

Dredging News # 8

Dear POMA Clients and Stakeholders,

- 1) Following the announcement in the April 2021 POMA Newsletter that we have engaged a firm of consultants to assist with the obtaining of the dumping and discharge permits, some clients were asking us to provide “a description of costs involved in the dredging investigations” in order to better understand the application of the funding received via our clients and the Bergvriever Municipality.

Below, please find an extract from the 2021 POMA budget detailing the expected costs (budget), the current best estimate (forecast) for the full year as well as the actual amounts spent during the first quarter of the year.

PORT OWEN MARINA AUTHORITY (NPC)	Actual 1st Quarter	Forecast TOTAL - 2021	Budget
Dredging	73,210.20	689,856.43	684,374.00
Dredging Expenses - Operational	25,929.10	296,116.43	316,374.00
Repairs & Maintenance - Platform	139.13	139.13	-
Dredger - Fuel	-	66,500.00	66,500.00
Dredger - Maintenance	18,757.24	43,000.00	43,000.00
Insurance - Dredger and related items	5,065.95	22,247.30	22,644.00
Dredger - Consultants	-	-	-
Dredger - ECO Sampling & Monitoring	-	-	-
Dredger - Sampling for Monitoring	-	21,000.00	41,000.00
Dredger - Labour	-	31,500.00	31,500.00
Protective Clothing	1,440.69	11,730.00	11,730.00
Repairs & Maintenance - Settling ponds	526.09	100,000.00	100,000.00
Dredging - Obtaining of Permits	47,281.10	393,740.00	368,000.00
Dredger - Consultants	23,100.00	200,000.00	200,000.00
Dredger - ECO	24,181.10	93,740.00	88,000.00
Dredger - Sampling	-	100,000.00	80,000.00
Dredging Expenses - Contractor	-	-	-

- 2) So, what does it tell us, with reference to the question in (1) above?
- 2.1) We have budgeted to spend a total of R200,000.00 on consultants to help us secure the permits. This amount includes legal and technical consultation cost.
- The amount spent to date refers to legal costs, whilst we have not yet finalised the total expenditure with WSP on the technical consultancy.
- 2.2) We have budgeted to spend R88,000.00 on environmental consulting for the year. POMA has to have a designated ECO advisor to oversee the dredging operations and this is the expected cost of this function. You will note that we expect to exceed budget slightly, which is mainly due to technology necessitated by the Covid restrictions, such as virtual meetings and data transfer.
- 2.3) Extra sampling of sediment sources are necessary to complete the permit application process and we plan to spend R100,000.00 on this application – slightly higher than budget.
- 2.4) The rest of the expected expenditure is straightforward variable operational cost which will only be incurred when we actually start with the dredge operation.

- 3) As reported in the regular Newsletters, we have now started to engage with the authorities on the road to the completion of our applications for the two permits. Actual progress will dictate what the eventual cost will be.

We shall keep you posted.

POMA MANAGEMENT