



City of Busselton
Geographe Bay

Airport Advisory Committee Agenda

19 October 2016

ALL INFORMATION AVAILABLE IN VARIOUS FORMATS ON REQUEST

CITY OF BUSSELTON

MEETING NOTICE AND AGENDA – 19 OCTOBER 2016

TO: THE MAYOR AND COUNCILLORS

NOTICE is given that a meeting of the Airport Advisory Committee will be held in the Meeting Room B, City Administration Site, Harris Road, Busselton on Wednesday, 19 October 2016, commencing at 9.30am.

The attendance of Committee Members is respectfully requested.



MIKE ARCHER

CHIEF EXECUTIVE OFFICER

13 October 2016

CITY OF BUSSELTON

AGENDA FOR THE AIRPORT ADVISORY COMMITTEE MEETING TO BE HELD ON 19 OCTOBER 2016

TABLE OF CONTENTS

| ITEM NO. | SUBJECT | PAGE NO. |
|-----------------|---|-----------------|
| 1. | DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS..... | 4 |
| 2. | ATTENDANCE | 4 |
| 3. | PUBLIC QUESTION TIME..... | 4 |
| 4. | DISCLOSURE OF INTERESTS | 4 |
| 5. | CONFIRMATION OF MINUTES | 4 |
| 5.1 | Minutes of the Airport Advisory Committee Meeting held 30 September 2016..... | 4 |
| 6. | REPORTS | 5 |
| 6.1 | BUSSELTON MARGARET RIVER AIRPORT - AIRPORT UPDATE | 5 |
| 7. | GENERAL DISCUSSION ITEMS | 10 |
| 8. | NEXT MEETING DATE | 10 |
| 9. | CLOSURE | 10 |

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

2. **ATTENDANCE**

Apologies

Approved Leave of Absence

Nil

3. **PUBLIC QUESTION TIME**

4. **DISCLOSURE OF INTERESTS**

5. **CONFIRMATION OF MINUTES**

5.1 **Minutes of the Airport Advisory Committee Meeting held 30 September 2016**

RECOMMENDATION

That the Minutes of the Airport Advisory Committee Meeting held 30 September 2016 be confirmed as a true and correct record.

6. REPORTS

6.1 BUSSELTON MARGARET RIVER AIRPORT - AIRPORT UPDATE

| | |
|-----------------------------|--|
| SUBJECT INDEX: | Busselton-Margaret River Airport |
| STRATEGIC OBJECTIVE: | Infrastructure assets are well maintained and responsibly managed to provide for future generations. |
| BUSINESS UNIT: | Commercial Services |
| ACTIVITY UNIT: | Commercial Services |
| REPORTING OFFICER: | Airport Operations Coordinator - David Russell |
| AUTHORISING OFFICER: | Manager, Commercial Services - Jennifer May |
| 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 2016 to 30 September 2016.

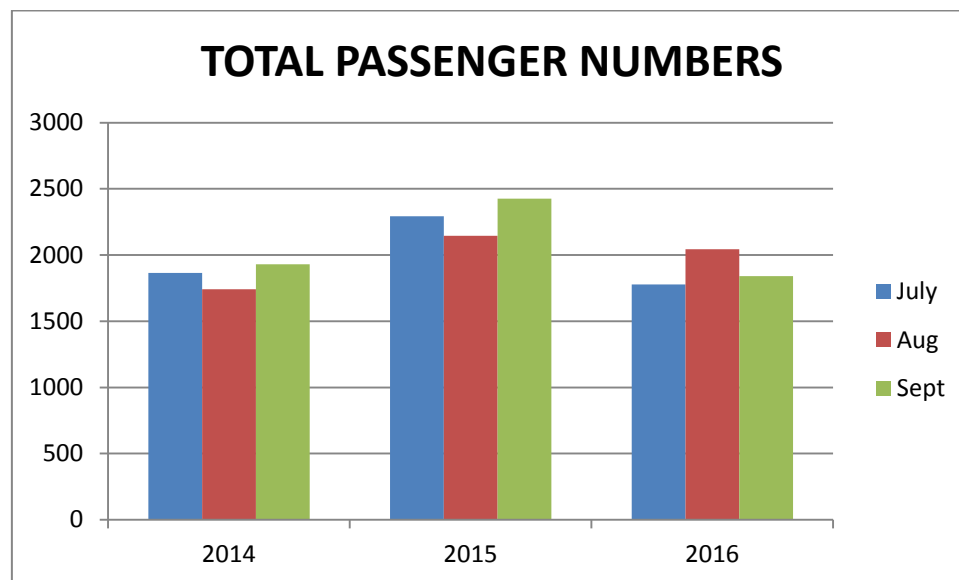
BACKGROUND

Quarterly Update

The BMRA has seen a decline in the overall FIFO passenger numbers compared to the same period for 2014 and 2015 which can be attributed to the withdrawal of the Maroomba / Ad Astral services to the Karara mine site in December 2015. However, FIFO passenger numbers relating to the Virgin Australia Regional Airlines (VARA) services remain in line with previous years numbers.

Below is a table indicating the number of FIFO/ Charter passengers travelling through BMRA for the reporting period 1 July 2016 to 30 September 2016:

| | Departing FIFO/Charter Passengers | | | Arriving FIFO/Charter Passengers | | |
|------------------|-----------------------------------|-------------|-------------|----------------------------------|-------------|-------------|
| | 2014 | 2015 | 2016 | 2014 | 2015 | 2016 |
| July | 1036 | 1277 | 995 | 830 | 1016 | 784 |
| August | 1069 | 1189 | 1153 | 673 | 956 | 890 |
| September | 1077 | 1280 | 1065 | 854 | 1145 | 775 |
| TOTAL | 3182 | 3746 | 3213 | 2357 | 3117 | 2449 |



The total number of departing FIFO services from BMRA is currently 10 flights per week.

A total of 771 aircraft landings were recorded for the period July-September 2016, a decrease from the numbers reported for the same period in 2014 (939) and 2015 (1142), this decrease is potentially due to a wet winter with higher than average cross winds experienced.

Potential Business Opportunity

City Officers received an application from an individual (Mr Blakers) trading as South West Aircraft Maintenance to operate an Aircraft Maintenance Facility from the BMRA in late 2015 which has recently been progressed by the applicant.

The proposal to operate a maintenance facility is based on the following;

- All the aircraft serviced will be under 5700kgs, including but not limited to Cessna, Piper and Beechcraft aircraft, and smaller recreational registered aircraft (RAA);
- Aircraft will be single engine, piston aircraft and carry from 2 to 8 people;
- Estimated annual aircraft numbers are;
 - 1st year - 10 aircraft
 - 2nd year - 20 - 30 aircraft
 - 3rd year -50 aircraft.

The type of maintenance will be mainly scheduled maintenance consisting of oil changes, filters and airframe inspections including some airframe repairs consisting of riveting and a minimal amount of aircraft painting.

Proposed trading hours are as follows;

- Monday to Saturday 7.00 am to 5.00pm;
- Sunday and Public Holidays – as needed within the hours of 7.00am to 5.00pm.
- All aircraft movements will operate within the conditions of the BMRA Noise Management Plan (NMP).

Mr Blakers has been made aware of the requirements of the NMP and also of any environmental requirements relating to the operations of a maintenance facility which would form part of any potential City approval.

Mr Blakers requires approval from the City to operate a maintenance facility from any one of the BMRA hangars prior to applying to CASA for a Certificate of Approval (to operate a maintenance facility) which requires a business address and approval from the Aerodrome operator. Officers understand that Mr Blakers has not finalised any arrangements with existing hangar owners (either sub-leasing or purchase) and will wait until he has secured his CASA Certificate of Approval before doing so.

However, in accordance with the existing hangar leases, the terms and conditions stipulate the following;

Section 7; Use of Hangar Area which details the permitted use of the hangar space;

The lessee shall not:

- a) Use of permit to be used the Hangar Area or any part thereof for any purpose other than for aircraft hangarage and work associated with the construction, repair and maintenance of aircraft for personal use which is of a minor nature only such as to be incidental to the hangarage of aircraft;*
- b) Carry on a business at or from the Hangar Area without the written approval of the Shire of Busselton;*

As such the hangar owner group will need to request approval from the City to vary the existing lease to allow the aircraft maintenance facility to operate from the hangar at the BMRA. Once a written request has been received from the hangar owner group, Officers can progress the required City approval under the CEO's delegated authority

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.

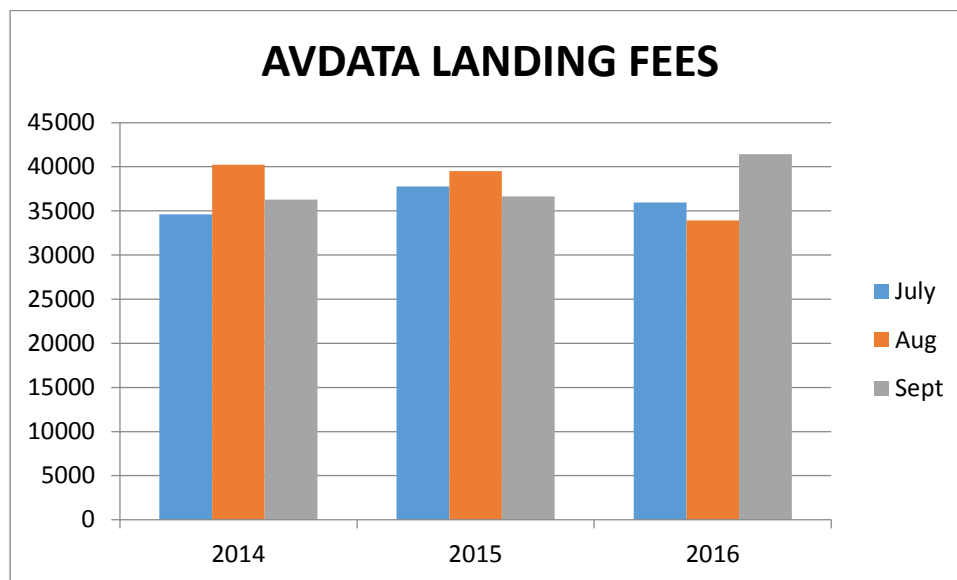
RELEVANT PLANS AND POLICIES

There are no policy implications with this report.

FINANCIAL IMPLICATIONS

Airport revenue for the 2016/2017 financial year to 30 September is \$164,019 compared to a projected year to date (YTD) budget of \$259,680. The main reasons for revenue being less than expected is due to the City having not received payment of VARA's August passenger fees estimated at \$23,000, and outstanding Avdata landing fee collection estimated at \$72,000. Car parking revenue is slightly less than expected with an income of \$59,566 compared to the projected YTD budget of \$66,249 which has been partly been impacted by increased carpooling by patrons.

The graph below shows the landing fees collected by Avdata for the reporting period July- September 2016 in comparison to the same period for 2014 and 2015, noting that that the City has not received the landing fees for August and September 2016.



Airport expenditure for 1 July 2016 to 30 September 2016 is \$180,312 compared to a projected YTD Budget amount of \$208,949. Expenditure is less than expected due to some of maintenance tasks being deferred until the drier summer months.

There are no financial implications as a result of this report.

Long-term Financial Plan Implications

There are no financial implications as a result of this report.

STRATEGIC COMMUNITY OBJECTIVES

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

Well Planned, Vibrant and Active Places:

- Infrastructure Assets that are well maintained and responsibly managed to provide for future generations;
- Connected City of Busselton Transport options that provide greater links within our district and increase capacity for community participation.

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, Aviation Projects, Government agencies, Airport stakeholders, Office of Transport Security (OTS), Civil Aviation Safety Authority (CASA), Virgin Australia Regional Airline, the Busselton Aero Club, Service Agencies, 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/ Charter passenger numbers through the BMRA have decreased slightly compared to the same period last year and officers expect passenger numbers to remain in line with budgeted forecasts for the remainder of the financial year.

The July- September period has seen operational improvements, maintenance and scheduled inspections taking place including the installation of a new main electrical distribution board and a new electrical board in the terminal office.

Officers are also assessing new drone rules introduced by CASA in early October and any potential impact to the City.

Officers have attended industry meetings with CASA regarding aviation safety hosted by the Busselton Aero Club, the Australian Airports Association W.A. division meeting held in early August and the W.A. Police South West Joint Investigation Group incorporating protective security and critical Infrastructure in the region.

The City has received a request for approval for a GA/RAA maintenance facility to operate from the BMRA. However, approval is required from the City to vary the lease to allow a commercial business to operate from the hangars. Approval is also required from CASA for a certificate of approval to operate a maintenance facility and a letter of support is required by CASA from the aerodrome operator.

At the Council meeting of 8 July 2015, the Council endorsed that the Chief Executive Officer be delegated authority to approve any further variations to the leases between the City of Busselton and Busselton Hangar Owners Pty Ltd, the Geographe Hangar Owners Group Inc. and the Busselton Flyers Pty Ltd for the purposes of operating aviation related commercial businesses to operate from the hangars at the Busselton Regional Airport (C1507/190). As such a CEO approval will be sought once a written request has been received from the relevant hangar owner group (and South West Aircraft Maintenance) for approval to operate from the BMRA hangars.

CONCLUSION

The wet weather has delayed some maintenance over the winter period however the airport operations team is looking forward to an exciting and busy time during the drier months with the commencement of airside construction for the BMRA expansion.

As always officers will be providing a high level of customer service and ensuring the airport is operating safely during this year and into the airport expansion project.

Currently a number of small aviation businesses operate from the BMRA and contribute to the recreational and general aviation community based at the Airport. The addition of a GA and RAA maintenance facility has the potential to grow the GA community and increase visitation to the BMRA by pilots and CEO approval will be sought by Officers following a written request from the hangar owner group and operator.

OPTIONS

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

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not Applicable

OFFICER RECOMMENDATION

That the Airport Advisory Committee;

1. Receive and note the Airport operations report.

7. **GENERAL DISCUSSION ITEMS**

8. **NEXT MEETING DATE**

9. **CLOSURE**