

ATTACHMENTS

Taupō Airport Authority Committee Meeting

5 August 2019

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Taupō Airport Authority Committee Meeting Minutes

24 June 2019

**TAUPŌ DISTRICT COUNCIL
MINUTES OF THE TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING
HELD AT THE TAUPŌ AIRPORT, ANZAC MEMORIAL DRIVE, TAUPŌ
ON MONDAY, 24 JUNE 2019 AT 10.30AM**

PRESENT: Mr Chris Johnston (in the Chair), Mr John Funnell, Mayor David Trewavas

IN ATTENDANCE: Head of Economic Development & Business Transformation, Head of Democracy, Governance & Venues, Acting General Manager -Taupō Airport, Airport Safety Manager, Economic Relationship Manager, Financial Accountants - F Birkbeck and R Hancock, Democratic Services Support Officer

MEDIA AND PUBLIC: Nil

1 APOLOGIES**TAA201906/01 RESOLUTION**

Moved: Mr Chris Johnston
Seconded: Mayor David Trewavas

That the apologies received from Crs Rosanne Jollands and Christine Rankin be accepted.

CARRIED**2 CONFLICTS OF INTEREST**

During item 4.3, discussions ensued regarding the Memorandum of Understanding (MOU) agreements. Upon it becoming apparent that MOUs were the topic being discussed, Mr John Funnell interjected and declared a conflict of interest noting that he would abstain from those discussions.

3 CONFIRMATION OF MINUTES**3.1 TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING - 13 MAY 2019**

Minutes of a meeting of the Taupō Airport Authority Committee held on Monday, 13 May 2019 had been circulated (A2501523).

TAA201906/02 RESOLUTION

Moved: Mr John Funnell
Seconded: Mr Chris Johnston

That the minutes of the Taupō Airport Authority Committee meeting held on Monday 13 May 2019 be confirmed as a true and correct record.

CARRIED**4 REPORTS****4.1 TAUPŌ AIRPORT AUTHORITY MONTHLY FINANCIAL REPORT - APRIL 2019**

Financial accountant Fiona Birkbeck introduced fellow colleague Mrs Rachel Hancock to the committee. Mrs Hancock was also a financial accountant for Taupō District Council, and would assume Ms Birkbeck's duties with respect to the TAA while she was on leave.

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She then highlighted key points of the report:

- The consultant's fees of \$103K (comprising \$98K Airbiz fees and \$5K for seismic testing work) was substantially more than what was set aside in the Statement of Intent (SOI) however, the committee was fully aware of this.
- The negative cashflow amount of \$16K year-to-date (YTD) was the first cash operating deficit in a long time however, the business was fully solvent.
- The maintenance overspend was mostly attributed to streetlighting.
- The airport road was a private road and therefore did not qualify for Council funding.

TAA201906/03 RESOLUTION

Moved: Mr John Funnell

Seconded: Mr Chris Johnston

That the Taupō Airport Authority Committee receives the monthly financial report for month ending 30 April, 2019.

CARRIED**4.2 UPDATE ON TAUPŌ AIRPORT DEVELOPMENT**

The Economic Relationship Manager provided an update regarding a meeting with Air New Zealand (Air NZ) to discuss proposed airport developments and the feedback received was largely positive.

The following comments were noted during questions, answers, and related discussion:

- Air NZ had agreed there was need for investment.
- Finance manager Neil Ward was working with the consultants and Air NZ around adjusting the initial quantum of investment scope.
- An update from Airbiz was expected today. Once that information was received, the Provincial Growth Fund (PGF) application would be expedited to the Ministry of Transport (MoT).
- Feedback from a conversation with Fletcher Tabuteau, Under Secretary for regional development was very positive.
- The Chair noted that Hon. Kelvin Davis, Minister for tourism relations, had taken time out of his busy schedule when in Taupō recently to call into the airport. Mr Davis had asked some really good questions. He also waited for an incoming flight from Auckland while there so he could observe congestion points first-hand.
- Expected an increase in domestic air travel with the introduction of electric aeroplanes.
- In addition to expanding the terminal size and apron, the PGF application would also include budget for some initial minor modifications to the carpark. A complete overhaul would be done at such time further funding was secured.
- The Economic Relationship Manager and Head of Economic Development & Business Transformation would meet with Air NZ and Ministry of Business, Innovation and Employment (MBIE) in Wellington on July 4, and also Sounds Air managing director Andrew Crawford.

TAA201906/04 RESOLUTION

Moved: Mayor David Trewavas

Seconded: Mr Chris Johnston

That the Taupō Airport Authority Committee receives the Economic Relationship Manager's update on the Taupō Airport development.

CARRIED

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4.3 GENERAL MANAGER'S OPERATIONS REPORT

The Acting General Manager – Taupō Airport went through the operations report and highlighted key points and answered member questions.

- The Part 139 recertification audit was completed on June 17 and no findings were noted. The auditors were satisfied with overall standard of working procedures and practices, operating manuals etc.
- General discussions ensued in relation to the Memorandum of Understanding (MOU) agreement. The Safety Manager would attend an MOU training day in early July to expand understanding on how other parties operate. Following that, he would finalise the MOUs and put out to the group of lessees for signing. If the parties did not sign, this could place the Taupō Airport Authority in a significant risk position in which case other conditions may need to be imposed.
- The Safety Manager commented that there had been some conflicts with training aircraft carrying out an early right hand turn through the parachute drop zones (PDZs) which created conflict with parachute operations. This was later resolved with the training organisation to ensure there would not be a repeat of this occurrence.
- Landing charges review was due this year. Wanted SLAs to form part of leases going forward which would put more responsibility on the lessee. The Head of Economic Development & Business Transformation noted that he would also discuss with MoT when in Wellington next month.

TAA201906/05 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Mayor David Trewavas

That the Taupō Airport Authority Committee receives the General Manager's Operations Report as presented on June 24, 2019.

CARRIED

4.4 SAFETY MANAGEMENT SYSTEM (SMS) UPDATE

The Airport Safety Manager noted there was nothing new to report and gave a brief update on the wild pigs. Traps were used initially but were ineffective. Subsequently a local contractor – who also had a good understanding of aviation practices – had been engaged to shoot the pigs. A total of 21 pigs had been shot recently with no further sightings close to the runway since.

TAA201906/06 RESOLUTION

Moved: Mr John Funnell

Seconded: Mr Chris Johnston

That the Taupō Airport Authority Committee receives the update on the Safety Management System.

CARRIED

4.5 HEALTH AND SAFETY UPDATE

There were no further reports in addition to those matters already discussed previously.

TAA201906/07 RESOLUTION

Moved: Mr Chris Johnston

Seconded: Mr John Funnell

That the Taupō Airport Authority Committee receives the information relating to health and safety.

CARRIED

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5 CONFIDENTIAL BUSINESS**TAA201906/08 RESOLUTION**

Moved: Mayor David Trewavas

Seconded: Mr Chris Johnston

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: 5.1 Confirmation of Confidential Portion of Taupō Airport Authority Committee Minutes - 13 May 2019	Section 7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	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
Agenda Item No: 5.2 Receipt of Unconfirmed Minutes: Taupō Airport & Operational Safety Committee - May 7, 2019	Section 7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	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

I also move that *[name of person or persons]* be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of *[specify]*. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because *[specify]*.

CARRIED

The Meeting closed at 10.52am.

The minutes of this meeting were confirmed at the Taupō Airport Authority Committee Meeting held on 5 August 2019.

.....
CHAIRPERSON

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Confidential Taupō Airport Authority Committee Meeting Minutes

24 June 2019

**TAUPŌ DISTRICT COUNCIL
MINUTES OF THE CONFIDENTIAL TAUPŌ AIRPORT AUTHORITY COMMITTEE MEETING
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ON MONDAY, 24 JUNE 2019 AT 10.30AM**

PRESENT: Mr Chris Johnston (in the Chair), Mr John Funnell, Mayor David Trewavas
IN ATTENDANCE: Head of Economic Development & Business Transformation, Head of Democracy, Governance & Venues, Acting General Manager -Taupō Airport, Airport Safety Manager, Economic Relationship Manager, Financial Accountants - F Birkbeck and R Hancock, Democratic Services Support Officer
MEDIA AND PUBLIC: Nil

.Crs Rosanne Jollands and Christine Rankin were not present at the meeting.

1 CONFIDENTIAL BUSINESS

5.1 CONFIRMATION OF CONFIDENTIAL PORTION OF TAUPŌ AIRPORT AUTHORITY COMMITTEE MINUTES - 13 MAY 2019

TAA201906/C01 RESOLUTION

Moved: Mr John Funnell
Seconded: Mr Chris Johnston

That the confidential portion of minutes of the Taupō Airport Authority Committee meeting held on Monday 13 May 2019 be confirmed as a true and correct record.

CARRIED

5.2 RECEIPT OF UNCONFIRMED MINUTES: TAUPŌ AIRPORT & OPERATIONAL SAFETY COMMITTEE - MAY 7, 2019

TAA201906/C02 RESOLUTION

Moved: Mr Chris Johnston
Seconded: Mr John Funnell

That the Taupō Airport Authority Committee receives the unconfirmed minutes of the Taupō Airport Operational and Safety Committee meeting held on Tuesday, May 7, 2019.

CARRIED

The meeting closed at 10.52.

The minutes of this meeting were confirmed at the Confidential Taupō Airport Authority Committee Meeting held on 5 August 2019.

.....
CHAIRPERSON

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Balance Sheet
as at 31 May 2019

	Full Yr	
	31/05/2019	30/06/2018
Equity	\$	\$
Equity Interest of Joint Venture Partners	4,071,587	4,071,585
Appropriation Accounts	1,808,965	2,057,635
Asset Revaluation Reserves	4,432,171	4,432,167
Total Equity	10,312,723	10,561,387
Assets		
Current Assets		
Cash & Cash Equivalents	261,356	266,432
Other Financial Assets	-	-
Trade Debtors	40,672	64,441
Other Receivables	7,071	4,974
Provision for income tax	-	-
Total current assets	309,099	335,847
Non-Current Assets		
Intangible Assets	1,993	2,946
Property, Plant and Equipment	11,191,464	11,394,500
Total non-current assets	11,193,457	11,397,446
Total Assets	11,502,556	11,733,293
Liabilities		
Current Liabilities		
Trade Payables	108,121	33,981
Other Payables	14,155	23,912
Income in Advance	25,503	46,591
Employee Entitlements	16,489	41,857
Total current liabilities	164,268	146,341
Non-Current Liabilities		
Borrowings	-	-
Employee Entitlements	1,484	1,484
Deferred Tax Liability	1,024,081	1,024,081
Total non-current liabilities	1,025,565	1,025,565
Total Liabilities	1,189,833	1,171,906
Net Assets	10,312,723	10,561,387

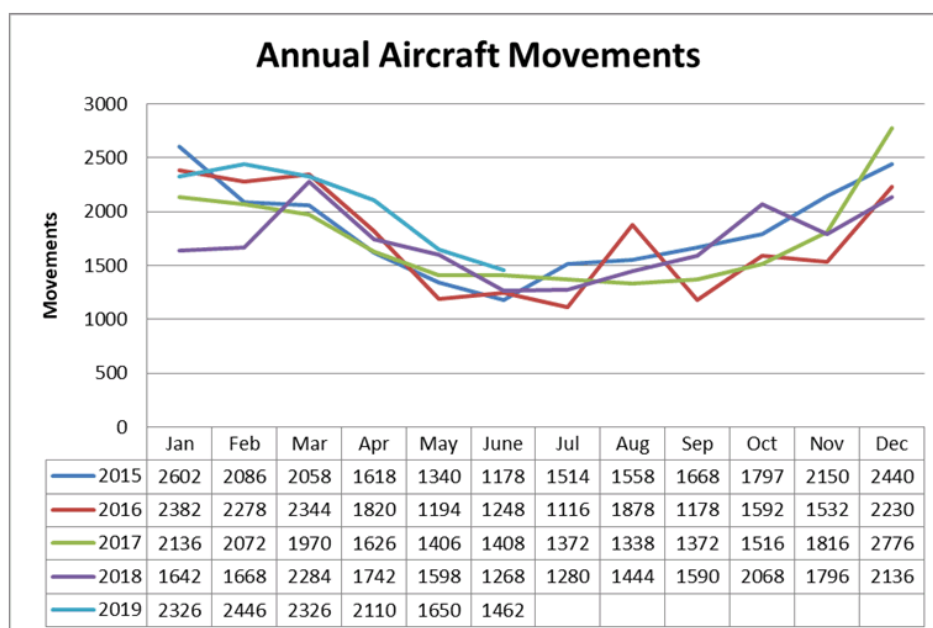
Cashflow Statement
for the period ended 31 May 2019

	YTD Actual 31/05/19 \$	Actual 30/06/18 \$
Cashflows from operating activities		
Cash was provided from:		
Receipts from customers	500,258	503,203
Interest received	230	289
Other income		
Payments to suppliers	(330,954)	(276,928)
Interest paid	-	-
Payments to employees	(191,508)	(166,634)
Net GST refunded / (paid)	26,038	12,721
Net Cashflows from Operating Activities	4,064	72,651
Cashflows from Investing Activities		
Proceeds from sale of property, plant & equipment	-	-
Purchase of property, plant & equipment	(9,147)	(255,700)
Net Cashflows from Investing Activities	(9,147)	(121,318)
Net Increase (decrease) in cash held	(5,083)	(183,049)
Add Cash at start of year	266,429	449,478
Cash & cash equivalents at end of period	261,346	266,429
Consisting of:		
Cash and bank	1,709	3,620
Call deposits	259,637	262,809
Cash at end of period	261,346	266,429
Reconciliation of Net Surplus to Net cash Inflow from Operating Activities		
Net surplus(deficit)	(248,673)	(139,605)
<i>Adjustments for non-cash items</i>		
Bad/Doubtful Debts	-	-
Gain on sale of fixed assets	-	-
Loss on sale of fixed assets	16	4
Depreciation	213,120	248,404
<i>Changes in Working Capital</i>		
(Increase) decrease in accounts receivable & other receival	21,672	3,106
Increase (decrease) in accounts payable & accruals	64,385	(41,689)
Increase (decrease) in income in advance	(21,088)	(2,530)
Increase (decrease) in employee entitlements	(25,368)	4,961
	252,737	212,256
<i>Non-operating changes in working capital</i>		
Increase (decrease) in Capital Creditors	-	-
Per statement of cashflows	4,064	72,651

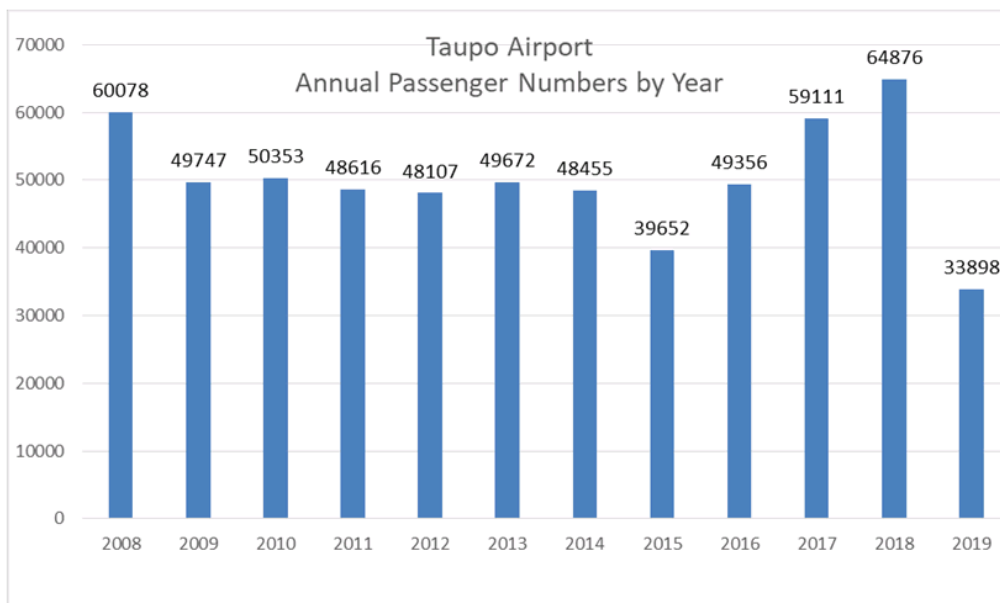
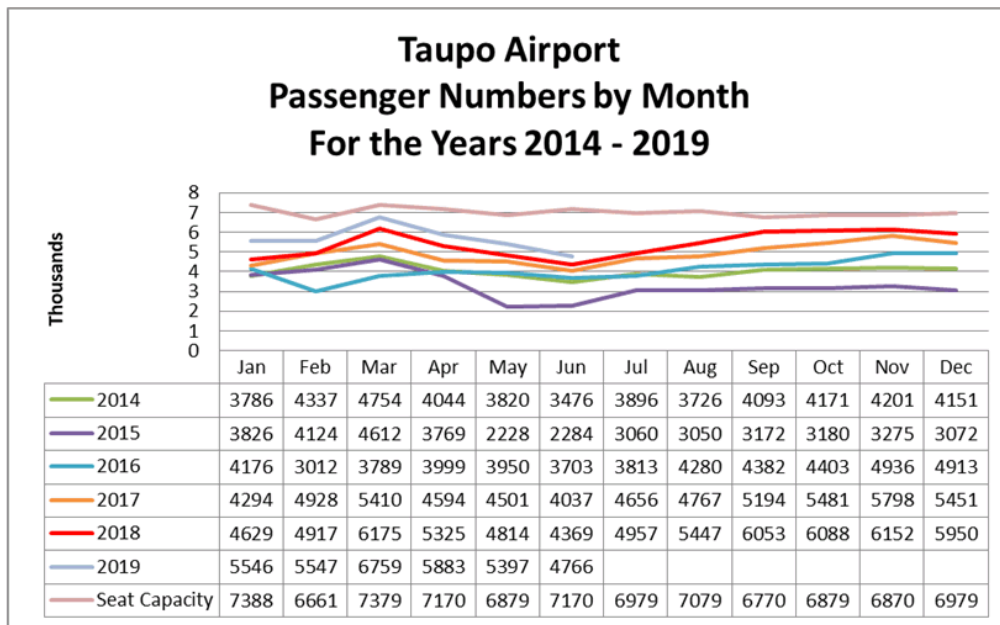
Statement of Financial Performance
for the period ending 31 May 2019

Taupo Airport Authority

	YTD Actual 31/05/19 \$	YTD Budget 31/05/19 \$	YTD Variance \$	Full Year Budget (as per SOI) 30/06/19 \$
Income				
Landing charges - Bulk	4,639	4,730	(91)	4,730
Landing charges - General Aviation	264,163	286,878	(22,715)	286,878
Landing charges - Charters	167	500	(333)	500
Aircraft Parking	1,450	1,500	(50)	1,500
Leases	172,580	193,990	(21,410)	193,990
Terminal Rent	24,159	27,057	(2,898)	27,057
Advertising	972	511	461	511
Fuel Commission	4,407	4,084	323	4,084
Hay Sales	2,210	2,042	168	2,042
Other income	1,742	2,000	(258)	2,000
Interest	230	408	(178)	408
Total operating revenue	476,719	523,700	(46,981)	523,700
Expenditure				
Employee Expenses				
Employee expenses	164,718	168,000	3,282	168,000
ACC levies	-	360	360	360
Training & associated costs	1,424	3,000	1,576	3,000
	166,142	171,360	5,218	171,360
Management and Administration Expenses				
Accountancy & Business Services - Taupo District Council	11,458	12,504	1,046	12,504
Audit fees - Audit NZ	12,744	13,900	1,156	13,900
CAA Audit fees	5,310	-	(5,310)	-
Taxation / Revaluation Fees	7,100	8,000	900	8,000
Directors fees and expenses	-	2,000	2,000	2,000
Bad and doubtful debts	-	-	-	-
Administration	1,509	3,978	2,469	3,978
	38,121	40,382	2,261	40,382
Other Operating Expenditure				
Cleaning	17,155	17,428	273	17,428
Advertising	-	-	-	-
Catering	366	400	34	400
Grants/Donations	500	-	(500)	-
Entertainment	-	-	-	-
Telecommunications	2,142	1,956	(186)	1,956
WIFI costs	1,920	2,040	120	2,040
Travel	4,806	6,000	1,194	6,000
Contractors	27,204	34,500	7,296	34,500
Consultants fees	103,480	3,000	(100,480)	3,000
Legal fees	-	-	-	-
Electricity	12,412	12,468	56	12,468
Equipment hire	19,121	17,017	(2,104)	17,017
Ground maintenance - Airside	3,976	4,000	24	4,000
Ground maintenance - Other	12,601	10,000	(2,601)	10,000
Runway maintenance	5,436	5,000	(436)	5,000
Building maintenance	3,806	5,000	1,194	5,000
Software maintenance	1,335	500	(835)	500
Vehicle Maintenance	1,206	2,000	794	2,000
Roading maintenance	939	4,000	3,061	4,000
Other maintenance	13,419	1,800	(11,619)	1,800
Software Licences	11,187	12,812	1,425	12,812
Aerodrome Inspections & Bird Control	13,288	10,180	(3,088)	10,180
Rates	15,600	12,910	(2,690)	12,910
Stationery and supplies	9,998	8,400	(1,598)	8,400
Subscriptions	10,165	3,000	(7,165)	3,000
Insurance	7,590	7,620	30	7,620
Rubbish Disposal	2,806	2,280	(526)	2,280
Security	3,397	-	(3,397)	-
Vehicle running costs	2,158	1,415	(743)	1,415
Loss on disposal of intangible assets	16	-	(16)	-
Total operating expenditure	308,009	185,326	(122,683)	185,326
Operating surplus/(deficit) before depreciation & taxation	(35,553)	126,632	(162,185)	126,632
Depreciation & Amortisation				
Depreciation	213,120	229,056	15,936	229,764
	213,120	229,056	15,936	229,764
Operating surplus/(deficit) before taxation	(248,673)	(102,424)	(146,249)	(100,132)

General Manager's Report – July 2019

Landing Activity	Jun-19	Cumulative year 2019	Jun-18	Cumulative year 2018
Scheduled flights	216	1442	234	1440
Charters	0	32	2	38
General Aviation				
Helicopters	364	2950	294	2546
Parachute	402	4250	340	3266
Private	480	3634	398	2894
Military	0	12	0	18
Total Movements	1462	12320	1268	10202



General Manager's Report (as submitted on July 16, 2019)**Civil Aviation Part 139 Recertification Audit**

Certification approved and received by the Civil Aviation Authority. Next audit scheduled for July 2023.

Memorandum of Understanding

The document is still work in progress.

Turangi Airfield

Turangi Aero Club Committee (TAC) requested a meeting with the Taupō Airport Authority (TAA), who manage the airfield on behalf of Taupō District Council (Taupō District Council). Items raised were the lease agreement with TDC, operational works required, and TAC to develop a health and safety policy.

Passenger Walkway Lines

Under CAA AC 139-6 passenger walkway lines to be painted on the apron for guidance for Sounds Air Aircraft passengers disembarking and boarding the aircraft.

Table Top Exercise

As a mandatory requirement of Safety Management Systems, a table top exercise will be conducted on 25 July 2019. The scenario is based on security screening which was raised by the Civil Aviation Authority (CAA) at the Part 139 recertification audit. The exercise also includes an aircraft incident with the participation of Jeff's Airport Services and local emergency services .

Defence Force Exercise

TAA have been contacted by the NZ Defence Force who will carry out an exercise in September.

Aircraft and Passenger Movements

Growth for aircraft and passenger movements continues to rise from the same period last year.

Airspace Risk Management

Urgency requested from CAA to approve the Taupō Airspace Review request to remove the overhead joining procedures, as contained in the NZAIP.

Kim Gard
Acting Airport Manager – Taupō Airport Authority