

**TAUPŌ DISTRICT COUNCIL
MINUTES OF THE TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING
HELD AT THE CONFERENCE ROOM, TAUPŌ AIRPORT, ANZAC MEMORIAL DRIVE, TAUPŌ
ON MONDAY, 26 JUNE 2023 AT 10.30AM**

PRESENT: Mr Chris Johnston (in the Chair), Cr Duncan Campbell, Mr Chris Grace, Cr Yvonne Westerman

IN ATTENDANCE: General Manager Operations and Delivery (A Moraes), Taupō Airport General Manager (W Wootton), Taupō Airport Operations Manager (K Gard), Finance Business Partner (N Frankish), Student (T Gibson), Governance Quality Manager (S James)

MEDIA AND PUBLIC: Messrs John Funnell and Mike Groome

1 KARAKIA

The General Manager Operations and Delivery recited an opening karakia.

2 WHAKAPĀHA | APOLOGIES

TAA202306/01 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Cr Duncan Campbell

That the apology for lateness received from His Worship the Mayor, David Trewavas be accepted.

CARRIED

2A PUBLIC FORUM

With the leave of the Chairperson and in accordance with Standing Order 15, Mr John Funnell addressed the Committee for five minutes. He tabled his speaker notes (A3365656). Members then asked Mr Funnell questions of clarification. The following points were noted:

- Mr Funnell had been associated with Taupō Airport for over 50 years, including as a member of the Taupō Airport Authority Committee. One of his achievements was raising \$5m in one year to set up central North Island rescue helicopters, starting in Taupō then expanding to Hamilton, Palmerston North, Tauranga and Rotorua.
- It was important to have a safe but also cost effective airport.
- Visitors to the district spend time and money here.
- As owner of the Suncourt Hotel in Taupō, Mr Funnell confirmed that it was a challenge to get people in and out of Taupō from the South Island. A lot of conferences were lost to Rotorua for this reason.
- He was grateful to Sounds Air, but their aircraft only seated nine passengers. Bigger aircraft would help.
- Air New Zealand had pulled out of certain routes because they were not cost effective.
- It was important for Taupō Airport Authority Committee members to examine and control Taupō Airport costs.
- Mr Funnell was aghast at the increase in costs. He had received information from the Taupō Airport General Manager over the weekend, so would need more time to analyse the figures.
- In the past, it was sufficient for Taupō Airport Authority to operate with a cash surplus. The Airport was similar to the Great Lake Centre or the Taupō Events Centre in that the general public are the users. It was not unreasonable to expect the public to pay a portion of costs.
- Sky divers operating from Taupō Airport contribute to the economy; they need to keep their costs down; the Airport has a role to play by keeping its own costs under control.
- A lot of people were driving from Taupō to Rotorua or Napier to catch flights.
- Do not make it difficult for people to come to Taupō and spend their money here.
- Be wary of Central Government dumping the 50% ownership on Council.
- The Committee needs to control spending on consultants.
- In the past, the Airport café operator did not pay rent. Making money out of food was challenging.

With the leave of the Chairperson and in accordance with Standing Order 15, Mr Mike Groome addressed the Committee. Members then asked Mr Groome questions of clarification. The following points were noted:

- Mr Groome was a past Taupō Airport General Manager, in the role for 13 years.
- He was representing the Taupō Airport user group, an incorporated society looking after small operators at the Airport.
- It was understood that the Taupō Airport Authority Committee had to go through the landing charges review process, in accordance with legislation.
- The landing charges had remained static in 2014, as the Taupō Airport Authority wanted to attract people to the Airport. Acknowledged that times had changed since then and that three proposals had been presented to Airport users for consideration.
- Wanted to understand costs to support the user group to participate in the landing charges review. Information had just been provided by the Taupō Airport General Manager, so that would be reviewed and users would come back if they had more questions.
- Costs seem to continue to increase constantly; where will the costs stop? Without some cap on costs, the Taupō Airport will lose business from the general aviation public.
- It was important to remember that Taupō Airport is a small airfield. The measure of how busy an airport was the number of aircraft landing and taking off, not the number of passengers. Hopefully the number of forecasted passengers through Taupō Airport does come to fruition.

- Rising costs, for example employee costs; contractors; and electricity, were questioned. How had the Taupō Airport Authority arrived at those figures? This information was required so members of the Airport user group could be informed for the landing charges review process, i.e. form a view about whether an increase in charges was justified or not.
- It was likely to be some time before bigger aircraft were available via Sounds Air.
- Air New Zealand may change scheduling at short notice.

Committee Chairperson Mr Chris Johnston thanked Messrs Funnell and Groome for attending the meeting and addressing members.

TAA202306/02 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives comments from members of the public.

CARRIED

3 NGĀ WHAKAPĀNGA TUKITUKI | CONFLICTS OF INTEREST

Nil

4 WHAKAMANATANGA O NGĀ MENETI | CONFIRMATION OF MINUTES

4.1 TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING - 17 APRIL 2023

TAA202306/03 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Cr Yvonne Westerman

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

CARRIED

5 NGĀ RIPOATA | REPORTS

5.1 SAFETY MANAGEMENT

In answer to questions, the Taupō Airport General Manager advised that:

- The ongoing annual licence fee for the Safety Management System software would be \$5k less than current because the system was not as sophisticated, therefore cost less.
- Landside tenants were permitted to keep dogs unleashed on fenced sites. Beyond lease sites, all dogs were required to be leashed.

Members received both the safety management update and the Airport Safety Group meeting minutes – May 2023 (agenda item 5.18).

TAA202306/04 RESOLUTION

Moved: Cr Duncan Campbell
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee:

1. Receives the safety management update; and
2. Receives the Airport Safety Group meeting minutes – May 2023.

CARRIED

5.2 OPERATIONS

The Taupō Airport Operations Manager summarised the report and answered questions of clarification.

TAA202306/05 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the operations update.

CARRIED

5.3 OBSTACLE LIMITATION SURVEY 2020

The Taupō Airport General Manager summarised the report and answered questions of clarification. Cr Yvonne Westerman advised that the next Waipahihi Botanical Gardens meeting was scheduled to take place on 13 July 2023.

COMMITTEE RECOMMENDATION

Moved: Mr Chris Johnston
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the obstacle limitation survey update.

5.4 TŪRANGI AIRFIELD

In answer to a question, the General Manager Operations and Delivery advised that he was working with Council's Property Team to confirm the status of the Tūrangi Airfield Lease.

TAA202306/06 RESOLUTION

Moved: Mr Chris Grace
Seconded: Cr Duncan Campbell

That the Taupō Airport Authority Committee receives the Tūrangi airfield update.

CARRIED

5.5 TERMINAL REDEVELOPMENT PROJECT

The Taupō Airport General Manager summarised the report. The Taupō Airport Operations Manager advised that no changes would be made to toilet signage, to ensure maximum accessibility for all customers especially during busy times.

The Taupō Airport General Manager added that there had been issues with some doors in the terminal. One door mechanism failed and had been replaced. The General Manager Operations and Delivery advised that he had referred the matter to Council's Project Management Office to investigate whether or not the doors were fit for purpose and if not, to liaise with the builder to rectify.

TAA202306/07 RESOLUTION

Moved: Cr Yvonne Westerman

Seconded: Cr Duncan Campbell

That the Taupō Airport Authority Committee receives the terminal redevelopment project update.

CARRIED

5.6 FINANCE REPORT - APRIL 2023

The Finance Business Partner provided an overview of Taupō Airport finances for the period to 30 April 2023 and answered questions of clarification. There was a forecast year-end deficit of \$300k, which was similar to the final position in 2021-22.

A member noted that the Taupō Airport General Manager was no longer "acting" in the role; and Chairperson Mr Johnston's name was spelt incorrectly in the report. These errors would be corrected in future documentation.

Member Mr Chris Grace requested monthly finance reporting for the Committee going forward, to enable easier monitoring of actuals against budget. In addition to this, members thought it may be worthwhile for a finance sub-committee or group to be formed to monitor the Airport's finances. The General Manager Operations and Delivery would work out a schedule for the next 12 months for the Committee's consideration.

TAA202306/08 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the finance report – April 2023.

CARRIED

5.7 TENANTS AND LEASES

The Taupō Airport General Manager summarised the report. Members discussed the outstanding leases. The General Manager Operations and Delivery advised that if members wished to discuss issues with particular tenants, then it would be appropriate to do so with the public excluded, as permitted by the Local Government Official Information and Meetings Act 1987.

TAA202306/09 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the tenants and leases update.

CARRIED

5.8 PASSENGERS AND AIRCRAFT MOVEMENTS

The Taupō Airport General Manager summarised passenger and aircraft movements over the period August 2017 to April 2023. Loadings would have to increase before more flights would be scheduled.

TAA202306/10 RESOLUTION

Moved: Mr Chris Grace
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the passengers and aircraft movements update.

CARRIED

5.9 PUBLIC CAR PARKING

The Taupō Airport General Manager summarised the report. In answer to a question, he advised that a 'non-legal number plate' was one with decoration around the edge (the car parking equipment was sometimes unable to process these, requiring intervention from support).

TAA202306/11 RESOLUTION

Moved: Mr Chris Grace
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the public car parking update.

CARRIED

5.10 AERONAUTICAL CHARGE REVIEW 2022

The Taupō Airport General Manager summarised the report. Chairperson Mr Johnston asked for clarification of the process, to which the Taupō Airport General Manager replied that:

- He would meet with any members of the local general aviation community if required to discuss the review.
- Once all submissions had been received and consultation finalised, a final pricing determination would be made by the Taupō Airport Authority on GA charges. A briefing paper would then be forwarded to the Ministry of Transport and brought to the Taupō Airport Authority Committee.
- The process was expected to take another two to three months.

TAA202306/12 RESOLUTION

Moved: Cr Yvonne Westerman
Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the aeronautical charge review 2022 update.

CARRIED

5.11 CIVIL AVIATION AUTHORITY RULE PART 139 CERTIFICATION

Members noted the information about the Civil Aviation Authority Rule Part 139 Certification process, with the day-long audit taking place the following week, Tuesday 4 July 2023.

TAA202306/13 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the Civil Aviation Authority Rule Part 139 certification update.

CARRIED

5.12 SECURITY FENCING

Members noted the information provided on the agenda relating to the security fencing to be installed at a cost of \$33k, with the Ministry of Transport providing a 50% contribution.

TAA202306/14 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the security fencing update.

CARRIED

5.13 TAUPŌ AIRPORT AUTHORITY WEBSITE DEVELOPMENT

The Taupō Airport Operations Manager summarised the report, adding that Taupō Airport Authority Committee members would be able to see a version of the new website prior to go-live.

TAA202306/15 RESOLUTION

Moved: Mr Chris Grace
Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the Taupō Airport Authority website development update.

CARRIED

5.14 AIRPORT JOINT VENTURE**TAA202306/16 RESOLUTION**

Moved: Cr Duncan Campbell
Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the Airport joint venture update.

CARRIED

5.15 TAUPŌ AIR TRANSPORTATION STUDY

Members received the information, with the Chairperson noting that the data out of the study would be useful to the Taupō Airport Authority.

TAA202306/17 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Mr Chris Grace

That the Taupō Airport Authority Committee receives the Taupō air transportation study update.

CARRIED

5.16 TAUPŌ CHAMBER OF COMMERCE MEETING**TAA202306/18 RESOLUTION**

Moved: Mr Chris Johnston

Seconded: Cr Duncan Campbell

That the Taupō Airport Authority Committee receives the Taupō Chamber of Commerce meeting update.

CARRIED

5.17 DISTRICT PLAN

In answer to questions, the General Manager Operations and Delivery and the Taupō Airport General Manager advised that:

- The proposal was to undertake a designation process, not a plan change.
- A designation would safeguard the future of Taupō Airport as an aviation hub.
- A designation would prevent construction and protrusion through the obstacle limitation surface. It would also address matters relating to noise contours and potential reverse sensitivity issues.

Members requested a workshop on the District Plan Airport designation process, in addition to another workshop on the Taupō Airport master plan.

TAA202306/19 RESOLUTION

Moved: Mr Chris Grace

Seconded: Cr Yvonne Westerman

That the Taupō Airport Authority Committee receives the District Plan update.

CARRIED

5.18 AIRPORT SAFETY GROUP MEETING MINUTES - MAY 2023

See above.

5.19 STATEMENT OF INTENT FY2024 - 2026

The 2024-2026 Taupō Airport Statement of Intent (Sol) summary had been circulated to members via email on 21 June 2023 (A3360965). Two versions of the draft Sol had been attached in error; the correct version was the document attached at p 43 of the agenda and pp 67-90 should therefore be disregarded.

The General Manager Operations and Delivery advised that the Sol must be received into the Council's system by 30 June 2023, with all final Sols to be received by Council at its July meeting.

Chairperson Mr Johnston advised that his surname was spelt incorrectly in the draft Sol documents and should be amended prior to lodgement with Council.

Referring to the 'Governance' section of the Sol, member Mr Grace asked what the quarterly reports to governance would look like and suggested that a performance reporting framework should be developed with management. Members agreed with this and the General Manager Operations and Delivery advised that this would be taken forward as an action point to bring back to the Committee.

TAA202306/20 RESOLUTION

Moved: Cr Yvonne Westerman

Seconded: Mr Chris Johnston

That the Taupō Airport Authority Committee approves the final Statement of Intent 2024-2026 to submit to Council and the Ministry of Transport by 30 June 2023, as amended.

CARRIED

5.20 FY2024 BUDGET

The Finance Business Partner advised that the FY2024 budget included on the agenda was incorrect. NPBT should be \$296,210, not \$196,210. Members asked for the correct figures to be circulated via email, for approval by 30 June 2023. They asked for a breakdown of the contracted services line (\$130k) to be included with the updated figures being circulated via email.

The General Manager Operations and Delivery advised that the Sol was correct and therefore acceptable for the Y1 budget to be circulated via email for approval after the meeting.

6 NGĀ KŌRERO TŪMATAITI | CONFIDENTIAL BUSINESS

TAA202306/21 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Cr Yvonne Westerman

RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting.

The general subject 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[1] 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(1) for the passing of this resolution |
|--|--|---|
| Agenda Item No: 5.7 Terminal Building Leases | Section 7(2)(a) | Section 48(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 7 |

CARRIED

The meeting closed at 12.30pm with a closing karakia recited by the General Manager, Operations and Delivery.

The minutes of this meeting were confirmed at the Taupō Airport Authority Committee meeting held on 11 September 2023.

.....
CHAIRPERSON