

WHANGANUI

PORT

REVITALISATION

ZONE 1 – MARINE ZONE REFERENCE GROUP MINUTES – Meeting 5

Date: 7th June 2017

Time: 12.00 noon

Location: BNZ Whanganui

Present: Bill McDonald, (Vapour Consultants), Phil Wardale (Wardale Marine) Chris Miles (Vapour Consultants) Rowan McGregor (WDC, Manager, Special Projects) Bill Carswell, (WDC, Property Team Leader) Brian Smith, Paula Rodgers, Des Warahi, Barry Edwards, Kester Atkinson, Simon Brown, Bryan Farrington, Gil Button

In Attendance: Merle Benson (Minutes)

Apologies: John Jarvis (Vapour Consultants)

1. Welcome	<p>Phil welcomed everyone to meeting 5 of the Marine Reference Group and provided an outline of the agenda for the meeting.</p> <p>The group introduced themselves and apologies were noted.</p> <ul style="list-style-type: none">• Phil Wardale – (Wardale Marine Industry Consulting) Marine expert consultant providing advice to the wider Port Revitalisation Group and assisting with the development of the Masterplan• Paula Smith – Fluffy Duck Fishing Charters• Brian Smith – Skipper Fluffy Duck Fishing Charters operating 53ft vessel from No 2 Wharf.• Bryan Farrington – Wanganui Welding & Marine, providing marine servicing and aluminium fabrication.• Gil Button – Property Brokers Real Estate, interested in industrial use in the locality and general interest in the port development.• Bill Carswell – Team Leader, WDC, commercial possibilities for the revitalisation plan.• Chris Miles – (Vapour Consultants) Programme Manager providing support.• Bill McDonald (Vapour Consultants) – Lead Consultant to write Business Case for presentation to Government.• Rowan McGregor – WDC, Manager, Special Projects, part of the team in the Port Revitalisation Project.• Des Warahi – Community Development Manager, Castlecliff Community Development, looking to increase job opportunities.
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	<ul style="list-style-type: none"> • Kester Atkinson – master skipper for ocean going vessels, brings his business knowledge and experience from previous involvement with the development of the new marina development in Tauranga. • Barry Edwards – has a financial interest in the wharf and is wanting to invest in business at the port. • Simon Brown – AME – providing service to Q-West. <p>Phil added that it was great to see a good representation of businesses around the table offering support for the development, who are keen to make further investment in the project and to the anchor tenant, Q-West.</p>
<p>2. Minutes of last meeting</p>	<p>The minutes of the previous meeting were not available at the meeting but are on Council’s website at www.whanganui.govt.nz/port</p> <p>Phil spoke of the large amount of feedback received from the community and interested parties to the working draft Masterplan that was released for submissions in December 2016. He expressed his satisfaction at the large number of people who engaged with the project and provided their ideas and thoughts back to the Project Control Group. From the submissions received, refinements have been made to the plan and the intent of the meeting is to explain what components have been amended in the plan.</p>
<p>3. Master Planning Process to date Refinements Explained: Post public feedback & release of the “Working Draft Masterplan” Staging of the various components</p>	<p>Phil referred to the process to date for the development of the Masterplan and said he wanted to make sure everyone understands the plan and that what it is offering is of world class thinking.</p> <p>The incentive for the development of the Masterplan is that Q-West could not continue to operate the business in their present location as the lack of launching facilities and water depth hinders launching and retrieval of boats.</p> <p>Phil began his presentation of the Masterplan commencing at the eastern end of the plan with the following being noted.</p> <p>(No 3)- Rail Terminus -the Masterplan is suggesting there is 350 lineal metres of rail corridor with dual siding making it ideal for an inland container port. The Q-West site is 16,000 sq metres and once Q-West vacate the site it will allow an opportunity for another business to operate from this space. Phil said that during the consultation period it was determined that there was no real “science” at the end of the rail terminus but it needed to be determined for this project and for Council that there was no need to continue the rail link into the port as it created too many constraints the further west it extends.</p> <p>(No 18) - Parking - Additional car parking noted on the plan.</p> <p>(No 21) - Reclamation - The recreation area has not changed in size or shape, but a report commissioned from Tonkin Taylor does</p>

mention the potential for a channel to remain, or alternatively a culvert option be placed through the reclamation area if the community suggests the cost of dredging the port basin outweighs the opportunity to retain a natural flow through it. The recreation and community group have requested the area be dredged but the Masterplan also reflects drainage requirements or a bridge. A decision on this may not need to be made until around 2025.

(No 8 & 29) – Boat Ramp, Dive Platform The community asked for more improvements around the boat ramp with a special focus being placed on a recreational diving/bombing platform to attract people away from the boat launching area for safety reasons.

(No 22) - Non-powered boating - Waka ama, paddle boarding and canoeist's area has not changed but allowance has been made for storage and a small boat ramp in this area.

(No 6) - Access - a Right of Way purchased by Council some years ago has allowed for a new recreational access point to be recognised in the plan.

(No 9)- Club Buildings - a reduction in the number of buildings required for club activities has been recognised in the plan as the number of clubs in the area has reduced.

(No 18 & 24) – Parking –Parking for vehicles and boat trailer parking has increased, with dual storage allowed for businesses that have expressed an interest in occupying the end of the Victory shed for boat trailer storage.

(No 30 & 18) – Downers Alliance - to the north, the long term view is if Downers and Alliance should vacate the site at some time in the future, then this will allow an opportunity for further business development of the site along with the ability to create more parking for empty trailers and cars to take pressure of the other two carparks. The community has expressed a desire to keep cars and boat trailers off Heads Road.

(No 24) - Victory Shed - Marine businesses have the opportunity to occupy the Victory shed once the Dolomite has been moved as part of their support for the marine hub and Q-West when they relocate into this area. The Dolomite storage will be moved to the Port operations area. The Victory shed is iconic and could be re-purposed for other developments or become a community open space.

(No 10) - Marina - although aspirational, the development of a marina will depend on demand as to what stage of the project it is developed.

(No 12) - Q-West - have reaffirmed their space requirements being 60 metres deep and 50 metres wide. The office will be located on the Tod Street, Heads Road frontage. This will necessitate the demolition of the cement silos. Tod Street aspirationally in the future, could provide staff parking for Q-West. The site will also have a hard stand

available to allow suitable access to the launching infrastructure by the water's edge.

Tasman Tanning Buildings – are not touched in the plan, but should circumstances change then this could be stage 2 and 3 of marine hard stand or if there is a ferry, then this area could be used for a marshalling area for a ferry service.

Port Operational area - The Port Operational area has been clearly identified by the new Port Manager, showing utilisation of Wharf 1, Wharf 2, and Shed 2. The area is identified on the plan with a black dotted line and will be fenced to clearly identify the area. An existing building on site will be the new site for the Dolomite once it comes out of the Victory shed when a new tenant is found for this space. Port access will no longer be through Tod Street as the access entrance will be Kirk Street and exit through Short Street. The Port Operations office will move to other premises within the fenced area to allow for better observation of the Wharves and operating areas.

(Wharf 1) - Phil referred to future commercial areas of the port advising wharf 1 can allow for cargo, a ferry service and future expansion opportunities for mid-sized vessels. Wharf 1 could also be extended as there is good deep water at this point. The coolstore building directly in line with wharf 1 allows for future under cover commercial use and dry store. There is a growing demand for grain storage at the port so some silos have been drawn on the plan for future development.

(Wharf 2) – will be used for charter boats and commercial fishing boats.

(No 23) - Morrison Street buildings – is an opportunity for further commercial enterprise. A fish processing company has shown an interest in this site for processing of product.

(No 34) – Sensitive land - The Morrison Street area of land is recognised in the Masterplan as an area of “significance” for local Iwi and the plan has allowed for separation of this area in recognition of its cultural significance. The CCTV webcam for Horizons is located at this site which also provides a view shaft for port operations. It also creates an excellent buffer between the residential houses and the port.

Phil referred to the frontage where a wharf extension is indicated on the plan. This could occur if there is demand for further berthage.

In response to a question regarding the use of the rail link to the port for the transportation of logs, Phil advised that the project team has seen nothing in this plan for the movement of logs from this location and suggested Taupo Quay area is the most logical area to carry out that function. The Masterplan is intended to be an enabler, adding

that the plan has been through a very sound community consultation process and this will assist in any consenting process.

Staging of the Masterplan

Phil spoke of the staging of the Masterplan, with the following being noted.

Stage 1, 1 - 2 years

- Stage 1 will be aligned to the business case to government and Q-West's business relocation.
- Stage 1 will include the hard stand in front of Q-West and the travel lift.
- To balance this stage of business interests and community aspirations there will also be improvements to the boat ramp and the development of a dive platform in order to attract people away from the boat launching facilities for safety reasons. Phil advised that funding for the dive platform has been allowed for in the Annual Plan 2017-2018. Phil tabled a concept plan of the dive platform with a comment received of how important this matter is of getting children away from the boat ramp area and out of danger.
- Phil said that if dredging occurs around Q-West and the Port Operations area, Council will seek consent approval for the dredging's to be placed to land, in which case the recreational area may be able to be advanced sooner.

Concern was also raised around the safety aspect of boats exceeding more than 5 knots in the speed restriction area of the port even though new speed restriction signage has been put up.

- The "culturally sensitive" land area will also be recognised in stage 1.
- Phil commented on the need to stay focused on the scope of what's going to government making sure government understands that the catalyst project, the anchor tenant, Q-West is able to relocate on time and does not miss out on any contracts. It's all about Economic Development and more jobs to attract government support.

Stage 2, 3 – 7 years

- The focus of this stage will be to increase the reclamation area and seek government support for remediation of the lower Whanganui River and infrastructure.
- Stage 2 will be the development of marine businesses around the marine hub but suggested some businesses may be able to be developed in Stage 1 but need to make sure the expressions of interest from businesses are advanced enough by the time Bill McDonald submits the business case.

	<ul style="list-style-type: none"> • The development of a marina is another possibility in this stage, but will be dependent on the demand, if there are more boats and more marine businesses, then this will increase the opportunity for development. • A further focus for this stage will be to get cars and empty boat trailers off the road, with increased parking availability being the main focus. • Wharf 1 may see further development around grain storage and pet food storage as options and may create more silos on the waterfront area. <p>In response to a question, Phil explained why the travel lift was sited at right angles to the wharf. He said that to have the runway directly out into the river channel, dredging would have to be carried out 30-40 metres into the river basin. Phil added that whilst it is not ideal, the new machines are very manoeuvrable. There will be no one controller of the machine. It is likely the Port identity will have the rights to the machine in a partnership agreement with details yet to be worked through.</p> <p>Stage 3, 7 – 10 years</p> <ul style="list-style-type: none"> • Years 7 – 10 will see further completion of the recreational area with community aspirations or Council to advance this option. • This stage will also look at further opportunities within the port basin but will be driven by demand. <p>Des Warahi commented that Iwi have been quiet on comments regarding the port revitalisation and he was looking forward to hearing Iwi voice their opinion more as the project develops.</p> <p>Kester Atkinson agreed that Iwi have been quiet on commenting on economic development but added that the strategic plan for the port is supported by Iwi. However he reminded the group that Iwi are the Kaitiaki of the river and this will need to be taken into account for any development around the river area. Kester said Iwi are awaiting on the decision around the Te Awa Tupua Act 2017.</p>
<p>4. The Port Revitalisation Project</p> <ul style="list-style-type: none"> • Activity at the Port • Progress to Date on Project <ul style="list-style-type: none"> ○ Q-West Boatbuilders ○ Marine Businesses 	<p>Phil continued his presentation advising a new Port Manager has been appointed by Council and acknowledged that since the Kaikoura Earthquake on 14th November 2016, there has been increased business from coastal shipping at the port. However it was disappointing to hear that the Anatoki was kept out of the port for a period of 3 weeks due to a particular weather event at the time which meant the Anatoki was unable to enter the port area.</p> <p>Phil advised Council staff are working towards securing lease options with various businesses for the port area for both land and berthage requirements.</p>

<ul style="list-style-type: none"> ○ Freight and Logistics (Q-West Site) ○ Mid-West Ferries ▪ Meetings ▪ Feasibility Report released to Revitalisation Team ▪ Specialist advice on components of proposal ▪ Tonkin and Taylor ▪ Jim Dilley - Navigation 	<p>In response to a question raised by Kester Atkinson, Phil advised that to date Council has spent around \$7k on commissioning the three peer review reports.</p> <p>(Midwest Ferries Ltd) -</p> <ul style="list-style-type: none"> • Phil informed the group that several meetings have been held with Midwest Ferries Ltd culminating in a Feasibility Study being received by Council and the Project Control group. • The study detailed the need to use a 180 m vessel. • Phil referred to the Masterplan drawing attention to Wharf 1, where a 100m boat is drawn on the plan. Phil said this size vessel is considered to be the logical place for a ferry service to operate from. • However, Midwest Ferries have stated that in order for their service to be a viable operation, a 180m vessel is required as a 100m won't work and a 150m vessel is not viable so the only option is a 180m boat. • Phil advised a 180m boat is as big as the largest ferry currently operating across Cook Strait. • Phil added that due to some gaps in the feasibility study identified by the Project Control Group, peer reviews of the study were sought and authored by Murray King & Francis Small Consultancy Ltd and Ian Wallis Associates Ltd on the economic development and commercial viability of the service. At the same time two technical reports were commissioned, one from Dr Tom Shand and Grant Pearce from Tonkin and Taylor on the lower reaches of the Whanganui River and one on navigation from Captain Jim Dilley, Master Mariner, Maritime Consultant and Harbourmaster all based on a 180m vessel. • Phil advised that at a further meeting with Midwest Ferries it was revealed in their plan that a second vessel would need to be tied to Wharf 2. Phil voiced his apprehension with this concept asking where the bow ropes would be tied and concern the prop wash from the boat could damage the public boat launching facility. • Phil spoke of turning a boat of this size in the harbour basin also raised issues. To turn a vessel of this size, a turning circle of between 250m to 300m is recommended although Tonkin Taylor have recommended in their report, a turning circle of 325m, or 1.8m x the length of the boat. In order to achieve a turning circle of this size, the training wall would need to be rebuilt to accommodate the vessel. • The port can accept a vessel of 100m but more work is needed for a larger 180m vessel.
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	<ul style="list-style-type: none"> Concerns have also been raised over the draft clearance requirements for a large vessel with the need to dredge to a depth of 7.5m and out to sea 900m off the end of the moles. The Tonkin Taylor report has suggested reinstating the Tanae Bank but will require south spit upgrade work to be carried out. There will also be significant rebuilding required on the North Mole if substantial dredging is required. Furthermore the moles edges will need to be protected if a turning bay is required for 180m vessel with around 3.75km of mole protection work to be undertaken. However, the Masterplan does not preclude a ferry service in future stages, but if a 180m vessel is the vessel of choice, then the peer review reports have suggested a “blank sheet” of paper may be best to design and create a port. <p>Barry Edwards asked why the project is not moving forward now.</p>
<p>5. Next Steps</p> <p>Release of Masterplan</p> <p>Release of expert opinions and reports on large vessels into the Port</p> <p>Business Case filed with Government before end of June</p> <p>Public Presentation of the Masterplan to the Community</p>	<p>Masterplan</p> <ul style="list-style-type: none"> Bill McDonald responded to Barry’s question providing an update on the business plan. Bill spoke about the Stage 1 of the Masterplan which included the upgrade of Wharf 1 and an estimated cost of \$16.5m to \$20m of investment required to preserve the channel itself on the lower reaches of the Whanganui River and infrastructure. How this is funded has led to discussions between Horizons, Whanganui District Council and potentially a government contribution. Bill added that it has taken additional time in getting businesses to sign up and make a commitment to the project. The Business Case is being finalised to be presented to government requesting funding for the shortfall. The government has already provided \$500k toward the development of the masterplan and business case. The Masterplan will be socialised over the next 4 weeks with Horizons Regional Council, Accelerate25 lead team and government ministers. The business case will be completed in June and presented to government in July but is dependent on other parties signing up and making a commitment to the project. <p>In response to a comment from Kester Atkinson who advised he was aware that he knew of a single investor with a considerable amount of funding to invest, but no contact was made from Whanganui and Partners or the project team to talk to this possible investor.</p> <p>Rowan McGregor clarified the position that the investors Council is in discussions with are investing in their own business. Council will lease land and buildings under a tenancy agreement to prospective</p>

	<p>businesses who want to be part of the development in the marine hub.</p> <p>Phil advised that the government will take a long term view of the whole project, looking at potential growth and jobs, and added that both government and Council are willing to consider any opportunity to bring investment to Whanganui and would certainly be keen to hear from Kester's investor.</p> <ul style="list-style-type: none"> • Bill McDonald responded to a question from Barry Edwards regarding a timeline suggesting it will be 18 months before commencement of stage 1 can be made. • Bill added that the business case process to government is slow, but if all the business investors are signed up and ready to go, then this strengthens the business case to government. • Bill added the ferry is not part of this stage of development, but a ferry service is not precluded from any future development.
Meeting Closed	The meeting closed at 2.12 pm.

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