

OIR: 2223/590

15 August 2023

Tēnā koe

Request for Information under the Local Government Official Information and Meetings Act 1987 (the Act) (the LGOIMA)

Thank you for your email of **24 June 2023**, received on **26 June 2023** requesting the following information:

1. Could you please send me "Appendix B" referred to below from this page.

COUNCIL MEETING: 27 April 2023 APPOINTMENT OF INDEPENDENT CHAIRPERSON TO THE KAPITI AIRPORT COMMUNITY LIAISON GROUP AND UPDATED TERMS OF REFERENCE

That Council agree that Appendix B of this report is available for public release.

A copy of Appendix B is attached and available on Council's 'Meetings' page at https://www.kapiticoast.govt.nz/your-council/meetings/meetings-and-agendas/

2. Could you also kindly send me any correspondence KCDC has sent or received in regard to the future of Paraparaumu Airport – i.e. Development, sale, ongoing negotiations, etc.

(You clarified by email on 26 June 2023 that the timeframe was in the last year)

On 4 July 2023, you clarified that you were seeking:

"I'm just trying to find out what stage the airport is at in terms of its future so I'm looking for any updates that, most likely, the owners or local iwi have informed Council about as opposed to correspondence

Please note that any information provided in response to your request may be published on the Council website, with your personal details removed.

from people asking questions about what is happening. I would imagine that right now there may be discussions with local iwi, so I'm looking for any updates that have been provided to Council."

You also confirmed that your request for information is connected to your concerns about noise and that you have an open dialogue with the Mayor and Deputy Mayor about your concerns.

The response under 3) below provides detail of relevant discussions with iwi. No formal updates have been provided to Council in the present triennium.

3. Please also list any meetings KCDC Councillors and/or management have had with stakeholders in the last year to discuss the future of Paraparaumu Airport – stakeholders being the airport owners, airport manager, local iwi, etc. Please include the meeting topic and any notes/minutes or follow-up correspondence from those meetings.

Various meetings have been held with the airport owners, hapu and stakeholder interest groups over the last year, however given the interest you have noted we have set out (below) meetings related to the future of the airport.

Date	Meeting of	Meeting topic	Notes
5/07/22	Council	Briefing: Paraparaumu Airport	Presentation attached
14/07/22	Acting Chief Executive, Gary Simpson with Chris Simpson, CEO Kapiti Coast Airport Holdings Ltd	General update and discussion	Nil
23/08/22	Councillor Janet Holborow with Chris Simpson, CEO Kapiti Coast Airport Holdings Ltd and Simon Lockie, Lockie Airport Management	Airport financial performance and viability	Simon's notes attached*
12/09/22	Mayor Guru met with Takiri Cotterill of Puketapu Hapu	The meeting invitation did not specifically refer to the airport. The Mayor met semi- regularly with Takiri on a number of matters, not all airport related.	Nil
7/11/22	Chief Executive Darren Edwards, Mayor Janet Holborow, and Group Manager Infrastructure Sean Mallon with Duane and	Introductory stakeholder meeting post-election	Nil

Date	Meeting of	Meeting topic	Notes
	Craig Emeny from Air Chathams		
14/11/22	Chief Executive Darren Edwards and Mayor Janet Holborow with representatives of Puketapu Hapu	Introductory meeting	Nil

*The meeting with Chris Simpson and Simon Lockie took place when Mayor Holborow was in her former role as Councillor. The notes provided are Simon's recollection of the meeting and cover a wide range of topics connected with the airport. The notes do not necessarily represent the view of the Mayor or Council.

The following item of correspondence relates to the meeting of 5/07/22 above.

Date	Correspondence	Торіс	Notes
19/07/22	Follow up to briefing – CE's Executive Assistant circulated a letter from the Mayor dated 12/05/22 and referenced on 5/07/22	Confirming Council is open to discussions with the Puketapu ki Paraparaumu Trust about the future of the airport	Letter attached

The presentation attached contains some commercially sensitive information. On that basis, I must withhold this information under section 7(2)(b)(ii) of the Act which allows for Council to withhold information in order to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information. In Council's view the reasons for withholding these details are not outweighed by public interest considerations in section 7(1) favouring their release.

You have the right to request the Ombudsman to review this decision. Complaints can be sent by email to <u>info@ombudsman.parliament.nz</u>, by fax to (04) 471 2254, or by post to The Ombudsman, PO Box 10152, Wellington 6143.

Ngā mihi

Kris Pervan Group Manager Strategy and Growth Te Kaiwhakahaere Roopu Rautaki, Te Tipuna me te Whakaoranga



12 May 2022

The Trustees Puketapu ki Paraparaumu Trust Attention: Tony Jackson

Tena koutou

Re: Kapiti Airport

The Kapiti Coast District Council (Council) understands that the members of the Puketapu ki Paraparaumu Trust (the Trust) are about to consider options in relation to Kapiti Airport and the surrounding land and improvements (the airport).

On 27 August 2020, Council passed the following resolution: *This Council, in supporting the call by the original owners of the airport land for the return of their ancestral land, requests the CEO to bring back a staff report on progressing this matter.* This is a standing resolution and remains in place.

As part of the 2021-41 Long Term Plan consultation process, Council asked for feedback from the community on whether Council should explore having a role in the airport. Based on the feedback received from the community, Council agreed to proceed with exploring options to be able to have a role in the airport.

Based on the standing resolution and the LTP decision, Council can confirm that we are open to discussions with the Trust about the future operations of the Kapiti Airport and the development of the surrounding land and the role that Council may have in this. We also understand that should ownership of the airport be secured there may be a need to explore options to keep the airport operational while the trust works through its options. We understand that members of the Trust will be voting on this matter on 29 May 2022 and will advise Council of your decision following this vote. Council looks forward to hearing the result of this important decision. In the meantime, should there be any questions in relations to matter discussed in this letter, please do not hesitate to contact either Sean Mallon or Darryn Grant.

Nga mìhi nuì

K. Gurunathan JP, MA MAYOR, KĀPITI COAST DISTRICT



COMMUNITY LIAISON GROUP TERMS OF REFERENCE

Purpose

To consider and where appropriate make recommendations to Kāpiti Coast Airport Holdings Limited (KCAHL) on aircraft noise issues and <u>noise related</u> concerns that arise from the operation and activities at Kāpiti Coast Airport.

Activities

- 1. To identify community concerns regarding aircraft noise.
- 2. To assist and advise KCAHL in the dissemination of relevant information to the community.
- 3. To review the current procedure for handling noise complaints, as set in the Kāpiti Coast Airport Noise Management Plan (Noise Management Plan) and to propose modifications to the procedure where necessary.
- 4. To assist Kāpiti Coast District Council (KCDC) and KCAHL in the implementation and review of the Noise Management Plan which addresses:
 - a. Procedures for handling noise complaints;
 - b. Noise abatement procedures; and
 - c. Timely provision of aircraft noise and flight path monitoring information.
- 5. To monitor noise levels and compliance with the noise abatement procedures and the Noise Management Plan.
- 6. To access appropriate technical expertise and guidance as required.
- 7. To produce an Annual Report summarising activities in the past 12 months.

Chairperson

Meetings will be chaired by an independent Chairperson jointly appointed by KCAHL and KCDC. The Chairperson may invite other persons on an *ad hoc* basis to address the Group on particular agenda items.

Membership

Position	Number of Persons
Independent Chairperson	1
Kāpiti Coast Airport's Airport Manager (AM)	1
Kāpiti Coast District Council (KCDC) - Advisory Role*	2
Community Representatives – including one from Paraparaumu	<u>34</u>
Community Board and one from Raumati Community Board,	
and two other members selected by KCDC	
Kāpiti Coast Airport Users	2
Ati Awa ki Whakarongotai	1
Kāpiti Coast Airport Holdings Ltd (KCAHL), - e.g. Airport	1
Reporting Officer	

*Note: The Noise Management Plan calls for meetings to run on consensus; however, the KCDC representative is a<u>n non-voting</u> Advisory Role.

Membership Term

- 1. Independent Chairperson Term of three (3) years at the end of which the incumbent may be reappointed if available and agreed to jointly by KCAHL and KCDC.
- 2. Kāpiti Coast Airport's AM The term of the AM representative is at the discretion of KCAHL.
- 3. KCDC Advisory Role The term of the KCDC advisors is at the discretion of KCDC.
- 4. Community Representatives Each of the two general Community Representatives is appointed for a term of three (3) years at the end of which the incumbents may be reappointed if available and agreed to by KCDC. The Paraparaumu <u>Community Board and /the</u> Raumati Community Board representatives is appointed by KCDC on the recommendation of the Community Board for a term corresponding to Community Board elections (currently three (3) years).
- Kāpiti Coast Airport Users Each Airport User representative is appointed for a term of two (2) years at the end of which the incumbents may be reappointed if available and agreed to by <u>the Independent Chairperson. KCAHL and KCDC.</u>
- 6. Ati Awa ki Whakarongotai The term of the Ati Awa ki Whakarongotai representative is at the discretion of Ati Awa ki Whakarongotai.
- 7. KCAHL The term of the KCAHL representative shall be at the discretion of KCAHL.

General

- 1. The Airport Noise Community Liaison Group (CLG) will meet at least once per year.
- 2. The CLG will be governed by these terms of reference that may be amended jointly by KCAHL and KCDC from time to time where appropriate.
- 3. KCDC will provide secretarial and support services at KCDC's cost and expense.
- 4. KCAHL and KCDC will share equally the reasonable costs of the Independent Chairperson.
- 5. KCAHL will provide data and technical information on aircraft movement and a noise complaint summary.
- 6. The CLG has an objective to reach consensus, however, dissenting views will be recorded.
- 7. In the event that a CLG representative fails to attend three (3) consecutive meetings without apology, the position shall be deemed vacant and another representative will be appointed.
- 8. Community and User Representatives have a responsibility to liaise with their groups to ascertain any issues requiring CLG attention.

Meeting procedure

- 1. **Chairperson**: KCAHL and KCDC will be jointly responsible for appointing and removing the Chair. The terms of appointment will set out the conditions of appointment and removal. The Chairperson will chair the meeting. If the Chairperson is not present within 15 minutes of the time appointed for the meeting, then the members of the group will elect another person to chair the meeting.
- 2. Notice of the meeting: The Chairperson will arrange for a notice of meeting, together with any other relevant information to be sent to all members of the CLG at least five working days before the meeting. The notice of the meeting will set out the time and place of the meeting and the nature of the business to be discussed. Members of the CLG may advise the Chairperson of items to be included in the notice of meeting.
- 3. **Quorum:** No business may be transacted at a meeting of the group if a quorum is not present. A quorum is present if there are at least four (4) people, including one (1) of the community representatives and the AM representative. If a quorum is not present

within 15 minutes of the time appointed for the meeting, then the meeting is to be adjourned to the same day in the following week at the same time and place or to such other date and place as the CLG may decide.

- 4. **Method of holding meeting:** A meeting will be held by a number of members, being not less than a quorum as defined in the Meeting Procedure, clause 3 being assembled together at the place, date and time appointed for the meeting pursuant to a notice given under the Meeting Procedure, clause 2.
- 5. **Members may act by representative:** A member of the CLG may appoint a representative to attend one or more meetings of the CLG, with approval by the Chairperson prior to the meeting.
- 6. **Minutes:** KCAHL will ensure that minutes are kept of all proceedings, with KCDC secretarial assistance. Minutes of the previous meeting will be sent to members with the notice of meeting for the next meeting. Minutes are to be made public on KCDC and KCAHL websites following approval of the minutes by the CLG.

Dispute Resolution

KCAHL is committed to a process whereby differences between the parties represented on the CLG are resolved within the CLG through the provision of information, analysis, consultation and the development of a consensus.

KCAHL recognises however that there may be occasions where a consensus does not emerge in an area where a decision is required. On those occasions the following procedure will be used:

- 1. KCAHL accepts that it is the Chairperson of the CLG's prerogative to determine that a point of difference exists and that the Chairperson may endeavour to resolve the issue within the CLG by acting as mediator.
- 2. To facilitate mediation KCAHL at its cost will provide the Chairperson with whatever information and advice that the Chairperson considers is reasonably necessary including, if required, a legal opinion on the issue or aspects of it, on the basis that the information and advice will be made available to the members of the CLG.
- 3. If, despite best efforts, including independent mediation if the Chairperson so chooses, a consensus cannot be reached within the CLG, KCAHL will consider any recommendation on the issue in dispute that the Chairperson may make and will formally advise the Chairperson within 10 working days of its decision in respect to any such recommendation and the reasons for KCAHL's decision. Provided that in making any decision or taking any action KCAHL shall only be required to have due regard to the recommendation of the Chairperson and it shall not be required to incur any cost, do or refrain from doing anything or take any action as a result of this document.

Paraparumu Airport Briefing

5 July 2022



Issues discussed

- Air Chathams Loan
- Treaty of Waitangi Claim
- 2021-41 LTP decision
- Puketapu ki Paraparaumu Trust
- Private Plan Change



- April/May 2020 Air Chathams seek financial support to re-establish Auckland – Kapiti air passenger service
- Similar approach made to Whakatane and Whanganui
- In absence of financial support, Air Chathams would have withdrawn route

28 May 2020 resolutions



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			Kā	DISTRICT COUNCIL

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- Loan drawn down end of 2020
- Reported in 2021 Annual Report



Air Chathams current status





Air Chathams Marketing Support

- Council provide Air Chathams with an annual grant of \$50,000 from the Economic Development budget.
- The purpose of the grant is to undertake marketing, promotion and communications activities to increase awareness of and encourage usage of the air transportation services provided by Air Chathams Limited in and out of the Kapiti Coast
- The grant is in place for three years between the period 1 July 2021 to 30 June 2024.



Treaty Claim

- Crown has conceded that original sale of airport land to Murray Cole triggered offer back obligation
- Waitangi Tribunal has invited original claimant's response to change in Crown's position



Treaty Claim

- Complicated as airport now privately owned
- Waitangi Tribunal can only make recommendations



Public Works Act – Offer back

 Crown Law has advised that offer back provisions to be exercised by CE of LINZ

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• Where to from here?



2021-41 LTP Decision

- As part of the 2021-41 Long Term Plan consultation process, Council asked for feedback from the community on whether Council should explore having a role in the airport.
- Based on the feedback received from the community, Council agreed to proceed with exploring options to be able to have a role in the airport.



Puketapu ki Paraparaumu Trust

• On 27 August 2020, Council passed the following resolution:

This Council, in supporting the call by the original owners of the airport land for the return of their ancestral land, requests the CEO to bring back a staff report on progressing this matter.

- This is a standing resolution and remains in place.
- On 12 May 2022, a letter has provided to the trust confirming that the Council remains open to discussions about the airport.



Puketapu ki Paraparaumu Trust vote

• The following update has been provided for Council by Tony Jackson, Chair

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•	Hapu members had two options to consider, with a propos	al
	from Templeton Group being the other option	
	Kāpiti	Coast
	DISTR	ICT COUNCIL

Hi Janet,

Thanks for your time and for coming out to the airport. Below is my summary of points we touched on in our wide ranging conversation around the airport. Sorry it's taken a while to get these to you.

Once again, feel free to reach out with any questions at all about Kapiti Coast Airport, or the role and obligations of Council owned airports and regional airports, or anything airport related at all.

Aspects discussed were:

- Kapiti Coast Airport's under performance as a regional with less than 20k PAX per year.
 - Reasons why that is:
 - Close competition.
 - Lack of usage by locals.
 - 'Pain point' for travellers is low with 2 better resourced airports nearby.
 - Limitations of the airport, the airlines and routes served.
 - Discussion of what "Good Performance" looks like.
 - For a private airport such as ours: 500k PAX per year.
 - Why this isn't achievable.
 - Even if it was achieved, it would be a victim of this success.
 - For a council owned regional airport: greater than 1:1 Population Catchment to PAX ratio - eg: For Kapiti Coast greater than 80k PAX per year.
 - Why this isn't achievable.
- Why Kapiti Landings can't, doesn't and shouldn't make up for losses in airport operations.
 - Kapiti landings does not generate anywhere near enough revenue to cover the operating losses of the airport.
 - Even it it could, it should not.
 - As a private company it is not sound business practice to run a 'Single Till' model where one business unit pays for another in perpetuity, particularly when one business unit is failing miserably with no signs of recovery.
 - As someone once said "If all it took was a Mitre 10 or a supermarket, there would be one next to every Hospital".
 - The concept of a retail development supporting an entire airport is a drastic over simplification.
- The historical and emotional attachment to the airport.
 - Particularly the aero club and recreational users stand to lose the most as they really have it very good here.
 - The airport predates the town, and was a catalyst for early growth of the town.
 - For many people, the airport has always been here, they struggle to visualise what change would look like.
 - Towns like Queenstown are successful because of their airports. Towns like Kapiti no longer depend on their airport and are now desirable places to live in their own right.

- Would you build an airport here now though?
 - You would not choose to build a new airport here.
- Practical limitations of the current airport site and facilities.
 - There is no room to extend the runway.
 - As the suburban area encroaches, the airport will face new limitations.
- KAU plan practicality
 - Their plan brings no additionally to the airport or its capability.
 - They propose to move the terminal and aprons at great expense, for a small tangible benefit of moving closer to the expressway.
 - Moving the apron will alter the noise profile, requiring reconnecting with potential affect on existing housing and neighbours.
 - The capability they describe exists now, and yet the uses they suggest are not occurring.
 - Electric short haul aircraft bring no additionally, short haul aircraft and airlines already exist and operate here.
 - They do not appear to have allowed for:
 - The full scope of wetlands, dunes and other ecologically significant areas.
 - Runway 30 the imperative landing runway that some airport users fought for in Environment Court. Including people who are now members of KAU.
 - Metservice
 - They don't own the land and have no plan for how to buy it or who should buy it.
- KAU has not engaged with us.
 - We've tried, we remain quite open to it, but they don't seem keen to debate.
- Private Ownership Vs Government Ownership:
 - As a private ownership, receiving no subsidies, KCA would need to service 500k PAX per year.
 - This is impossible.
 - If KCDC values the airport, they really need to own it, and obligations that go with it.
 - Most regionals expect to 'wash their face' on daily costs, with occasional top ups for CAPEX and no expectation for return on capital.
 - KCA: Won't wash its face, It will need annual running cost contributions as well as for CAPEX, Capital Cost will be huge and hard to ignore.
 - Timaru Airport for example, is council owned, serves a smaller population and is less complex, but has more than twice the passenger numbers. The land is freehold and acquired many decades ago at little or no upfront capital cost, operating costs are subsidised by farm leases, and the Council still pays an additional \$300k per year, every year and subsidises CAPEX as required.
 - When sold for \$1.7m in 1996, KCDC sealed its fate by not buying it then. Since then the value has increased so much that council ownership is almost certainly not viable.
 - Even if KCDC could acquire the airport, it would struggle to support the operational expenses which would certainly require a substantial rates increase.
 - I'm not aware of any KCDC business case study to evaluate the viability of a council ownership model, or quantify the effect on rates.
- Could a aerodrome be established nearby for the Aero Club?
 - Only on public land. Private land would be prohibitively expensive.

- QE Park is the most likely place there is space for this to occur but clearly not without many challenges and may not be viable.
- An existing aerodrome, or splitting to several existing aerodromes seems the most realistic outcome for them.
 - Establishing new aerodromes is prohibitively difficult and expensive.
 - If a business case study was undertaken for Cost vs Benefit, it won't compare well to other Council recreational initiatives.

Kind regards,

Simon Lockie Principal Advisor

w: www.lockie.co.nz - e: simon@lockie.co.nz

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West Auckland Airport, 76 Green Road, RD1 Helensville, Auckland 0874

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