

## **Wanaka Airport Governance Options Hearing of Submissions**

Minutes of a hearing of submissions to the Wanaka Airport Governance Options held at in the Armstrong Room, Lake Wanaka Centre, Wanaka on Monday 13 February 2017 commencing at 10.00am.

### **Present**

Councillors Hill, Lawton and MacLeod.

### **In Attendance**

Mr Peter Hansby (General Manager Property & Infrastructure), Mr Richard Pope (Property Manager), Shelley Dawson (Senior Governance Advisor), 2 members of the media and 28 members of the public.

The Committee Advisor opened the hearing and introduced the hearing panel.

**On the motion of Councillors Lawton and Hill it was resolved that Councillor MacLeod chair the meeting.**

The Chair gave a brief introduction and run through of how the hearing would run.

### Barry Bruce – Shaping our Future

Mr Bruce commented that he was representing the Wanaka transport taskforce which had been working on land, air and water transport in Wanaka. He noted that the taskforce had looked at the long term future of the airport and suggested 6 key recommendations in their submission. Mr Bruce noted that they considered it essential that Wanaka was adequately represented on any governance or ownership group to ensure Wanaka's interests were represented.

### Andrew Bartholomew

Mr Bartholomew read from a prepared statement and noted that the consultation summary document was biased in favour of Council's preferred option. He suggested that the Wanaka airport was seen as supplementary to Queenstown with no mention of Wanaka's needs. Mr Bartholomew questioned why there was no competition or tender process and suggested that a referendum was required.

### Nick Page

Mr Page commented that he opposed the proposed change of direction for management of the airport and noted that the community and Council needed to maintain control. He commented that the one commercial airport at Queenstown was enough. Mr Page suggested that the expertise of QAC could be better utilised to effectively manage Wanaka Airport. He noted that the community wanted long term planning for the airport, direct accountability from Council and better input from the community. Mr Page commented that the airport was a community asset and should be managed for the benefit of the community not as a commercial property.

#### Bruce Clulow

Mr Clulow spoke on behalf of himself and his brother who were recreational pilots and users of the Wanaka airport. He commented that they wanted to ensure that landing fees were kept reasonable and leases were affordable. Mr Clulow noted that Wanaka airport was built on general aviation and was now a big part of the community and of local tourism. He added that users wanted landing fees that were comparative with other areas as well as better communication between themselves and airport management

#### Trevor Duncan

Mr Duncan read from a prepared statement explaining the history and his involvement with the airport. He noted that recreational users did not need any more amenities than what were there currently and did not want to pay more for what they were using. Mr Duncan suggested a landing card that provided for unlimited landings for an annual fee as was used in other places around New Zealand. He also asked for better communication and suggested recreational users have a panel to represent them at any planning or strategic decision making meetings going forward. Mr Duncan noted he supported option 2.

#### Kevin Anderson

Mr Anderson read from his submission noting that general aviation and recreational fees were already high. He suggested a block fee per aircraft per year which would keep administration costs low. Mr Anderson also suggested a board or committee with representatives from QAC, QLDC and recreational users to give input on the running of the airport. He commented that charging an overnight parking fee while not providing any services would stop people from visiting the airport.

#### Brian Hore

Mr Hore noted that he owned a hangar at the airport, had several aircraft and flew as a recreational pilot in and out of Wanaka. He commented that he did not want increased costs for existing users. Mr Hore noted that Wanaka's fees were extravagant compared to those at Te Anau airport which was managed by the Southland District Council. Mr Hore was questioned as to who should pay for infrastructure upgrades and he commented that current users should not have to pay for future needs.

#### Shaun Gilbertson (speaking on behalf of Murray Patterson as well as himself)

Mr Gilbertson commented that he preferred option 2. and commented that there were other options to manage the airport more efficiently. He commented that there should be different rentals for recreational and commercial users. Mr Gilbertson suggested that the community needed to pay for capitalisation of the airfield as it was an integral part of Wanaka. He also noted that the fees at Wanaka should be more in line with other similar airports around the country. Councillor MacLeod suggested that in the context of the district Wanaka's competition was from Cromwell not Queenstown. Mr Gilbertson agreed noting that if ground rentals increased operators and users could easily move to Cromwell. He commented that Wanaka was a great little airport but it needed to be managed carefully.

#### Arthur Dovey

Mr Dovey commented that he had been involved in aviation for more than 50 years and that there was no future for commercial operations at Wanaka. He commented that QAC had no experience in general aviation and had no social responsibility to Wanaka and the Wanaka community. Mr Dovey suggested that high costs were because there was too much administration and that Wanaka airport needed to be represented by its own users and community. He commented that the NASA operations were a nuisance to local operators and users and should not be there.

*The meeting adjourned at 11.30am to allow the next speakers time to arrive. The meeting reconvened at 11.50am.*

#### Nikki Gladding - Sustainable Glenorchy

Ms Gladding noted that she had no opinion of option 3 but would talk to option 5 as it referenced Glenorchy. She noted that there had been extensive consultation with the Glenorchy community around the Glenorchy Airstrip Reserve Management Plan and the provisions of this were still being implemented. Ms Gladding voiced concern that the Glenorchy community had not been informed that the Glenorchy airstrip had been included as an option in this consultation.

#### Greg Doran (for Greg and Karelán Doran and the Doran Family Trusts)

Mr Doran commented that he was a hangar owner and member of the Wakatipu Aeroclub. He noted that the QAC submission suggested that costs should be covered by all users however general aviation users were being asked to pay for infrastructure they did not use or need. Mr Doran commented that Wanaka fees were more expensive than similar airports in the South Island and there were rumours that the fees were going to increase. He questioned what would happen with Warbirds Over Wanaka when their charter came to an end. He suggested that there should be more input and contribution from users in the strategic plan for the airport. Mr Doran highlighted that leases should have clear terms and rights of renewal in place adding that if the costs were too high or terms unacceptable then operators and users would go elsewhere.

*The meeting adjourned at 12.16pm to allow speakers to arrive and reconvened at 12.29pm.*

#### Trish and Paul Fraser

Ms Fraser commented that they did not want the Glenorchy airstrip included in any arrangement for integrated district wide air services. She commented that the consultation process was confusing and that the Glenorchy community was not informed. Ms Fraser noted that they had not had enough time to consider if this was a good option or not. She commented that the community was concerned at the commercialisation of the airstrip and the lack of consultation.

*The meeting adjourned for lunch at 12.40pm and reconvened at 2.00pm.*

#### Colin Keel – Queenstown Airport Corporation (QAC)

Mr Keel explained that he was the Chief Executive of QAC and noted that they looked at the district as one area with two airports. QAC recognised the history of aviation in Wanaka and they were committed to working with the community. He

commented that the current Wanaka service arrangement had a defined and limited scope. Mr Keel explained that QLDC owned more than 75% of QAC and Council was part of the decision making process. He noted that if QAC was given the long term lease they would actively work with the community on the airports long term master plan.

After questions Mr Keel explained that the Statement of Intent (SOI) process set out the three year plan for the airport and this was submitted to full Council for adoption. He explained that there were quarterly meetings between the Mayor, the Chief Executive of QLDC and the Chair and Chief Executive of QAC. Mr Keel noted that if they received the lease for Wanaka they would involve the community and key users in discussions on the development plan and masterplan for the airport. He commented that while QAC was a commercial operation they were sensitive to the history of the airport as well as new and existing users. Mr Keel noted that if commercial aviation was introduced to Wanaka it would require buy in from all operators and users. If QAC was granted the long term lease they would welcome working with the community on the master plan.

#### Alistair King – Wanaka Chamber of Commerce

Mr King commented that many points raised in their submission had been covered off by other speakers. He noted that the airport was a key strategic asset for the community and it was also integral to driving economic development in the district. Mr King noted that many concerns were around the lack of a strategic plan for the airport going forward.

#### Dan and Christine Kelly

Ms Kelly read from a prepared handout that noted the Reserve Management Plan for the Glenorchy was now in place and that a meeting was scheduled for the next day for community, users and residents interested in the management of the airstrip. She added that the community wished the airstrip to remain at a low operational level. Ms Kelly questioned how this fitted with the apparent view to consolidate it into a district wide airport strategy. She commented that there were opportunities and challenges to the current management plan and the proposed QAC lease model for Glenorchy.

The Chair thanked the Glenorchy submitters for travelling to Wanaka to have their say.

#### Jason Watkins – CUBE

Mr Watkins explained that the CUBE was effectively an economic development agency for the Upper Clutha. He noted that it was important to recognise the significance of the airport to the current and future economy. Mr Watkins commented that the importance of a relationship and investment such as the one with NASA should not be underestimated for the district. He noted that the airport should not be looked at in isolation but as a vital part of the community and economy.

#### Bill Day

Mr Day commented that he was the chair of the Wanaka Airport Users Group that was representative of commercial and recreational users as well as mechanics and

engineers. He noted that there was a sub group of recreational users and that Mr Dovey had specific views that were different from those of the group. Mr Day explained that the airport had developed from general aviation and there was a fear of increased charges for facilities that users didn't need. He suggested the need for grandfather clauses in the leases to protect the social investment that many users had built over time. Mr Day commented that if the decision was made to stop the status quo then he would like to see enhanced local governance.

#### Stu Moore

Mr Moore commented that he was a member of the Wanaka Recreational Flying Association and wished to address the misconception that if you owned an aircraft you were rich and could afford price increases. He suggested meeting with Council to discuss and establish annual landing fees before handing the airport over to a new governance model. He noted that the previous suggestion of a set annual fee regardless of the number of landings was a great option and that there needed to be more space or more affordable hangarage.

#### Ed Taylor - Warbirds Over Wanaka (WOW)

Mr Taylor commented that he was the General Manager of WOW which had a very long history with the airport. He explained that they had a deed of licence with QLDC to operate the airshow which they gave them control of the airport for 5 days during the show. Mr Taylor commented that their main concern was if QAC was given a long term lease the needs of WOW needed to be taken into account. WOW was a generator of economic benefit for the region and an iconic event and they wanted their licence to be enshrined within any new governance lease. They also sought input with QAC if they were looking at development and facilities. Mr Taylor noted that Wanaka could grow on innovation such as the NASA involvement and they did not have to be a commercial airport. He added that WOW opposed any development of buildings on the land recently purchased by QAC as it would severely impact on the airshow. Mr Taylor commented that aviation was a specific industry and need specialists to run an airport.

#### Tim Brown – Southern Hang Gliding and Paragliding Club

Mr Brown commented that he was president of the club and noted that they were one of the largest users when considering the number of flights taken. He added that they were unique in that they didn't use the airport but the airspace around it. Mr Brown explained that the area was a flying destination and what the airport did affected what fliers could or could not do in the airspace. He asked that the club be consulted with and have input in regards to the airspace and its use.

*The meeting adjourned at 3.15pm and reconvened at 3.30pm.*

#### Phil Page – on behalf of Jeremy Bell Investments (JBIL)

Mr Page read from a prepared statement noting that JBIL was interested in promoting Wanaka as a tourism destination and questioned if the preferred option was the best way to advance Wanaka's economic development. He suggested that alternatives to a QAC lease should be investigated as they had not been highlighted. Mr Page commented that if Wanaka's tourism was to grow then it needed to be more than just general aviation and questioned how Council would require the board to invest in the commercialisation of Wanaka airport if the board didn't want to.

Cooper Gyles – Wanaka Luxury Villas (via phone)

Mr Gyles commented that they were looking from a tourism view at the airport noting that tourism and visitors were continuing to grow. He noted that Queenstown airport was becoming saturated so Wanaka airport needed to be expanded to take any flights diverted from Queenstown. Mr Gyles commented that both airports needed to be managed commercially and QAC should take over the airport activities.

The Chair thanked the submitters for their time and contributions and he commented on the quality of submissions heard and the positive tone of the hearing.

*The hearing was adjourned at 3.54pm.*

*The panel went into deliberations at 4.03pm*

It was noted that the submitters were seeking surety that general aviation and recreational users would not be kicked out of the airport. Key points raised in the submissions were:

- seeking genuine community involvement in the airport as a community asset
- a request for benchmarks on leases (based on fair market rental) before management was handed over
- a suggested set annual landing fee for recreational users
- a plan of what the airport was going to look like in the next ten years

The panel was advised that there had been a previous decision not to sell the airport and that the option of seeking an alternative to QAC had been explored but did not meet the set threshold for further investigation. There was discussion around whether the CCTO structure could balance its corporate duties against community outcomes. It was noted that the QAC SOI would need to evolve a statement specifically around Wanaka. Discussion moved to the masterplan and Mr Hansby commented that there was real value in having QAC as part of that as they had the necessary expertise. It was noted that the community could view QAC's involvement in the plan as evidence that their management was a done deal.

There was discussion around how QAC could be held accountable to work with users and whether this was through a management plan or through the SOI and lease structure. Mr Pope suggested discussing the feedback with the legal advisor from Meredith Connell who had previously advised on the consultation. The panel agreed that this would be beneficial to define the correct terminology, principles and structure to ensure they achieved the outcomes they were looking for.

Mr Pope summarised that there were three choices within option 3 that they were looking at:

1. Creating a master plan prior to awarding the lease to QAC
2. Making a commitment to QAC subject to conditions such as the creation of a master plan and other lease conditions
3. Agree to a lease with QAC and their first task is to be creation of a master plan

Option 5 which proposed to include Glenorchy into district-wide air services was discussed. It was noted that there was already a management plan in place at Glenorchy. The panel recognised the community's concerns and agreed to leave the Glenorchy aerodrome out of the decision.

The panel agreed that to allow more time for officers to write the report and for further consideration, including with the legal advisor, the report should go to the April Council meeting rather than the March meeting.

*Deliberations adjourned at 4.53pm until a meeting could be arranged with the legal team at a future date.*