

# HGFA/VHPA MYSTIC FLIGHT PARK PROPOSAL



DRAFT

Proposal for HGFA to provide funding  
for Mystic Flight Park via VHPA

*Ratified: ??-September-2009*

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## OVERVIEW

The Mystic Flight Park is one of Australia's premier hang gliding and paragliding sites. It is the home of the Australian National Paragliding competition and many other state and club events. Mystic Flight Park is also the base for three (3) paragliding schools and is a stable, principal source of incoming HGFA member.

Within the last 24 months, the North East Victorian Hang Gliding Club (NEVHGC) has invested over \$60,000 (including \$15,000 of financial assistance from the VHPA and the HGFA), in upgrading the launch at Mystic from the previously existing torn and hazardous canvas/carpet surface to a properly landscaped, professionally laid astro-turf surface. Protective rock barriers have also been put in place. As such, the Mystic launch is now, arguably, the most up-to-date and state-of-the-art launches in Australia. Barring unforeseen occurrences such as vandalism and bushfire, the launch surface itself will be virtually maintenance free for ten, possibly twenty years.

Its close proximity to the tourist town of Bright makes it one of the most visible and easily accessible hill launches in Australia. The flying activities from this area are highly visible to the public. Mystic Flight Park is a great advertisement for the sports of Hang Gliding and Paragliding as many passing tourist witness pilots thermalling above the town, visit the Mystic launch to observe take-offs and watch pilots land from the landing zone on the main road out of Bright to Wandiligong. Invariably some tourists take up flying via the local HGFA schools and tandem operators.

With assistance of the local and federal government grants and input, plus (a further) \$30,000 of its own funds, NEVHGC has facilitated the construction of public facilities (toilets, BBQ, proper car parking and landscaped gardens) at the LZ to better accommodate pilots and tourists alike. This initiative is designed to link in with the Bright – Wandiligong Cycling Track project (presently under construction), which will further increase public exposure of the amenities that NEVHGC is providing.

Mystic Flight Park has become a flying site of national significance for our sport. Therefore, it is in the national interest of our sport that the various infrastructures (launch area, landing area, access roads) be maintained to a high standard.

## PROPOSAL

The NEVHGC has a large membership base which is the result of the “user pays” system whereby mandatory membership is required in order to legally fly at Mystic. Mandatory membership and fee collection is a result of the financial overheads associated with Mystic and is required in order to maintain the existing facilities.

The NEVHGC has had no alternative in recent times but to increase the full NEVHGC membership fees to \$95 per annum in order to cover the increased costs associated with, amongst other items, the launch upgrade. Coupled with the HGFA fee increases, this now constitutes a significant financial commitment by pilots wanting to use the Mystic Flight Park.

There is a substantial risk that, even with the increased fees, the NEVHGC may be unable cover the annual costs of maintaining Mystic. This may be due to pilots either choosing not to join the NEVHGC (i.e. not fly at Mystic) or to fly Mystic illegally in order to avoid paying the required fees. This puts increasing pressure on the NEVHGC to encourage pilots to join and fly Mystic and to police the collection of membership fees. The latter has been a burden for some time – even more so now that fees have increased.

Despite the NEVHGC’s large membership base, the core club membership is small. This is because most members do not reside in or near Bright. Also, the majority of pilots are members only due to this being a mandatory requirement of flying from Mystic. Therefore, the substantial responsibility for a large financial obligation is being borne by a relatively small number of individuals.

It is therefore proposed that the VHPA take over the responsibility for sourcing and administrating the financing of the Mystic Flight Park. In order to do this, the VHPA requires an ongoing, contractual commitment from the HGFA to provide minimum levels of dedicated funding to the VHPA for this purpose for a minimum of ten (10) years.

If HGFA approves this proposal, VHPA will enter into an appropriate agreement with NEVHGC to formalise the respective roles that each entity will play in this arrangement. This agreement will be proposed, with due process, to the NEVHGC membership for ratification at the 2009 NEVHGC AGM (scheduled for early November 2009). As a stakeholder in this, HGFA’s input would also be sought when this arrangement is being devised.

If this new arrangement were agreed to, it would be implemented for the NEVHGC 2010 – 11 financial year (July to June).

## Benefits

The benefits of the VHPA administering with guaranteed HGFA funding are:

1. The VHPA can draw on a much larger pool of pilots to administer and maintain the site – many of whom are regular users of Mystic Flight Park;
2. The Mystic Flight Park will become a free site with the only mandatory pilot requirement being membership of the HGFA;
3. By making Mystic a free site, usage of this site will increase as pilots will no longer need to consider the financial obligations of flying at Mystic;
4. The local NEVHGC members and committee can focus on club events, activities and other tasks that promote attracting and maintaining pilots within the sport, rather than being a de facto Mystic management committee and fee collection service.

## Costs

The projected costs for this proposal (for 2010 -11) are as follows:

Item	Projected Cost	Explanation
<b>Road Maintenance</b>	\$8,000	Based on three culvert clearing, grading and rolling sessions per year.
<b>Lease (Hancocks)</b>	\$4,850	Based on 2008-09 costs with a 5% CPI based increase applied over two years.
<b>Matting Amortisation</b>	\$4,000	Based on a (minimum) 10 year projected matting lifespan with a \$40,000 replacement cost (this amount to be held in trust by NEVHGC in an interest bearing term deposit).
<b>Weather Station Maintenance</b>	\$300	
<b>Paddock Mowing</b>	\$900	Based on three mowing sessions per year.
<b>Sundry Incidental Maintenance</b>	\$1,400	Covering incidentals such as signage maintenance/replacement
<b>Gary Shuey Paddock Rental (i.e. alternate LZ)</b>	\$2,756	Based on 2008-09 costs with a 5% CPI based increase applied over two years.
<b>TOTAL COST:</b>	<b>\$22,506</b>	

Please note that the above figures are estimates only and do not include optional sundries such as insurance etc.. They are to be used to convey an idea of scope of funding to maintain Mystic on a permanently sustainable basis.

In addition, projected capital works/improvements are not included in these estimates (they would be applied for separately).

Please also note that NEVHGC would still be collecting site usage fees from:

1. Flying Schools (@ \$3.00 per TIFF or Introductory Lesson) – 2008 -2009 Financial Year yielded about \$1,400.00
2. Competition and events – 2008 -2009 Financial year yielded about \$2,500.00 for Mystic Flight Park (note that this is assigned *pro rata* based on which NEVHGC sites are used, and relatively how often).

Based on the present level of site usage, it is reasonable to estimate/project a total potential additional income of approximately \$4,000.00 which can offset some of the running costs of Mystic Flight Park, thereby decreasing the amount of external funding required.

## Loans

The historical loans of \$10,000 from the VHPA and \$5,000 from the HGFA would be retired by converting them into outright grants. If this is not the case, and existing arrangements are still to apply, the annual payment figures are below and would also need to be added to the total running costs of the site.

Benefactor	Loan	Repayments
<b>HGFA</b>	\$5,000	\$1,139 per annum
<b>VHPA</b>	\$10,000	\$2,278 per annum

## SUMMARY

This proposal represents an opportunity for the VHPA and HGFA to guarantee the ongoing viability of the Mystic Flight Park.

By taking financial responsibility for this site, the HGFA gets to ensure that this premier site remains a valuable asset of the HGFA members and leverages the VHPA's access to resources and skills to ensure Mystic Flight Park is properly managed.

In addition, the various schools and clubs in the area can focus on acquiring and retaining HGFA members.