

# Community Reference Group

Minutes of Meeting held on Thursday 9 March 2023 at 5.30pm

Venue: Rakino Room – Ports of Auckland and via MS Teams

**Present:**

<b>Name</b>	<b>Organisation</b>
Roger Gray	POAL – CEO
Julie Wagener	POAL – Head of Communications
Harriet Somasundaram	POAL – Communications Specialist
Nigel Ironside	POAL – Head of Sustainability and Environment
Alistair Kirk	POAL – GM Infrastructure
Sarah Trotman	Waitemata Local Board Member
Luke Niue	Parnell Community Committee
Tom Mullen	Parnell Community Committee
Mike Blackburn	Parnell Community Committee
Michael McKeown	City Centre Residents Group
Ardeth Lobet	City Centre Residents Group
Bill Endean	Local resident
Bruce Burton	Local resident
Terry Anderson	Local resident
Lyn Anderson	Local resident
Dennis Knill	Local resident
Gayle Bennett	Local resident
Paul McLuckie	Local resident

**Apologies:** Tim Coffey, Bob Tait, Rob McKnight, Rick Ellis

## Agenda

TIMING	AGENDA ITEM	OWNER	SLIDE
5:30pm	<b>Welcome and confirmation of last meeting's minutes</b>	Roger Gray	
	<b>General Business Update</b>		
	<ul style="list-style-type: none"><li>• Half year results</li><li>• Te Moananui Trust</li></ul>		
5:35pm	<ul style="list-style-type: none"><li>• Stevedoring code of Practice</li><li>• Dynamic Rostering</li><li>• Four high straddle carriers</li></ul>	Roger Gray	3
	<b>Infrastructure Update</b>		
6:00pm	<ul style="list-style-type: none"><li>• Engineering building</li><li>• Holicim chimney</li><li>• The Strand</li><li>• Stormwater overflow pipe</li></ul>	Alistair Kirk	4-5
	<b>Environmental Update</b>		
6:20pm	<ul style="list-style-type: none"><li>• Noise, Air, Light</li><li>• Neptune update</li></ul>	Nigel Ironside	6-8
6:40pm	<b>Any other business</b>	Alistair Kirk	9
7:10pm	<b>Close</b>	Julie Wagener	

### Open:

#### **General Business Update – Roger Gray – CEO**

Roger opened the meeting at 5:36pm.

**Half yearly results** - Ports of Auckland made around \$25m last financial year (FY) from operations. We made a significant loss with the write off of the automation software. This year at the end of January we are at \$26m with 5 months to the end of FY. POAL budget was set at \$35m in March 2022 when Roger arrived at POAL – this was a big stretch to go up by \$10m. POAL have now given guidance to Auckland Council that we expect to finish the FY between \$42m - \$45m. This will enable us to pay a dividend to Auckland Council that is meaningful. POAL have been frugal with capital, repaying debt, earning more money. We now forecast to pay \$30m full dividend to council and have paid an interim dividend of \$15m.

**New four high straddle carriers** - The port currently stacks containers 3-high. Empty containers are stacked higher. We have a restrictive footprint of 77ha, so we are very tight and work this block of land hard. Automation started 5-6 years ago with an objective to safely move to stacking containers 4-high. When automation was in the conception phase, it was not common to have manual straddles stacking 4-high.

Technology has moved forward and now it is common for manual straddles to stack 4-high.

At the beginning of March POAL commissioned five new 4-high manual straddles. These will not be operating at 4-high right away, as we still have the rest of the fleet stacking 3-high. We are beginning the process of converting the blue automated straddles into manual straddles by adding a cab onto the end. These will be phased in and replace our 3-high fleet as they reach end of life. We will transition over the next 2 years to become a 4-high port. This will give POAL 30% more volume and sufficient capacity to operate within the current footprint well into the 2030's. These new straddles are also 22% more fuel efficient than current fleet. This is an exciting kick off.

**Safety** – Safety continues to remain critical for Roger, the Executive, and the Board. In conjunction with Maritime Union NZ and third-party stevedoring companies C3 and Wallace Investments, we have developed a Stevedoring Code of Practice. This is a minimum standard on how you should safely load and unload a ship. This sets a base level of safety – everyone must work to this code of practice.

**Berth windows** – POAL relaunched berth windows on March 9. We as a sector stopped running on schedule, due to COVID-19 and automation. Like aviation returning to flight schedules, Port of Tauranga, Lyttleton Port Company, Napier Port, and Ports of Auckland are returning to berth windows. There will be difficulties, but we hope to see the same ship turning up Monday morning at the same time. This will also allow for better allocation of labour to shifts.

**Dynamic rostering** – Created out of a need to allow stevedores to apply for leave in advance. In conjunction with unions, we have built a rostering system for stevedores to apply for leave when they need it. The unions have given us flexibility to surge and move our workforce - If a ship runs off schedule, we can adjust our workforce to meet the work demand.

**Te Moananui o Toi Trust** is now established with Protect Aotea. Ports of Auckland has committed to investing \$1.5m over 15 years toward improving the health of the Waitemata Harbour and Hauraki Gulf.

This is an independent trust, Alistair Kirk (POAL) is a trustee with Kelly Klink from Protect Aotea. We are going to get a small webpage set up to outline objectives, criteria, what we do grant funding for, what we don't. A positive solution to put money to effective use.

Mike Blackburn asked – Is the trust a mediation set up?

Alistair Kirk – No it is for healthy harbour initiatives, PHD scholarships, alternatives for sea-based disposal. People can apply for grant money.

This trust is set up to improve the harbour – mussel bed restoration, seaweed planting. This is an important initiative as we have a responsibility, along with mana whenua, multiple iwi, to make the harbour a better place. Over the last one hundred years it has not had that approach.

Ardeth Lobet asked – Is the port the sole funder of the trust?

Roger Gray – At this stage, yes. This commitment has been made for 15 years to ensure longevity of the trust.

## **Infrastructure Update – Alistair Kirk – GM Infrastructure**

**Engineering building project** – We are relooking at this currently. Previously we have shared designs with this group. We are looking to reconfigure the existing workshops. We will provide further information when we have this.

As technology further advances, we need to consider that this might be the last generation of 4-high straddles. Straddles have a 15-year life span, so we need to consider that a new Engineering workshop with a 50-year lifespan might not be the best option moving forward.

**Holcim** – Holcim lease Shed 1 on the port. They bring in fly ash in from overseas which is used as a substitute in cement to make concrete. Fly ash is a biproduct of a process around burning. It is ground up like powder. Cement is an intense product to make and mixing in fly ash makes the concrete a lot less porous. The fly ash comes into Shed 1, a machine dries it and grinds it up.

On the north side of Shed 1 Holcim will be erecting a chimney/vent to release the steam from the production. It will stand at 3-4 metres above the roof of the shed and it is not visible from the footpath. Holcim has resource consent already approved. The chimney will just release steam, no particulates.

Holcim take the product from Shed 1 and blend it with the cement in the Holcim dome. It is fully enclosed and there is no noise. This process converts a waste product (fly ash), adds value to the cement by drying the flyash, grinding it, and adding it to cement in the dome. Holcim will be dispatching multiple blends of products from where the dome is. Holcim is not a batching plant.

**The Strand** – POAL had a visit from Auckland Transport (AT), they said we are looking at a concept around freight lanes (bus, trucks). POAL had a number of comments and feedback. Waiting for results. Very much in favour of having something that keeps the trucks flowing. Additional traffic light proposal with which we are uncomfortable.

AT have asked for information around truck patterns to help understand the flows. They are collecting information at the moment, and we are waiting to hear.

Question from Sarah Trotman – Could you circulate to CRG members what is being proposed and what engagement AT and Waka Kotahi have had with key stakeholders. The Strand is a complex road with so many different stakeholders. From a safety perspective, people have waited long enough.

Dennis Knill – Do you know how many trucks are coming through The Strand? What are the truck movements per annum at the port?

Alistair Kirk – At the port we see around 1200 trucks a day, excluding Sundays. A lot less on Saturdays. 7000 a week, 350,000pa – one way.

Mike Blackburn – Is this [traffic on the strand] a solvable problem?

Alistair Kirk – We would love to see the city loop finished. AT and Waka Kotahi are working together to try and solve these problems.

Roger Gray – Please submit. Minister Wood and Mayor Brown have agreed to create a transport plan for Auckland, for all forms of transport including freight. As a community group, you can ask for The Strand to be a priority and to be completed.

We are looking at how we can increase the volume of cargo to and from the port via rail – likely to stay at 20% unless we get massive rail infrastructure. The Central City Rail Loop (CCRL) is the work that is happening outside the port – this is where they park the trains during off-peak. There is a third line down through Middlemore down through Wiri and Manukau that is under development. This will allow POAL to move to 24/7 rail, at the moment we can't use 24/7 rail due to commuter trains.

CRG member asked - There was an integrated port study for the North Island, has this disappeared?

Roger Gray – No, it is not still around. There is a port resilience study which is being completed by the ministry of transport, the draft has been completed and is with the minister now. The integrated port strategy for the upper north island is not part of that study.

There are various studies and reviews underway. We participate in all of them.

There have been a lot of resilience challenges that have become known in the aftermath of Cyclone Gabrielle. Gabrielle hit the upper north island hard. Napier and Northport were significantly disrupted – both were shut for an extended period of time. Ports of Auckland was closed due to a call made by Roger based on the presence of high winds. The minute the winds dropped down to a safe level, we started back up, with no damage suffered. This is a very sheltered harbour by the islands. We have just completed significant tsunami modelling. If there was a significant earthquake in South America, all ports in NZ would be compromised except POAL – because of the shelter from the islands.

Dennis Knill – This port is sitting on prime real estate.

Roger and Dennis had a discussion around the value of port land. Dennis emailed through the following link after the meeting, and it was requested that this link and Roger's response be included in the minutes.

RNZ link: <https://www.rnz.co.nz/news/te-manu-korihi/404747/auckland-iwi-eyes-ports-of-auckland-property>

**Roger Gray email response 11/03/2023:**

*Thanks for the link to the Radio NZ article regarding the port, alternate uses, and the desire of iwi to have it returned to develop. I note that the story implies Ngarimu Blair believes the port is worth \$6bn. Unfortunately, Mr Blair and several other people are incorrect in this assumption. Every year the port company is required to have the port land and assets valued as part of our annual audit. This valuation is based on the principle of "highest and best use" valuation. This valuation is then audited by our auditors and checked by the Auditor General. We publish that valuation in our annual report. The current "highest and best use" valuation of the 77ha of port land is around \$1bn. The numbers incorrectly*

*promoted by individuals external to the port are factually incorrect. I do appreciate the note. I hope this clarifies the matter.*

Mike Blackburn asked – Do you have an efficiency rate for how much land you use to process containers compared to other ports around the world?

Roger Gray answered – Yes, we do. Ports of Auckland has the highest rate of efficiency for use of land out of all NZ ports. The roll on roll off zone (Captain Cook and Bledisloe wharves) currently has a dwell time of less than 2 days. Diggers, trains, buses, cars. The Port of South Hampton is the largest roll on roll off operation in Europe and has a dwell time of 5 days. We pride ourselves on what we can achieve with 77ha. We are at a point where we are a very efficient, small port, punching our weight in terms of efficiency.

Tom Mullen – Does Ports of Auckland have ocean going tugs?

Alistair Kirk – Our tugs are not your typical ocean-going tugs. They sailed here on their own power from Vietnam, but we would not send them out to sea usually.

Paul McLuckie – Is it true the flooding on The Strand was due to the port preventing council to have access to build a storm water drain.

Roger Gray – This is untrue. This article was written based on information in 2013. There is a storm water drain well under construction.

**Storm water upgrade** – Auckland Council are putting in a new storm water drain that runs from Quay Street Mobile, under the port, and out into the harbour. Tunnel boring machine is 60% of the way through the port. This is making a 3.5m diameter tunnel. Council have collaborated with us for quite a few years on this project. In recent years, this solution has come to the forefront – an inverted siphon that goes under the port, and into the harbour. It does not impact port operations or Quay Street.

Question from the group – is this construction going to relieve some of the significant flooding that occurs on the Strand?

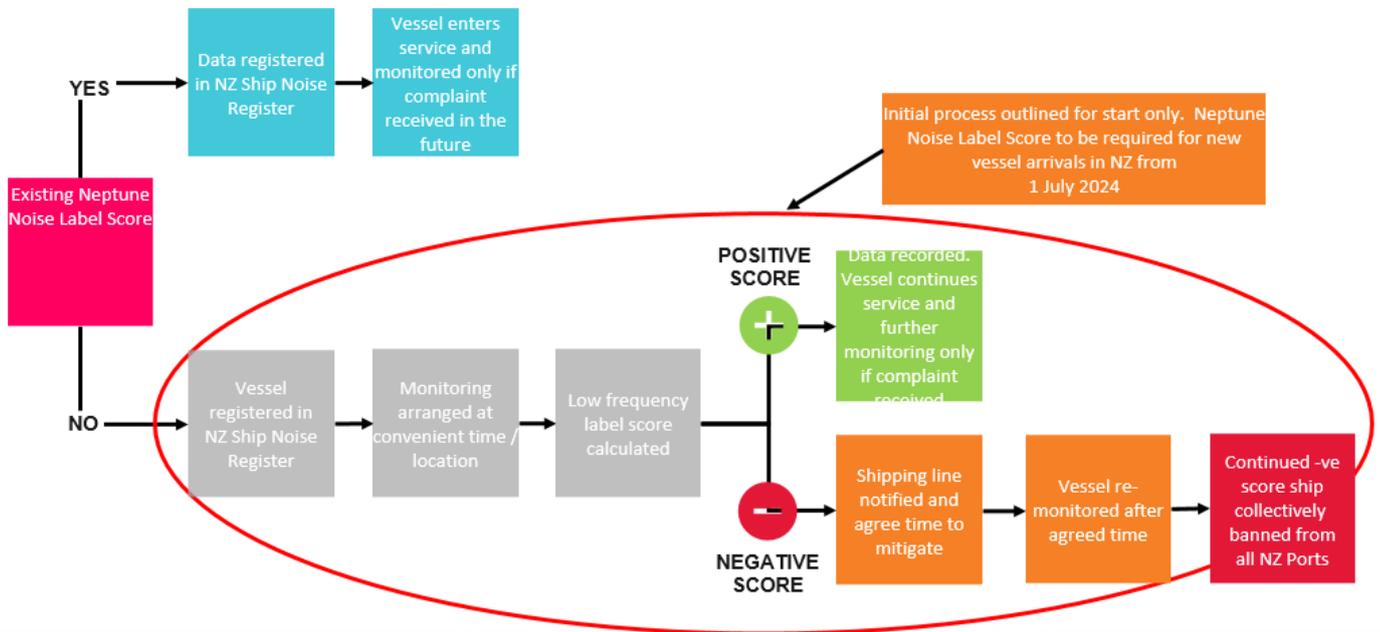
Alistair Kirk – We cannot speak to that directly for how this pipe will behave in a cyclone event (like Cyclone Gabrielle and Anniversary Weekend flooding). The purpose of the pipe is to take all the drainage from Grafton, the Strand, Quay Street.

The shaft sits approx. 4 metres back behind the seawall. The tunnel will go right through to the edge of the seawall. They will be breaking a section of our seawall and the outfall will flow into the harbour.

**Environmental Update – Nigel Ironside – Head of Sustainability and Environment**

Update on low frequency noise specification that has been agreed on by all NZ ports.  
 New vessel process for NZ services:

## New Vessel PROCESS for NZ Services



This new National process will come into effect June 2024. The period between April 2023 and June 2024 is an implementation process.

After April, any new vessel coming into NZ will be asked to provide a Neptune noise label score – this is an independently certified noise label for each vessel. If they can provide this, the date is registered, and the vessel can continue. If they do not have a Neptune score during this interim period, we have a methodology which is not as detailed as the Neptune noise system. We will monitor the vessel at its first port in NZ and we will derive a score that is equivalent to Neptune (but only focuses on low frequency). If that derived score is positive, the vessel will continue its service, and we will only revisit the vessel if we receive noise complaints. If it is a negative score during this interim period, we will be sitting down with the shipping line and giving them a requirement to mitigate that problem within 6 months. After that time, the vessel will be re-monitored and if the score continues to be negative, all the ports in NZ have agreed to ban that vessel.

The shipping lines have been made aware of this process. We have made it clear to the shipping lines that we are serious about this and will be enforcing it. We are at the bottom of the supply chain, so we get the rust buckets that are at the end of their life. We expect the smaller, older ships will drop out of the market in the next few years and we will get bigger ships. These shipping lines invest their capital in vessels heading east to west.

Dennis Knill – A criticism from Parnell residents is that this is a dirty port. In the last 48 hours there was a cloud of particulates over the harbour.

Alistair Kirk – We have had an issue with third party stevedores not following the correct process for managing this product and have been dropping it from height.

Dennis Knill – The port has been doing this for a long time and should know better.

Roger Gray – It is not Ports of Auckland unloading these ships and managing this product, it is a third-party stevedore company. We continue to monitor and intervene. Thank you for the feedback. If it continues to happen, we will review the operation.

Paul McLuckie asked – Cruise ships and some cargo ships keep their radar on. Concerned about the level of 5000w radiation coming straight into apartment windows.

Alistair Kirk – We are not subject matter experts on this. We will ask the marine team.  
***Notes from the Marine team after the meeting regarding radar. Radars are normally set to standby mode prior to berthing at Queens or Princes. The scanner maybe turning but it is not transmitting. Ships will shut down their radars in port to reduce running hours. Car ships at Bledisloe generally test their bridge equipment an hour prior to departure. This is international practice. You must be within a few metres of the radar scanner to be affected by it.***

NZ has signed up to the IMO fuel specification, from a sulfur point of view, the fuel vessels coming into NZ are using is better. We have a particulate study underway and will share results with the group when we have them.

Tom Mullen – Australia has 10 LNG facilities and another 10 in progress with half the amount of tonnage that Ports of Auckland is going through. This will reduce POAL emissions by 60%.

Roger Gray – There is no demand from the shipping lines in this NZ market for LNG. We will not build a capability before there is a demand. We are the fuel supplier for this harbour via our bunkership, the Awanuia. If there is a demand, we will look into providing this. If this is where things are going in the Australian market, they will likely send these vessels to NZ. Thank you for raising this with us.

Bill Endean – Straddle alarms are still going at night.

POAL – We have completed this issue with the straddles. We are unsure if this is POAL making the noise. We will investigate.

## **Any other business**

Dennis Knill asked – The reefer stack looked empty, is that indicative of this area being unused.

Roger Gray – That facility does not get utilised as much as we would like.

Mike Blackburn – Is converting the automated straddles to manual cost effective?

Roger Gray – We do not have an option. It is not cheaper to dispose of them. They are great pieces of equipment; we just need to get a cab on them so they can be used.

Dennis Knill asked – is there any rationality being given to making sure trucks come in full and leave full?

Roger Gray – The transport sector needs to produce a plan for that.

Roger thanked the group for their feedback and contribution and left the meeting early to attend another meeting.

Noise monitoring for Judge Street and Augustus Terrace – Nigel Ironside discussed noise monitoring options for these areas. We can put a monitor there for a period, but it will only pick up the bangs and crashes, also difficult to determine the source of noise.

Bill Endean asked – Why aren't all ships berthed bow south?

Alistair Kirk – We cannot put every ship in bow south, from a navigation and safety perspective. The pilot's preference is that the vessels face bow north so they can get the ships out easier and safer. There is a logic from a safety perspective to the way these ships are berthed. Generally, they will berth the noisy vessels bow south. We will talk to ops and come back to the group.

***Feedback from Marine Pilot - Berthing bow south is tricky on most of our callers as forward visibility is restricted. Either way we berth the ship, the noise for community members depends on the wind direction. Marine Pilot will try to attend next CRG to talk through planning and safe berth plans.***

**Julie Wagener thanked the group and the meeting ended at 7:10pm.**