

STAFF REPORT

TO: Council Enterprises Subcommittee
FROM: Motueka Aerodrome Manager
REFERENCE: A303
DATE: 12 February 2006
SUBJECT: Airport Tour Briefing Report

TRIP OUTLINE

The visits included 9 airports/aerodromes over a 4 day period. Sunday 4 December we travelled to Westport, the following Monday we visited Westport, Greymouth and Hokitika Airports and travelled south to Haast for the night. Tuesday 6 December we drove to Wanaka and spent quite some time there as this was the busiest airport included in the schedule, following which we went on to Oamaru. Wednesday 7 December we visited Oamaru, Timaru and Ashburton airports and stayed overnight in Christchurch. The final day (Thursday 8 December) we visited Rangiora, and Kaikoura and returning to Nelson in the afternoon.

As well as inspecting each airport we interviewed the airport executive at each location and had a 'shopping list' of questions which Maxine had pre-sent so that we could get the most information we could at the time of the visits.

Coupled with the hundreds of K's a day travelled and time allowed for interviews inspections meant the tour was very intensive but the information gained by both myself and Maxine was invaluable.

Only one incident marred an otherwise faultless trip which was when the tape which had all our notes of the tour on was inadvertently vacuumed up by the office cleaner. Fortunately I was able to resurrect the yards of tape but lost Westport which Max and I re-did from memory!

AERODROME/AIRPORTS OVERVIEW

Air Traffic

With the exception of Wanaka all the aerodromes were very low trafficked compared to Motueka. The first three airports visited we did not see one plane and at Oamaru a pre-check on the evening we drove to Oamaru found the airport entrance gates locked! Most airport managers were quite envious of Motueka Aerodrome's high patronage and all were actively encouraging more usage of their aerodromes.

Several airports just had a few commercial flights a day with minimal other traffic. The point was made however that the public perception whilst mostly focussed on the air transport perspective, should not overlook the fact that aviators were an asset who attracted business to the town and that they also care about the airfield they operate from.

Aerodrome Land Areas

With the exception of Kaikoura all the airports had significant land areas for expansion/development (over 200ha in the case of Oamaru). Note Motueka Aerodrome has 27ha's. In some cases such as Oamaru the airport revenue was significantly boosted by farming activities on the airfield. The large areas also enabled the establishment of different vectors (runway locations) and also runways lengths of over 1.5km were common. (Motueka's runway is 784m long). A few airfields had acquired additional land with an eye on the future expansion of their airports and also to avoid urban/lifestyle residential encroachment which could be detrimental to their operations. The only airfield of comparable size to Motueka was Kaikoura's however that had one of the best operations we visited.

Buildings

There was a huge range of building development on the airfields with an equally huge range of leases charged for buildings.

Of particular note were the terraced hangars found at Rangiora and Ashburton aerodromes. These were steel framed Australian hangars and were built by user groups who then rented them out to individual pilots. We have some information from a NZ based company 'formsteel' who provide the buildings in a kitset form. The arrangement seemed to be ideal for the private aircraft/microlight owner and the hangars were very cost effective and economical on space. The only drawback would seem to be the need for a collective to organise themselves for such a venture. If the buildings were erected by Council to lease out the separate tenancies could require fire rating between units and that would load the price up. Hangars were often "T-shaped" which meant that you save a lot of space by getting planes in top to tail along the row. Draw back with these is that you need taxiway clearances either side and you don't get any separation of aircraft from vehicle traffic.

Also at Rangiora we looked at hangars constructed on tilt slab concrete and these seemed a good option for multi-unit development and/or for connecting large maintenance hangars.

Strategic Development

Only a few airports had strategic development plans and as some were still in preparation the airport managers were not keen to release them due to confidentiality issues.

Whilst some airports had very modest plans for the future, Wanaka and Ashburton were at the forefront of strategic development. Wanaka is becoming the secondary airport to Queenstown which is now to capacity and has high charges because of demand.

Ashburton is a huge field that used to be a WWII airbase. Strategically Ashburton could be a satellite airport for Christchurch in 50 years time. Certainly some forward planning there!

Security/Safety

Many of the airports had modest and/or ageing safety plans. The most innovative and best safety we saw was a white board at Hokitika airport which the airport manager had evolved over time and provided instant access to all the information needed for an airport emergency. It was a system that seemed eminently suitable and practical.

Segregation of airside from non-airside activities was again extremely varied from the standard eight wire fence to deer netting and the full 1.8m high hurricane netting fencing.

Fencing was a correlation to security needs with more required where scheduled service passenger traffic used the airport.

Some aerodromes had landing lights for night flying. Others had reflectors to augment runway markings. These were airports that were or had been used by Air New Zealand scheduled flights.

Revenues/Expenditure

Again an extremely varied range from no landing fees to \$25.00 (Queenstown). This reflected on the \$10.00 landing fee that Wanaka was able to charge. Motueka's fees are about middle of the road and compare with those of Kaikoura which would be the closest match to Motueka in size.

A comment made by aviators who we met at the aerodromes was that landing charges were awkward as often pilots don't carry around cash. Amounts outside of a standard \$5.00 or \$10.00 bill also meant those who did have cash often didn't have the correct amount. Inevitably this meant either there was no payment and where an invoice was required the costs were more than the money collected. Maxine and I considered that smart and convenient ways to facilitate payment were necessary and are keen to look at on-line payment systems either through a merchant account or direct credit. A web site showing Motueka's AIP (Aeronautical Information Publication), fuel facilities etc and with options for advance payment were discussed

Motueka was the only aerodrome that has negotiated a through-put fee with the fuel provider. This is a significant funding generator for the aerodrome.

Security cameras were shown to be cost effective in improving revenue returns by up to 30%. Those aerodromes that did not have cameras were keen to get them put in.

Ground lease also varied from just 20 cents per m² to \$5.00/m². Supply and demand was a major factor. At Wanaka a fairly ordinary looking hangar was being sold for \$375,000 (with the ground lease payable on top!).

An interesting option the Rangiora Aerodrome Manager put forward was a DIL levy that would be banked for future capital development at the aerodrome.

We found that there is an Auckland firm (EDI) that specialises in airport lease values. Also there is a lot of data on airport fees and charges through the AIA (Aviation Industry Authority) and would be worth us joining at \$400 per year subscription.

Generally few airports were commercially profitable and ways of obtaining revenue from alternate uses of available land (farming). Rangiora classed its aerodrome as a recreational rather than a business asset which meant the shortfall between income and expenditure was more palatable. Mowing was a frequent operational cost which varied depending on the grass growth. At Hokitika and Kaikoura the airport manager mowed the operational areas. At Ashburton the aeroclub did the job. Motueka's good soils and climate means we have a relatively high mowing cost.

SUMMARY

By comparison Motueka aerodrome has a very tidy operation. It achieves a lot from a small aerodrome. Financially it does well considering limitations on alternate land uses. It has a problem with future development options due to land limitations and urban proximity. Strategic development needs careful planning to increase income but this should be targeted at low or non air traffic generating uses such as ancillary commercial/industrial operations as our aerodromes flight activity is comparatively high. A factor that we did notice was the good signage that all airports had. Given Motueka's significant tourist/adventure flying and other activities I will be pressing for strategically located road signage.

As noted in the main report I will be providing a Power-Point Slide presentation with this report together with some written notes taken from the verbal interviews conducted.

RECOMMENDATION

THAT the report be received

B Askew
Motueka Aerodrome Manager