

Community Reference Group

Meeting minutes

Thursday 7 September

TIMING	AGENDA ITEM	OWNER
5:30pm	Welcome	
	General Business Update	
5:35pm	- Annual Results	Roger Gray
6:00pm	Infrastructure Update	Alistair Kirk
	Any other business	
6:15pm	- Electrification of Cruise berth	Alistair Kirk
6:30pm	Close	Roger Gray

Attendees

Name	Organisation
Roger Gray, CEO	Port of Auckland
Alistair Kirk, GM Infrastructure	Port of Auckland
Julie Wagener, Head of Communications	Port of Auckland
Harriet Somasundaram, Comms Specialist	Port of Auckland
Roger Burton	PCC
Luke Niue	PCC

Allen Hu	University of Auckland
Terry Anderson	Dilworth Terrace
Lyn Eden	Dilworth Terrace
Mike Blackburn	PCC
Tom Mullen	PCC
Sarah Trotman	Waitemata Local Board Member
Paul McLuckie	
Tim Coffey	

General Business Update: Roger Gray CEO

Annual results – Port of Auckland announced annual results in August and are pleased to report \$45.2m underlying NPAT for FY23, compared to \$25m in FY22. The \$45.2m is \$10m higher than budget. We paid a dividend of \$30m to our share holder Auckland Council, versus our budget of \$17m. We have paid off \$42m of our \$450m in debt.

Safety Awards – Port of Auckland were successful at the Safeguard NZ Workplace Health and Safety Awards, winning the 2023 Collaboration Award. This was for our work with the Maritime Union NZ (MUNZ) and third-party stevedore companies, C3 and Wallace Investments to create a Stevedoring Code of Practice. The nation is currently working through a stevedoring code of practice for the whole of the port sector.

Staff Sponsorship scheme – Port of Auckland invested \$80,000 into employees to do things in their communities – such as sports competitions, community projects, new uniforms for school sports teams, international tournaments.

Literacy Challenges – English is not a first language for many POAL staff. We have started a voluntary programme to help our people learn to read and write. This environment is very text heavy with safety instructions and standard operating procedures.

Sustainability – We are continuing with our healthy harbour initiatives. We have a seabed regeneration piece of work underway. We have completed phase one of the replanting at Āwhitu Peninsula at South Head in the Manukau Harbour. 2.5ha is complete, and we have 38ha in total to replant.

Bonus payments – Port of Auckland and the board agreed to recognise all staff and paid a company performance bonus. This was only possible due to the solid over achievement of our company annual results.

Rebrand - Port of Auckland has dropped the 's' on 'Ports' to reflect that fact that we no longer operate the Port of Onehunga – this was sold back to the city several years ago.

Four-high straddles – Five four-high straddles have been commissioned and are fully operational. The conversion of the blue automated straddles to manual straddles has begun overseas.

Mayor's Review – Eke Panuku have completed a report on what the port land will look like if the port leaves and the alternate uses. This has gone to the community and Councillors have been briefed. This outlines a concept of what the port land could be used for – residential, recreational, parks, event centres.

GHD have done a report on keeping port operations as they are while operating on a reduced footprint. A few options have been put to Council. Only one option allows for retention of all four current trades, and that is the hand back of Captain Cook and Marsden Wharves. Port of Auckland announced we can support and facilitate that within the next five years on the proviso that a wharf is built on Bledisloe North Wharf to intensify operations on Bledisloe Wharf. Bledisloe cannot be handed back for another few decades.

Market testing is going on as to whether someone would like to secure an operating lease of the port – this has generated a lot of attention.

These reports are not available for circulation as they belong to Auckland Council. Council will meet at the end of September to discuss these matters.

Cruise – If a new Bledisloe wharf is built, the large cruise liners can come alongside instead of berthing at Fergusson North in the container terminal. This year will see 140 cruise ships and 300,000 people. We have the capacity to grow to at least 180 calls. This year we welcome Disney Cruise to NZ, and we will begin to see more all year cruising. Cruise ships will still largely remain on Princes and Queens Wharf.

Question from the group – Is there any movement to have a North Island port strategy?

Answer - Minister for Transport David Parker has released the National Freight and Supply Chain Strategy which calls for the development of a port strategy for NZ.

Question from the group – Is the car handling building going to be demolished or will it stay? If it stays, did resource consent incorporate having a park on the roof?

Answer – The resource consent was for the construction of the car handling building. There is a time limit on when construction must begin once consent has been given. This building was constructed within the 5-year time frame and there are no other conditions around the longevity of the structure. This building is not within the Captain Cook and Marsden Wharf area, it is on Bledisloe wharf. If we release Captain Cook and Marsden wharves, the need may present to build an additional facility to make up for the lost footprint. The current building is not designed to take extra floors and has reached the consented height limit.

Access charges - Access charges to the port in peak hours will be increasing to \$95.00 to push more volume into the night and to help relieve congestion in and around the port during the day. There has been an increase of 5% in trucks coming to the port after hours (between 7-9pm weekdays and Sat/Sun during the day). Still no bookings in the early hours. We have seen a collapse in the volume of containers going out on rail since KiwiRail have increased their charges - our rail volume has dropped from 12% to 8% and

this decline is expected to continue. Trucks are cheap right now as there is an over supply of transport in the country.

Potential to look at tolling and congestion charges from Council.

The cargo owners decide what mode of transport their cargo moves on – not Port of Auckland. Our prices have increased over the last few years as costs have gone up.

Infrastructure Update: Alistair Kirk, GM Infrastructure

There is major pavement work under way on the western side of the Fergusson Container Terminal. 30–40-year-old pavement is being strengthened to prepare for four high straddles.

Engineering workshop - Engineering workshop rebuild at the eastern end of the port is no longer going ahead. Finalising a location in the current engineering space (opposite Spark Arena) to build a new workshop for the four high straddles. Aim is to apply for consents later this year. Concepts will be presented to members of CRG.

Extension of Fergusson North (FN) berth – In the process of looking at consent for extending FN berth from the current eastern end to the current dolphin so the quay cranes can work the full length of the vessels that come alongside FN. The current berth was consented in 2001, and the ships are now larger (approx. 750,000TEU) than what the original consent was granted for. The channel deepening consent is for the depth of the larger ships that are coming in.

Electronic billboard – Working with Lumo. They are consenting an additional billboard to sit near the top of the Strand/Tamaki Drive and Quay Street. This will be the smallest billboard on the port.

Question from the group – Where does the storm water tunnel come out at the port?

Answer – Near the south end of Freberg wharf (the triangle wharf).

The tunnel has been completed and is not far away from being operational.

Question from the group – Is there any water quality monitoring in the [stormwater tunnel] area?

Answer – Yes there are conditions in the consent about water quality.

Any Other Business: Roger Gray

Question from the group about the conversion of the blue auto-straddles to manual straddles.

Answer – The hardware wasn't the issue with automation, it was the software. We are spending around \$16m to convert the auto straddles to manual straddles by adding driving cabs on them. This conversion will allow the phase out of the current fleet which are at/near end of life. The newly converted straddles will reduce diesel emissions by 25%. We have 27 blue straddles from automation (four high), five brand new yellow four high straddles, and three second hand three high straddles from CentrePort in Wellington.

Electrification of Cruise – Alistair Kirk

A request came through to discuss the electrification of cruise berths and if Port of Auckland were going to capitalise on Auckland Transport electrifying the ferry fleet – No, Port of Auckland will not be looking to electrify the cruise berths.

The power needed to charge a cruise ship versus a ferry fleet can be compared to charging an iPhone versus charging a Tesla. Two very different pieces of technology. A single big cruise ship will draw 3-4 times the amount of power Port of Auckland will draw in a nightshift.

We have investigated the electrification of cruise in the past, and a number of challenges were discovered:

- Not all cruise ships are fitted with plugs.
- The latest costings are approx. 20m euro per berth.
- The CBD electrical infrastructure would be under huge stress any time a cruise ship is plugged in.

The ships are now burning a low sulphur diesel. Findings out of Tauranga have shown the contaminants in the air have dropped significantly since the introduction of the low sulphur fuel. We expect we will see a similar trend here.

Question from the group – What are the plans for the current fuel barge [The Awanuia]

Answer – There are plans with the Board to replace the Awanuia with a larger ship as it's coming to end of life in the next 5 years. This will be replaced with a vessel that can provide a tri-fuel mix.

Further discussion about KiwiRail – refer to recording.