

# STAFF REPORT

**TO:** Council Enterprises Subcommittee

**FROM:** Port Tarakohe Administration Manager

**REFERENCE:** A303

**DATE:** 12 February 2006

**SUBJECT:** Port Tarakohe Report February 2006

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A lot has been happening since my last report to this Committee

1. Payments for the aquaculture line charges for the period to end June 2005 have all been paid save for one party and negotiations are underway to recover this money. There has been some 'arguments' over the amounts of the charges and also where charges have been made for mussel farms who state that they do not use the Port Tarakohe wharf facilities. I would thank the Harbour Manager Allan Kilgour and Accounts Administrator Suzanne Kinloch for their work in getting these charges paid and anomalies sorted.
2. Council will be aware that the backbone line levies were included in a proposed memorandum of understanding (MOU) with the marine farm industry as a way of simplifying charges in relation to wharfage and storage. The MOU agreement included the promissory undertaking to replace and upgrade the existing old wooden wharf. The earmarked funds for this have already been set aside but I believe that alternatives using the existing main wharf and upgrading the wooden wharf for light storage only may be a more cost-effective option and I will be discussing this and other matters with representatives of the marine farming industry in the next few weeks.
3. Currently both Allan and I are focussing on ways to improve revenue streams from the port. Allan has been extremely helpful in 'finding' berths that we can charge out for and I have instructed Allan to permit the use of the five vacant commercial berths for recreational use (for which we have a waiting list) on a month to month basis. Allan also has an arrangement with permanent berth holders that when they are away for extended periods an agreement is made between the port and the berth holder that the empty berth can be re-allocated for temporary use and the additional income is split between the berth owner and the port so it's a 'win win'. The only problem is if the permanent berth holder returns unannounced, Allan has to 'shuffle the pieces' to get everyone a space. Thankfully the boaties are usually very cooperative and Allan has a very good relationships with them. The news of the renewal of the dolomite licence has been welcomed as this major industry in Golden Bay is a significant user/customer of the port.

4. During the summer break period there was a big swell combined with a high tide that has caused some damage to the eastern inner arm of the harbour wall. At the time of writing this Allan is still looking at ways we can fix the damage at minimal cost but the early verbal indicators was that it could be as much as \$3000 but is an amount that is below our insurance threshold. The damage is indicative of the need to look at extending the western inner arm so as to provide substantially reduced wave action within the inner harbour during storm events. I have included this item in strategic planning notes which at the time of writing this report are still to be discussed with the CEO and Corporate Services Manager.
5. You will recall that I presented some photographs and had an estimate for extending the berth piles at the marina as we had a complaint from one commercial user that the low height of the piles was a hazard when berthing at high tide. Initial costs were \$2,262.00 but Allan has now chased up a cheaper option that will cost circa \$750 and I have instructed him to proceed with this on the berth in question. No other berths are being considered at this stage for the extension (note several piles have already been extended).
6. We have an anomaly with the power supply at the port in that the main supply goes to Talley's ice tower and the marina power is fed directly from that. The issue has been raised by Talley's works manager and I have organised for a separation of the meters so that the port will pay for the electricity charges and bill Talley's separately for their usage. The cost of fixing the problem and providing an additional meter is circa \$1000.00 and I am currently getting quotes for this work to be done. Following from this we can also look at regularising the lease arrangements for the ice tower and also the Mobil fuel facility which I believe have no formal lease arrangements at present.
7. Water supply to the port comes from the old cement works supply and the supply whilst being adequate is unprotected and is therefore not considered to be of potable quality. In discussion with the Harbour Manager and Environmental Health Officer it has been considered that the most cost effective way of dealing with this is to treat the supply going to the marina only. This would involve an 'off-the-peg' cartridge filter and UV steriliser that would be activated only when water flowed. Costs are yet to be obtained but it is hoped a package for under \$2000 can be obtained.
8. I have had some preliminary discussions with the Harbour Manager regarding getting internet facilities to the port. There are a number of options available and if we can work in with the Pohara Boat Club it may be possible to provide such facilities at minimal cost. The advantage would also be to develop information on the Council's web site about the port including charges and also provide an internet booking form for berths or for enquires regarding wharfage.
9. Currently I am trying to have at least weekly meetings with the Harbour Manager augmented by regular phone contact. I believe things are going well at management level but the short-medium term fiscal strategy has still to be

undertaken by the Corporate Services Manager and once the LTCCP process has been sorted it is hoped that this can be done.

## **RECOMMENDATION**

That the Port Administration Managers report be received and that payments for the matters of unbudgeted capital expenditure noted in this report (pile extension, electricity upgrade and water treatment) be approved.

B Askew  
Port Tarakohe Administration Manager