



**TO THE MAYOR AND COUNCILLORS OF THE
MACKENZIE DISTRICT COUNCIL**

Membership of the Council:

Claire Barlow (Mayor)
Cr Russell Armstrong
Cr Murray Cox
Cr Noel Jackson
Cr James Leslie
Cr Graham Smith
Cr Evan Williams

*Notice is given of an Extraordinary Meeting of the Mackenzie
District Council to be held on Tuesday, October 4, 2016, at
11:00am*

VENUE: Council Chambers, Fairlie

BUSINESS: As per the attached agenda.

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER



MACKENZIE DISTRICT COUNCIL

Agenda for Extraordinary Meeting Tuesday 4 October, 2016

APOLOGIES

DECLARATIONS OF INTEREST

REPORTS:

1. Adoption of the Mackenzie District Council Responsible Camping Policy 3

PUBLIC EXCLUDED RESOLUTION:

Resolve: that the public be excluded from the following part of the proceedings of this meeting namely:

1. Pukaki Airport Board Committee 12

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
Pukaki Airport Board Committee	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Pukaki Airport Board Committee under section 7(2)(i).*

ADJOURNMENTS:

12:30pm - Lunch

MACKENZIE DISTRICT COUNCIL

REPORT TO: MACKENZIE DISTRICT COUNCIL

SUBJECT: ADOPTION OF THE MACKENZIE DISTRICT COUNCIL
RESPONSIBLE CAMPING POLICY

MEETING DATE: 4 OCTOBER 2016

REF: REG 4/1/1

FROM: AARON HAKKAART, POLICY PLANNER (DISTRICT
PLAN REVIEW)

PURPOSE OF REPORT

This report has been prepared to allow for the consideration of the attached Mackenzie District Council Responsible Camping Policy.

STAFF RECOMMENDATIONS

1. That the report be received.
2. That Council adopt the Mackenzie District Council Responsible Camping Policy in the form attached to this report.

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER

ATTACHMENTS:

The Mackenzie District Council Responsible Camping Policy.

BACKGROUND

In 2014 the Council publicly consulted on and adopted a Freedom Camping Bylaw, underpinned by a Freedom Camping Strategy which set out actions and objectives for managing freedom camping in the district. The Council as part of the strategy provided for places where freedom camping was to be encouraged and provided for, and the bylaw contained provisions controlling or prohibiting freedom camping in certain sites in the district.

The Strategy required the Council to undertake monitoring of freedom camping activity at the sites for a period of two summers, and then undertake a review to establish whether the approach to managing camping was effective, or whether changes were necessary.

That review was initiated earlier this year, and as a result of further consultation, the Council has amended its Freedom Camping Bylaw and made changes to how it will provide for and manage freedom camping. The Council's desire to encourage responsible camping rather than 'freedom camping' is reflected in the proposed change of name of the strategy to the Responsible Camping Policy, and in the new name for the Responsible Freedom Camping Bylaw 2016.

The Council is now being asked to adopt the Responsible Camping Policy. It reflects the consultation undertaken with Community Boards, stakeholders and the public on the Council's management of responsible camping in the District.

This policy has previously been workshopped with Council at the time of Council's Freedom Camping Bylaw also being workshopped. The adoption of the attached Policy was delayed until the Bylaw was consulted on and adopted, in order to ensure consistency. As this has now occurred the Policy is now also able to be adopted.

POLICY STATUS

This policy will provide a mechanism to outline Mackenzie District Council's approach to responsible camping and emphasises the objective and goals of Council in relation to freedom camping within the District.

SIGNIFICANCE OF DECISION

This item does not trigger Council's Significance and Engagement Policy.

ISSUES & OPTIONS:

Option 1: Adopt the Responsible Camping Policy.

Option 2: Decline to adopt the Responsible Camping Policy.

As noted above, the policy's provisions have already been consulted on and workshopped with Council. The policy should be in place before the spring/summer season starts. For these reasons, Option 1 is recommended.

CONCLUSION:

The Mackenzie District Council Responsible Camping Policy encourages responsible camping in suitable areas. The Policy will work in conjunction with Council's Responsible Freedom Camping Bylaw. Council are asked to adopt the Policy as attached.



Mackenzie District Council

Responsible Camping Policy

October 2016



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1. Approach to Responsible Camping

The Mackenzie District Council welcomes visitors to the District. The Mackenzie District is a great place to explore, with rare wildlife, majestic landscapes and fantastic walks and cycling routes. In the interests of protecting this for the enjoyment of everyone, the Council is seeking that camping occurs responsibly.

We welcome visitors who:

- camp responsibly;
- have access to appropriate facilities to manage their waste;
- respect public and private property;
- respect the local environment and help ensure that our roadsides, lakes, rivers and townships remain clean and our public places are available for all to enjoy;
- respect both residents of and other visitors to the Mackenzie District.

2. Background to this Policy

The Mackenzie District is popular for camping. While some people do camp all year round the peak time for camping is in spring and summer. A variety of people camp, including:

- Mackenzie District residents who camp as part of their holidays.
- New Zealand residents who camp as part of their holidays.
- New Zealand residents who live and travel in mobile homes.
- Visitors who rent purpose built mobile campervans for their holiday experience.
- Visitors who rent or buy cars and vans which are used for camping.
- Visitors who camp alongside their vehicle in a tent.

The Mackenzie District Council wishes to encourage campers to the District and welcomes all responsible campers. Along with the right to camp in the District comes the responsibility to respect the District and maintain the quality environment we all value.

Freedom camping poses a number of issues for our communities. These include:

- Potential for pollution of waterways, roadsides, parks and gardens and other public places with human waste and rubbish.
- Potential of a risk of fire being started by campers unaware of fire rules and risks.
- Loss of amenity and privacy for residents living nearby popular freedom camping hot-spots.

- Lost revenue for camping ground operators including theft of services (showers, power) by some freedom campers.
- High cost of enforcement, signage, compliance and waste management.
- Poor image of campers sleeping and undertaking ablutions in streets and car parks.
- Loss of availability of parking for residents and workers;
- Risk of crime against campers and associated impacts on tourism.

This Policy seeks to encourage responsible camping in appropriate areas in the Mackenzie District. It works in conjunction with the Council's Responsible Freedom Camping Bylaw, which controls freedom camping in some parts of the District. Freedom camping is defined as *the use of public land for free overnight camping*.

3. Mackenzie District Council Policy

Objective

To encourage and facilitate responsible camping within the Mackenzie District.

Goals

Goal 1: Responsible campers know where they can camp and what is expected from them if they choose to camp in the Mackenzie District.

Implementation Methods

1. Responsible camping is provided for and encouraged in appropriate locations, where vehicles or camping is self-contained.
2. Locations where responsible camping is provided for may be subject to site specific limitations.
3. Up to date information is maintained on the Mackenzie District Council website, including:
 - a) Information on formal camping locations (including commercial camping grounds and Department of Conservation Camping sites);
 - b) Information on locations where responsible camping is encouraged in the Mackenzie District and expectations of campers using those camping areas; and
 - c) Information on and maps of the location of dump stations.
4. Information on responsible camping is provided to other appropriate agencies and individuals, including:
 - a) Visitor centres (within and adjacent to the Mackenzie District);
 - b) Vehicle hire companies;
 - c) Information kiosks (if appropriate);
 - d) Providing information using available technologies such as QR Code, and in languages other than English.
5. Signage (where appropriate) is installed in areas where responsible camping is encouraged and where it is discouraged.
6. To investigate options for providing, funding and where appropriate charging for the enhancement of existing areas, or for providing new facilities in areas where camping is to be encouraged.

Goal 2: Campers meet the expectations of them to camp responsibly in the District.

Implementation Methods

1. Promote and encourage campers to be responsible campers and adhere to the “*camping our way approach*¹” and the Mackenzie District Council Care Code (Schedule 1), and to protect the environment by:
 - a) Leaving no trace of your visit;
 - b) Not using the bush and natural environment as a toilet;
 - c) Using formal and authorised dump stations;
 - d) Adopt-a “carry-in, carry-out philosophy” in all camping areas, unless disposal services are provided; and
 - e) Camping in locations where it is encouraged and provided for.

Goal 3: Maintain relationships with adjoining Councils and other organisations involved in, or interested in, issues associated with responsible camping.

Implementation Methods

1. Maintain or establish liaison with other organisations to ensure a best practice and, where appropriate, consistent approach is being taken to responsible camping in the Mackenzie District. These organisations may include:
 - a) Adjacent local authorities;
 - b) Department of Conservation;
 - c) New Zealand Transport Agency;
 - d) Local holiday park operators;
 - e) Local communities;
 - f) New Zealand Motor Caravan Association, and
 - g) Other organisations as relevant.

Goal 4: Work with parties and private organisations with facilities that may be suitable for responsible camping in the District, and where appropriate facilitate the provision of information about these facilities to prospective campers.

Implementation Methods

1. In conjunction with landowners, identify additional areas that may be appropriate for responsible camping in the Mackenzie District.
2. With the agreement of landowners, facilitate the provision of information on the availability of these areas including any conditions that apply to their use.

Goal 5: Monitor the effects of responsible camping in the District.

Implementation Methods

1. Encourage staff and local communities to monitor responsible camping areas and provide feedback and information on any issues to the Mackenzie District Council.
2. To consider the development and implementation of a regular monitoring and enforcement programme, including any necessary financial resourcing.
3. Investigate ways to collect basic information on the type of camping and campers in the District (excluding camping grounds), including why and how long visitors are staying in the Mackenzie District and their daily spend within the District.

¹ www.camping.org.nz

Definitions

Self-contained vehicle means a vehicle designed and built for the purpose of camping which has the capability of meeting the ablutionary and sanitary needs of the occupants of that vehicle for a minimum of three days without requiring any external services or discharging any waste, and:

1. Complies with New Zealand Standard 5465:2001, as evidenced by the display of a current self-containment warrant issued under New Zealand Standard Self Containment of Motor Caravans and Caravans, NZS 5465:2001; and
2. The toilet facility must be readily usable within the vehicle including sufficient head and elbow room at all times, even with the bed made up.

Self-contained camping means camping in a self-contained vehicle or by alternative means not within a vehicle, providing that the individual camper(s) have the capability of meeting the ablutionary and sanitary needs of occupants of the camp for a minimum of three days without requiring any external services, relying on public facilities or discharging or depositing any waste into the environment.

For the avoidance of doubt, camping of any kind where ablution activities involve the use of portable toilets not located and used in a fully private facility, or undertaking ablution activities in the natural environment, are excluded from being considered self-contained camping.



Schedule 1 : Mackenzie District Council Care Code

Mackenzie District Council land is for the benefit of all residents and visitors. Reserves and public areas are treasured by the community. Be considerate to other users.

Please:

- Help us treasure and protect the Mackenzie District's beautiful spaces and places.
- Keep vehicles to formed public tracks and parking areas. Keep clear of road ends with private gateways/thoroughfares as private landowners need access to their properties at all times.
- Use designated areas for rest stops or camping.
- Use public toilets or on-board facilities, and dump stations to empty campervan toilets and wastewater.
- Refrain from toileting on the ground or in the bush or forest.
- Take all rubbish with you when you leave.
- Place litter in rubbish receptacles or take it with you.
- Refrain from using waterways for bathing, washing clothes or dishes.
- Discharge black water (sewage) and grey water (sink and hand basin water) at designated wastewater dump stations only.
- Fires are prohibited unless in supplied BBQ areas and fireplaces and are not occurring in a restricted fire season.
- Respect our natural and cultural heritage.
- Treat all New Zealand's wildlife and plants with care. Many are unique and often rare.

Reporting problems

Mackenzie District Council
53 Main Street
PO Box 52
FAIRLIE 7949

Freephone: 0800 685 8514

Telephone: (03) 685-9010

Fax: (03) 685-8533

Email us on: info@mackenzie.govt.nz

Mackenzie District Council's facebook page: www.facebook.com/mackenziedistrict



PUBLIC EXCLUDED

MACKENZIE DISTRICT COUNCIL

REPORT TO: MACKENZIE DISTRICT COUNCIL

SUBJECT: PUKAKI AIRPORT BOARD COMMITTEE- HANGAR PROPOSAL

MEETING DATE: 4 OCTOBER 2016

REF: LAN 15

FROM: PAUL MORRIS, CHIEF FINANCIAL OFFICER
TONI MORRISON, PROJECTS AND ADMINISTRATION
MANAGER

PURPOSE OF REPORT:

To consider a proposal for the building of a hangar.

STAFF RECOMMENDATIONS:

1. That the report be received.
2. That the Council confirms the decision is significant under the terms of the Significance and Engagement Policy.
3. That the Council resolve that community engagement is not appropriate and/or necessary for the following reasons:
 - (a) The costs of consultation would outweigh the benefits; and
 - (b) A quick decision is needed; and
 - (c) There is a need for confidentiality or commercial sensitivity.
4. That the Council endorse the proposal of the Pukaki Airport Board Committee to build a hangar with the associated lease to buy arrangement.

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER

ATTACHMENTS:

- A. Evaluation of Proposal against the Significance and Engagement Policy requirements.
- B. Discounted cashflow analysis – comparison between building v not building hangar.

BACKGROUND:

At its meeting of 13 September 2016, the Council discussed the Pukaki Airport Board committee's proposal to build a hangar with an associated lease-to-buy arrangement. The Board sought the Council's endorsement of the proposal. This is required because the Board's terms of reference, which contain the following condition:

8 Financial Limitations

Significant items of expenditure will be outlined in the Board's Statement of Intent or otherwise reported to Council before being actioned.

As a guideline, items of expenditure greater than \$25,000 not included in the S.O.I. budget forecasts should be first approved by Council.

The proposal to build a hangar was not provided for in the Statement of Intent as it is a recent development. The cost shown in the initial spreadsheet from the Board was \$425,000. Therefore Council approval for this expenditure was required.

The estimated cost of \$425,000 also exceeded one of the thresholds set in the Council's Significance and Engagement Policy, which deems decisions relating to that level of unbudgeted expenditure 'significant'.

At the meeting of 13 September 2016, the Council received reports on the matter from the Chair of the Airport Board, and further resolved as follows:

- 4. *That the Council instruct the Chief Executive Officer to report back to Council in relation to the significant and engagement policy requirements associated with the project proposed.*

POLICY STATUS:

The Council's Significance and Engagement Policy contains thresholds and criteria to be applied to Council decisions, to identify which decisions are to be considered significant. This is further discussed below.

SIGNIFICANCE OF DECISION REQUESTED:

This Council's Significance and Engagement Policy applies to this decision. It notes:

3.1 Thresholds

The following thresholds will be used to determine whether the proposal or decision considered by the Council will be determined to be significant.

- *Monetary – Any decision not highlighted in either the Long-Term Plan or the Annual Plan and with a cost greater than \$400,000 will be regarded as significant.*

As noted above, the proposal was estimated to cost \$425,000. Following the initial advice to Council, further information has been provided which puts the cost of the hangar project at \$360,000.

This revised amount is therefore less than the \$400,000 threshold set in the Significance and Engagement Policy. However, the decision must still be assessed against the other thresholds and criteria in the Policy.

While the cost of the proposal does not exceed the Policy criteria of \$400,000 unbudgeted expenditure, it remains fairly close to it. The amount is still considerably in excess of the \$25,000 threshold set in the committee's terms of reference. Staff consider that the decision to approve such a sum remains significant.

If a proposal or decision is considered to be significant or likely to be significant, the Significance and Engagement Policy requires that the relevant Executive Manager provides a report to Council which:

- identifies how the decision sought fits the Significance and Engagement Policy;
- evaluates it against the thresholds and criteria contained in the Policy;
- outlines what has been done to ensure compliance with sections 76 – 82 (inclusive) of the LGA;
- includes a recommendation on how the proposal or decision should be treated;
- includes a recommendation that the Council determine the level of significance of the particular issue or decision, and
- includes a recommendation addressing whether and how community engagement should occur, in accordance with the Policy.

Staff have provided a brief analysis of the proposal against the criteria in the Policy. This is appended as Attachment 3. Sections 76 – 82 of the Local Government Act have also been considered.

While the unforecasted expenditure is considerably larger than the \$25,000 set in the terms of reference, the proposal itself is consistent with achieving the Council's objectives for the airport. The decision to approve the expenditure will not impact on any community groups or individuals, and there is little or no public interest in airport activities such as this.

The decision does not involve an area of land or water that would impact on any cultural values or impact on the relationship of Maori with important sites or values.

Even though the decision itself may be considered significant under the Policy, this does not automatically require the Council to undertake consultation. The Policy instead requires the Council to consider an appropriate form of engagement.

The Policy provides for situations where it may not be necessary, appropriate or possible to engage the community on a particular decision. Staff consider that this is a matter on which it is not appropriate or necessary to consult. The reasons for this, as provided for in the Policy, are that the matter requires a quick decision and it is not reasonably practicable to engage, and also that the matter involves matters of commercial sensitivity and it would not be appropriate for the Council to breach

confidentiality. Further, given that there are likely to be no community groups or individuals that will be affected by or interested in the decision, there would be limited benefits from consultation when compared with the costs.

Therefore, staff recommend that the Council confirm the decision is significant but that the circumstances relating to this decision mean that it is not appropriate or necessary to undertake consultation. This approach would be consistent with the Council's Significance and Engagement Policy.

ISSUES AND OPTIONS:

The Council, assuming it agrees with the above recommendation that no further consultation is necessary, has two options:

1. To approve the Board's expenditure to build the hangar at Pukaki Airport, or
2. To not approve the expenditure to build the hangar.

The Pukaki Airport Board committee was established to enable the nimble and efficient management and development of the Airport. Land sales and development are a core part of committee activity. The committee has previously built and leased a hangar at the airport.

The Local Government Act requires the Council (and its committees) to undertake any commercial transactions in accordance with sound business practices. The Council has provided extensive delegations to the Pukaki Airport Board committee to carry out commercial transactions, while itself retaining responsibility through the requirement to approve unbudgeted expenditure above \$25,000.

Cashflow Analysis

Additional information was sought from the Chair of the Board on the proposal, in order to provide advice to Council. Staff consider that the additional information provided and subsequent analysis enables the Council to reach the view that the proposal satisfies the requirements in the LGA relating to commercial transactions.

The tool used to analyse this information was based around Net Present Values (NPV) and free cash flows. The NPV compares competing projects and allows a decision to be made as to which project to proceed with.

The model requires analysis of the cashflows generated by a project and a discount rate is applied to mimic the time effect of money. Put simply, the discount rate reflects that a dollar today is worth more than a dollar in five years' time.

Staff reviewed the information provided by the Pukaki Airport Board committee and with a few minor exceptions found the information to be reasonable. The two exceptions were:

- (a) Members' fees remained constant at \$40,000 throughout the period of the cashflow. Council intends to adjust the size of the committee to be consistent with its current terms of reference and it is appropriate to increase the fees paid to members. The model has increased fees by \$10,000 per year to represent half a year and \$20,000 for subsequent years.
- (b) The level of rates has been increased 6% per annum. Additional rates for the water scheme have been introduced from 2018 onwards and in the hangar

proposal additional rates have been included to represent the value of the building.

It is clear that the hangar proposal provides a greater return of \$402,460 at 6% and \$365,830 at 8% discount rate than the base case (\$273,428 and \$269,771 respectively). Various scenarios were run and in all cases Option 1 proved to be the stronger case.

Option 1 is therefore recommended.

Other Matters

By way of background information, staff note that the building of the hangar will not require a resource consent as it will comply as an aviation-related building. Subsequent use of the hangar by a non-aviation related use would be subject to obtaining a resource consent as a non-complying activity.

CONCLUSION:

The Council is being asked to endorse the committee's recommendation to proceed with the building of the hangar, with a lease-to-buy arrangement.

Attachment A: Evaluation of Proposal against the Significance and Engagement Policy requirements

Thresholds:	Yes	No	Comments
Is it a decision to sell, abandon or dispose of any of Councils' strategic assets		x	
Is it a decision not highlighted in the LTP or the Annual Plan that has a cost of greater than \$400,000		x	The expenditure is costed at \$360,000.

Other considerations:

Is it a decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity (s97)		x	
Is it a decision to transfer the ownership or control of a strategic asset to or from the local authority (s97)		x	

Criteria:	High	Medium	Low	N/a	Comments
The degree of impact on levels of service			x		
the magnitude of the overall benefits that will be achieved for the district, its communities and present and future interests		x			The specific proposal to invest in building a hangar will have an overall benefit to the District. Its net present value is \$400,000, therefore the investment will add to the overall wealth of the District. It also forms part of the wider strategy to generally build up and support infrastructure and business activity at the airport.
the magnitude of the net costs of the proposal or decision to the Council		x			The expenditure will be funded by land sales from the airport.
any impact on the Council's capacity to undertake its statutory responsibilities				x	

Criteria:	High	Medium	Low	N/a	Comments
the extent to which a decision or action is consequential to, or promotes, a decision or action that has already been taken by the Council			x		This decision is not consequential to any earlier decision and should be considered afresh on its merits by Council. However the proposal does promote and is consistent with the Board's terms of reference to ensure the efficient management, operation and development of the Pukaki Airport as a commercially viable public airport.
the level of community interest in the proposal, decision or issue			x		There is likely to be little or no specific community interest in the development proposal.
the extent to which the proposal or decision impacts upon community members or groups, and the numbers of people or groups affected			x		The decision will not impact on community groups or members.
the extent to which the community's views on the matter are already known			x		The discussions on this matter have been public-excluded, for reasons of commercial sensitivity. However there has been little interest from the public and there will be no impacts on the community from the proposal.
the values and interests of Ngāi Tahu whanau, hapū and rūnanga, as mana whenua for the region				x	
where proposals or decisions relate to land or a body of water, the implications for the relationships of Ngāi Tahu and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga				x	
the potential effects on delivery of the Council's policy and strategies			x		The proposal is consistent with the Council's objectives for the airport, as described above.
any inconsistencies with any existing policy, plan or legislation			x		
the degree of impact on rates or debt			x		Nil. The proposal will be funded from land sales from the airport.

Criteria:	High	Medium	Low	N/a	Comments
the practical demands of efficient decision-making in situations of urgency		x			The decision involves a considerable sum of money and should be properly considered. However prompt decisionmaking is necessary to enable agreements associated with the building and sale to be effected.

Analysis of Pukaki Airport Hangar Proposal
For the 5 years to June 2021

Case 1 Hangar

PUKAKI AIRPORT FORECAST YE JUNE	FORECAST 2016/17	FORECAST 2017/18	FORECAST 2018/19	FORECAST 2019/20	FORECAST 2020/21
REVENUE ESTIMATES					
Landing Fees - Base Operators	5,000	5,000	5,000	5,000	5,000
Landing Fees - Visitors	3,200	3,200	3,200	3,200	3,200
Total Landing Fees	8,200	8,200	8,200	8,200	8,200
Insurance from lessees	1,000	1,000	1,000	1,000	1,000
Rental from new hangar	12,400	28,800	28,800	28,800	12,400
Rental / Lease Income	24,000	24,000	24,000	24,000	24,000
Interest on Deposit	2,000	8,000	9,000	12,000	13,000
Land sale income	392,761	185,224	185,224	-	-
Hangar Sale					533,600
Total Revenue	448,561	263,424	264,424	82,200	600,400
LESS EXPENDITURE					
Rates	11,000	14,160	15,010	15,910	16,865
Accountancy	5,000	5,500	5,500	5,500	5,500
Legal Fees	7,200	2,000	1,000	1,000	1,000
Bank	200	200	200	200	200
Members fees	50,000	60,000	60,000	60,000	60,000
General Exp.	1,500	1,500	1,500	1,500	1,500
Insurance	3,000	3,000	3,000	3,000	3,000
Landscaping & R & M	9,000	9,000	9,000	9,000	9,000
Phone, travel, printing, postage, webs	2,000	2,000	2,000	2,000	2,000
Light, Power	1,000	1,000	1,000	1,000	1,000
Cost of selling Land	60,000	50,000	20,000	20,000	-
Taxiway	-	105,000	-	-	-
CAA Fencing	6,000	6,000	6,000	-	-
Hangar	360,000				
Total Expenditure	515,900	259,360	124,210	119,110	100,065
Net cash Flows	- 67,339	4,064	140,214	- 36,910	500,335

Discount Rate Applied	6%	402,460
Discount Rate Applied	8%	365,830

One additional governance member for 1/2 a year
Interest rate calculated at 2% on a mixture of on call and fixed term
Interest is calculated on the average balance each year, and rounded to the nearest \$1000
All contracts completed on time and no more completed early
Members fees restored to previous level @ \$20,000 per person
Rates includes new water rates plus 6% increase pa plus estimation of rates on hangar

Analysis of Pukaki Airport Hangar Proposal
For the 5 years to June 2021

Base Case - No Hangar

PUKAKI AIRPORT FORECAST YE JUNE	FORECAST 2016/17	FORECAST 2017/18	FORECAST 2018/19	FORECAST 2019/20	FORECAST 2020/21
REVENUE ESTIMATES					
Landing Fees - Base Operators	5,000	5,000	5,000	5,000	5,000
Landing Fees - Visitors	3,200	3,200	3,200	3,200	3,200
Total Landing Fees	8,200	8,200	8,200	8,200	8,200
Insurance from lesses	1,000	1,000	1,000	1,000	1,000
Rental / Lease Income	24,000	24,000	24,000	24,000	24,000
Interest on Deposit	6,000	14,000	15,000	18,000	17,000
Land sale income	392,761	185,224	185,224	-	-
Total Revenue	440,161	240,624	241,624	59,400	58,400
LESS EXPENDITURE					
Rates	11,000	13,660	14,480	15,348	16,269
Accountancy	5,000	5,500	5,500	5,500	5,500
Legal Fees	7,200	2,000	1,000	1,000	1,000
Bank	200	200	200	200	200
Members fees	50,000	60,000	60,000	60,000	60,000
General Exp.	1,500	1,500	1,500	1,500	1,500
Insurance	3,000	3,000	3,000	3,000	3,000
Landscaping & R & M	9,000	9,000	9,000	9,000	9,000
Phone, travel, printing, postage, webs	2,000	2,000	2,000	2,000	2,000
Light, Power	1,000	1,000	1,000	1,000	1,000
Cost of selling Land	60,000	50,000	20,000	20,000	-
Taxiway	-	105,000	-	-	-
CAA Fencing	6,000	6,000	6,000	-	-
Total Expenditure	155,900	258,860	123,680	118,548	99,469
Net cash Flows	284,261 -	18,236	117,944 -	59,148 -	41,069

Discount Rate Applied	6%	\$273,428.76
Discount Rate Applied	8%	\$269,771.38

No Further Land Sales

No Hangar project

One additional governance member for 1/2 a year

Interest rate calculated at 2% on a mixture of on call and fixed term

Interest is calculated on the average balance each year, and rounded to the nearest \$1000

All contracts completed on time and no more completed early

Members fees restored to previous level @ \$20,000 per person

Rates includes new water rates plus 6% increase pa