

Report To: Regional Council

Meeting Date: 02 November 2017

**Report From:** Eddie Grogan, General Manager, Regulatory Services

# Confidential

## **Hunters Creek Munitions Barge**

## **Executive Summary**

This report addresses navigation safety concerns with the presence of a derelict munitions barge in Hunters Creek. This matter has been identified as an "emerging risk" in Council's Key Risk Register, reported to the Audit and Risk Committee on 19 September 2017.

Five options have been evaluated for your consideration, ranging from doing nothing to removal of the barge.

Staff preference is for Option 5 (removal) because it is the only response that completely eliminates the potential risks to the public and Council's reputation. If that option is not acceptable to Council, then Option 2 (exclude barge from Hunters Creek designated ski area with ski pole movements) would be the alternative recommendation.

#### Recommendations

#### That the Regional Council:

- 1 Receives the report, Hunters Creek Munitions Barge;
- 2 Agrees and authorises the Chief Executive to proceed with Option 5 removal of Hunter's Creek munitions barge at cost not to exceed \$400,000; or
- 3 Endorses and notes that the Harbourmaster will proceed with Option 2 exclude barge from Hunters Creek designated ski area with ski pole movements;
- 4 Confirms that the decision has a medium level of significance as determined by the Council's Significance and Engagement Policy. Council has identified and assessed different options and considered community views as part of making the decision, in proportion to the level of significance.

## 1 Background

The background presented is a result of conversations with John McGill who worked for Harbour Transport during the 1960's and 1970's. Mr McGill was involved with the barge's movements and is very familiar with the history. Other historical research and investigations support Mr McGill's information.

The munitions barge was built in America during the Second World War. It was constructed from steel riveted together and concrete. At the end of the war, the US Navy transported the barge to Japan where it was used to assist with the rebuild.

In the mid-1960's the barge was used to transport parts for the Auckland Harbour bridge extension project. Once finished there, Harbour Transport brought it to the Bay of Plenty to move machinery and equipment around Tauranga Harbour and to Matakana Island. During this time "...it leaked like a sieve" and the barge was patched up multiple times using rapid set concrete.

In 1970 or 1971 Neill Cropper and Company purchased the barge to store explosives and had a structure made from double concrete block walls and a very heavy explosion proof concrete roof strengthened by pre-stressed steel beams on top of it. When they tried to move the barge, the combination of the weight of the new structure and the holes in the hull meant it was too heavy to float so they used large pumps to keep up with the water ingress and towed it up Hunters Creek. It is understood the intention was to position the barge close to the end of the tributary, but before it could be so positioned, the barge sank in its current location.

There are anecdotal reports of the barge having being used to store explosives but a short time after the back frame of the barge broke. Around this time, the Harbour Board needed a place to store detonators for blasting the Tanea shelf so they took possession of the barge and used it until the channel blasting work was complete.

Since the mid-1980's there have been a number of assessments of disposal options for the derelict munitions barge, however these have never been followed through primarily due to cost.

Appendix 1 includes a number of photographs of the barge near the high tide mark.

Appendix 2 includes pages 40/41 of the Bay of Plenty Regional Navigation Safety Bylaw 2017 ("bylaw"); and page 62 of the "Boating in the Bay of Plenty" handbook (September 2017) that has greater detail of navigational markers and features in Hunters Creek.

# 2 Analysis of Options

Regional Council has essentially inherited this problem (due to late 1980's disestablishment of and Council successor to the local Harbour Board) and there is no clear pathway or evidence to assign responsibility to persons or organisations who had historical involvement with this barge.

Due to the fact that it was the Harbour Board that moved the barge to the Bay of Plenty region and because it has been in its current location for over 40 years, the removal is not covered by the Council's Harbourmasters' wreck removal insurance. The cost of removal would have to be borne by Council and is currently not budgeted or programmed.

Maritime Rules (Part 22: Collision Regulations) are clear that every vessel must keep a proper lookout by all available means and that every vessel must proceed at a safe speed for the circumstances. This clearly places the responsibility on the skipper of a vessel to avoid navigational hazards such as this derelict barge.



There is potential serious risk to Council's reputation if an accident were to occur resulting in a fatality. Criticism of Council, either in a coronial inquest or other legal process, could be mitigated due to the following:

- identification of the barge on all maritime charts and harbour mapping as a hazard;
- the barge has been included within a designated ski area for many years without any major incidents (with the exception that in January 2016 there was a collision by a speeding jet ski with the barge injuring two persons badly requiring hospitalisation and total write-off of the jet ski); and
- there has been exhaustive public consultation on recreational use of Hunters Creek through several iterations of the regional Navigation Safety Bylaw and there has been strong support for the water skiing area being retained despite the presence of the derelict barge.

In general terms, the concrete construction of the barge will be having benign effects in the marine environment. However, the degree of remnant steel or other metals in the barge is unknown.

Given the age and ongoing deterioration of the barge, another concern is that its navigation risk profile is likely to change over time as the barge breaks apart or becomes fully submerged. As well, the complexity and costs of removal will also continue to escalate over time (for example, around 2010 cost estimate was \$200K).

Lastly, an increasing popularity and use of the Hunters Creek will mean higher volumes of craft and water-based activity which corresponds to an increasing potential for collision, accidents and/or fatality.

#### **Evaluation of Options:**

	ACTION	PROS	CONS	COMMENTS
1	Do nothing	Reliance on Maritime Rules and responsible skipper behaviour No financial cost	Potential collision, accidents and/or fatality Reputational risk	viable option on health and safety liability grounds only
2	Keep designated ski area under the bylaw but move ski poles to exclude the barge	Administrative decision and action Would need community awareness and education Commitments made to increasing maritime presence	Perception of reduction of the designated ski area	The barge is clearly visible so navigational marker not necessary 5 knot rule applies and no skiing at night The current bylaw map would need updating with next print version Following education or warning phase, there would be enforcement obligations
3	Trigger the bylaw "Closure of Areas" power to formally exclude the barge from the designated ski area	Declaration of such closure is public and formal	Perception that Council has modified the designated ski area without engagement Temporary solution	Bylaw Clause 3.11 – Where the Harbourmaster considers there to be a danger to persons, he may close access to an area of water for any specified time, for any specified use and/or specific conditions
4	Maritime Transport Act 1994	Exercise of primary statutory powers and discretion of Harbourmaster Premised on there being a hazard to navigation	Could face challenge that no viable or robust evidence to justify exercise of this statutory power No cost recovery possible	Section 33F(1)(f) – General power to cause any floating, submerged or stranded object considered to be a hazard to navigation to be secured or removed Section 33J – Removal of any wreck that is a hazard to navigation by Regional Council
5	Remove the barge	Eliminates all risk Demonstrates diligent Council and Maritime response Overall community and users support	Potential to ignite the debate about Hunters Creek designated ski area	Aligns with best risk management principles

All five options have varying degrees of risks and costs to Council. Staff preference is for Option 5 (removal) because it is the only response that completely eliminates the potential risks to the public and Council's reputation. If that option is not acceptable to Council, then Option 2 (exclude barge from Hunters Creek designated ski area with ski pole movements) would be the alternative recommendation.

## 3 Community Views

A submission was made during the last Navigation Safety Bylaw review (and again to a Councillor following that review) recommending that the barge be removed. This report is a direct result of those requests.

Relevant Iwi will need to be consulted. They also made submissions during the bylaw review process citing navigation safety concerns around the barge, so it is highly likely that Iwi will support removal of the barge.

It should be noted that the independent hearings panel for the bylaw review process did not make any findings or recommendations about the barge. Based on submissions received, their focus was on whether the Hunters Creek designated ski area should stay or be removed.

# 4 Council's Accountability Framework

#### 4.1 **Community Outcomes**

This proposal directly contributes to the Resilience and Safety Community Outcome in the Council's Long Term Plan 2015-2025. Removal of the barge will make the area safer for skiers and anyone else navigating the vicinity.

#### 4.2 Long Term Plan Alignment

This work is planned under the Maritime Activity in the Long Term Plan 2015-2025.

#### **Current Budget Implications**

Removal work (Option 5) is outside the current budget for the Maritime Activity in the Annual Plan 2017/18 or Year 3 of the Long Term Plan 2015-2025.

#### **Future Budget Implications**

Future work to remove the barge (Option 5) is outside Council's Long Term Plan 2015-2025. As rates for 2017/18 have already been set, any further expenditure would contribute towards a deficit and would need to be funded from reserves.

Peter Buell **BOP Harbourmaster/Manager** 

for General Manager, Regulatory Services

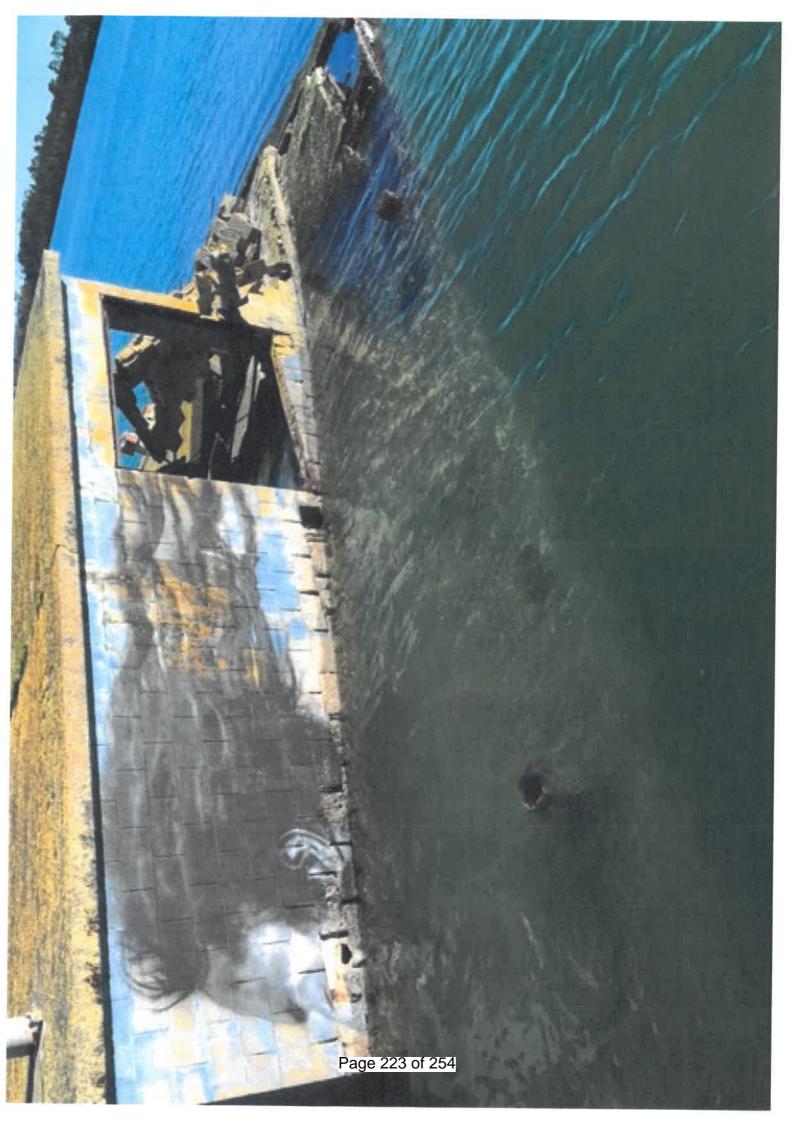
25 October 2017

# **APPENDIX 1**

# **Munitions Barge - Appendix 1 Photos - Large**





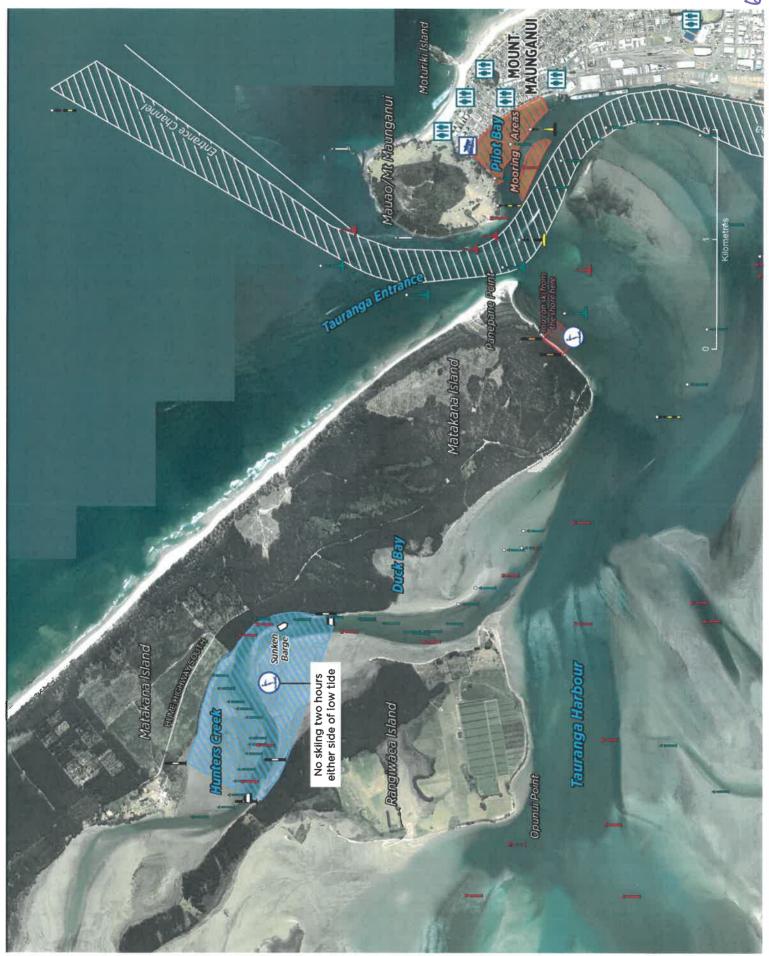


# **APPENDIX 2**

# **Munitions Barge - Appendix 2 Photos - Large**







Page 228 of 254