



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

Date: Wednesday, 11 September 2019

Time: 10.30am

Location: Twizel Events Centre

AGENDA

Pukaki Airport Board Meeting

11 September 2019

**Suzette van Aswegen
Chief Executive Officer**

Pukaki Airport Board Membership:

James Leslie
Derek Kirke (Chair)
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)

Order Of Business

1	Opening	5
2	Apologies	5
3	Declarations Of Interest.....	5
4	Visitors.....	5
5	Reports	6
5.1	Minutes of Pukaki Airport Board Meeting - 15 May 2019	6
5.2	Chairman's Agenda.....	7
5.3	Chairman's Report 31 August 2019.....	8
5.4	Caretaker's Report.....	10

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

5 REPORTS

5.1 MINUTES OF PUKAKI AIRPORT BOARD MEETING - 15 MAY 2019

File Reference: na

Author: Andrea Adams, Governance Advisor (Temp)

Authoriser: Darren Brown, Information and Engagement Manager

Attachments: Nil

RECOMMENDATION

That the Minutes of the Pukaki Airport Board Meeting held on Wednesday 15 May 2019 be received and the recommendations therein be adopted.

5.2 CHAIRMAN'S AGENDA**File Reference:** N/A**Author:** Andrea Adams, Governance Advisor (Temp)**Authoriser:** Darren Brown, Information and Engagement Manager**Attachments:** Nil**STAFF RECOMMENDATIONS**

That the information be noted.

1. Apologies
2. Minutes – Meeting - 15th May 2019
3. Finance – Cash Flow - Capital Update - Balance Sheet – Year end – historic Council GST double payment resolved with Council in 2016 recently renewed.
4. Caretaker/Administration Report
5. Incident – Aviation Adventures/Fulton Hogan /Future NOTAM 's and Airport closures, - future management of rolling etc, Trevor Shadbolt to report
6. Health and Safety - Issues - Grant Bisset/Trevor Shadbolt to update
7. Aiim – Rick Ramsey/Trevor Shadbolt
8. Inflight – MOU Grant to update, consent to operate parachutes, sections required.
9. District Plan Review
10. District Strategic Plan
11. DOC land, and zoning/study of fauna and flora Deputy Mayor James Leslie to report.
12. Water supply –Main supply from Twizel, Status water right for irrigation, state of pump, irrigation of PLA.
13. Long Term Plan
14. Future Subdivision – plan approval, moratorium, electricity
15. Year-end Chairman's Report to Council
16. Q.V. -Valuation and Airport Zoning for valuation
17. Operations Manual – Grant Bisset/Trevor Shadbolt to report
18. Emergency Response Plan – Grant Bisset/Trevor Shadbolt to update
19. Main Highway set back - Resource Consent Expiry
20. Taxi-way re-seal
21. Minutes – Meeting - 15th May 2019 **Public Excluded**
22. Sales update, **Public Excluded**

SUZETTE VAN ASWEGEN

CHIEF EXECUTIVE OFFICER

5.3 CHAIRMAN'S REPORT 31 AUGUST 2019**File Reference:** NA**Author:** Andrea Adams, Governance Advisor (Temp)**Authoriser:** Darren Brown, Information and Engagement Manager**Attachments:** Nil**STAFF RECOMMENDATIONS**

That the information be received.

BACKGROUND**Overview**

At this point in time all of the sections available in the subdivision have been sold and our two hangars have also been sold leaving the Board in a strong position to launch a new development and to create opportunities for new revenue streams for the Airport should they arise.

2018/2019 Financial Performance

The Board has successfully sold the land and hanger on Lot 7 it had previously contracted in a lease to buy contract with the hovercraft owners. This sale was to mature in 2022. Unfortunately the venture did not succeed. The transaction was complex involving a land swap for Lot 4 which we successfully on-sold and has released substantial capital sooner than forecast. All of the outstanding rents due were covered in a sub-lease to Disney films. Overall the Board is very happy with the outcome of this project. The total build cost was approximately \$380,000 and the sale and purchase price was a net of land swap and sale was \$515,000.

In February 2018 the Board was approached by a large operator wishing to become involved at Pukaki, and showing some interest in the older hangar on Lot 42. The Board resolved by resolution to offer this hangar for \$600,000 to that party. Nothing came from that proposal. Earlier this year the Board was approached by another party wishing to purchase this hangar which we sold for \$580,000. The total build cost of that hangar in 2011 was \$267,000. We brought this hangar build project proposal to Council in 2010 when the airport was dead and minimal activity was occurring. We proposed this project to Council with three clear goals. The first was to start the first new hangar build on the subdivision, the second was to bring new activity to the airport and the third was ultimately sell it on for private ownership to release our capital for new projects. We have achieved all three of these goals

Our financial net cash return from Lot sales in this period greatly exceeds our forecasts. At the time of writing this report our cash and investments on hand exceed \$2,200,000 from an opening cash position at June 30th 2018 of \$395,000. You will find this difficult to reconcile with the Council Annual accounts which, because of local body accounting rules, do not reflect this wonderful financial outcome achieved by the Board.

Our expenses for legal fees were very high, relating to land sales, and the complex situation surrounding the H2 Explore situation and sub-lease to Disney. Our accounting fees for this year have necessarily been high as a result of our accountant Sue Allan resigning her role at the end of March and the hand-over of her roles to Trevor Shadbolt for producing cash/management accounts for the Board and Bruce Cowan to convert these figures for Council end of year requirements. The Board expect that outgoings for both legal fees and accountancy to be greatly reduced this year. The Board

acknowledge the wonderful contribution Susan Allan made to the Board in her accountancy work over the years and we always appreciated her precise work.

We are planning for a taxi-way slurry reseal this financial year which we expect will cost around \$380,000. This is very much needed with the possibility of more turbine aircraft coming to the airfield. Of course it is also desirable not to have stone chips for propeller aircraft.

Subdivision

As signalled to Council earlier this year the Board is wishing to proceed with a new two phase or possibly three phase subdivision as soon as possible. As soon as the moratorium on land sales is lifted the Board will bring the detail to Council. We wish to proceed as soon as possible while the land market is buoyant and we are turning away regular enquiries.

Airport Caretaker/Administrator

During the year the Board 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. This is part of the Boards plan to ultimately move to a governance only role in the long term. Already Trevor is making a very good contribution in his role.

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. We look forward to participation in that review.

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 give this matter urgent attention.

There are many examples around New Zealand where a clear structural separation between a commercial operation 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 very large input during this very busy period, also to Trevor Shadbolt and Bruce Cowan for their input.

Derek Kirke

Chairman Pukaki Airport Board

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER

5.4 CARETAKER'S REPORT**File Reference:** NA**Author:** Andrea Adams, Governance Advisor (Temp)**Authoriser:** Darren Brown, Information and Engagement Manager**Attachments:** Nil**STAFF RECOMMENDATIONS**

That the information be received.

BACKGROUND

The following report is from Trevor Shadbolt, Pukaki Airport Caretaker

Actions	By
<ul style="list-style-type: none"> • The recent find weather has seen a steady increase in airfield usage, particularly over the weekends when a steady stream of aircraft coming and going, many walking down to the town for local café's • New outside sensor fitted to Toilet block to replace smashed unit & toilet block hand dryer has had its PCB board replaced, both items now operational. • There have been no incidents reported airside or landside over this period. 	<p>Twizel Electrical</p> <p>Purchase order issued</p>
<ul style="list-style-type: none"> • Trevor has started repairing & painting the marker boards • Concrete tiles to replace existing tyre markers. Pricing \$12.00 ea. 140 required. Excavator hire price to be confirmed by Russel Armstrong as he has not worked one out yet. Other companies contacted want to work on an hourly basis, last quote was for \$2,500. • The excavator will be used to remove the existing fence and waratahs. I suspect a total of 12 hrs are required to do this. • PLZ now marked out along with end of proposed Taxi way and land development road. PLZ is 20m from Taxi way threshold • Trevor to obtain solar lighting/led for entrance way to replace old units. This is underway 	<p>Trevor</p>
<ul style="list-style-type: none"> • Board to consider having an MBZ (Mandatory Broad Cast Zone) in the Pukaki Area, as Mount Cook does, we should also consider reporting points for joining/departing NZUK? • Possibilities could be <ul style="list-style-type: none"> ○ Ohau C, ○ Kelland Ponds (existing) ○ "the Pivots or Circles to the East" ○ Simons Pass? 	<p>All</p>

<ul style="list-style-type: none">• Trevor to report on any feedback from “residents” meeting• Landowner/Resident on Pukaki Board? Options?	All
<ul style="list-style-type: none">• Draft Pukaki Users Document for discussion and updates. To be circulated prior to meeting	Trevor

SUZETTE VAN ASWEGEN
CHIEF EXECUTIVE OFFICER