

STAFF REPORT

TO: Council Enterprises Subcommittee
FROM: Executive Officer
REFERENCE: A303
DATE: 22 March 2005
SUBJECT: Motueka Airport Report – March 2005

GRASS RUNWAY/TAXIWAY RECONSTRUCTION

Due to the unacceptable condition and safety concerns of the grass taxiways and grass runway at the Motueka Airport, Council approved a budget of \$55,000, in this financial year, to enable reconstruction to take place.

Tenders for the work were advertised and closed 15 December 2005. The three tenders received were declined by the tenders committee, as even the lowest tender estimate was more than double the Council's budget allocation.

The Transport Manager recommended to the tenders committee that a project of lesser scope be considered. The scope of the works and specifications were discussed with the Airport Users Group at their 22 March 2005 meeting.

The users group felt they did not have the expertise to advise on the scope of the job and suggested that council engage the services of a "grass and runways type expert" in an advisory role. Several names of "experts" were forth coming. The Executive Officer was concerned that if we went down that track it may compromise the ability of the "expert" from possibly tendering.

It was reconfirmed with the users group that the Council Enterprises Subcommittee, at its December 2004, decided the project could be split into Stage 1 (this financial year) and Stage 2 the following year. The main taxiway would be done first, creating the opportunity for continuous operations at the airport without closing the airfield while the main grass runway was done in 2006.

\$60,000 for additional costs to complete the project has been put into the 2005/06 budget (the \$ figure was based on the average tender prices received to date). It's hoped the Subcommittee will support this request for additional funding from council. The Airport Users, reminded those at the meeting that, no

significant money has been spent on the airport for aviation activities, apart from money for maintenance; and because of the safety issues associated with the condition of the taxiways and grass runway the project must be done.

It is also requested that the balance of the unspent funding for the project from this financial year, be rolled over into the 2005-2006 budget. The reason for this is the project has not got past the tendering stage because of the difficulties getting a tender price that falls within the current budget without compromising the quality of the work that would meet CAA standards. Approving more funding and rolling over this year's funding would provide a larger window to obtain appropriate expert advice prior to re-tendering.

Recommendation

That the Council Enterprises Subcommittee, approve the request to rollover any monies in this year's budget into the next financial year and to approve and support the request for additional funding in the 2005/06 budgets of \$60,000. Noting that this decision will provide the opportunity for expert advice prior to re-tendering and making sufficient funding available to achieve and complete the reconstruction of the grass taxiways and grass runway to an acceptable CAA standard.

REVIEW OF FEES AND CHARGES – EFFECTIVE FROM 1 JULY 2005

Our current fee schedule is as follows:

MOTUEKA AERODROME

Fee per movement – Table of charges (incl. GST)

AIRCRAFT	General Aviation Users Charges (through honesty box)	Aerodrome Operators Charges - (invoiced monthly)	Aerodrome Operators Charges (Advance Annual payment option)
Single Engine	\$5.00	\$50.00/month/aircraft	\$550.00
Twin Engine	\$7.50	\$75.00/month/aircraft	\$850.00
Helicopter	\$5.00	\$50.00/month/aircraft	\$550.00
Micro-light/Homebuilt	\$5.00	\$37.50/month/aircraft	\$400.00
Glider	\$5.00	\$37.50/month/aircraft	\$400.00

NB- General Aviation Users charges not paid through honesty box will incur a \$15.00/ administration fee.

The landing fees are subsidised by a throughput fee from Shell Aviation on the proviso Council maintain the fees at the current levels. The throughput fee has brought in approximately \$4,000 in additional income to the airport, over the past year. This is far more than we could generate through landing fees for a small airport.

Recommendation

That there be no changes to the fees and charges at the Motueka Airport for the 2005/06 financial year.

SKYDIVE ABLE TASMAN

It should be noted that the current fees and charges structure does not apply to Skydive Abel Tasman, as they have an individual agreement based on a per canopy fee structure. This method of charging is far more advantageous to council rather than the per landing fee.

Recommendation

That the agreement with Skydive Able Tasman, for fees and charges remain unchanged, on a per canopy basis.

NELSON DRAG RACING

As the issue of drag racing at the Motueka Airport is still under discussion, no recommendation for an appropriate fees and charges structure has been suggested. However, it should be noted this needs to be reviewed, following a decision.

AIRPORT ASSET MANAGEMENT PLAN

The Airport Asset Management Plan needs to be updated to reflect the new subcommittee structure and delegations of the Council Enterprises Subcommittee.

Following investigation into the matter, it appears that although the decision making falls within the Council Enterprises/Corporate Services area, the activity of aerodromes still falls within the Engineering aspect of council from an Asset

Management perspective. This has caused some confusion and clarification needs to take place on this matter.

MWH prepared the original Airport Asset Management Plan. The Executive Officer has requested that the original writer of the Airport Asset Management Plan, contact her to advise current progress on updating information.

AIRPORT MAINTENANCE CONTRACT

The Airport Maintenance Contract will terminate 30 June 2005. Rather than roll over the contract, the Executive Officer believes there is sufficient time to put out a tender for the maintenance contract on the same basis as the current document, but for a three year period rather than the current 10 month contract.

Recommendation

That the Council Enterprises Subcommittee approves the tendering of the Airport Maintenance Contract for a three year period from 1 July 2005.

FINANCIAL STATUS

Attached for the information of the subcommittee is the financial report for the year ending 28 February 2005.

Darla Blake
Executive Officer