

Community Reference Group

Minutes of Meeting held on 28 September 2016 at 5.30 p.m.

Venue: Tamaki Room, Ports of Auckland Building

Present:

Name	Organisation
Matt Ball	POAL
James White	Resident
Alexandra Ropati	POAL
Terry Anderson	Dilworth Terrace, Parnell
Lyn Eden	Dilworth Terrace, Parnell
Dennis Knill	Gladstone Apartments
Alistair Kirk	POAL
Yvonne Theuerkauf	Mirage Apartments
Tony Gibson	POAL
Mike Blackburn	PCC
Tom Mullen	PCC

Apologies: Graham Zuill, Michael McKeown, Ardeth Lobet, Pippa Coom, David Aitken

Business Update – Tony Gibson, POAL

Tony Gibson presented an overview of Ports of Auckland’s recent annual results, touching on financial, productivity, customer service and strategic initiatives. He also discussed the state of the industry at present referencing the recent bankruptcy announcement from South Korean shipping line, Hanjin.

Tony discussed new strategic initiatives in the supply chain and talked about the value added to customers as a result of these initiatives including development at the South Auckland Freight Hub.

He mentioned that the Ports of Auckland are working on a sustainability framework with Forum for the Future and intends to share plans at the next Community Reference Group meeting in December.

Discussing the first three months of the new financial year, he noted that the business is tracking well in regards to volumes. He noted that recently 14,000 cars were handled in an eight day period.

Mike Blackburn asked why container volumes were down in the last financial year and whether large vessels visiting Tauranga would affect Auckland volumes. Tony noted that some of the larger vessels visiting would still only have an exchange of 1,800 TEU on average.

Mike Blackburn asked if the Ports of Auckland had been talking to Phil Goff regarding a National Port Strategy. Tony mentioned that Labour have been talking about a National Port Strategy although is of the view New Zealand should be looking at a national supply chain strategy.

Dennis Knill asked if the Ports of Auckland board is able to act with autonomy to which the answer was “yes”. Dennis further asked who the POAL reported to which the answer was “Auckland Council Investments Limited”.

Tony Gibson noted that maintaining the POAL EBITDA to revenue ratio has been key and that POAL has preserved value this way.

Dennis asked what the ratio of capital to revenue is. Tony Gibson answered that POAL has a strong balance sheet.

Tom Mullen questioned whether 250,000 vehicles handled by POAL accounted for about 90% of the total trade in New Zealand to which the answer was “yes”.

Mike Blackburn asked if there were any plans for development, whether that be buildings, warehousing, manufacturing in the wake of the port study and unitary plan. This led into Alistair Kirk’s presentation.

Update from Alistair Kirk, GM Infrastructure

Alistair Kirk talked about the partial automation and shared with the group that the contract with Terex has been signed. Terex will supply automated straddle carriers for the main yard area and POAL will operate manual straddles under the cranes which will lead to higher productivity.

Alistair discussed that the project will be completed in stages before handing over to Terex to complete the project. He noted that the technology will be tested in areas in an end-to-end flow and that reefers will be relocated from the northern to the southern end of terminal.

Alistair noted that a new engineering workshop will have to be built due to the greater height of the automated straddles. The new straddles will be 15m high, compared to 12m for the existing straddles. It will be located near the rail entrance to the port roughly opposite the intersection with The Strand and Tamaki Drive. The workshop will have to be tall enough to take the new straddles, and the exact height would be determined by how much clearance was needed to allow work to be carried out on the straddles.

POAL has not yet applied for resource consent to build the new workshop. The old workshop will eventually be removed.

Mike Blackburn asked what the reasons for automation were. Alistair responded that the reasons covered capacity, reliability, easier to run machines, health & safety, cost and emissions.

Mike Blackburn asked about the Port Future Study and the triggers discussed in the report. He asked what will actually trigger a move and when. Alistair noted that POAL has concerns over the lack of futuristic thinking that went into the study and that it looked at activities in a very conventional way. He added that developments and technology will allow POAL to deal with capacity for at least another 20 years.

Mike Blackburn asked if POAL was building resilience into planning and whether there is an environmental obligation to the community. Tony Gibson responded that POAL will be benchmarking and setting standards.

Alistair gave the group an update on the Fergusson North noting that piling had begun for the berth and will be completed in December with the wharf deck to follow. He noted the work was programmed to be finished around September 2017. Tom Mullen asked for further details on the deck of the wharf. Alistair shared that it would be 30 meters wide, strong enough to take crane loads. He noted that the structure absorbs wave energy and was designed to minimise wave propagation.

Terry Anderson asked how wide the ships would be at Fergusson North to which the answer was a “32 meter beam”. There was discussion around mooring and shore power, which won’t be introduced at this stage.

Mike Blackburn asked if automation will require more power. Alistair noted that new cranes will require more power but POAL has plenty of capacity to cope with this. He noted POAL’s volumes are increasing but power requirements are dropping over time.

Alistair also discussed the new tug berth that will be operational in 2017 and the Waikato Freight Hub which will have earthworks commence in October or November. Mike Blackburn asked what the predicted move time between Waikato and the sea port will be. Tony Gibson responded that train timetables haven’t been established as yet.

Alistair talked about the Queens Wharf Dolphin and discussed with the group that Council and ATEED had lodged consent. There was discussion around who was leading the project and whether it would be notifiable.

Update from Matt Ball, Head of Communications

Matt Ball updated the group on complaints and feedback for the quarter, including two compliments received. There were five noise complaints, two of which were related to scrap steel loading. The others were environmental complaints including one about a powdery substance which turned out to be pollen and unrelated to the port. The other related to the loading of gypsum and soda ash in the wind in which the port are looking at ways to encapsulate the dust when loading.

There was some discussion around emissions and black smoke. Dennis Knill noted that there is increasing concern from the community. Matt Ball noted that the port can escalate issues of black smoke while at berth but they have less control when vessels are blowing black smoke on arrival or departure. He noted the shipping industry are aware that it is an issue. There was further discussion about black smoke and how to alleviate the issue.

AOB

There was no other business.

The meeting ended at approximately 6.47pm.

Next meeting: Wednesday, 21 December