cameras				In progress
Barrier arms upgrade				In progress
Resilience ramp		?		Review location
Relocate fuel bowser				

Figure 1. Capital works plan 2021-24