



City of Busselton
Geographe Bay

Airport Advisory Committee Agenda

13 March 2019

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city@busselton.wa.gov.au

CITY OF BUSSELTON

MEETING NOTICE AND AGENDA – 13 MARCH 2019

TO: THE MAYOR AND COUNCILLORS

NOTICE is given that a meeting of the Airport Advisory Committee will be held in the the Committee Room, Administration Building, Southern Drive, Busselton on Wednesday, 13 March 2019, commencing at 11.00am.

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

11 March 2019

CITY OF BUSSELTON

AGENDA FOR THE AIRPORT ADVISORY COMMITTEE MEETING TO BE HELD ON 13 MARCH 2019

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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 OF MINUTES**

6. **CONFIRMATION AND RECEIPT OF MINUTES**

6.1 **Minutes of the Airport Advisory Committee Meeting held 21 November 2018**

RECOMMENDATION

That the Minutes of the Airport Advisory Committee Meeting held 21 November 2018 be confirmed as a true and correct record.

7. REPORTS

7.1 Busselton Margaret River Airport - Airport Update

SUBJECT INDEX: Busselton Margaret River Airport
STRATEGIC OBJECTIVE: Public transport services that meet the needs of the community.
BUSINESS UNIT: Commercial Services
ACTIVITY UNIT: Busselton Margaret River Airport
REPORTING OFFICER: Manager, Commercial Services - Jennifer May
AUTHORISING OFFICER: Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT: Simple Majority
ATTACHMENTS: Nil

PRÉCIS

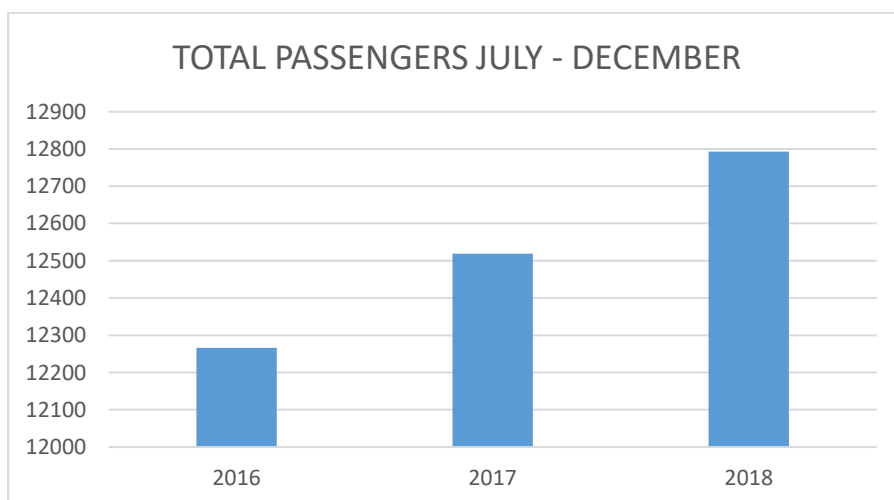
This report provides an overview on the Busselton-Margaret River Airport (BMRA) operations and activities for the reporting period 1 July 2018 to 31 December 2018.

BACKGROUND

Following the completion of the airside and landside civil and services construction activities as part of the airport development project, staff focus has been directed on the construction works of the air freight hub, business development activities and general operations.

During the reporting period the BMRA has seen an increase in the overall passenger numbers compared to the same period for 2016 and 2017 as highlighted in the below table:

	Total Arriving & Departing Passengers		
	2016	2017	2018
July	1779	1898	2163
August	2043	2301	2204
September	1840	1890	1996
October	1925	2125	2345
November	2640	2501	2047
December	2039	1804	2038
TOTAL	12266	12519	12793



The total number of departing Fly in Fly out (FIFO) services from BMRA is currently 10 flights per week using the Fokker 100 aircraft. A total of 1486 aircraft landings were recorded for the reporting period, a decrease from the numbers reported for the same period in 2017 (1534) and 2016 (1837). This reduction is attributed to skydiving operations ceasing over the winter months of 2018, and the removal of a weekday air courier service in April 2017.

Carpark

Carpark usage has remained steady with a slight increase in revenue. However, with the completion of the new carpark as part of the airport development project, further consideration of opening the new car park is being undertaken on the following basis:

- the City is currently paying \$1480 per month for the CCTV system in the existing long term car park;
- the City pays \$850 per month for the Skidata/Advam parking system to be operational and online in the new car park;
- the parking payment machines in the existing long term car park are often unreliable and only manual cash payments can be made;
- the new car park offers users credit card payment options in addition to cash which is often requested by car parking users
- the existing car park is fenced and gates locked daily, opening hours are restricted to weekdays when the airport is staffed causing inconvenience to users wanting to collect vehicles outside these hours.

Qantas Group Pilot Training Academy

Following a national Expression of Interest (EoI) process, the City of Busselton was advised that the BMRA was shortlisted as one (1) of nine (9) locations for the establishment of a Pilot Training Academy along with Alice Springs, Bendigo, Dubbo, Launceston, Mackay, Tamworth, Toowoomba and Wagga Wagga. In September 2018 the City was advised that Toowoomba was selected as the site for the first Academy and that a second site would also be announced following ongoing assessment. The Western Australia State Government has committed \$1.7m for the construction of hangars should BMRA be successful in securing the second academy. It is not known when the second site will be announced.

General Aviation Precinct Expression of Interest

An EoI was advertised giving the general aviation community the opportunity to lease vacant hangar lots with services and apron access within the new general aviation precinct. To date ten (10) proponents have lodged submissions and City Officers are responding to enquiries with another seven (7) proponents. To date, no proponents have committed to signing a hangar lease within the new GA precinct. Officers continue to follow up enquiries for potential hangar leases however unfavourable current market conditions for capital investment is deterring proponents entering into formal leases.

The leases for the two existing hangars (northern and central hangars) that the City purchased in 2018 expire on

31 March 2019. To date, lessees have vacated three (3) (out of 11) of the individual hangar spaces, a long term lease has been signed with McDermotts for the provision of firefighting services, and Officers are speaking with Surf Life Saving Western Australia on signing a lease. The Busselton Aero Club has a hangar hire arrangement on one of the individual hangar areas and have recently signed a lease for a second hangar space. Once all long term leases have been confirmed/signed, Officers will consider making the remaining hangar areas available for hire through short term hire arrangements.

Officers have commenced preparing a business development plan which includes marketing strategies, and lease and commercial opportunities with the objectives of attracting lessees and general aviation activity to the airport.

Proposed Aerofest 2020

Officers have been contacted by Busselton Aeroclub with a proposal for an Aerofest event at BMRA in March 2020. The Aero Club are progressing the event in consultation with the City.

BMRA International Alternate Airport

The City applied to the Department of Infrastructure, Regional Development and Cities in December 2018 requesting BMRA be designated as an international alternate airport, and was successful in the application. The alternate airport (international) designation means that airlines can select BMRA as their diversion airport in the event that the aircraft cannot land at their intended port. In the event of a diversion, the approval states that all passengers and crew should remain on-board the aircraft where safe to do so. Any proposal for the BMRA to operate scheduled international services and be approved as an international airport requires a separate application to the Federal Government.

STATUTORY ENVIRONMENT

The BMRA operates in accordance with the following: Aviation Transport Security Act 2004, Aviation Transport Security Regulations 2005, CASA MOS 139, Council’s Transport Security Plan and City policies and procedures.

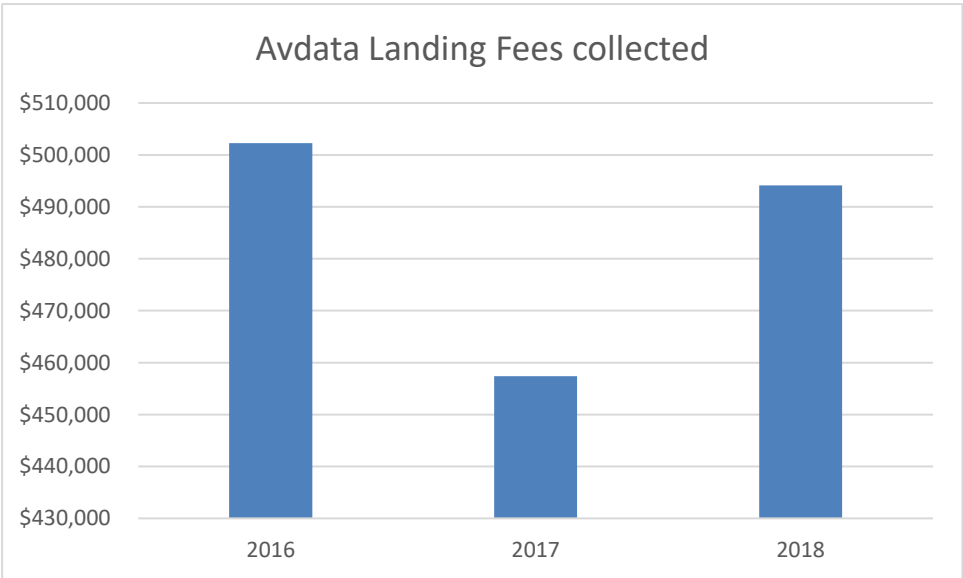
RELEVANT PLANS AND POLICIES

N/A.

FINANCIAL IMPLICATIONS

The year to date (YTD) actual budget continues to track well against the projected YTD budget. Airport revenue for the 2018/2019 financial year to 31 December 2018 was \$540,534 compared to a projected YTD budget of \$532,215.

The graph below shows the landing fees collected by Avdata for the calendar year 2018 in comparison to the same period for 2016 and 2017.



Airport expenditure excluding depreciation for 1 July 2018 to 31 December 2018 is \$242,499 compared to a projected YTD Budget amount of \$267,910.

YTD revenue received since the 1 January to 28 February 2019 is \$691,389 compared to YTD budget of \$706,845, revenue is down on projections due to February aircraft landing fees and passenger fees having not been received by the City. YTD expenditure for the period 1 January to 28 February 2019, excluding GST, is \$292,987 compared to YTD budget of \$315,836.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no financial implications to the long term financial plan as a result of this report.

STRATEGIC COMMUNITY OBJECTIVES

The BMRA is consistent with following the City of Busselton's strategic objectives:

Key Goal Area 5 - Transport: Smart, connective, accessible:

- 5.1: Public transport services that meet the needs of the community.

Key Goal Area 4 - Economy: Diverse, robust, prosperous:

- 4.1: An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.

RISK ASSESSMENT

An assessment of the potential implications of implementing the officer recommendation has been undertaken using the City's risk assessment framework. The assessment sought to identify 'downside' risks only rather than 'upside' risks and where the risk, following implementation of controls, has been identified as medium or greater. No such risks were identified.

CONSULTATION

Consultation with Department of Transport, South West Development Commission, Government agencies, Airport stakeholders, Aviation Marine Security (AMS), Civil Aviation Safety Authority (CASA), Air Services Australia, Virgin Australia Regional Airline, the Busselton Aero Club, Albany, Esperance, Geraldton Airports and Australian Airports Association has been occurring on a regular basis concerning many topics and issues relating to the Airport.

OFFICER COMMENT

FIFO passenger numbers through the BMRA have increased in comparison to previous years and Officers expect FIFO passenger revenue to remain in line or slightly above budgeted forecasts for the remainder of the financial year.

The period has seen operational improvements, maintenance, scheduled inspections and staff training taking place including:

- Installation of GA aircraft tie down cables;
- Completion of airside line marking;
- Installation of taxiway exit signs and centreline reflective markers;
- Airport Reporting Officer refresher training; and
- General aviation precinct airside fencing completed.

CONCLUSION

With airside and landside development works as part of the airport development project completed, Officers have been focussing their attention on maintaining a compliant and visually tidy and appealing aerodrome. This has been challenging at times with the construction of the air freight hub commencing in late 2018. The air freight hub construction is expected to be complete by mid-March with the official opening planned for the end of March 2019.

OPTIONS

The Airport Advisory Committee chooses not to accept the Officers report.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

N/A

OFFICER RECOMMENDATION

That the Airport Advisory Committee receives and notes the Airport operations report.

8. **NEXT MEETING DATE**

9. **CLOSURE**