

**I give notice that
a Taupō Airport Authority Committee Meeting will be held on:**

Date:	Monday, 26 June 2023
Time:	10.30am
Location:	Conference Room Taupō Airport Anzac Memorial Drive Taupō

AGENDA

MEMBERSHIP

Chairperson	Mr Chris Johnston
Deputy Chairperson	Cr Yvonne Westerman
Members	Cr Duncan Campbell Mr Chris Grace Mayor David Trewavas
Quorum	3

Julie Gardyne
Chief Executive Officer

Order Of Business

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4.1 TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING - 17 APRIL 2023

Author: Nicole Turnbull, Executive Assistant

Authorised by: Nigel McAdie, Legal, Risk and Governance Manager

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

1. That the minutes of the Taupō Airport Authority Committee meeting held on Monday 17 April 2023 be confirmed as a true and correct record.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Taupō Airport Authority Committee Meeting Minutes - 17 April 2023

5.1 SAFETY MANAGEMENT

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority (TAA) Committee with a Health and Safety update.

NGĀ KŌRERORERO | DISCUSSION**Safety Management System software**

Members have previously been advised that management has been investigating a new software platform to maintain its Safety Management System (SMS) and to better meet all the Airport operational requirements.

Management has to date reviewed four SMS software platforms and is proposing to enter into discussions with a preferred supplier.

There will be a set up cost to transfer data from the existing system to the new one of approximately \$2,000 but the ongoing annual licence fee will be \$5,000 less than current. It is hoped to have the new system up and running during July 2023.

Airport Safety Group

There was an Airport Safety Group meeting held on 10 May 2023 which was well attended by Airport users and TAA management.

Following a review of the previous method of reporting the minutes from the safety group meeting and any notified accident / incidents through the confidential section of the TAA Committee meetings, management is now proposing to include the Airport Safety item as part of the main agenda.

However, to maintain privacy and not to hinder the progress of any ongoing investigation items, it is important that the public are excluded from any discussions or information relating to these matters. Refer to attached TAA Airport Safety Group Minutes.

Training

Safety Management System (SMS) training is a requirement under the Civil Aviation Authority (CAA) Rule Part 100. SMS training was completed on the 19 April 2023 and was conducted by TAA's Safety Manager.

Wildlife management

To date the bird strike statistics, remain unchanged and, in comparison to other regional airports, the risk is low and trending constant. Feral cats have been observed on the aerodrome and a trapping programme is in place.

Recently a dog roaming landside was reported to management by aerodrome tenants. To mitigate any risk with potential airside incursion, management contacted Taupo District Council who caught the dog which was subsequently returned to the owner.

As previously advised to Committee members, management is investigating a proposal to purchase a drone for both wildlife control and aerodrome inspections. Training will be required to ensure staff are competent in drone operations and to comply with CAA regulations Part 101 and 102.

In the meantime, TAA is working with TDC drone operators to explore how effective drone usage would be at the Airport.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.2 OPERATIONS

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority Committee with an operations update.

NGĀ KŌRERORERO | DISCUSSION**Airside**

Following a recent runway inspection, cracking to the centre line of the main sealed runway was evident towards the southern end. Committee members will recall at the last Committee meeting that a proposal was put forward by management to seal-band the cracks to ensure the pavement integrity was maintained and would not deteriorate further during the winter season. The runway was closed on the evening of 25 May for the seal banding work to be completed. Due to a quicker than anticipated worktime and material to hand, the contractor was also able to carry out further crack sealing on the main sealed runway (an extra 300m) at no additional cost to TAA.

The maintenance of the runway markings is the responsibility of Airways New Zealand, however, they have no proposed programmed maintenance at Taupo Airport for the foreseeable future. Management is concerned of the markings fading and have requested to Airways that they programme an inspection of Taupo Airport as soon as practical, rather than wait for the planned maintenance. Members were informed at the April Committee meeting that the apron markings form part of TAA's assets and, having not been maintained for some time, were showing signs of fading. The apron was closed to all aircraft movements after the morning commercial flights on 26 May for the remarking to be carried out and was reopened in time for the late afternoon flights. Air BP has been approached regarding remedial action to previous asphalt trenching works to the southern end of the apron following a new fuel tank installation in early 2020.

At the time the existing hot asphalt surface to the apron was removed during the trenching process, however, following the completion of the vent line, the surface of the trench was backfilled and reinstated with the chip seal material. At the time, management did query as to why hot asphalt was not being used for the surface reinstatement but was advised that over-time the chip seal would bed and compact down and would produce a surface similar to hot asphalt. Despite assurances from the contractor, the seal treatment has not worked and there is now a risk with loose chip in the operational area. Air BP have verbally agreed to remedy the situation by carrying out remedial works to the trench using the correct material with the works being coordinated with management.

Landside

The Anzac Memorial Drive road widening project is nearing completion and the final stages of the road widening and modifications to the security gate are underway. As part of the construction works, stub service connections have been installed for connection to any future development of the land previously leased to the New Zealand Motors Homes and Caravans organisation. Contractors have been on site carrying out works to upgrade the 2 degrees tower which is now complete.

A planned terminal power shut down is programmed for 6 June after the last scheduled flight has departed. This will enable the airport generator to provision for the new terminal and Air BP fuel pumps in the event of an unplanned outage. The power shut down will also provide contractors the opportunity to fix a known fault which has hampered the return to mains power service once the generator turns off.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.3 OBSTACLE LIMITATION SURVEY 2020

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority (TAA) Committee with an update on the Obstacle Limitation Survey 2020.

NGĀ KŌRERORERO | DISCUSSION

Members will be aware that following the Obstacle Limitation Survey carried out in accordance with the airport's CAA Part 139 compliance, four parcels of land were identified with trees encroaching or nearing the flight approach paths.

The areas concerned are owned by the Department of Conservation (Botanical Gardens), Land Corp Farming Limited, Wharewaka East Limited and Taupo District Council.

To date Wharewaka East Limited and Land Corp Farming Limited have responded to management with costings to remove the trees and the Taupo District Council parks team have been proactive and taken down the tree on Council land that was highlighted in the OLS survey.

Meetings have been held with the Department of Conservation and the Botanical Gardens Society as there is concern that trimming or felling of the trees in the Botanical Gardens could change the aspect of the gardens.

Taupo District Council has engaged an arborist to investigate and report on whether the trees can be successfully trimmed or require felling.

The OLS survey is carried out every five years with the next one due in 2025 and the following in 2030. Therefore, management has stipulated that, assuming a growth rate of 1m per year, that there needs to be at least 7 years of growth (to tie in with next two surveys) before any further treatment is necessary. This will mean that the current highlighted trees in the OLS survey will need to be trimmed between 12m and 0.6m to comply.

Members will be updated in due course.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.4 TURANGI AIRFIELD

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide the committee with an update on the Tūrangi Airfield inspection.

NGĀ KŌRERORERO | DISCUSSION

As part of Taupō Airport Authority's ongoing arrangement, an inspection of Tūrangi airfield was carried out on 26 April and it was noted the northern windssock (wind direction indicator) required replacement. Management has ordered and collected a new windssock which will be installed by the Tūrangi Aero Club. Overall, the airfield was in good condition.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.5 TERMINAL REDEVELOPMENT PROJECT

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority Committee with an update on the Terminal Redevelopment Project.

NGĀ KŌRERORERO | DISCUSSION

The new terminal is bedding in with minor teething problems being resolved. There have been a few complaints regarding the non-binary toilets and management is considering changing two of the six toilets to ladies only. The situation will be monitored, and a decision made in due course.

There have also been several enquiries regarding information to the artwork in the terminal and suitable wording is being drafted.

Committee members will be aware that the project budget overran and, following a report to Council, additional funding was approved to cover the shortfall. Management is currently liaising with the Ministry of Transport with regards a contribution towards the overspend and details have been forwarded to the Ministry of all the overspend items and those that are considered to be outside of the original scope have been identified separately. Management will update members in due course.

At the project design stage an analysis was carried out with regards either relocating the old baggage shed and attaching to the new building or constructing a new unit. The decision was to go for a new unit attached to the north elevation of the terminal, but this could not be constructed until the old terminal was demolished. Provision was made at the time of the terminal build for a watertight connection between the two buildings.

Building consent is now being sought for the new 98m² extension which has been designed by Shelter Architects and will be built by Watts Construction. The unit will be used by Air New Zealand as part of their baggage make-up process and well as storage, forklift charging and drying facilities for the airline staff. As the building is for the sole use of Air New Zealand, management has approached the airline with new lease terms.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.6 FINANCE REPORT - APRIL 2023

Author: Nick Frankish, Finance Business Partner

Authorised by: Jeanette Paenga, Finance Manager

TE PŪTAKE | PURPOSE

To receive the Taupō Airport Authority financial reports for period ending 31 April 2023.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the report.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Taupō Airport Authority Finance Report April 2023

5.7 TENANTS AND LEASES

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the General Manager Taupō Airport and the Taupō Airport Operations Manager to provide an update to the Committee on the tenants and leases.

NGĀ KŌRERORERO | DISCUSSION

Area adjacent Anzac Memorial Drive

The high-level Airport Master Plan, developed in late 2020, earmarked this area as Zone F to be developed for light industrial growth to boost commercial revenue for the Airport, with less reliance on aviation related activities.

As previously noted in the report, management has been able to work with the contractor for the Anzac Memorial Drive Road widening project and stub connections for underground service have been installed as part of the project at the intersection with the site access road. This will avoid any disturbance to the newly constructed main airport access road in the future.

Plans are now well advanced to secure a new tenant for the site with lease terms agreed for a site area of 1,500m². The tenant is also soon to lodge a building consent with Council for the construction of a building on the site. Members will be updated as the lease process continues, however, at this stage the lease arrangements and the name of the tenant involved are to remain confidential for commercial reasons.

Terminal Leases

Leases for all tenants in the new terminal building have been drafted and are currently with the tenants for signing. These are as follows:

Airline:	Status:
Air New Zealand	<i>Awaiting confirmation of the details</i>
Sounds Air	<i>Confirmed and signed</i>

Café:	Status:
Lil Something	<i>Awaiting confirmation of the details</i>

Car Rentals:	Status:
Avis	<i>Awaiting confirmation of the details</i>
Budget	<i>Awaiting confirmation of the details</i>
Hertz	<i>Confirmed and signed</i>
Ezi	<i>Confirmed and signed</i>
RAD	<i>Awaiting confirmation of the details</i>

The rentals have been determined with the assistance of Telfer Young who carried out a market valuation late in 2022 which considered rentals at other regional airports around the country.

All of the leases now incorporate a Green Lease Schedule which is basically an agreement that all the tenants will work with TAA to promote energy efficiency and minimise the environmental impact of the use and occupation of the terminal.

Even though the new terminal became operational in February, the lease commencement date in all cases has been set at 1 April 2023, with the old lease rates continuing until then. This was seen as a good compromise during the establishment of working out of the new building.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.8 PASSENGERS AND AIRCRAFT MOVEMENTS

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

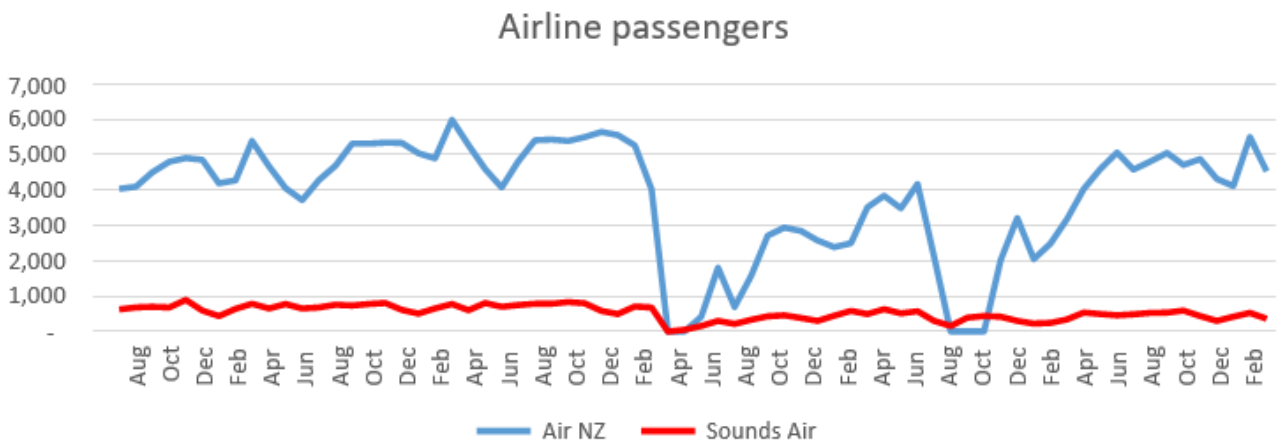
TE PŪTAKE | PURPOSE

For the General Manager Taupō Airport General Manager to provide an update to the Committee on the passenger and aircraft movements.

NGĀ KŌRERORERO | DISCUSSION

Passenger numbers for Air New Zealand are continuing to improve with average load factors for the past three months on the Taupo – Auckland sector served by the airline’s 50 seat Q300 aircraft at 82%. Sounds Air who operate a Pilatus 9 seat aircraft on the Taupo – Wellington sector, has also seen a slight improvement to achieve an average load factor over the same period of 63%.

Passenger numbers per month pre and post COVID (August 2017 to April 2023)



With a 3% increase in load factors over the past six months but an 8% decrease in commercial movements, has seen the recovery in passenger numbers post COVID drop slightly from 90% to circa 85%.

Based on the results to date for FY2023 it is anticipated that the total number of passengers for the whole of the current financial year will be approaching 63,000.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.9 PUBLIC CAR PARKING

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide the committee with an update on the public car parking.

NGĀ KŌRERORERO | DISCUSSION

Over the past couple of months there has still been teething problems associated with the new licence plate recognition system for the airport parking areas which has resulted in the support from the supplier being extended from four weeks to ten weeks.

To resolve some of the issues, the supplier has been back to the airport to re-site the short-term entry camera to the other side of the access, renew the camera to the entrance to the terminal lane, carry out firmware and software updates and adjust the sensitivity of the equipment. Since the improvements, there has been a reduction with some of the problems but, others such as customers entering the incorrect licence plate at the Pay Station or entering the car parking areas with non-legal number plates will always require intervention from support.

Further, now that the supplier's call centre support has been transferred to the airport's site-based operations contractor, issues are being resolved much quicker and this has helped to ensure traffic flow is more seamless and support is on hand rather than on the other end of a phone. The supplier has also offered to conduct further training for airport's operations contractor and management.

In general, charging for parking at the Airport has been well accepted by most users and, following collection of parking data over the next 12 months, management will be able to get a better understanding of parking characteristics at the Airport and whether a review of the charges is necessary. In the meantime, figures collected since fees commenced have shown that revenue is currently matching the predicted budget forecast.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.10 AERONAUTICAL CHARGE REVIEW 2022

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Taupō Airport General Manager to provide the committee with an update on the Aeronautical Charge Review 2022.

NGĀ KŌRERORERO | DISCUSSION

Members will be aware that the commercial airlines which operate into Taupo Airport were happy with the increased aeronautical charges and the TAA Committee approved management to seek final approval from the Ministry of Transport, as Joint Venture owner of the airport.

A briefing paper was submitted to the Ministry for authorisation to introduce the new charges and management subsequently received a letter from the Associate Minister of Transport approving the proposed changes.

The new charges were implemented from 1 April 2023 and, in line with the review, will increase again from 1 July 2023. Further, small annual increases will also be implemented until the next pricing review round is processed for introduction from 1 July 2027.

Management has now changed focus to the general aviation aeronautical charges review which, once again, will go through a consultation process with the local general aviation community before approval by the TAA Committee and submission to the Ministry for final authorisation.

The general aviation aeronautical charges were last reviewed in 2014 and a consultation letter has been sent to the local general aviation community outlining the reasons behind why the Airport needs to increase charges and proposing three options. These options range from a high increase review based on the same analysis with the commercial airline revised charges, a compromise to suit local operators and increases based on the Consumer Price Index percentage variation since 2014.

To date, management has received one response in favour of the increases and has had a meeting with representatives of a small group of operators, who have requested further information of the financial reasons for the changes.

The deadline for all responses is Friday 16 June 2023 after which it is proposed to hold a meeting between management and all the local general aviation community to iron out any further issue before a final determination is made and briefing paper is submitted to the Ministry of Transport.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.11 CIVIL AVIATION AUTHORITY RULE PART 139 CERTIFICATION

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTEAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority (TAA) Committee with an update on the Civil Aviation Authority Rule Part 139 Certification.

NGĀ KŌREROERO | DISCUSSION

As holder of the Aerodrome Operator Certificate (AOC), TAA is responsible for meeting all aviation operations and health and safety obligations under CAA Rule Part 139 and Part 100, including the ongoing management of an Airport Safety Management System (SMS). TAA's General Manager is designated on the AOC as the Aerodrome Chief Executive, having direct accountability to the CAA and, together with the Operations Manager and Safety Manager, are all classed as Senior Persons in line with the Rule.

The current AOC is due to expire on the 28 July 2023 and TAA management have applied to the CAA for the renewal of the certificate. This will entail a complete review of the Aerodrome Exposition consisting of the following manuals to ensure CAR Part 139 / 100 processes are applied, working and effective. This will be followed by a comprehensive audit to be undertaken by the CAA:

- Operations
- Safety Management System
- Emergency Response

As part of the recertification, all three Senior Persons have submitted applications for renewal of their designation and will be interviewed on the day of the audit.

An initial meeting has been held with the CAA and the authority has raised several questions in advance of the recertification audit which is scheduled for Tuesday 4 July. Management has responded to the queries and is preparing for the day-long audit which will include an airfield inspection, a review of the safety management system and an operational assessment in accordance with the Part 139 compliance matrix. During the day the CAA is also intending to review the existing sky diving operation at the airport.

Following the audit, the CAA will assess the operations in relation to the Part 139 compliance and their site evaluation and, if all in order, will issue a new Aerodrome Operating Certificate which will be valid for five years.

NGĀ KŌRERORERO | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

ATTACHMENTS

Nil

5.12 SECURITY FENCING

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTEAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority (TAA) Committee with an update on the security fencing.

NGĀ KŌREROERO | DISCUSSION

The old terminal building has been demolished and the area is now fenced on a temporary basis to prevent unauthorised access to the apron.

Taupo Airport is not currently security designated, however, if Aviation Security were to bring Taupo in line with other Tier 2 regional airports (i.e., New Plymouth, Palmerston North) then TAA would have to install a 2.44m high security fence for 300m either side of the new terminal, together with at least one security access gate.

Therefore, whilst the requirement for Tier 2 security may not be required for some time, management is concerned about safety and unauthorised access to the apron and, especially with the high number of jet charters using the Airport, is proposing to install a length of security fence to cover the area to the north of the new terminal.

This fence will 68m in length and fully compliant at 2.44m high with secure pedestrian and vehicular access gates. The work will cost \$33,000 and will be completed once the baggage make-up building adjacent the new terminal has been constructed. Management has approached the MoT, as the JV partner, for co-funding of this project and the Ministry has agreed a 50% contribution.

NGĀ KŌRERORERO | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

ATTACHMENTS

Nil

5.13 TAUPŌ AIRPORT AUTHORITY WEBSITE DEVELOPMENT

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTEAKE | PURPOSE

For the Taupō Airport General Manager to provide the Taupō Airport Authority (TAA) Committee with an update on TAA website development.

NGĀ KŌREROERO | DISCUSSION

Following the low scale rebrand for the Airport redevelopment project, a refresh of the TAA website is underway having not been updated for some time. Management is currently working with TDC communications on the upgrade to the website to give it a more modern and appealing look and, once the draft version is available, trialling can take place to ensure all is in order prior to going live. The new website will be hosted through Taupo District Council.

NGĀ KŌRERORERO | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

ATTACHMENTS

Nil

5.14 AIRPORT JOINT VENTURE

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTEAKE | PURPOSE

For the General Manager Taupō Airport to provide an update to the Committee regarding the Ministry of Transport (Mot) Joint Venture.

NGĀ KŌREROERO | DISCUSSION

Members will be aware that Taupo Airport is administered by Taupo District Council, trading as Taupo Airport Authority, pursuant to a Joint Venture Deed between TDC and the MoT (representing the Crown). This deed is dated 13 August 1973 and requires an overall to bring it up to date.

There are currently five Joint Venture airports which all have a similar Deed agreement but with varying Terms and the MoT now wishes to standardise and update the agreement with the five airports:

- Taupo
- Westport
- Whakatane
- Whanganui
- Whangarei

Following the meeting in March 2023 between the MoT and representatives from all of the five JV airports to discuss the Deed revisions, the MoT undertaking further work to mitigate concerns that have been raised. The MoT are keen to finalise the new Deed prior to the General Election later this year.

As an update to members, the MoT are still progressing with the further work and management expects to receive a revised Terms Sheet by the end of June.

NGĀ KŌRERORERO | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

ATTACHMENTS

Nil

5.15 TAUPŌ AIR TRANSPORTATION STUDY

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide the committee with an update on the proposed Taupō Air Transportation Study.

NGĀ KŌRERORERO | DISCUSSION

Management has recently been approached by the economic development agency for Taupo District Council, Amplify, in relation to assistance with a research project that the agency is proposing to investigate. The project is to deliver a detailed assessment of airport transportation and mobility in the Taupo district from both a quantitative and qualitative perspective with the aim being to provide an in-depth analysis of existing airport supply and demand, current movement patterns, barriers to use and assess future trends.

Working in collaboration, TAA and Amplify have received a proposal from an experienced consultant in this field of work and a decision will be made shortly as to the terms of engagement.

Amplify is funding the initial stages of the project but depending on the depth of the scope of the study, assistance with further funding could well be needed. Management believe that this is an important matter that could benefit the whole of the district and that a multi-collaboration approach needs to be taken between Amplify, TAA, Destination Great Lakes Taupo and TDC.

Committee members will be updated in due course.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.16 TAUPŌ CHAMBER OF COMMERCE MEETING

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide an update on the recent BA5 (Business after 5) event held at the Airport Terminal.

NGĀ KŌRERORERO | DISCUSSION

On the 27 April 2023 the airport hosted a BA5 meeting of the Taupo Chamber of Commerce in the new terminal. There were presentations by the terminal build project manager and the Regional Affairs Manager from Air New Zealand. The evening was well attended, and management took the opportunity to show people around the terminal and promote the airport's new conference facilities.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.17 DISTRICT PLAN

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide an update on the Taupō District Plan.

NGĀ KŌRERORERO | DISCUSSION

Management has raised concerns as to the current information in the Taupo District Plan relating to the airport and in particular, noise contours and obstacle limitation services.

Currently the airport is zoned industrial which allows development in relation to both aeronautical and non-aeronautical businesses, but the airport does not appear to be designated. Further, there is a lack of detail around rules for activities sensitive to airport noise or compliance with the aerodrome operating certificate from an obstacle limitation point of view.

Management has been in discussions with Council's Senior Policy Advisor and recently held a meeting with an experienced planning consultant in the airport field, who will be submitting an offer of service to investigate the issues and report back on the steps required to alleviate the issues. From this management and TDC can then decide on the best way forward with assistance from the planning consultant – the process could take up to 12 months in total.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

Nil

5.18 AIRPORT SAFETY GROUP MEETING MINUTES - MAY 2023

Author: Kim Gard, Airport Operations Manager

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport Operations Manager to provide the Taupō Airport Authority Committee with an Aviation Safety update from the Airport Safety Group Meeting.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. ASG Minutes 10th May 2023

5.19 STATEMENT OF INTENT FY2024 - 2026

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

To review the final Taupō Airport Statement of Intent (SOI) 2024-2026 before submitting to Council and the Ministry of Transportation (MoT).

NGĀ KŌRERORERO | DISCUSSION

The Local Government Act 2002 requires Council Controlled Organisations to:

- Review their SOI prior to the commencement of each financial year
- Have a financial year ending 30 June each year

Schedule 8 of the Local Government Act 2002 states that the purpose of an SOI is to:

- State publicly the activities and intentions of the Council Controlled Organisation (CCO) for the year and objectives to which those activities will contribute
- Provide an opportunity for the shareholders to influence the direction of the organisation
- Provide a basis for accountability of the CCO governing body for the performance of the organisation

Accordingly, the draft Statement of Intent for the period July 2023 to June 2026 was approved by members at an extraordinary meeting of the TAA Committee on 13 February 2023 and submitted by the deadline of 1 March 2023 to Council and the Ministry of Transport (as joint venture owners) for comment.

No comments have been received from either of the joint venture owners, however, management has reviewed certain elements of the draft SOI and updated these in the final version. This is now before Committee members for approval to submit to Council and the MoT by the 30 June 2023.

Once approved by Council and the MoT, the SOI for the period July 2023 to June 2026 will be made public and published on the TAA website.

Below is a summary of the changes made to the original draft that was sent to the joint venture owners:

Capital Expenditure	Final Version			Draft Version (Feb)		
	2023/24 \$000	2024/25 \$000	2025/26 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000
Apron extension		1500		1000		
Airside security fence	60			60		
Runway surface treatment					600	
Other capital works	60	200	300	50	200	300
Total Capital Expenditure	120	1700	300	1110	800	300

Runway surface treatment has been moved beyond the 3-year horizon.

The apron extension has been moved to 2024/25 year and has increased in cost from \$1.0m to \$1.5m.

Operational data	Final Version			Draft Version (Feb)		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Forecasted passenger numbers	71720	73872	76088	76000	78000	80000

We believe the updated figures are more realistic based on current year figures to date. Forecast passengers for the current year are approximately 64,000, so 2023/24 forecast is a 12% increase.

Financial Performance	Final Version			Draft Version (Feb)		
	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26
Total operating revenue	1,190,778	1,436,679	1,478,104	1,218,326	1,530,606	1,581,755
Employee expenses	276,089	281,611	287,243	271,737	277,172	282,715
Other operating expenditure	718,187	629,583	655,114	596,093	617,256	642,486
Operating surplus/(deficit) before depn & tax	196,502	525,484	535,748	350,497	636,179	656,554
Depreciation	492,712	592,212	654,712	496,962	619,462	656,962
Operating (deficit) before taxation	(296,210)	(66,727)	(118,964)	(146,465)	16,718	(408)

In Year 1:

- revenue has reduced due to lower passenger numbers, partly offset by higher passenger charge.
- Operating costs have increased mostly due to \$100,000 additional professional fees, required for obstacle survey, noise contour survey and District Plan designation submission. There were other minor changes to terminal operating costs.

In Years 2 and 3:

- Revenue is reduced due to lower passenger numbers, partly offset by higher passenger charges
- Other minor changes to terminal operating costs

Financial Position	Final Version			Draft Version (Feb)		
	2023/24 \$000	2024/25 \$000	2025/26 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000
Assets						
Current assets	233	573	707	467	201	456
Property, plant and equipment	20,666	21,773	21,419	21,627	21,782	21,401
Total assets	20,899	22,346	22,126	22,094	21,983	21,857
Liabilities						
Current liabilities	328	179	181	196	198	200
Non-current liabilities	679	557	420	946	842	739
Total liabilities	1,007	736	601	1,142	1,040	939
Net assets/liabilities	19,892	21,610	21,524	20,952	20,943	20,918
Total equity	19,892	21,610	21,524	20,952	20,943	20,918

Overall no material change to the Airports net assets over the three years, the main impact being the unfavourable movement in the deficit of \$352,000 over the three years on the total equity.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee approves the final Statement of Intent 2024-2026 to submit to Council and the MoT by 30 June 2023.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. SOI 2024-2026 Summary
2. Taupō Airport Statement of Intent 2024-2026

5.20 FY2024 BUDGET

Author: Wayne Wootton, General Manager Taupō Airport

Authorised by: Andrew Moraes, General Manager Operations and Delivery

TE PŪTAKE | PURPOSE

For the Airport General Manager to provide the committee with an update on the FY2024 Budget.

NGĀ KŌRERORERO | DISCUSSION

Management has been working with TDC finance over the past couple of months preparing the FY2024 financial budget for the airport. The budget is now presented to Committee members for discussion and approval.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Taupō Airport Authority Committee receives the update.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. FY2024 Budget