Dan Elderkamp — Submitter 1

| What do you support about this proposal and why? |
| --- |
| Seems simple and straightforward. |
| What don't you support about this proposal and why? |
| Makes me wonder about the purpose and reason for the continued existence of HBRIC post the IPO? What would be the reason for not liquidating HBRIC afterwards? Perhaps the Council could explain this a bit better to the ratepayers. |

Andrew Palairet — Submitter 2

| What do you support about this proposal and why? |
| --- |
| A CCO should only be setup if HBRIC is closed. Council already has one semi-redundant CCO and it doesn't need two. Directors should be 2-3 councillors plus HBRC CEO - all directors should be unpaid. If the advice is to set one up (presumably for some sort of tax benefit or de-risking HBRC) then go ahead, but surely you don't need HBRIC as well. Please make the CCO as lean as possible - leverage council finance team etc. It shouldn't need any staff. |
| What don't you support about this proposal and why? |
| As above. |

Paul Sampson — Submitter 3

| What do you support about this proposal and why? |
| --- |
| The proposal is supported as it provides clear accountability back to the Port Directors.<br>It will be important that there is a clear concise Corporate Intent document at a high level,not detail,agreed to with HBRC to ensure that local investors have a degree of priority. |
| What don't you support about this proposal and why? |
| Full support |

Kathryn Bayliss Submitter 4

| What do you support about this proposal and why? |
| --- |
| I do not support this proposal. |
| What don't you support about this proposal and why? |
| I disagree with the proposal is to establish a new Council Controlled Organisation (CCO), named 'HoldCo' – as in 'holding company' to facilitate a potential minority share issue of Port of Napier Limited (Napier Port or Port).<br>Having two companies instead of one for Port of Napier has:<br>Less Simplicity and efficiency;<br>Less Clear accountability and liability; Less Marketability; More Cost; Less Control.<br>I think the Port of Napier Limited should buy back the shares from HBRIC which HBRIC has decided to sell.<br>Then Port of Napier Limited can conduct the IPO, selling these shares and the new shares that the Port creates to raise more money.<br>It can take a temporary loan to pay HBRIC for the shares or arrange it so it can pay with the proceeds from the IPO.<br>This would be Simpler and more efficient, having one company instead of two.<br>The Port of Napier would have clearer and more direct accountability and liability.<br>Marketability would be better, investors will understand clearly they are investing in Port of Napier Limited.<br>It would cost less to do the IPO.<br>Future expenses, (e.g additional legal, tax and accounting compliance costs), would be less for one company instead of two companies.<br>There would be more direct control for people holding Port of Napier Limited shares. |

Matt Edwards Submitter 5

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| To HBRC,<br>I do not support the establishment of a CCO to hold all the shares in the Port Of Napier. The proposal by bureaucrats to extend the bureaucracy is always what happens in publicly funded organisations – an ever creeping disease of empire building in this case at ratepayers expense. There are plenty of entities already in existence to handle a share float without creating another one.<br>You should never have gone down this road to fund port expansion. Now that you have, any shares publicly offered will likely end up overseas owned quite quickly unless you impose the condition that they can only be owned by NZ citizens or permanent residents – a condition I would like to see imposed. |

Howard Roberts Submitter 6

| What do you support about this proposal and why? |
| --- |
| nothing |
| What don't you support about this proposal and why? |
| The port is big enough. The port is a owned by the rate payers, and should stay that way. I will not be voting for candidates, who disagreed with me on this and will be advising family & friends to do like wise. |

Anthony Moore Submitter 7

| What do you support about this proposal and why? |
| --- |
| Nothing. |
| What don't you support about this proposal and why? |
| This whole port sale is wrong. There are directors and councilors that need to be held accountable for this situation we are in. More and more evidence is coming to light about how the port has been run into debt just to now "have" to sell. A report has just come out in Australia about important information was held from parliament when it came to privatization of their ports and now we have one of them here now on the Napier Port board and has been working with them for years planning this sale. Now it's costing $11million to carve the port up, DISGUSTING. I have no faith or trust at all in this HB Regional Council, I have no faith that this or any submission that doesn't agree with the Council ideas will even be read. It's time Councilors are held accountable for their actions and not a free ride to do what they want. I will never forget the names of this councils members if this port is sold. And I bet you hold your submission meeting at a time when most people have to work and can't make it, we know your dirty tricks. |

Mathew Pere Submitter 8

| What do you support about this proposal and why? |
| --- |
| NO. PORT NOT FOR SALE AS A RATE PAYER IM ALREADY A SHAREHOLDER IN THE PORT. |
| What don't you support about this proposal and why? |
| NO PORT NOT FOR SALE |

William Baggett Submitter 9

| What do you support about this proposal and why? |
| --- |
| Nothing Port not for Sale As a napier rate payer I'm already a Shareholder in the Port. |
| What don't you support about this proposal and why? |
| Nothing |

Anne Taana Submitter 10

| |
|---|
| What do you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE |
| What don't you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |

Laryssa Taana Submitter 11

| |
|---|
| What do you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |
| What don't you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE |

Hamish Taana Submitter 12

| |
|---|
| What do you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |
| What don't you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |

Steve Haenga Submitter 13

| |
|---|
| What do you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE AS A NAPIER RATE PAYER, IM ALREADY A SHAREHOLDER OF THE PORT! |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE. ALREADY A SHAREHOLDER OF THE PORT! |

Phillip Taana Submitter 14

| |
|---|
| What do you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |
| What don't you support about this proposal and why? |
| NOTHING NAPIER PORT NOT FOR SALE. |

HAWKE'S BAY REGIONAL
INVESTMENT COMPANY LTD

159 Dalton Street
Private Bag 6006
Napier, New Zealand
Telephone: (06) 835 9200

4 March 2019

Jessica Ellerm
Hawke's Bay Regional Council
139 Dalton Street
NAPIER

**Support for creation of new Council Controlled Organisation**

Dear Jessica

On behalf of the Hawke's Bay Regional Investment Company, I write to express support for the Regional Council's proposal to create a new Council Controlled Organisation (CCO) as the body through which a minority share sale in Napier Port could be effectively executed.

Please accept this letter as HBRIC's formal submission. HBRIC acknowledges that no decisions have been taken by the Regional Council on whether or not to proceed with a minority IPO of Napier Port.

HBRIC and professional tax, accounting and legal advisors have reviewed the available options and believe that creating a new CCO is the most logical, simple and cost-effective approach available to the Regional Council.

A new Council Controlled Organisation will create a permanent company to sell the shares and be the listed entity of Napier Port. The CCO will provide a single entity for the marketing of shares to potential investors, making any share offer simple to understand and administer.

Under the status quo model, which is not preferred by HBRIC or any of the advisors to this process, there would be two sellers of shares – Napier Port and HBRIC – with both entities offering shares to investors, unduly complicating and confusing the listing process.

Under this scenario, HBRIC directors would also be closely involved in the preparation of the product disclosure statement and liability for that document and post listing performance of the Port would be shared by HBRIC directors and Napier Port directors.

Creating a new CCO limits the liability for HBRIC directors and ensures liability rests appropriately with the directors of Napier Port – the same directors as the new CCO. Additionally, creating a new CCO has no adverse tax implications and is simple, quick and cost-effective to establish.

Creating a new CCO ensures appropriate corporate structures are in place to provide a clear, simple offer of shares to potential investors as well as an appropriate liability regime for the period both pre and post listing.

Thank you for the opportunity to submit on this proposal which HBRIC strongly supports.

Blair O'Keeffe
Chief Executive

Paul
Simmonds Submitter 19

| What do you support about this proposal and why? |
| --- |
| I Don't support this proposal at all because None of these decisions should be made when the Final decision hasn't been made on any sale of the port, or port sale. |
| What don't you support about this proposal and why? |
| Because as a rate payer Im aganst selling the port at all, Even our Local MP STUART Nash said No to selling the port. |

Mel
Malone Submitter 20

| What do you support about this proposal and why? |
| --- |
| I do not support the sale of Napier Port, |
| What don't you support about this proposal and why? |
| Job security, local Employment for local people, Rates will go up 100% and will be unaffordable for the average working person, O and for the employees of the port who will potentially have no job in the future and will also potentially loose their homes due to no income and rate rises.<br>If all rate payers paid and extra $90 per year to save the Port it would save jobs, not selling to offshore giants who will ruin our economy and working conditions, I would be happy to pay this per year if it meant the port was kept local for local people.<br>I also think your first submission papers were a joke as I did not receive any in the post and I understand a bulk of them were found scattered in a local stream not delivered as they were meant to be. |

Marjorie Ida
Robinson Submitter 21

| What do you support about this proposal and why? |
| --- |
| I am happy for the HBRC to invest in the PORT I would like the citizens of H.B to be able to purchase shares. My Parents & I were all born in Napier & like to support local issues |
| What don't you support about this proposal and why? |
| |

Sharleen Baird Submitter 22

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| were the Port sale to go ahead, I'd prefer HBRIC to handle the sale |

Melissa Greville — Submitter 23

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I dont want the rates to increase, local jobs for local people. Hawkes Bay should be proud of owning the port and should be trying to keep it this way, we should be trying to hold onto it while we still can. Job security for local familys. |

Grenville Christie — Submitter 24

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I would like HBRIC to be CCO if the Port sale were to go ahead. |

Raewyn Benson — Submitter 25

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I urge HBRC to stack HoldCo's board with councillors, and NOT port directors. |

David Bishop — Submitter 26

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I do not like the fact that HBRC will be giving all directorships of Holdco to individuals who have no responsibility to Council.<br>Thereby Council loses control of the entity despite it being named a CCO.<br>It is my preference that HBRIC limited retains its majority shareholding and directorships of the Port.<br>This option is noted in the consultative document on page 5 under the section 'Are there other options',which is said to be a reasonably practicable alternative. Retain and work with this option rather than setting up a new CCO is my preference |

Pene Johnstone — Submitter 27

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| That Napier Port Directors are going to be the directors of Hold Co. HBRC (The ratepayers)are loosing control<br>HBRC Councillors need to have more directors in Hold Co. |

| What do you support about this proposal and why? |
| --- |
| I do not support a sale of 45% of shares. The sale should be limited to the $86,000 that is required to repay Napier Port debt. HBRC does not need to be investing in outside investments in "managed funds". That is not what it was set up for. |

Tony Andrews — Submitter 28

| What do you support about this proposal and why? |
| --- |
| I support that concillors make up the directors of HoldCo |
| What don't you support about this proposal and why? |
| The directors of holdco shouldn't be the directors of the port of napier, rather made up of councillors. WHY, so they have some control over the ports future |

Donna Gray — Submitter 29

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I don't see Ban 1080 in Hawkes Bay |

Megan Young — Submitter 30

| What do you support about this proposal and why? |
| --- |
| Ok with a CCO BUT, anyone sitting on the board SHOULD NOT have shares in the port already |
| What don't you support about this proposal and why? |
| |

Roger Muir — Submitter 31

| What do you support about this proposal and why? |
| --- |
| I do not support this proposal ini any way. |
| What don't you support about this proposal and why? |
| Shares for the port of Napier should not be sold in a public offering. Therefore there is no need for yet another regional council entity. This entity just provides another avenue for non-local accountants, lawyers, and directors to clip the money ticket, and allows control of the port to be squandered out of area. |

Bruce
Bisset

Submitter 32

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| Directorship of the Port of Napier holding company:<br>Regardless of the supposed benefit of creating a separate stand-alone arm's-length company to be the holding company for the ownership of Port of Napier, and regardless that its parent's parent will indirectly maintain a majority of shares in the Port, there is no transparency and very little accountability in HoldCo having a Board which has no direct representation from the owners. Moreover once HoldCo's board settles into whatever ongoing configuration its shareholders elect, operating under standard commercial law for listed companies council will find it difficult at best to replace any director appointed ostensibly to protect its interests, as professional directors have similar engagement protections to any other professional role and, in case of dispute, in general in New Zealand commercial law "commercial interest trumps public interest".<br>This means that is quite conceivable that any "council" director (ie, in the first instance, an independent director of Napier Port also appointed to HoldCo's board) could "turn" on a controversial issue and vote with minority directors to progress a policy at odds with council's own position, and then argue in defence that it was the correct commercial decision – and prima facie have the law on his/her side. Certainly by the time that director was replaced, at the end of their term, the damage would be done.<br>Even if this scenario fails to alarm, it makes best sense for council to have direct representation on HoldCo's board simply to maintain a careful and prudent overview of proceedings, so as to be able to properly advise council of the detail of any matters the Board may be considering of which council may otherwise be unaware.<br>I suggest that at the least council should consider appointing senior representatives, such as its Chairman and CEO, to the HoldCo board for such purposes.<br>In support of which I would merely remind councillors and staff alike that they are not the actual owners of the port, but merely the custodians of that ownership, overseeing it on behalf of the public. To divorce the port directorships from the public's representatives entirely, as proposed, is against the public interest – something you, as our elected councillors, are sworn to uphold.<br>I would also note that council, sensibly, reviewed its position viz the directorship of HBRIC in a similar manner and came to a similar conclusion. Given the transfer of asset from HBRIC to HoldCo, it follows the same logic must be applied in order that asset remains best protected on the public's behalf. |

Daniel Milton McKnight

Submitter 33

| What do you support about this proposal and why? |
| --- |
| I Do Not support this proposal |
| What don't you support about this proposal and why? |
| Napier port should not be sold |

John Kent — Submitter 34

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| 1) The board of the Port of Napier should be concentrated on efficient and effective running of the port This has nothing to do with selling the shares<br>2) The HBRIC is already a holding company holding the Port shares and would already be constituted to perform this task<br>3) The result will be the port CEO will have the port board controlled by Hold co controlled by HBRIC controlled by HBRC and this is supposed to be transparent governance.<br>4) If there is a conflict between what the Regional Council want to happen and the Port Company wants to do, there is no way the Regional Council view will prevail with all the shareholding in the hands of the port directors |

Brendon Strong — Submitter 35

| What do you support about this proposal and why? |
| --- |
| I don't support it. |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FORSALE |

Blair Griffin — Submitter 36

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| port should not Be sold. |

Tu Heather — Submitter 37

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| |

Clinton Hawker-Guilford — Submitter 38

| What do you support about this proposal and why? |
| --- |
| I do NOT!! support this proposal |
| What don't you support about this proposal and why? |
| Napier port Not four sale |

Gary
Fazackerley — Submitter 39

| What do you support about this proposal and why? |
| --- |
| I DONOT SUPPORT THIS PROPOSAL. |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE. |

Peter
Howard — Submitter 40

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE. |

David Marden — Submitter 41

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| NAPIER PORT SHOULD NOT BE SOLD. TOO MUCH FISCAL IRRESPONSIBILITY TO DATE BY THE HBRC & PORT BOARD POTENTIAL FOR EXTERNAL INFLUENCES |

David Hughes — Submitter 42

| What do you support about this proposal and why? |
| --- |
| Nothing |
| What don't you support about this proposal and why? |
| All - Job security - Local welfare - |

Scott Thomas — Submitter 43

| What do you support about this proposal and why? |
| --- |
| I Don't Support it. |
| What don't you support about this proposal and why? |
| Everything - the Port is not for Sale |

Tony Colin Sherriff — Submitter 44

| What do you support about this proposal and why? |
| --- |
| I support the requirement for a 6th Berth. |
| What don't you support about this proposal and why? |
| I don't support the creation of a CCO or the listing of shares in Port of Napier. I believe we create unstable working conditions and job insecurity. I Also believe the Ports is capable of servicing this debt by itself. I'd support an increase in regional council rates |

Christopher James Cameron — Submitter 45

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I do not support this proposal. |

David Jansen — Submitter 46

| What do you support about this proposal and why? |
| --- |
| I DONT SUPPORT THIS PROPOSAL |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

Bruce Ward — Submitter 47

| What do you support about this proposal and why? |
| --- |
| Don't support |
| What don't you support about this proposal and why? |
| I think the port shouldn't be sold |

James Morris — Submitter 48

| What do you support about this proposal and why? |
| --- |
| I DO NOT SUPPORT THIS PROPOSEL |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

William John Brocklehurst Submitter 49

| |
|---|
| What do you support about this proposal and why? |
| I DO NOT SUPPORT THE PROPOSAL |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

Sam
Young Submitter 50

| |
|---|
| What do you support about this proposal and why? |
| I DO NOT SUPPORT THIS PROPOSAL |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

Alasdair MacLeod
On behalf of Napier Port

Submitter 51

11 March 2019

Alasdair MacLeod
Chair
Napier Port
1 Breakwater Road
NAPIER

**Napier Port letter of support for HoldCo**

Dear Rex,

On behalf of Napier Port's board, I would like to support Hawke's Bay Regional Council's proposal to form a new Council Controlled Organisation (CCO) or 'HoldCo' to facilitate a potential minority share issue of Napier Port.

While no decision on a minority shareholding has been made, please accept this letter as Napier Port's submission on the establishment of HoldCo if Regional Council does decide to proceed.

We have taken advice on the proposal and believe HoldCo is an efficient and effective mechanism for selling shares, if Regional Council approves a minority shareholding in the company to allow future developments at Napier Port.

We understand that HoldCo would also provide the optimal structure for the on-going operation of a publicly-listed company, for both the company and anyone wanting to purchase shares.

Kind regards,

Alasdair MacLeod
Chair
Napier Port

Hohepa Huia Hoani Kereti Submitter 52

| What do you support about this proposal and why? |
| --- |
| I support investment in Port for the future of the Hawkes Bay as a whole. |
| What don't you support about this proposal and why? |
| I don't support regional council for the position that we are in at the moment with the huge debt they need to be held responsible. Selling 49% of shares in my mind will not work. |

Larry Dallimore Submitter 53

On behalf of Westshore resident

| What do you support about this proposal and why? |
| --- |
| I accept the need for a CCO or HBRIC to sell the Port however I do not support the sale of this pivotal asset belonging to every HB resident, I understand why HBRC has to create cash reserves and reduce exposure to any downturn that would affect HB's most valuable and asset and profit dividends supporting the HBRC balance sheet. |
| What don't you support about this proposal and why? |
| Please see full submission 53 below |

**Submission – HBRC establishing a CCO to Sell the Port**
11th March 2019

**Submitter:** Larry Dallimore – Westshore Resident

The sale of the Port is a 'fait accompli' for a variety of reasons however this submission is confined to establishing a HBRC Controlled Organisation that needs to consider a major liability the Port of Napier has chosen to ignore, with help from both Councils.

Many Napier residents expect dealing with a privatised Port Company will be far easier than dealing the Council because since erosion was first recognised by a NCC Councillor in 1978, the loss of a once popular sandy beach and protection for property between Westshore and Tangoio is unacceptable.

After 41 years of unnecessary damage, progress towards the proper solution is too slow. We should be ashamed of how we have cared for this coastal environment. The new shareholders have to be made aware and be prepared for an ongoing expense caused by a regularly deepened channel that provides vital harbour access.

Westshore needs the Permit for dredge disposal, as recommended by Dr Gibb back in 2003, which will allow sand to be dumped within 200m of the beach and within 750m of Rangitira Reef. The need for a permit was submitted to HBRC in May 2017 and we understand it will not be issued this year in time for the Port dredging programme so placing sand where it's desperately needed will be delayed until at least 2021.

Management at NCC and HBRC had the Gibb Report in 2003 but copies were not available to Councillors or the public. Because the report was referred to during Coastal Strategy assessments, we were given access in 2017 to the report stamped "Not for Public Release". We have lost 14 years because his expert recommendation was withheld and it looks like another 4 years before the dredge is able to fix the south end. The delays could prove to be very expensive.

Existing permits only allow sand disposal north of the Surf Club and not the south end where it can address the nearshore and benefit beaches north to Tangoio. The hideous but 'better than nothing' annual nourishment with inadequate volumes of incompatible loose pebbles has to continue but after 32 years the beach is a bigger mess with limited access. Coastal engineers are well aware - fixing Westshore will fix the entire North Cell.

The "Albatros" dredge is still expected Sept/Oct this year but the operation will have the same results as 2017. Without the permit, sand will again be bottom dumped only within "Dump Zone ExtR" and in depths over 3.8 metres, which is the loaded draft limit for the suction dredge. This sand is doing a great job of restoring the nearshore but it's not enough and only effective north of the Surf Club. My only concern is the added mounds of dredged sand 200m-300m off the beach could concentrate wave energy south of the Surf Club and put more pressure on the pebble bank where extreme swells tend to overtop.

Generally, both Councils still believe onshore nourishment with river material can address Westshore erosion. The beach barrier ridge is still being eroded every year. It has breached at Kiwi Beach and almost broken through at the Surf Club. One day we will all agree nourishing a

beach with material formed into a higher and wider embankment every year will never work. It must be a questionable solution when imported material cannot be placed directly in the tidal zone to nourish the beach.

River shingle is now a precious resource that should not be wasted and used as cheap sacrificial beach nourishment providing very short term coastal protection. By default, we won the battle to stop dams retaining huge amounts of gravel in the high country where without major cost it cannot enter HB beach systems. This mixed gravel is replenishment for beaches north of the Tukituki river mouth until it reaches the Port shipping channel.

Onshore or land sourced beach nourishment for Westshore Beach will require greater volumes in the future and the distances from where HBRC considers river shingle is surplus will make cartage costs unaffordable. Extraction from local rivers must be limited because the HB gravel coast and beaches are seriously lacking natural supplies of replenishment due to past management of the resource at the lower reaches IMO.

Onshore nourishment must continue because it is partly protecting the beach barrier and the upper beach from moderate swells but only until the nearshore deficit is repaired. Restoration requires approx 450,000m3 of dredged sand over say 800m-1,000m within 250 m of the shore. This could be forming sand bars, rainbowing, or pumping through a floating pipe system to the tidal zone.

Regardless, this large volume of sand should be uplifted from where extensions to the shipping channel are planned. It may be early for the capital works programme which requires 900,000m3 of sand to be dredged so why not use 50% instead of dumping to waste.

Dredging this sand from anywhere else in the bay, as per the PDF application, is an unnecessary added expense when we all have a stake in the Port. When the nearshore is restored we simply need to replicate the natural movement of sediment by regularly making sure every grain of sand trapped in the shipping channel is dredged and dumped at the south end of Westshore.

We have costings direct from the Dutch Dredging Co for pumping and 'rainbowing' into the south end. The durable long term solution is considerably cheaper but it relies on full cooperation and expertise from the Port. As per the recent Agreement with NCC and HBRC, the Port denies all responsibility which is helped and supported by the three CEO's agreeing the primary cause for erosion between Westshore and Tangoio is the 1931 Earthquake.

The HBRC chief expert maintains the cause is an act of nature and recently during a press interview claimed the beach (raised by 2.0 metres during the EQ) is now sinking. Without access to early maps of the seafloor, consultants to the Port and HBRC blamed the gradual collapse of the tidal delta.

The large delta was formed and maintained with sand that passed Bluff Hill and from 1887, around the end of the breakwater as it was extended. From 1973 when the shipping channel was deepened by the first suction dredge, it acted as a 'sink' and the resultant interruption to natural flows of sediment trapped replenishment and caused erosion to beaches in the lee from the 1980's. The delta could not have been reliant on fine sediment from Tutaekuri River that once flowed into the expansive Ahuriri Lagoon. Seabed contour maps show outflows from

the Inner Harbour had cut a trench through the middle of the huge delta and any contribution to the delta would have minimal.

Consultants commissioned by the Port determined erosion on an isolated beach, with a headland, a strong sediment drift and in the lee of a deep man-made trench in the seabed was irrelevant. However, coastal scientists now agree the shipping channel impedes natural flows of coastal sediment and the sand trapped would otherwise replenish Westshore Beach. The experts include Prof Komar, Dr Cowell and Dr Hume.

Dr Hume recently presented a Statement of Evidence (attached) to the Port Consent Hearing as an expert witness on behalf of HBRC. Conclusions from his evidence confirm the starvation of sediment at Westshore has little to do with acts of nature and very little, if anything, to do with climate change. Therefore, responsibility to address resultant damage must lie in the hands of the exacerbators.

In 2015, the Port dumped 88,324 m3 of sand off the north end of Westshore and in 2017 dumped 102,905 m3 north of the Surf Club. Why was the Port so annoyed to find this long awaited operation worked so well and exactly as expected? The photo shows white water and nearshore waves with considerably less erosion energy – brilliant but progress is too slow.

Rather than continue to cooperate after 2017, the Port spent many $millions in 2018 hiring Australian experts trying to prove dredged sand should be dumped 5kms off the Marine Parade. The Port told the HBRC Consent Hearing that dredged sand was unsuitable for Westshore because it would not stay on the beach. Also, the sand would drift back into the channel and make their maintenance dredging counter-productive. And finally, any dumping of sand at Westshore would have adverse effects on Pania Reef. These points made to the Commissioners were rejected in the Hearing Decision.

Their evidence was rejected however they successfully convinced the Consent Hearing that all sand should be dumped 5kms off the Marine Parade, beyond the beach system and where it could not benefit any beach. Their damage has steepened the beach gradient which limits the ability for sand to stay on the beach and within the sub-tidal zone. Expecting sand to stay on a beach that now has a considerably steeper nearshore gradient similar to the Marine Parade is unbelievable or devious.

Napier ratepayers alone should not accept this financial burden to repair damage caused by others. The Port and HBRC (as the owner) have an obligation to restore Westshore and Bayview beaches and reinstate coastal protection for Napier City assets and hundreds of private properties.

The Harbour Board had attended to erosion with rock protection along Hardinge Road but since Port of Napier has been running as a company and focussed on profit for the HBRC, it has completely ignored obvious damage and the disgusting mess at Napier's once most popular sandy beach.

Napier has not had a severe swell event since 1974. Waves off the breakwater were measured at 7.0 metres (23ft) by the Port during August 1974. A state of emergency was declared between Clifton and Haumoana and over 300 ha were flooded at Clive. However, this event was before the impact of the shipping channel and as a sandy beach on shingle spit in a constant state of accretion, Westshore to Tangoio was resilient to the high seas. There was no damage reported but driftwood had to be cleared from the upper beach.

It is reasonable to expect a repeat event but without substantial repairs to the nearshore seabed and while the only protection is a weak unstable wall of loose stones behind a severely damaged beach barrier, we can be assured of devastation. HBRC beach profiles show the loss by erosion to the beach and nearshore has been replaced by 450 million extra litres of water which is closer to private property and NCC assets. This will be the difference and if/when we experience an event similar to 1974, it will be very difficult to blame climate change.

The real problem will be claiming losses and compensation from a Port Company which is about to be privatised. The land at risk is in a Coastal Hazard Zone determined by the Coastal Strategy which includes private property and City assets valued at $440 million based on 2017 figures. Any CCO or agency involved in selling the Port must accept the massive contingent liability and the HBRC should set aside cash reserves for potential claims as the 'last man standing' in the event the Port of Napier Ltd is bankrupt.

The Port has a responsibility to make any potential shareholders aware of pending Environment Court action to prove their liability for work which should be on their balance sheet under repairs and maintenance for consequential damage. Subject to securing adequate funding, Napier residents will prove the Port of Napier Company has an obligation to make good.

Larry Dallimore
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Ahuriri
Napier

Mob: 021 136 9932

Attached: Statement of Evidence by Dr Terry Hume

Ford Stuart-Gray — Submitter 54

| What do you support about this proposal and why? |
| --- |
| I DON'T SUPPORT THE PROPOSAL |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

John Stratton Goudie — Submitter 55

| What do you support about this proposal and why? |
| --- |
| That the Port name be PORT OF NAPIER I see this in the PORT OF NAPIER/ANNUAL REPORT/3 PUBLISHED on its WEBSITE |
| What don't you support about this proposal and why? |
| I don't support the PORT NAME being NAPIER PORT because this turns NAPIER into an adjective which is wrong and is mentioned in this proposal 25 times. eg ("Port of Tauranga" for a comparison)<br>THE PROPOSAL IS NOT EASY TO ASSIMALATE AND DOESN'T QUALIFY AS "KEEP IT SIMPLE" |

Laurence Leonard — Submitter 56

| What do you support about this proposal and why? |
| --- |
| I support investment in the Port and its future. |
| What don't you support about this proposal and why? |
| I don't support the Regional Council shirking their responsibility for the position that they have placed the Port in. It they have created a level of debt that does not allow the Port to grow they need to be held responsible. Selling 49% of the shares will not do this as they will not do this as they will still have the ability to continue to make bad business choices. |

Glen Adam Kohlis — Submitter 58

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| Selling the Port is a farce and is basically stealing from our children and grandchildren |

Tania Louise Heitiki Smith — Submitter 59

| What do you support about this proposal and why? |
| --- |
| I support investment in the Port and its future. |
| What don't you support about this proposal and why? |
| I don't support the Regional Council shirking responsibility for the position that they have placed the Port in. If they have created a level of debt that does not allow the Port to grow they need to |

| What do you support about this proposal and why? |
| --- |
| be held responsible. Selling 49% of the shares will not do this as they will still have the ability to continue to make bad business decisions. |

Fred Victor Torea — Submitter 60

| What do you support about this proposal and why? |
| --- |
| I don't support this |
| What don't you support about this proposal and why? |
| Everything rushing if making bad dicision |

Clayton Ewart — Submitter 61

| What do you support about this proposal and why? |
| --- |
| I don't support this proposal. |
| What don't you support about this proposal and why? |
| Why because it belongs to the people of Hawkes Bay. Please here what we want we don't need this in our community. |

Korrin Torea — Submitter 62

| What do you support about this proposal and why? |
| --- |
| I don't support this at all Why sell What We Own |
| What don't you support about this proposal and why? |
| that the CEO of Hbrr is not thinking why don't they sell what is in Wellington before selling the golden egg |

George de Barre — Submitter 63

| What do you support about this proposal and why? |
| --- |
| Port Not for Sale Keep it Hawkesbay |
| What don't you support about this proposal and why? |
| once its Gone its Gone and we have NO Control |

Clinton Gotty — Submitter 64

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| Our Ports Not For Sale. |

John Charles Merritt — Submitter 65

| What do you support about this proposal and why? |
| --- |
| DO NOT SUPPORT! |
| What don't you support about this proposal and why? |
| Everything because Napier Port is not For Sale |

Trevor Miles — Submitter 66

| What do you support about this proposal and why? |
| --- |
| I DON'T SUPPORT IT |
| What don't you support about this proposal and why? |
| EVERYTHING NAPIER PORT IS NOT FOR SALE |

John Brown — Submitter 67

| What do you support about this proposal and why? |
| --- |
| I DONT SUPPORT THIS PROPOSAL WE ALREADY OWN THE PORT. |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE. |

Hogan Green — Submitter 68

| What do you support about this proposal and why? |
| --- |
| I Dont support it |
| What don't you support about this proposal and why? |
| everything NAPIER PORT IS NOT FOR SALE |

Matthew O'Neill — Submitter 69

| What do you support about this proposal and why? |
| --- |
| I Don't Support it |
| What don't you support about this proposal and why? |
| Everything - Napier port is not for sale |

Bill Nicholls — Submitter 70

| What do you support about this proposal and why? |
| --- |
| I do not support this! |
| What don't you support about this proposal and why? |
| (Everything) Napier Port is not for sale! |

Steve Dew — Submitter 71

| What do you support about this proposal and why? |
| --- |
| I do not support it |
| What don't you support about this proposal and why? |
| Everything Napier port is not for Sale |

Jade Christison — Submitter 72

| What do you support about this proposal and why? |
| --- |
| I DON'T SUPPORT IT |
| What don't you support about this proposal and why? |
| EVERYTHING NAPIER PORT IS NOT FOR SALE |

Ronnie Sharp — Submitter 73

| What do you support about this proposal and why? |
| --- |
| I do not support this |
| What don't you support about this proposal and why? |
| Everything - Napier Port is Not for Sale |

James Caird — Submitter 74

| What do you support about this proposal and why? |
| --- |
| Nothing I don't support it |
| What don't you support about this proposal and why? |
| Napier port is not for sale |

Jan & Mariet Vaessen — Submitter 75

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| My wife and I are very concerned about the fact that Port directors are going to be directors and in control of the HoldCo. To us it is essential that we the rate payers have good representation in HoldCo to ensure our interests are served. The future of the port business and its activities should be balanced between the interest of the people who live in Napier (with especially Ahuriri coming to mind) and businesses interests. Good representation working for the rate payers is therefore very important. So please ensure that this happens. Napier counsellors and a member of Ahuriri community group ( Seascape comes to mind) on the board of HoldCo would be a good start |

Callum Wrightson Submitter 76

| What do you support about this proposal and why? |
| --- |
| No |
| What don't you support about this proposal and why? |
| Port Not for Sale |

Chris Jonasen Submitter 77

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| NAPIER PORT IS NOT FOR SALE. |

Fletcher Smith Submitter 78

| What do you support about this proposal and why? |
| --- |
| - An effective way to potentially drum up a little cash for the new wharf. |
| What don't you support about this proposal and why? |
| Very vague descriptions regarding the key advantages vs the status quo. Need more solid, quantifiable information.<br>The Port is a key asset which generates large profits. – just needs to be managed better by the Council (HBRC) |

Brian Price Submitter 79

| What do you support about this proposal and why? |
| --- |
| Nothing Not enough information |
| What don't you support about this proposal and why? |
| The port is not for sale |

Martin Leigh Gilkison Submitter 80

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| NAPIER PORT NOT FOR SALE |

Patrick Joseph Rewi — Submitter 81

| What do you support about this proposal and why? |
| --- |
| Nothing<br>Miss leading rate payer's by saying the Port will cost them more in rate's by way of subsidising. Where as the Port subsidises rates from profits shared to Regional & District councils. Less ownership less profits = higher rates! ratepayers will pay more for less return. |
| What don't you support about this proposal and why? |
| I dont support any type of sale of Napier Port.<br>Rex Graham and his co-hort's need to leave Napier Port alone, if not they remembered as the men that sold Hawkes Bay out<br>THE PORT IS NOT 4 SALE !!! |

Paul Malone — Submitter 82

| What do you support about this proposal and why? |
| --- |
| I DON'T NAPIER PORT IS NOT FOR SALE |
| What don't you support about this proposal and why? |
| Job security, local employment, local revenue, shares going offshore, when you put submissions into all households it should've been only to the ratepayers as of cause a renter will say sell as they don't want there rent to go up because HBRC won't be getting such a big dividend from the port income which will be passed down to the rate payers but 100% ownership at $90 a year is stuff all in the long term |

Brent Grant — Submitter 83

| What do you support about this proposal and why? |
| --- |
| What don't you support about this proposal and why? |

Paul Hamer — Submitter 84

| What do you support about this proposal and why? |
| --- |
| Nothing |
| What don't you support about this proposal and why? |
| Napier Port is Not for sale |

Gene Michael Burling — Submitter 85

| What do you support about this proposal and why? |
| --- |
| What don't you support about this proposal and why? |
| The port is not for sale. |

Napoleon Eketone Submitter 86

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| The Port is Not for Sale |

Rapata Turner Submitter 87

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| Napier Port is not for sale |

Gerard Pain Submitter 88

| What do you support about this proposal and why? |
| --- |
| |
| What don't you support about this proposal and why? |
| I am not in favour of the formation of HoldCo, for the following reasons:<br>(a) During the RWSS "process" a similar-named company was proposed. There was strong evidence at the time that it would enable HBRIC Ltd to keep even more "stuff" hidden from the public with no Official Information Act requests being possible.<br>I fear the same here.<br>(b) You already have a CCO call HBRIC Ltd which has elected Regional Councillors as directors.<br>As I understand it HoldCo would have no Councillors as directors; I do not find that is acceptable. |