



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

Date: Wednesday, 15 May 2019

Time: 10.30am

Location: Twizel Community Lounge

AGENDA

Pukaki Airport Board Meeting

15 May 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, Governance Advisor

Authoriser: Stuart Grant, Acting Group Manager Projects & Admin

Attachments: 1. Pukaki Agenda 15th May 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 Wednesday 15th May 2019.

1. Apologies
2. Minutes – Meeting - 12th March 2019 **P.E & Non P.E.**
3. Finance – Cash Flow - Capital Update - Balance Sheet – Bus. Plans
4. Caretaker/Administration Report
5. Incident – Aviation Adventures/Fulton Hogan /Future NOTAM ‘s
6. Health and Safety - Issues - Grant/Trevor to Update
7. Aiim
8. Sales update, **P.E.**
9. District Plan Review
10. District Strategic Plan
11. DOC land
12. Water supply
13. Long Term Plan
14. Subdivision
15. Q.V. -Valuation and Airport Zoning for valuation
16. Operations Manual – Grant to report
17. Emergency Response Plan – Grant to update
18. Main Highway set back - Resource Consent Expiry
19. Taxi-way re-seal

5.2 PUKAKI AIRPORT BOARD CHAIRMAN'S REPORT 12 MARCH 2019**File Reference:** NA**Author:** Charlotte Borrell, Governance Advisor**Authoriser:** Stuart Grant, Acting Group Manager Projects & Admin**Attachments:** Nil**STAFF RECOMMENDATIONS**

That the information be received.

BACKGROUND**Pukaki Airport Board Chairman's Report – 12th March 2019****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 Lot sales have been made by the Board. The project has been successful and beyond our most optimistic forecasts.

The original Board completely de-risked the project for Council with pre-sales before any earth works were undertaken and no capital input for the project 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 return to Council the approximate \$500,000 of capital originally invested in land purchase, re-seal of the original runway, shifting the terminal, building hangars for lease or sale, providing toilets and building a cross-wind grass runway.

The balance is invested with interest used to offset operating costs.

New hangars have been completed and new activities have come with them. There are other hangars in the pipeline and the airport has some interesting proposals to consider over the next 12 months.

All this required a lot of attention to detail and effort put in by the Board members.

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 subsequent sale of the land and hanger has released substantial capital sooner than forecast, and overall the Lot 7 hanger build project has been good for the airport and the Board.

Our financial net cash return from Lot sales in this period 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 and at some time in the future we will consider options for our remaining hanger which should return a further \$500,000 to the Board.

The interest from this capital sum invested will be an essential part of funding for the Airport operation and future development.

There is approximately \$400,000 of additional land sales capital due from part paid sales contracts due over the next three years. (This is the approximate amount which will be required for the taxi-way reseal).

Our expenses are reasonably well contained the only exceptions being un-avoidable items for rates, planning, accounting, and legal requirements. Use of the airport has been increasing year on year.

We have finished the first stage of a taxi-way reseal, with the remaining work to be carried out next financial year.

This was 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 on surfaces used by 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 District 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 Ramsay, James Leslie, and Grant Bisset for their input during this period.

Derek Kirke

Chairman Pukaki Airport Board

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

5.3 MINUTES OF PUKAKI AIRPORT BOARD MEETING - 12 MARCH 2019

File Reference: NA

Author: Charlotte Borrell, Governance Advisor

Authoriser: Stuart Grant, Acting Group Manager Projects & Admin

Attachments: Nil

RECOMMENDATION

That the Minutes of the Pukaki Airport Board Meeting held on Tuesday 12 March 2019 be received and the recommendations therein be adopted.

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

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 - 12 March 2019	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