

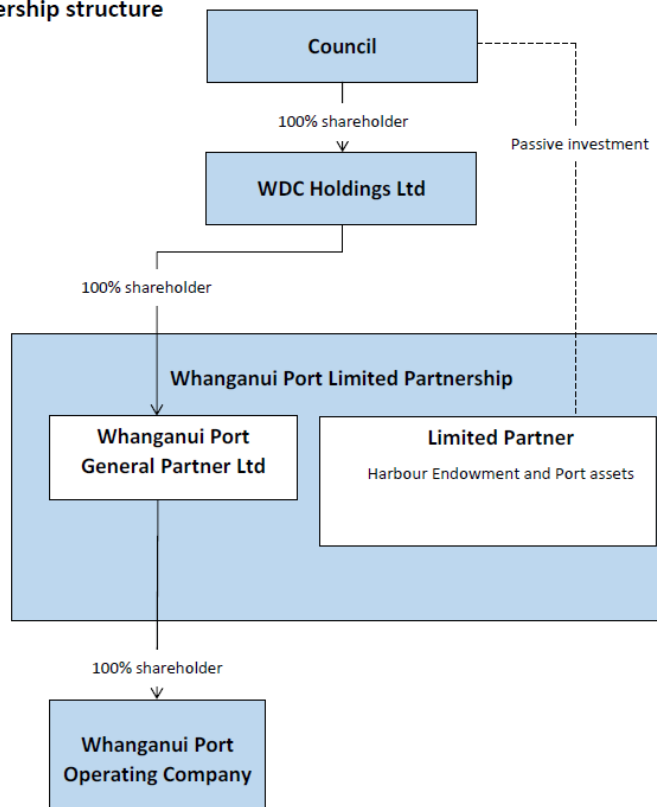
Seeking Board Members & Chairs for Whanganui Port General Partner Limited & Whanganui Port Operating Company Limited

Additional Information

Governance Structure & Company Ownership:

Whanganui District Council Holdings Limited (WDCHL) is a Council Controlled Organisation 100% owned by the Whanganui District Council (Council). WDCHL is responsible for overseeing and driving the Council's commercial assets which includes Whanganui Port General Partner Limited (Port GP) and its subsidiary Whanganui Port Operating Company Limited (Port Op Co).

Port limited partnership structure



Port GP Board

Port GP is newly established and is in partnership with Whanganui District Council, the Limited Partner, in the Whanganui Port Limited Partnership. The Limited Partnership is a stand-alone legal entity which owns the Harbour Endowment land and port assets. Port GP is the General Partner in the Limited Partnership and provides the governance function to the Limited Partnership including the management of the port and Harbour Endowment assets and operations.

Under the terms of the Limited Partnership, Port GP is responsible for the rebuilding of the port wharfs and associated infrastructure and the running of the operations of the port, in addition to the management of the Harbour Endowment portfolio.

The rebuilding of the wharfs is one of four strands of work under the larger Te Pūwaha project which aimed at revitalising Whanganui's port and associated lower river infrastructure.

Key challenges and issues highlighted for Port GP include:

- Establishment of enduring governance arrangements.
- Compliance with all partnership agreements and transaction documentation, and legislative compliance in both the port activity and as a commercial property owner.
- Delivery of the port development in accordance with the partnership agreement.
- Ensuing that Port GP holds no uncovered liability for its operation.
- Management of risk with particular focus on the port revitalisation and operations, and commercial properties management.
- Shareholder relations and ensuring shareholder trust and confidence.
- Management capability and performance.

The Port GP board needs strong strategic thinkers, energy to drive and establish the business processes and controls, and to lead on both short-term and longer-term priorities.

All directors need core governance experience and skills, including a sound understanding of the governance operating model (as a subsidiary company reporting to a parent company) and health and safety governance.

Collectively the board also needs a range of company specific skills and experience, including experience in the port and commercial property sectors.

The Board of Port GP is expected only to meet quarterly once operations are bedded in, with additional formal interaction with the Limited Partner and with WDC for funding underwrite matters.

Port Op Co Board

Port Op Co is a newly established company and a fully owned subsidiary of Port GP, the General Partner in the Whanganui Port Limited Partnership.

Port Op Co is contracted to the Limited Partnership to provide the resources required to complete the port revitalisation project, operate the port, and manage the Harbour Endowment portfolio. At the onset Whanganui District Council is contracted to Port Op Co through a service level agreement to provide the required staffing resources to carry out this function, although the understanding between the parties is that this is an arrangement that will terminate at some stage in the future.

Key challenges and issues highlighted for Port Op Co include:

- Establishment of enduring governance arrangements
- Compliance with all partnership agreements and transaction documentation, and legislative compliance in both the port activity and as a commercial property owner and landlord
- Delivery of the port development in accordance with the partnership agreement
- Comprehensive management of risk with particular focus on the port revitalisation and operations, and commercial properties management
- Shareholder relations and ensuring shareholder trust and confidence
- Management capability and performance
- Astute financial management, including cost control and analysis
- Shareholder relations and ensuring shareholder trust and confidence

The Port Op Co board needs energetic commercially savvy directors to drive the establishment and future sustainability of the company.

All directors need core governance experience and skills, including a sound understanding of the governance operating model (as a subsidiary company reporting to a parent company), and health and safety governance.

Collectively the board also needs a range of company specific skills and experience, in particular commercial experience and significant experience in the port operations and commercial property sectors.

Te Pūwaha: The Whanganui Port Revitalisation Project

Whanganui Port General Partner Limited is responsible for the rebuilding of the port wharves and associated infrastructure as part of Te Pūwaha: the Whanganui Port revitalisation project. Upon completion of Te Pūwaha, Whanganui will have enhanced flood protection and a modern purpose built marine precinct, securing the Whanganui Port as a community asset for the next 50 years and beyond.

The historic wharves which comprise the Whanganui Port are neglected and urgently need restoration. Without this work, the existing port operations would be limited to Wharf 1 as is currently the case.

The Port GP infrastructure project includes:

- Upgrading 450m of wharves.
- Development of marine infrastructure.
- Provision of a hardstand and runway suitable for a mobile boat hoist with a 390-tonne lift capacity to enable boats to be lifted in and out of the water.
- Improving dredging capabilities to secure the long term safe use of the wharves and public slipway.

Te Awa Tupua Way of Working

Te Awa Tupua Act was enacted to implement the historical Treaty Settlement with Whanganui iwi in relation to the Whanganui River. Te Awa Tupua represents a new beginning in terms of respect for the Whanganui River and recognition of the inalienable connection between Whanganui Iwi and the Whanganui River. This is a detailed set of legislation which includes a range of mechanisms to recognise the Whanganui River as Te Awa Tupua and to provide legal expression to the relationship between Whanganui Iwi and the River.

A fundamental driver for our organisations is the requirement for all organisation to uphold the values of Tupua te Kawa are the intrinsic values that represent the essence of Te Awa Tupua. The port are looking for directors who have an understanding of Te Awa Tupua Settlement Act 2017 and the ability to uphold the values of Tupua te Kawa and ensure our organisation continue to work with the hapū collective that invites participation from all hapū with interest.

Term of Appointment

Members are appointed for terms of up to three years and are eligible to serve a further three years. Board members continue in office despite the expiry of their term until they are reappointed, their successor is appointed, or the member is informed that they are not to be reappointed and that no successor is to be appointed at that time. Appointment terms may be staggered eg one member may be appointed for a term ending 12 or 24 months prior to a renewal process. Staggering appointments to the Boards ensures there is an appropriate level of institutional knowledge retained on each Board, which in turn provides for continuity in governance.

Remuneration and Meetings

Remuneration for members of the Port GP and Port Op Co Boards have been set in accordance with the following.

Fee Category	Rate	Annual Remuneration Cap
Port General Partner Directors	\$1,000 per meeting	\$12,000 to 31-Dec-23 \$6,000 from 1-Jan-24
Port General Partner Chair	\$1,500 per meeting	\$18,000 to 31-Dec-23 \$9,000 from 1-Jan-24
Port Operating Company Directors	\$35,000 per annum	N/A
Port Operating Company Chair	\$55,000 per annum	N/A

Please note that these fees were established for the inaugural establishment Board and are subject to change.

In addition to fees, members are entitled to be reimbursed for actual and reasonable expenses incurred while carrying out the duties of the Board.

The Board will meet as often as is necessary to carry out its role. Board members are expected to attend and participate regularly in meetings. Although it is expected that the Board of Port GP will only need to meet quarterly once operations are bedded in, the reality and expectation for the remainder of 2023 is that the Port GP Board will need to meet monthly. For this reason the annual remuneration cap for the Port GP Board Directors and Chair have been increased for 2023. The Port Op Co Board is currently meeting on a monthly basis and is likely to continue to do so for the foreseeable future.

Meetings are generally held in Whanganui. Board materials are distributed to Board members in sufficient advance of the Board meetings to allow members to be thoroughly prepared.

Disclosure of Interests

As part of the appointment process, candidates are required to complete a Disclosure Form. The information that is disclosed by the candidates enables WDCHL to know the relevant interests and any conflicts that a person may have in relation to an appointment to an entity. The information is used to assess whether a candidate would be able to contribute effectively to the entity's affairs, and where conflicts are identified, to ensure that these can be managed appropriately.

Further Information and Questions

Please contact WDCHL at boardapplications@wdchl.nz