

# Hawke's Bay Marine Oil Spill Contingency Plan

## Annex 9 Financial Procedures and Protocols



## Contents

### Annex 9 – Financial Procedures and Protocols

9.1 Hawke's Bay Regional Council financial procedures	247
9.2 Claims from affected parties	247
9.3 Estimating spill costs	247
9.4 Responder timesheets	247
Appendix A Spill response cost estimate form	248
Appendix B Indicative response costs	249
Appendix C Draft Letter of Guarantee	250

## Annex 9 – Financial Procedures and Protocols

The financial aspects of any spill response need to be carefully recorded to ensure that all costs can be recovered from the spiller.

### 9.1 Hawke's Bay Regional Council financial procedures

All expenditure related to the spill response must be done through the normal financial procedures of the regional council.

Where contractors and suppliers are utilised they must be provided with an HBRC order number for the work and any order must be authorised by personnel with the appropriate financial delegations.

The Regional On-Scene Commander has a financial delegation of \$250,000. Expenditure beyond this amount will require approval of the HBRC Chief Executive. If costs are likely to exceed this delegation, then the Nation On-Scene Commander should be consulted to determine if a Tier 3 response would be more appropriate.

For spills that are likely to incur costs above \$5000, it is appropriate to establish an account code to maintain all costs separate from other regional council expenditure. This should be requested early in the response if likely to be required.

### 9.2 Claims from affected parties

In the response to a spill other parties may be impacted as a result of oiling or damage from spill operations. Where this occurs all claims should be made to Hawke's Bay Regional Council and these costs will be reclaimed from the spiller.

A draft letter of guarantee template is shown in the appendix.

### 9.3 Estimating spill costs

Estimates of spill costs can be made to ensure that the response will remain within any financial limits, or notification and approval can be sought where the financial limits may be exceeded. A number of forms are provided in the appendix to support the estimation of potential spill costs.

The Logistics Team should maintain a daily total of response costs and notify the ROSC to ensure that limits are not exceeded, or the response is transitioned to a tier 3 if deemed more appropriate.

### 9.4 Responder timesheets

All responders must code their time to the appropriate code and maintain daily timesheets using the HBRC system. Where the responder is not from HBRC they must maintain a timesheet (template provided in the appendix) and provide this to the Logistics Team or HBRC Finance department.

Appendix A Spill response cost estimate form

## ESTIMATE OF RESPONSE COSTS

### MONITORING (Including sampling)

Personnel	hrs @	Amount
	hrs @	
Launch hire	hrs @	
Aircraft hire	hrs @	

### CLEAN UP SEA

Labour	hrs @	
Supervision	hrs @	
Aircraft hire	hrs @	
Tug hire	hrs @	
Launch hire	hrs @	
Dispersant	ltr @	
Absorbent booms	mtr @	

### FORESHORE

Labour	hrs @	
Supervision	hrs @	
Degreaser	ltr @	
Absorbents	hrs @	
Plant	hrs @	

### DISPOSAL

Labour	hrs @	
Truck	hrs @	
Dump Fee	hrs @	

### EQUIPMENT CLEAN/REPACK

Labour	hrs @	
Degreasant	ltr @	
Material		

**GST**  
**TOTAL** \_\_\_\_\_

Appendix B Indicative response costs

## INDICATIVE COSTS EQUIPMENT AND LABOUR

\$

### FLOATING PLANT

Tug	(Inc Crew)	per movement per hr	4635.00+ GST
Pilot Boat	(Inc Crew)	per movement per hr	2575.00+ GST
Pilot		per movement per hour (if required)	1545.00+ GST
Survey Boat	(Inc Crew)	per movement per hr	380.00+ GST

### SHORE PLANT

Forklift 4.5t (Inc driver) Napier Port		per hr	205.00+ GST
Truck (Hino) (Inc driver) H.B.R.C		per hr	65.00+ GST

### LABOUR

Napier Port Operations (per person)		per hr	100.00+ GST
Napier Port Supervisor (per person)		per hr	100.00+ GST

### AIRCRAFT

Air Napier: Piper Seneca		per hr	1850.00+ GST
Navaho (8 seater)		per hr	1850.00+ GST

Fixed wing and helicopter spraying rates per company quotes

### ABSORBENT MATERIALS

Matasorb M55 Boom		per bale	329.00+ GST
Pads (Bales of 100)		per bale	259.00+ GST
Pillows (Bale of 10)		per bale	329.00+ GST

### DUMP FEES

Oily Waste		per tonne	200.00+ GST
Oily water (Beards Environmental)		per m3	150.00+ GST

N.B. The above costs exclude GST and are indicative figures only quoted in February 2021 to assist in estimating costs for guarantee from spiller. Costs passed to the spiller should be replacement costs plus any additional costs e.g. freight, handling etc at the time of the incident which may change from these quotes. The actual costs to charge are obtained from MNZ once notified of the quantities used.

Note: Dispersant costs are likely to alter greatly as feedstock prices change. Furthermore the per litre rate quoted is based on the initial large volume orders placed by MNZ. Small volume replacement orders are likely to experience a premium being placed on them.

Appendix C Draft Letter of Guarantee

## OIL SPILLAGE CLEAN UP COSTS GUARANTEE

***N.B. DRAFT LETTER OF GUARANTEE TO BE  
PRESENTED ON GUARANTOR'S LETTERHEAD***

m.v." ..... " P.O.R. ....

Master .....

Owners .....

OIL SPILLAGE AT NAPIER on ..... day of ..... of 19 ....

..... is authorised as Agent for our Principals

.....

to guarantee the sum of \$..... to indemnify the Hawke's Bay Regional Council for the out of court settlement of all clean up and monitoring costs of the above oil spillage.

Signed

for

Date