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**SUPPORTING STATEMENT OF PATRICK JOHN BRIDGEMAN IN  
SUPPORT OF MCCALLUM BROS LIMITED APPLICATION TO FAST  
TRACK A SAND EXTRACTION CONSENT FROM A SITE IN BREAM  
BAY.**

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1. My name is Patrick John Bridgeman and I am the Managing Director of Bridgeman Concrete Limited ("BCL").
2. BCL produces and delivers ready mixed concrete throughout the North Island. We primarily produce concrete for the Auckland, Waikato, Bay of Plenty and Hawkes Bay markets.
3. I am making this statement to support the application by McCallum Bros. Ltd (MBL) for inclusion as a fast track project under the Fast Track Amendment Bill. The application is for consent to extract sand from a 17 km<sup>2</sup> site in Bream Bay, Northland.
4. I want to explain some of the issues BCL would face if, following the Environment Court's decision declining the application for a similar offshore sand extraction consent at Pakiri, MBL is unable to supply BCL with marine sand with similar characteristics for concrete manufacture. I understand that Bream Bay offshore sand would be a suitable substitute.
5. BCL supplies between 6% and 7% of the ready mixed concrete used in New Zealand, and between 15% and 18% of the ready mixed concrete used in the Auckland market (for both residential and commercial supply). BCL also supplies from time-to-time specialist concrete mixes for public infrastructure works, including the City Rail Link and the Central Interceptor.
6. BCL has plants in Hastings, Napier, Hamilton, Papakura, East Auckland, Avondale and has interests in plants in Tauranga and Rotorua through joint ventures. BCL's three Auckland plants receive about 40 - 45 truck and trailer loads of sand per week (700 -850m<sup>3</sup>). The plants in Papakura, East Tamaki and Avondale use the Pakiri sand and Avondale supplies have more recently been supplemented by some Kaipara Harbour sand from MBL. At present sand from the Kaipara Harbour supplied by Mt Rex shipping Ltd is the only other sand

suitable in sufficient quantities for the majority of our concrete making processes.

7. From time to time, the plants in Hawkes Bay and Tauranga have also used some Pakiri sand. This need arises when the quality of sand from the Hawkes Bay and the Waikato falls in quality. The Pakiri sand is needed to help balance out the lower quality sand from those areas.
8. I am also involved in a cement plant in Mt Maunganui, HR Cement. HR Cement supplies about 10% of the New Zealand market with cement. HR Cement's plant is currently producing a low carbon cement product "Ecocem", which it supplies to the market. Ecocem is a cement product with significantly lowered embodied carbon compared to standard concrete.
9. BCL are wholly reliant on sand from MBL for its three Auckland plants. If MBL were unable to provide us with sand, the three Auckland plants would have to close and the cement plant would reduce to half its productivity (as it would not be providing the cement for our Auckland plants).
10. As part of my role as Managing Director at BCL, I have investigated the availability of alternative sand supplies and I am in regular contact with others within the industry, including various sand suppliers. I am aware that there is a shortage of sand suitable for high strength concrete in the Auckland market. Since the end of July 2023 when MBL had to greatly reduce the volume of sand from Pakiri there has been a worsening shortage of marine sand in the Auckland market. As stockpiles of the Kaipara sand have been seriously depleted, MBL has begun to introduce rationing of its sand supply to all of its customers including BCL. We have been forced to purchase a re-screened aggregate contaminated sand to maintain production at the rate required by our customers. These problems would have been far worse had the Auckland construction market not suffered a downturn in the last 12 months.
11. The current position is that if further marine sand is not made available Auckland concrete manufactures will have to accept further cuts in supply and face reduced concrete production. The result would be a shortage of concrete for development and construction in the Auckland market and in particular for any infrastructure projects which rely on the high strength concrete for which marine sands is an essential component. As the construction industry picks up the position will only become worse and could become critical.

12. Access to Kaipara Harbour sand is controlled by Mt Rex Shipping, which is controlled by the owners of Atlas Concrete Limited ("Atlas"). I doubt that BCL would be able to obtain reliable supplies of Kaipara Harbour sand from Atlas/Mt Rex Shipping in sufficient amounts to keep the Auckland plants running.
13. As Atlas is also a concrete producer and a direct competitor to BCL, I am doubtful that they will be prepared to sell Kaipara sand to us on acceptable terms or possibly at all. Whilst MBL are able to act as a middle man for a short period of time to provide us with some Kaipara sand, that is not a long term solution.
14. In addition, if the entire Auckland concrete market was reliant on the Kaipara Harbour sand source and only one supplier, it would be highly exposed to the risk of supply failure. For example, if Mt Rex Shipping ran into an issue and the supply of this sand was affected (i.e. because a barge broke down, or production and extraction rates dropped), there would be a material impact on the sand available for supply to the wider Auckland concrete industry.
15. If MBL is unable to supply us with marine sand and BCL cannot source a suitable alternative, BCL's ongoing ability to operate in Auckland would be threatened. BCL does not hold a stockpile of sand. Once sand is received, it is used to make concrete. Without suitable sand coming in regularly, we will no longer be able to produce and deliver concrete.
16. If BCL's three Auckland plants were to close, this closure would affect approximately 100 employees and/or contractors who work with those plants (including 19 independent owner/operator truck drivers who rely on BCL). The Auckland plants would not be able to operate until an alternative supply is found which could be significantly more expensive. This closure would have a flow on effect with an immediate reduction in concrete supplied to the Auckland market and a corresponding effect on the construction industry.
17. A recent development has been the introduction of a trial production of sand manufactured from rock at Kaipara Ltd's quarry in Brookby. BCL's previous experience with manufactured sand has not been satisfactory. We have, however, undertaken trial manufacture of concrete with the new Brookby product but have found it in its present form unsatisfactory in a number of aspects. It is not easy to pump and does not finish as well in certain inferior characteristics.

18. I believe that the shortage of marine sand in the Auckland market and the possibility of worse shortages to come as construction and infrastructure development increases in the future is the most serious threat that our business has faced in our 56 years of operating.

A handwritten signature in black ink, appearing to read 'P JB' followed by a long horizontal line.

**PATRICK JOHN BRIDGEMAN**