

1. Environment Management

1.1 Harbours

(a) Group overview

The Harbours Department had a busy start to the year with work required on a variety of navigational aides, and extreme weather events effecting some equipment at the Beacon Hill Signal station. While not quite falling in the quarter, the ground of the Rena has clearly been a major event which will have a variety of ongoing issues which will need to be managed by the maritime sector, including regional councils.

(b) Key results for the year

A highlight for the quarter was the Wellington Harbour Safety Management System being completed, and adopted by Council, in September. This has now been sent to Maritime New Zealand for consideration and approval.

Repairs were successfully undertaken on the Front Lead, the Barrett Reef Buoy, and the Pt Jerningham light.

After more than a year since it was damaged, the Kings Wharf Pile light was straightened back to vertical. Getting to this point required a lot of correspondence and negotiation with Strait Shipping and the relevant insurers.

Severe lightning events impacted electronics at the Beacon Hill Signal Station – this required some work to be undertaken on the main radar, which has now been completed.

In early August, the hulk of the abandoned fishing vessel Santa Monica was towed out of the harbour for disposal. This was a fantastic outcome as it had previously looked like this would be another abandoned vessel that GW would be required to dispose of.

(c) Looking ahead

Maritime New Zealand will review and hopefully approve our Safety Management System.

The ramifications of the Rena grounding will continue to play out over the next quarter (and longer). At some stage it is inevitable that the role of regional councils in oil spill response, and also in terms of the management preparations we have in place for oil spill response, will be scrutinised.

(d) Navigation aids

1 July – a broken battery terminal was repaired at the Front Lead after Met Service equipment stopped working.

28 July – an intermittent fault on the Barrett Reef Buoy light was found and repaired; this is one of the more challenging lights to work on as it never keeps still, and rolls around in the swell.

1 September – the battery at Pt Jerningham light was replaced after several early morning outages.

22 September – the Kings Wharf Pile was straightened back to a vertical position. (see photos on the cover of this report)

(e) Beacon Hill

Two severe lightning events over Wellington in August during snowstorms and hail storms impacted on some of the electronics at the station. Both radars were, to a varying extent, affected. The main radar, other than requiring some minor adjustment, is now back in operation. The ability for the back-up radar to provide data to the Navi-Harbour system will be restored once a part in the radar is replaced.

(f) Marine oil spill response

Three reports of an apparent marine oil spill were received, but an onsite inspection revealed a very light sheen that quickly weathered away in each instance.

On 20 July, the Deputy Harbourmaster audited the Tier 1 response plan of the Hutt City Terminal at Seaview, with a MNZ-audit representative present.

One KCDC staff member attended a Regional Revalidation Course in August.

The Harbourmaster and Deputy Harbourmaster attended the two-day MNZ Regional Council Oil Spill Response Annual Workshop held in Tauranga at the end of August.

The marine oil spill response equipment held in storage had its quarterly servicing.

The annual Regional Oil Spill Response Group Meeting was held on 15 September, at which a wide range of involved and interested parties discuss aspects of oil spill response in the region.

(g) Health and Safety

John Tattersall took part in the group internal HSE self assessment that highlighted areas needing attention before the external ACC audit.

The Beacon Hill garage floor was identified as slippery when wet; non-slip strips were put down to provide grip.

(h) Other events

With the assistance of Marico Marine Ltd, the Wellington Harbour Safety Management System was completed and was adopted by Council on 28 September 2011. It was sent to Maritime NZ on 29 September for their consideration and approval.

Interisland Line, Strait Shipping and CentrePort had their PEC (Pilot Exemption Certificate) training and proficiency systems approved by MNZ.

In mid-July the large motorised barge Patiki transferred two large 236-tonnes power transformers from a ship berthed at the main wharf at CentrePort to the Hutt River Estuary.

On 3 August, the hulk of the abandoned fishing vessel Santa Monica was towed away to Tarakohe for disposal, without incurring any expense to Council.

On 11 August, our two vessels, Sea Care and Amotai assisted Police in the search for a missing kayaker off Eastbourne. On-going shoreline monitoring was carried on for several days after this as well.

On 8 September, the 145,800 tonnes deadweight ironsands bulk carrier Taharoa Express became the largest cargo vessel ever to berth at Wellington when it arrived for hull repairs taking five days. A risk assessment was carried out with CentrePort before the vessel was allowed to enter and berth.

On 23 September, the Cook Strait ferry Aratere returned to Wellington after being lengthened and modified in Singapore. Following its arrival, Sea Care, operated by the Harbour Rangers, was used as a safety/standby and tow vessel for the liferaft and lifeboat exercises, part of the safety certification process. Aratere resumed commercial sailings on 3 October.

Between 29 September and 3 October 2011, the 11 ships of RNZN were in port for a Fleet Review to commemorate the 70th anniversary of the founding of the RNZN.

(i) Recreation

On 17 August, the Harbour Rangers attended a regular water users meeting for the Porirua Harbour.

Staff spoke at several meetings about our roles and functions; Wellington Yachting Association, Eastern Bay Sea Scouts and Royal Port Nicholson Yacht club season briefing.

Harbours had a safety information display stand at the boat show held at the Trentham Race Course over the weekend of the 3 and 4 September. This was staffed by the Harbour Rangers and some of our Honorary Enforcement Officers.

(j) Departmental financial reports

| Last Year YTD Actual \$000 | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Harbours Income Statement 3 months ending 30 September 2011 | Last Year FY Actual \$000 | Full Year Forecast \$000 | Full Year Budget \$000 | Full Year Variance \$000 |
|----------------------------------|------------------------|------------------------|--------------------------|---|---------------------------------|--------------------------------|------------------------------|--------------------------------|
| 293 | 300 | 300 | - | Regional Rates | 1,174 | 1,201 | 1,201 | - |
| - | - | - | - | Regional Water Supply Levies | - | - | - | - |
| 293 | 300 | 300 | - | Rates & Levies | 1,174 | 1,201 | 1,201 | - |
| - | - | 20 | (20) | Government Grants & Subsidies | - | 54 | 79 | (25) |
| 160 | 171 | 161 | 10 | External Revenue | 671 | 669 | 644 | 25 |
| - | - | - | - | Reserve Investment Revenue | - | - | - | - |
| - | - | - | - | Other Investment Revenue | - | - | - | - |
| - | - | - | - | Unrealised Revaluation Gains | - | - | - | - |
| - | - | - | - | Investment Revenue | - | - | - | - |
| - | - | 2 | (2) | Internal Revenue | - | 10 | 10 | - |
| 453 | 471 | 483 | (12) | TOTAL INCOME | 1,845 | 1,934 | 1,934 | - |
| 206 | 233 | 222 | (11) | less: | | | | |
| 84 | 88 | 87 | (1) | Personnel Costs | 883 | 911 | 911 | - |
| 11 | 11 | 12 | 1 | Materials, Supplies & Services | 344 | 350 | 350 | - |
| 23 | 14 | 16 | 2 | Travel & Transport Costs | 46 | 48 | 48 | - |
| - | - | - | - | Contractor & Consultants | 116 | 62 | 62 | - |
| 7 | 7 | 7 | - | Grants and Subsidies Expenditure | - | - | - | - |
| - | - | - | - | Internal Charges | 28 | 29 | 29 | - |
| 331 | 353 | 344 | 9 | Total Direct Expenditure | 1,417 | 1,400 | 1,400 | - |
| 15 | 17 | 15 | (2) | Financial Costs | 60 | 62 | 62 | - |
| 4 | 1 | - | (1) | Bad Debts | (6) | - | - | - |
| 68 | 76 | 76 | - | Corporate & Department Overheads | 273 | 303 | 303 | - |
| 30 | 31 | 28 | (3) | Depreciation | 119 | 111 | 111 | - |
| - | - | - | - | Loss(Gain) on Sale of Assets / Investment | (5) | (6) | (6) | - |
| 448 | 478 | 463 | 15 | TOTAL EXPENDITURE | 1,858 | 1,870 | 1,870 | - |
| 5 | (7) | 20 | (27) | OPERATING SURPLUS/(DEFICIT) | (13) | 64 | 64 | - |
| 30 | 31 | 28 | 3 | Add Back Depreciation | 119 | 111 | 111 | - |
| - | - | - | - | Other Non Cash | (5) | (6) | (6) | - |
| (14) | (1) | (6) | (5) | Net Asset Acquisitions | (82) | (77) | (77) | - |
| - | - | - | - | Net External Investment Movements | - | - | - | - |
| (23) | (25) | (23) | (2) | Repaid Debt | (91) | (94) | (94) | - |
| - | - | - | - | Net Reserves (Increase) / decrease | - | - | - | - |
| (2) | (2) | 19 | (31) | NET FUNDING BEFORE DEBT ADDITION | (72) | (2) | (2) | - |
| 14 | 1 | - | 1 | Internal Debt Additions | 61 | - | - | - |
| - | - | - | - | External Debt Additions | - | - | - | - |
| 12 | (1) | 19 | (30) | NET FUNDING SURPLUS (DEFICIT) | (11) | (2) | (2) | - |

| Last Year YTD Actual \$000 | YTD Actual \$000 | YTD Budget \$000 | YTD Variance \$000 | Harbours Capital Expenditure Statement 3 months ending 30 September 2011 | Last Year FY Actual \$000 | Full Year Forecast \$000 | Full Year Budget \$000 | Full Year Variance \$000 |
|----------------------------------|------------------------|------------------------|--------------------------|--|---------------------------------|--------------------------------|------------------------------|--------------------------------|
| - | - | 6 | 6 | Total Asset Acquisitions | 26 | 97 | 97 | - |
| 14 | 1 | - | (1) | Capital Project Expenditure | 61 | - | - | - |
| - | - | - | - | Asset Disposal Cash Proceeds | (5) | (20) | (20) | - |
| 14 | 1 | 6 | 5 | Net Capital Expenditure | 82 | 77 | 77 | - |
| - | - | - | - | Investments Additions | - | - | - | - |
| 14 | 1 | 6 | 5 | Net Capital and Investment Expenditure | 82 | 77 | 77 | - |

(k) Departmental financial summary in words

- Harbours have a net deficit of \$7k which is \$27k worse than budget
- Staff costs are \$11k more than budget mainly due to FBT costs for the April – June quarter which were \$10k more than the year end accrual
- Other costs are in line with budget
- The forecast has been updated to include the revised SLA with CentrePort for \$605k per annum.

(l) Departmental business plan performance indicators

| Performance Indicator | Achieved |
|---|---|
| Activity: Harbour Management | |
| <i>The Beacon Hill Harbour Communications Station will provide a 24-hour, 365-day service in accordance with Council-agreed operating standards</i> | The station remained in operation 24/7 over the quarter. |
| <i>Navigation aids will be repaired within 24 hours, weather permitting, and maintained in accordance with International Association of Lighthouse Authorities guidelines</i> | All Navigation Aids were maintained and/or repaired at the earliest opportunity. IALA Guidelines for availability were met for all navigation aids. Kings Wharf pile was straightened back to a vertical position on 22 September. |
| <i>Reports of oil spills in harbours and coastal waters will be checked within 30 minutes and clean-up action will be commenced within one hour of being reported (for harbours) and within three hours (for coastal waters)</i> | All reports of oil spills were checked within 30 minutes. |
| <i>All reports of unsafe behaviour will be investigated. Formal records will be kept of all reports. At least 500 safe-boating packs will be distributed to recreational boaties</i> | Over 300 safe boating packs were distributed at the boat show. |
| Performance Indicator | Achieved |
| Long Term Targets by June 2019 | |
| <i>There will be no significant accidents in the harbour or coastal waters.</i> | There were no significant accidents during the quarter. |
| <i>Reports of oil spills in harbours and coastal waters will be checked within 30 minutes and clean-up action will be commenced within one hour of being reported (for harbours) and within three hours (for coastal waters).</i> | All oil spill reports investigated as per required timelines (details noted in incident database). |

(m) Departmental risk analysis

We have reviewed our risks and no changes are required to the risk register.