



City of Busselton
Geographe Bay

Airport Advisory Committee Agenda

29 January 2020

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city@busselton.wa.gov.au

CITY OF BUSSELTON

MEETING NOTICE AND AGENDA – 29 JANUARY 2020


TO: THE MAYOR AND COUNCILLORS

NOTICE is given that a meeting of the Airport Advisory Committee will be held in the Committee Room, Administration Building, Southern Drive, Busselton on Wednesday, 29 January 2020, commencing at 8.30am.

The attendance of Committee Members is respectfully requested.

DISCLAIMER

Statements or decisions made at Council meetings or briefings should not be relied on (or acted upon) by an applicant or any other person or entity until subsequent written notification has been given by or received from the City of Busselton. Without derogating from the generality of the above, approval of planning applications and building permits and acceptance of tenders and quotations will only become effective once written notice to that effect has been given to relevant parties. The City of Busselton expressly disclaims any liability for any loss arising from any person or body relying on any statement or decision made during a Council meeting or briefing.



MIKE ARCHER

CHIEF EXECUTIVE OFFICER

23 January 2020

CITY OF BUSSELTON

AGENDA FOR THE AIRPORT ADVISORY COMMITTEE MEETING TO BE HELD ON 29 JANUARY 2020

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1. **DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

2. **ATTENDANCE**

Apologies

3. **PUBLIC QUESTION TIME**

4. **DISCLOSURE OF INTERESTS**

5. **CONFIRMATION AND RECEIPT OF MINUTES**



5.1 **Minutes of the Airport Advisory Committee Meeting held 11 December 2019**

RECOMMENDATION

That the Minutes of the Airport Advisory Committee Meeting held 11 December 2019 be confirmed as a true and correct record.

6. REPORTS

6.1 BUSSELTON MARGARET RIVER AIRPORT CAR PARKING FEES

STRATEGIC GOAL	5. TRANSPORT Smart, connective and accessible
STRATEGIC OBJECTIVE	5.1 Public transport services that meet the needs of the community.
SUBJECT INDEX	BUSSELTON MARGARET RIVER AIRPORT
BUSINESS UNIT	Commercial Services
REPORTING OFFICER	Manager, Commercial Services - Jennifer May
AUTHORISING OFFICER	Director, Community and Commercial Services - Naomi Searle
NATURE OF DECISION	Executive: substantial direction setting, including adopting strategies, plans and policies (excluding local planning policies), tenders, setting and amending budgets, funding, donations and sponsorships, reviewing committee recommendations
VOTING REQUIREMENT	Absolute Majority
ATTACHMENTS	Attachment A BMRA Proposed Public Parking Rates  Attachment B Airport Public Parking Rates Comparison 

OFFICER RECOMMENDATION

That the Council endorse:

1. **public parking fees for the Busselton Margaret River Airport Public Car Park as listed in the Busselton Margaret River Airport Public Parking Fees (Attachment A); and**
2. **the advertising of the Busselton Margaret River Airport Public Parking Fees in accordance with *Local Government Act 1995* for 7 days.**

EXECUTIVE SUMMARY

As a result of the introduction of Jetstar regular public transport (RPT) flights commencing in March 2020 out of the Busselton Margaret River Airport (BMRA), it is anticipated there will be an increased demand in public car parking. As such, officers have undertaken a review of other airport fees and charges and recommend new public parking rates to be in effect prior to the commencement of Melbourne-Busselton RPT services on 25 March 2020.

BACKGROUND

In 2007, the first closed charter services for fly in fly out (FIFO) workers commenced from the BMRA with two flights per week. Since this time, the number of flights and passengers have fluctuated depending on the demand for FIFO workers by mining resource companies. In 2012/13, due to a considerable increase in FIFO charter flights (eight new flights within three months) and subsequent increase in FIFO passengers, parking at the BMRA had become an issue with some passengers paying for parking and many others parking on grassed areas within the BMRA precinct. As such, officers presented a car parking upgrade proposal to Council in 2013, recommending the introduction of formalised parking areas, expansion and fencing of the existing gravel car park, and installation of car parking machines. Officers also recommended replacing the existing parking rate based on a maximum period of three weeks parking with a daily parking rate. Council endorsed the recommendations and the secured gravel car park was constructed and the first pay machines installed in 2013/14.

In 2018, the landside component of the Airport Development Project included the construction of a new 422 bay public car park and installation of an automated car parking system which has been used by the FIFO passengers since June 2019. While the public car park is located 150m further away from the terminal building, the new car parking system offers patrons the ability to pay by EFTPOS and credit card and has been well received by FIFO workers.

Currently, parking in the public car park is charged at a rate of \$5.00 per day (incl GST) which is the same rate that was applied for parking in the previous dedicated FIFO gravel car park and which was considered appropriate for that particular situation.

The number of closed charter flights to mine site airports located in the North West is currently 12 per week and a total of 14,344 departing passengers were recorded for the 2018/19 financial year. Car parking revenue for the 2018/19 financial year totalled \$224,700.

In March 2020, RPT services will commence operating from the BMRA with the commencement of Jetstar Melbourne- Busselton direct flights. The introduction of RPT services will result in an increase in the number of people using the BMRA either as passengers, family and/or friends picking up or dropping off passengers. Regardless, it is expected there will be an increase in visitation and increased demand for public parking.

The new public car park will be the only short term and long term parking available to members of the public and FIFO passengers. Other parking areas such as drop off/ pick up zones, taxi, ride share, car hire, private charter vehicles and shuttle buses will have separate dedicated parking areas and be managed accordingly.

Hence with the commencement of RPT services and anticipated increased public parking, officers recommend the introduction of new public car parking fees while retaining the existing FIFO daily parking rate which will only be available to FIFO passengers.

OFFICER COMMENT

The development of the BMRA and the commencement of the Jetstar RPT flights in March will increase visitation and hence the requirement for formalised public car parking at the BMRA. The Development project has delivered the construction of the public car park and car parking systems which have been in use by FIFO passengers since June 2019. The increased car parking expected with the commencement of RPT services has identified a need to review the current parking rates and pricing structure, in particular paid public parking rates. On investigation of other regional airport and Perth Airport car parking fees, officers have considered the need to introduce paid public parking at rates that do not discourage the public from parking at the BMRA.

In determining the new public car parking fees, officers have collated car parking fees and charges from other regional airports within Western Australia and Perth Airport as a comparison (attachment B). Officers have also considered the frequency and number of flights per day, type of passengers (FIFO, community/residents and business) and facilities available at BMRA and other regional airports.

In summary, officers recommend the following:

- the first hour of parking continues to be free of charge;
- an increasing rate starting at \$5 be charged after the first hour through to 24 hours at a rate of \$10 for short term parking (less than 24 hours);
- long term parking to start at \$10 per day, decreasing to \$5 per from day 31; and
- the FIFO daily parking rate remain as is (however subject to an annual scheduled fees and charges increase in 2020).

The proposed fees for the BMRA public car park are as follows:

Time		BMRA Public Car Park Rate (incl GST)
Hrs	0-1	0
Short term parking	1-1.5	5
	1.5-2	5
	2-3	5
	3-4	5
	4-5	6
	5-6	6
	6-7	7
	7-8	7
	8-9	8
	9-10	8
	10-11	9
	11-12	9
	12-24	10
Long term parking	1 Day	10
	2 Days	20
	3 Days	30
	4 Days	40
	5 Days	50
	6 Days	60
	7 Days	70
	8 Days	78
	9 Days	86
	10 Days	94
	11 Days	102
	12 Days	110
	13 Days	118
	14 Days	125
	15+ Days	132
	31	\$6/day

The recommended parking rates are in some cases considerably lower than some of the regional airports such as Karratha Airport or Port Hedland International Airport, however the frequency of flights and options for travel are significantly different for the BMRA compared to these airports. In comparison to Geraldton or Albany Airports, which are more similar in terms of frequency of flights and passenger numbers, officers recommend slightly higher daily rates.

The recommendation to maintain the FIFO parking daily rate separate to the public parking rates is based on the following:

- continued support for the mining and resources industry and regional employment opportunities by having a reduced parking rate;
- high frequency of use - FIFO passengers are regular, year-round users of the BMRA (with a variety of rosters in place i.e. 8-6, 2-1);
- while not all FIFO passengers are, a large majority are City of Busselton residents and ratepayers; and
- car parking rates for FIFO passengers have previously been set to an affordable level.

While officers recommend the FIFO daily parking rates are not increased to reflect the public parking rate of \$10/ day, officers do support an increase in the daily rate from \$5.00 per day to \$6.50 (incl GST) to account for charges associated with credit card processing and future maintenance of the new public car park. The proposed increase to the daily rate will be presented to Council for consideration as part of the annual budget, and fees and charges review. Using the annual review process will allow officers time to consult with FIFO passengers and provide notice of the parking rate increase.

Further, the new public car parking system will allow for different pricing structures and officers have consulted with the system provider to determine the process for allowing FIFO passengers to continue using a different daily rate, which will be the through the purchase of a car parking swipe card that can be restricted for use to coincide with FIFO charter flights only.

RPT passengers and members of the public (non FIFO) will be issued a parking ticket on entry into the car park and fees applied as per the public car parking fees when the ticket is presented at the car parking ticket payment machine or on exit from the car park.

Statutory Environment

Sections 6.16 – 6.19 and 1.7 of the Local Government Act 1995 refer to the imposition, setting the level of, and associated administrative matters pertaining to fees and charges. The requirement to review fees and charges on an annual basis is detailed within Regulation 5 of the *Local Government (Financial Management) Regulations*:

6.16 (3) *Fees and charges are to be imposed when adopting the annual budget but may be —*

- (a) imposed* during a financial year; and*
- (b) amended* from time to time during a financial year.*

** Absolute majority required.*

6.19. *Local government to give notice of fees and charges*

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —

- (a) its intention to do so; and*
- (b) the date from which it is proposed the fees or charges will be imposed.*

1.7. *Local public notice*

(1) Where under this Act local public notice of a matter is required to be given, a notice of the matter is to be —

- (a) published in a newspaper circulating generally throughout the district; and*
- (b) exhibited to the public on a notice board at the local government's offices; and*
- (c) exhibited to the public on a notice board at every local government library in the district.*

(2) Unless expressly stated otherwise it is sufficient if the notice is —

- (a) published under subsection (1)(a) on at least one occasion; and*
- (b) exhibited under subsection (1)(b) and (c) for a reasonable time, being not less than —*
 - (i) the time prescribed for the purposes of this paragraph; or*
 - (ii) if no time is prescribed, 7 days*

Relevant Plans and Policies

There are no relevant plans or policies to consider in relation to this matter.

Financial Implications

There are no significant financial implications associated with the officer recommendation for the 2019/20 adopted budget. To meet the statutory requirements of the *Local Government Act 1995*, the proposed new fees must be advertised which can be covered by allocations in the approved 2019/20 Airport Operations budget.

Currently, City and contractor staff working at the BMRA do not pay for parking, with the introduction of public parking rates there may be fringe benefit tax implications for the City of Busselton and BMRA contractor employers. Officers will continue to review this matter.

Stakeholder Consultation

No external stakeholder consultation was required or undertaken in relation to this matter.

Risk Assessment

An assessment of the potential implications of implementing the officer recommendation has been undertaken using the City's risk management framework, with risks assessed taking into account any controls already in place. No such risks have been identified.

Options

As an alternative to the proposed recommendation the Council could:

1. Amend the officers recommended new public parking rates for short term and long term parking and maintain the FIFO daily parking rate;
2. Amend the officers recommended new public parking rates for short term and long term parking and propose an alternative FIFO daily parking rate; or
3. Apply a single daily parking rate for all parking including RPT passenger, members of the public and FIFO passengers at the existing daily parking rate (of \$5.00 per day incl GST) or of another amount considered appropriate.

CONCLUSION

The commencement of the new RPT services in March 2020 at the BMRA has highlighted the need for public parking rates to be introduced. The recommended rates have been compared with other regional airports and Peth Airport to ensure that they are a fair representation for the public and allow the City of Busselton to collect appropriate levels of revenue that can then be used for ongoing maintenance and future upgrades of the Airport infrastructure.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Following Council endorsement of the Officers Recommendation, public notice of the City of Busselton's intention to introduce the new fees will be advertised for the minimum number of days. The expectation is that the new public car parking fees will be in place on or before the 25 March 2020 to coincide with the start of the new RPT flights.

Time		BMRA Public Car Park Rate (incl GST)
Hrs	0-1	0
Short term parking	1-1.5	5
	1.5-2	5
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	13 Days	118
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	15+ Days	132
	31	\$6/day

Airport Public Parking Rates Comparison

		Perth Airport (L/T)	Newman	Port Hedland	Karratha	Broome	Kalgoorlie Boulder	Albany	Geraldton	BMRA Public Car Park
Hrs	0-1	Free	Free	Free	Free			Free	Free	Free
Short term	1-1.5	20	4	7	6		Free - first 24 hrs	Free	2	5
	1.5-2	20.6	4	7	6			Free	2	5
	2-3	23.4	5	10	8			Free	2	5
	3-4	25.4	7	10	9			Free	2	5
	4-5	28	8	13	10				2	6
	5-6	28	9	13	11				max \$10/24 hrs	6
	6-7	28	13	16	12					7
	7-8	28	15	16	25					7
	8-9	28	16	25	25					8
	9-10	28	17	25	25					8
	10-11	28	22	25	25					9
	11-12	28	22	25	25				9	
12-24	28	22	25	25			10			
Days	1 Day	56	12	17	18	15	10	\$8.80	5	10
long term	2 Days	83	24.00	34	34	30	20	\$17.60	10	20
	3 Days	96	36.00	51	50	45	30	\$26.40	15	30
	4 Days	107	48.00	68	66	60	40	\$35.20	20	40
	5 Days	117	60.00	85	82	75	50	\$44.00	25	50
	6 Days	130	72.00	102	98	90	60	\$52.80	30	60
	7 Days	141	84.00	119	114	105	70	\$61.60	35	70
	8 Days	147	96.00	136	130	120	80	\$70.40	40	78
	9 Days	158	106.00	153	146	135	90	\$79.20	45	86
	10 Days	169	116.00	170	162	150	100	\$88.00	50	94
	11 Days	180	126.00	187	178	165	110	\$96.80	55	102
	12 Days	191	136.00	204	194	180	120	\$105.60	60	110
	13 Days	202	146.00	221	210	195	130	\$114.40	65	118
	14 Days	215	156.00	238	224	210	140	\$123.20	70	125
	15+ Days	\$11/day	166.00	252	238	225	150	\$132.00	75	132
	31		\$8/day	\$10/day		240	\$10/day	rate	\$5/day	\$6/day

7. GENERAL DISCUSSION ITEMS

7.1 COMMERCIAL OPPORTUNITIES

7.2 AIRLINE READINESS UPDATE

8. NEXT MEETING DATE

9. CLOSURE