



Notice is given of a Pukaki Airport Board Meeting to be held on:

Date: Tuesday, 12 March 2019

Time: 10.30am

**Location: St John Rooms
Twizel**

AGENDA

Pukaki Airport Board Meeting

12 March 2019

**Suzette van Aswegen
Chief Executive Officer**

Pukaki Airport Board Membership:

Derek Kirke (Chair)
James Leslie
Rick Ramsay
Grant Bisset

The purpose of local government:

(1) The purpose of local government is—

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

- (a) efficient; and
- (b) effective; and
- (c) appropriate to present and anticipated future circumstances.

(Local Government Act 2002)

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- 1 OPENING**
- 2 APOLOGIES**
- 3 DECLARATIONS OF INTEREST**
- 4 VISITORS**

5 REPORTS

5.1 PUKAKI AIRPORT BOARD CHAIRMAN'S AGENDA

File Reference: N/A

Author: Charlotte Borrell, Committee Administrator

Authoriser: Toni Morrison, Group Manager Projects and Administration

Attachments: 1. Pukaki - FINAL - Agenda 12th March 2019 [↓](#) 

STAFF RECOMMENDATIONS

That the information be noted.

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER

Agenda

Meeting of the Pukaki Airport Board to be held in Twizel
at 10.30 a m on Tuesday 12th March 2019.

1. Apologies
2. Minutes – Meeting - 14th November 2019 **P.E & Non P.E.**
3. Finance – Cash Flow - Capital Update , Accounting Fees
4. Caretaker/Administration – Report
5. Airport Maintenance
6. Incident – Aviation Adventures/Fulton Hogan
7. NOTAMS
8. Health and Safety - Exposition - Grant to Update
9. Lot 25 Aircraft parking?
10. Aiim
11. Sales update, **P.E.**
12. District Plan Review
13. District Strategic Plan
14. Board Business Plan
15. DOC land
16. Water supply
17. Long Term Plan
18. Subdivision options
19. Q.V. -Valuation and Airport Zoning for valuation

- 20. Operations Manual – Grant to report
- 21. Emergency Response Plan – Grant to update
- 22. Chairman’s Report to Council
- 23. Taxi-way re-seal
- 24. Landing Fees – Bulk Annual Fees

5.2 MINUTES OF PUKAKI AIRPORT BOARD MEETING - 14 NOVEMBER 2018

File Reference: NA

Author: Charlotte Borrell, Committee Administrator

Authoriser: Toni Morrison, Group Manager Projects and Administration

Attachments: 1. Minutes of Pukaki Airport Board Meeting - 14 November 2018

RECOMMENDATION

1. That the Minutes of the Pukaki Airport Board Meeting held on Wednesday 14 November 2018 be received and adopted as a true and accurate record of the meeting.



MINUTES

Pukaki Airport Board Meeting

14 November 2018

**MINUTES OF MACKENZIE DISTRICT COUNCIL
PUKAKI AIRPORT BOARD MEETING
HELD AT THE ST JOHN ROOMS, TWIZEL
ON WEDNESDAY, 14 NOVEMBER 2018 AT 10.30AM**

PRESENT: Derek Kirke (Chairman), Cr James Leslie, Rick Ramsay, Grant Bisset

IN ATTENDANCE: Mayor Graham Smith, Paul Morris (Group Manager Finance), Arlene Goss (Committee Administrator), one member of the public named Dave.

1 OPENING

The chairman opened the meeting.

2 APOLOGIES

An apology was received from chief executive Suzette van Aswegen.

3 DECLARATIONS OF INTEREST

Nil

4 VISITORS

Nil

5 REPORTS

5.1 MINUTES OF PUKAKI AIRPORT BOARD MEETING - 27 AUGUST 2018

Matters arising from the minutes - Mr Ramsay said the minutes say he will send a letter to land owners regarding fencing and security. He said this was incorrect and the chairman would do this.

The chairman asked about the District Plan Review and the Mayor provided an update. This would be underway soon.

The minutes of the workshop were noted. They are attached to the agenda.

COMMITTEE RESOLUTION PAB/2018/34

Moved: Derek Kirke

Seconded: Rick Ramsay

1. That the Minutes of the Pukaki Airport Board Meeting held on Monday 27 August 2018 be received and adopted as a true and accurate record of the meeting.

CARRIED

5.2 PUKAKI AIRPORT BOARD CHAIRMAN'S AGENDA

5.2.1 FINANCIAL REPORT

The chairman said the board was in very good financial shape. The board should earn about \$25,000 of interest for the year. This was an estimate only.

The chairman went through the financial report and noted some items. Mr Ramsay said the runway expenses reflected the additional work done on the grass runway. This had been mowed once and would be mowed again close to Christmas.

Mr Morris extended his thanks to the board for their efforts contributing to Council's Annual Report. He asked the chairman to pass his thanks to the accountant for her work.

The chairman asked that the minutes note the board's appreciation of the work done by the accountant and the council finance team.

The chairman asked Mr Morris about \$33,000 towards servicing assets. This related to depreciation of assets not held by the board, such as runways. The chairman considered asking for a breakdown of this figure and discussion followed on whether this was needed. Mr Morris offered to provide this list of assets to the board.

5.2.2 HEALTH AND SAFETY

Mr Bisset tabled the Operations Manual Draft V1. This is an attachment to these minutes. On page 10, Item 2.6.5, Mr Bisset put the question posed in the notes. The board agreed that the pilot decides which runway to use and this would be removed.

Other notes on the draft were discussed by the board and decisions made. These would be reflected in the final version of the operations manual.

Discussion included the management of wildlife and pests at the airport. This section would be expanded to include pests like rabbits and hares.

The chairman asked if the airport board should be consulting with Council's Emergency Management Officer when he prepares an emergency response plan for Twizel. This was agreed. Cr Leslie will take the operations manual to Mr McKay (EMO) following the meeting.

Discussion took place on whether emergency equipment should be held at the airport and who would be responsible for it. A tractor capable of lifting a tipped-over plane was considered. There were disadvantages to this, and with emergency services located so close was it necessary? A tractor could also be used for rolling and mowing the runway. There was a case for having a decent fire extinguisher located centrally.

A location for the designated helicopter hover practice area was decided. This would be at the eastern end of the airport.

Discussion was held on the process required to employ a caretaker for the airport. This would be a casual position on contract.

5.2.3 OTHER MATTERS IN THE CHAIRMANS AGENDA

Aiim – An increased number of landings were being invoiced.

Strategic Plan – The Mayor said the vision of Council to protect the solitude of the district might not align with any plan to have an international airport at Twizel. The chairman said the board’s vision was to ensure Council would make provision for any eventually.

Mr Ramsay said the airport was currently jet capable and this could be promoted. He warned against using the words “international runway”. The chairman said the ownership of the north end and getting the designation extended were the two issues that would need to be resolved to future proof the airport.

The Mayor said there was a need to get the strategic visions of the airport and the council into alignment.

DOC Land Near Airport - Paul Morris is writing the letters now to put this land swap into action. The situation is complicated. The Mayor has met with DOC to discuss this and it needed to be kept separate from other negotiations currently underway. Discussion took place on the spread of wilding pines on both council and DOC land.

Cr Leslie suggested that the board fund a contractor to help Mr Morris with this project if he needed extra resources. This option was left open. Mr Morris suggested ecological studies to show what DOC would be gaining in agreeing to swap the land.

Twizel Water Supply to Airport -The Mayor has spoken to staff about this. It was being scoped. It was in the budget and would happen next year. The chairman said the current well head should be made safe in the meantime and this should happen immediately. The Mayor will take this back to staff.

Mr Ramsay said Council needed to address water connections at the airport which were not compliant. An inspection was needed of the connections to ensure they were compliant.

QV Valuation and Airport Zoning for valuation - The Mayor will check on progress with this issue and come back to the board.

Chairman’s Report to Council - The chairman has not had feedback from Council on his report. The Mayor believed this report had not come to Council yet. The Mayor to follow up. The chairman is available to talk to Council if required.

Taxi way Reseal - The Mayor said he had spoken to the Asset Manager about this project. He has not updated the price received from Fulton Hogan. Some pre-seal repair work needed to be done first. An inspection was planned on Monday.

Maintenance Mowing/Fertilizer/Seeding/Weeds - Recent rain has resulted in the growth of weeds. It would be nice to tidy this up because MP Jacki Dean would like to have a look at the airport on the 21st when she visited Twizel.

Mr Ramsay will look into this. Also needed to control the lupins and broom. Spraying to be organised. Regarding fertilizer, Mr Ramsay asked for advice on what was needed for good ground cover. It was agreed just to use some super phosphate.

6 PUBLIC EXCLUDED

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION PAB/2018/35

Moved: Member Grant Bisset

Seconded: Cr James Leslie

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
6.1 - Minutes of Public Excluded Pukaki Airport Board Meeting - 27 August 2018	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
General matters of commercial sensitivity	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

COMMITTEE RESOLUTION PAB/2018/36

Moved: Member Rick Ramsay

Seconded: Cr James Leslie

That Pukaki Airport Board moves out of closed meeting into open meeting.

CARRIED

The Meeting closed at 1.19pm.

The minutes of this meeting were confirmed at the Pukaki Airport Board Meeting held on 13 February 2019.

.....
CHAIRPERSON

5.3 PUKAKI AIRPORT BOARD CHAIRMAN'S REPORT

File Reference: NA
Author: Charlotte Borrell, Committee Administrator
Authoriser: Toni Morrison, Group Manager Projects and Administration
Attachments: Nil

STAFF RECOMMENDATIONS

That the information be received.

BACKGROUND**Pukaki Airport Board Chairman's Report – 5th March 2019****DRAFT FOR BOARD APPROVAL****Overview**

The last of the Airports sections available for sale in the 52 Lot sub-division, have now been sold. Selling began in 2006 and all initial Lot sales have been made by the Board. The project has been successful and beyond our most optimistic forecasts. It has required much time input and attention to detail. New hangers have been completed and new activities have come with them. There are other hangers in the pipeline and the airport has some interesting proposals to consider over the next 12 months.

2018/2019 Financial Performance

The Board has successfully sold the land and hanger it had previously contracted in a lease to buy contract with the H2 hovercraft owners. Unfortunately the venture did not succeed. The outcome has been good for the Board and the recent transaction has released substantial capital sooner than forecast.

Our financial net cash return from Lot sales greatly exceeds our forecasts. The forecast net cash position for March 2019 was \$700,000 in the 2018 Business Plan. The actual is \$1,400,000 cash on hand and invested. The interest from this capital sum invested will be an essential part of funding for the Airport operation. There is approximately \$400,000 of additional land sales capital due from part paid sales due over the next three years. This is the approximate amount which will be required for the upcoming taxi-way reseal. This project provided for the complete return to Council of all of its approximately \$500,000 capital originally invested. The original Board completely de-risked the project for Council with pre-sales before any earth works was undertaken and no additional input was required from Council. The total cost of the project infrastructure was approximately \$3,200,000, with sales generating approximately \$6,400,000. The Board has used this surplus to re-seal the runway, return capital to

Council, shift the terminal, build a hanger for lease, provide toilets and built a cross-wind grass runway. The balance is invested.

Our expenses are reasonably well contained the only exceptions being un- avoidable items for rates, planning, accounting, and legal requirements.

We finished the first stage of a taxi-way reseal, which we expect will cost around \$400,000. This is very much needed to maintain the existing seal and provide for the possibility of more turbine aircraft coming to the airfield. Of course it is also desirable not to have stone chips for propeller aircraft.

Airport Caretaker/Administrator

The Board has engaged Trevor Shadbolt as a contractor to undertake day to day supervision of airport activity and administration work. He is also taking an active daily role in important health and safety issues such as run-way inspections, and the issuing of aviation NOTAMS.

District Plan / Long Term Plan

We have sought outside expertise to ensure our long term plans will meet all possible future requirements for the airport, and are working with Council to ensure Council's aspirations and ours coincide. It is good to be assured that Council's proposed Strategic Review will include the Airport.

Structure

It is likely that at some time in the future Council's legislative responsibilities and the Board's commercial focus will create difficulties for both Council and the Board. For that reason the Council should keep this matter under review.

There are many examples around New Zealand where a clear structural separation between the commercial operation of an airport and its Council owner has been required.

I conclude with my thanks to fellow Board members Rick Ramsey, James Leslie, and Grant Bisset for their input during this period.

Derek Kirke

Chairman Pukaki Airport Board

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

6 PUBLIC EXCLUDED**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

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