

SHELLHARBOUR CITY COUNCIL PUBLIC PARTICIPATION RULES

Shellharbour City Council is not legally obliged under the Local Government Act to hold Public Participation. However the Council believes that there should be maximum feasible public impact into the decision making process. It therefore invites members of the community, with an interest in items before Council to participate in the process by addressing the Council.

1. Registration for public participation

- Registration of interest for Public Participation shall close promptly at 12 noon on the day of the Meeting and applicants must be listed on the form provided at the Administration Building, Lamerton House and Libraries. The request may be listed by the speaker or his/her representative or by a Council Officer at the speaker's request.

Late requests for Public Participation cannot be accepted under any circumstances.

- Public Participation may in particular circumstances be permitted in the Committee of the Whole Council Meeting but the speaker has no access to the Committee of the Whole Business Paper and must leave the Chamber after speaking.
- Only persons listed as requesting to speak in Public Participation shall be permitted to speak. However, the Mayor, with consent of Council, may in extraordinary circumstances permit an unlisted person to address the Council on a matter listed in the Business Paper.
- The Mayor in the absence of objection by any Councillor may agree to invite or allow a person to speak on a matter listed in the Business Paper, notwithstanding that any of the aforementioned rules have not been complied with.

2. At the meeting

- An item of Public Participation shall commence with the Mayor/Chairperson calling on the listed speaker(s) to address Council.
- All speakers shall speak to the Chair. Then, after the person(s) speaks there is the opportunity for councillors to ask, through the Chair, questions of the speaker(s). The Mayor then declares the matter "open for discussion" or words to that effect. This then closes the Public Participation on that item.
- The only opportunity then for a speaker to speak further is if the Mayor permits a comment by the speaker for the purposes of clarifying a point under discussion.
- Applicants who say "I'm here to listen to what the Councillors say" or " I do not wish to speak but I am here to ask or answer questions" will be given the opportunity to address Council but will not be given the opportunity to speak after the Councillors.
- Any person may address Council on matters relating only to an officer's report to a meeting and Committee Recommendations that are listed for adoption on the Agenda with the exception of matters relating to development applications which have been referred to the Council Development Advisory Committee (held before Traffic Committee) (Not on Mayor's/Councillors' reports, notices of motion, notices of rescission motion).

- The public address will be heard immediately before the matter is to be considered by Council as printed in the agenda of the business paper.
- Discussion or debate or questions involving Councillors or Council officers is not permitted.
- The subject matter only is to be discussed.
- Personalities are not to be addressed.
- The Mayor, with the consent of Council may limit speeches to two (2) speakers for and two (2) speakers against on the one subject. Groups are encouraged to nominate a representative to make the presentation to the Council on behalf of the group.
- Council expects each speaker to endeavour to keep his/her speech to as short a time as possible. An initial period of five (5) minutes will be allowed for each speaker, after which the Mayor, at his discretion, may give the speaker a further two (2) minutes to summarise and conclude.
- Presentations by members of the Public are to be made verbally. Written material or exhibits (including video, "PowerPoint", photographs) are NOT to be circulated, screened or displayed by the public at Council Meetings. Written information on matters other than Development Applications will be circulated to Councillors only if it is received by Council staff before 12 noon on the Monday prior to the day of the meeting. No late written submissions will be accepted from the public, regardless of the circumstances.

These rules apply to all public submissions for circulation to Councillors with the exception of Development Application submissions, whether or not the person has registered to speak at the meeting.

These rules do not apply to Development Application (DA) submissions. Separate rules govern the closing date of written submissions to DAs and these Public Participation Rules are not to be taken as granting any right to a member of the public to submit a late submission on a DA being presented to Council.

- Applicants have no right to interject during the debate. The rules of procedure as outlined in the Local Government Act 1993 and Regulations shall apply.

3. General rules

- Public Participation is not generally open to legal representatives acting in a professional capacity for a client. Council may permit legal representatives to address the Council, provided that sufficient notice is given so as to allow each of the parties concerned including Council where necessary the opportunity to have their legal representatives in attendance.
- Formal Public Participation shall not be permitted during Council inspections, however, Council may request interested residents to participate in discussion. This clause is subject to Council not making a final decision on the matter during the inspection.
- If a person or group seeks to address Council and raise allegations about the Council or staff handling of any matter this must be made in writing and sent to the General

Manager. This will not be addressed in public participation. (This rule is not intended to restrict people raising matters with the Council. Council invites people to raise concerns about the Council or staff handling of matters in accordance with this rule. The requirement to provide written notice of allegations to the General Manager provides the opportunity for the General Manager to investigate and report the matter to Council at the time the complaint is made which would enable Council to take action on these matters at the time they are raised.)

- A speaker may only address Council once on any particular item on the Business Paper, unless the particular circumstances in the opinion of the General Manager have changed since Council's previous consideration.
- Placards are not to be brought into the Council Chamber. The public must conduct themselves with due respect to the Council and observe the rules of order and meeting procedure as contained in the Code of Meeting Practice.
- 4. The Rules of Public Participation shall extend to Council's Advisory Committees namely Australia Day/Special Promotions Advisory Committee, Disabilities Services Advisory Committee as well as to the Shellharbour Traffic Committee.

Public Participation must be registered by noon the day before the scheduled meeting for each committee.

Election rallies, speeches or the distribution of electoral material of a political nature will not be permitted within the confines of the Council Chamber building.

The General Manager is authorised on behalf of the Council to determine what actions constitute a breach of the above policy.

Procedure

Any person or persons in breach of this provision shall be treated as a trespasser and removed from the Council Chambers building using only such force (if any is required) as may reasonably be required in order to achieve that purpose.

In the event of a possible breach of the peace, the police are to be requested to attend to ensure no breach of the peace.

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Acknowledgement to Country

Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting.

1. Apologies / Leave of Absence

2. Pecuniary Interest

3. General Manager's Office

3.1 Proposals for Illawarra Regional Airport (8307774)

To the Mayor and Councillors

Division: **General Manager**

Manager: Brian Weir – General Manager

Author: Brian Weir – General Manager

Summary

To indicate my support and endorsement for the reports submitted by the Manager Development Services, Mr Graham Mitchell and the Director of Operations and Services, Mr Arthur Webster.

Recommendation

That the General Manager's report be received and noted.

Background

The announcement by QantasLink of its proposal to launch a passenger service between Illawarra Regional Airport and Melbourne has been the culmination of many years of endeavour to get a RPT service to operate from Illawarra Regional Airport. Council has been confident over the years that such a service would be obtained but without a firm commitment it was not considered feasible or practical to allocate funds for the runway.

The QantasLink announcement and the Company's enthusiasm for an immediate commencement of the service has made it mandatory that Council consider the allocation of funds to allow the upgrade of the runway immediately, seek other corporate and Government partnerships and to ensure that all regulatory requirements under planning and other laws are obtained.

Consultations

Because of the urgency of the matter, an Extraordinary Meeting was called as soon as the reports were prepared by Council officers. This has left little time for independent checking of the completed reports and this will be carried out prior to the Extraordinary Meeting as much as possible. In the meantime considerable discussion and advice has been received from Council's solicitors, Kells.

Internal

Director of Operations and Services – Mr Arthur Webster
Manager Development Services – Graham Mitchell

External

Kells the Lawyers
External consultants (to be arranged)

Considerations**Financial/resources implications**

The financial implications are outlined in depth in Mr Webster's report. The utilisation of these funds will sharply reduce the balance of Council's Entrepreneurial Fund. It must be noted the Entrepreneurial Fund, as noted in Mr Webster's report, is to be used for entrepreneurial activities and not traditional functional areas. It is to be utilised on activities which will bring an income, revenue stream, or an opportunity for future returns to the Council. Allocation of funds from the Entrepreneurial Fund for the runway upgrade and other activities at Illawarra Regional Airport are supported because we are creating an income-producing asset that will add value to this Council and our region for many years. The Entrepreneurial Fund was established exactly for this reason.

There is a substantial initial cost to Council and there will be some recurrent costs for security, maintenance etc, but there will be a long-term income benefit to Council from the fees and charges applicable to such a service. There will also be enormous benefits in regard to tourism, economic activity and economic benefits for residents of the Illawarra who wish to travel to Melbourne and also for visitors coming to the region from Melbourne.

Legal & policy implications

These implications are outlined at length in Mr Mitchell's report.

Public/social impact

These are covered in the respective reports and also have been covered, to some extent, in my previous comments under Financial/Resource implications.

Options

To adopt or vary the recommendation

Conclusions

I submit this report firstly to indicate my endorsement of the reports by Mr Mitchell and Mr Webster. As Council's General Manager I must formally take a position, I believe, in any recommendation to allocate such a substantial sum of money. This would normally be done by way of a Budget Report by myself however, due to the funding allocation being inextricably linked to the discussion on the airport and the construction program, it has been treated differently in this instance. Nonetheless I believe Council has no option but to allocate the money in accordance with Mr Webster's recommendations.

I believe that Council must allocate the required funds in order to seize the opportunity to have QantasLink operate at our airport for the community's benefit and to support the considerable private sector donations already made. By doing this we will capitalise on the value of our asset which will have appreciated three times the Council input to the

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project. We will also fulfil the obligation that we have in a broad regional context to provide infrastructure so that this service can be provided for the benefit of Illawarra residents and the business community.

The other obligation is for me to take responsibility for ensuring Council that, as far as I can ascertain and in the limited time available, every possible avenue is being explored to ensure that the regulatory processes are being undertaken correctly. I must also bear in mind that Council is the Land Owner as well as the Consent Authority. I would expect to have further comments to make on this at the Council Meeting.

In conclusion therefore I recommend both reports to the Council.

Approved for Council's consideration: _____

Attachments

Nil

4. Operations & Services Division

4.1 Proposed Reconstruction of North/South Runway, Illawarra Regional Airport, Albion Park Rail (8306291)

To the General Manager

Division: Operations & Services Division
Department: Development and Technical Services

Manager: Graham Mitchell – Manager Development Services
Author: Graham Mitchell – Manager Development Services

Summary

This report has been prepared to enable Council to consider potential environmental impacts that may arise as a result of reconstructing the main runway at the Illawarra Regional Airport and to consider whether or not there is a need for an environmental impact statement to be prepared prior to a final determination on the activity.

Recommendation

That Council grant approval to the activity of reconstructing the north/south runway at the Illawarra Regional Airport at Albion Park Rail under the provisions of Part 5 of the *Environmental Planning & Assessment Act, 1979* as amended subject to the conditions following the conclusion to this report.

Background

Proponent/Owner: Shellharbour City Council

Location: Lot 111, DP 877164, Airport Road, Albion Park Rail

Zone: 5(a) Special Uses (Aerodrome)

Development consent is not required under Part 4 of the *Environmental Planning & Assessment Act*, however for assessment purposes, the provisions of Part 5 of the Act apply to the activity.

The objective of the 5(a) zone is to maintain land for certain community facilities and services, in this instance an aerodrome.

The proposed activity satisfies the above objective.

The proposal is to reconstruct runway 160/340, the North South runway at the Illawarra Regional Airport. This runway is rated as a code 3C runway with a pavement operational

weight of up to 7500kg. Overweight aircraft may be permitted to use this runway under a "Pavement Concession" Approval for limited operations.

Relevant Previous Studies/Approvals

1. Albion Park Airport Pavement Study – (1991)
2. Illawarra Regional Airport Runway Pavement Design – (1999)
3. Illawarra Regional Airport – Aircraft Noise Report (1996)
4. Development Application - Construction of Aircraft Hardstand and Taxiway

The Illawarra Regional Airport was constructed in 1945 by the Commonwealth Government as a training facility for military aircraft. Since that time the airport has been utilised for civilian pilot training, charter services, RPT operations, freight and private aircraft operations. Aircraft utilising the facility have generally fallen within the light aircraft category ie. below 5700kg, although larger aircraft have also utilised the airport. These include:

- Gulfstream (III)
- Hercules C130
- Douglas DC3
- Hawker S-128
- Falcon 900
- and more recently the Beech 1900 (Impulse), Constellation and Neptune.

These aircrafts vary in weight between 7500kg and 45000kg.

Airport Pavement

The Airport Pavement Study (1991) details the structure of the runway pavement. This pavement has received regular maintenance which included resealing the pavement surface, minor repairs (small patches) of larger repairs (sections up to 20 square metres). The pavement is approaching 60 years old and is considered to have reached its economic life.

In reviewing options for reinstating the runway consideration was given to the type of aircraft likely to be utilising the runway during the design life of the runway. Previous studies and consultants reports provided the data required to make a feasible decision on the future pavement structure. The proposed reconstruction provides for a minimum increase in pavement depth of 300mm. The material to be used is a steel slag product which is produced as a road pavement material which is supplied by Australian Steel Mills Services (ASMS). This product has been used by Council on the 10,000m² of aircraft hardstand which was constructed in 2002 with little or no environmental impact.

Consultations**Internal**

General Manager
Director Operations & Services

External

Kells

Considerations**Financial/resources implications**

Not applicable.

Legal & policy implications

The *Environmental Planning & Assessment Act* sets out at Part 4, the procedures to be followed for development that needs consent under the provisions of Shellharbour Local Environmental Plan 2000. Part 4 is to be contrasted with Part 5 of the Act, which contains provisions relating to the assessment of activities that do not require development consent.

Development requires development consent if an environmental planning instrument applying to the site of the development specifies that particular development may not be carried out except with development consent. In this regard, Shellharbour Local Environmental Plan 2000 is an environmental planning instrument.

Clause 7 of Shellharbour LEP2000 adopts Clause 35 and Schedule 1 to the *Environmental Planning & Assessment Model Provisions 1980*. Clause 35 provides that nothing in a local environmental plan shall be construed as restricting or prohibiting or enabling the consent authority to restrict or prohibit the carrying out of development of any description specified in Schedule 1 of the model provisions.

Among the various types of development listed in Schedule 1 of the Model Provisions is:

The carrying out by persons carrying on public utility undertakings, being air transport undertakings, or land comprised in their undertakings, within the boundaries of any aerodrome, of any development required in connection with the movement of traffic by air including the construction, reconstruction, alteration, maintenance and repair of ways, buildings, walls, works and plant required for that purpose, except:

- a. *the erection of buildings and the reconstruction or alteration of buildings so as materially to affect the design or external appearance thereof; or*
- b. *the formation or alteration of any means of access to a road.*

The proposal to reconstruct the north/south runway at the airport falls within the above definition and accordingly development consent is not required under the provisions of Part 4 of the *Environmental Planning & Assessment Act*.

Under the provisions of Part 5 of the Act, activity means the carrying out of a work. Approval under Part 5 of the Act is required when a determining authority (in this instance, Council) considers an activity. *Determining Authority* is defined in Section 110(1) of the Act as, *in relation to an activity, the public authority by, or on whose behalf*

the activity is, or is to be carried out, or whose approval is required in order to enable the activity to be carried out.

Under the provisions of Part 5 of the *Environmental Planning & Assessment Act*, Council has a duty to consider the environmental impact of the activity. Section 111 states that for the purpose of attaining the objectives of this Act relating to the protection and enhancement of the environment, a determining authority in its consideration of an activity shall, notwithstanding any other provisions of this Act or the provisions of any act or of any instrument made under this or any other act examine and take into account to the fullest extent possible all matters affecting or likely to affect the environment by reason of that activity.

The requirement for an environmental impact statement is more subjective under Part 5 than Part 4. Under Section 112 (Part 5) of the Act, an environmental impact statement is required if a development is *likely to significantly affect the environment*. Under Part 4 the trigger for preparation of an environmental impact statement is described by categories of development listed in Schedule 3 of the *Environmental Planning & Assessment 2000*.

Clause 228 of the *Environmental Planning & Assessment Regulation 2000* sets out the factors to be taken into account when consideration is being given to the likely impact of an activity on the environment. The factors referred to in the clause and comments are as follows:

- a. any environmental impact on a community

Aircraft Noise

The runway reconstruction will enable unrestricted access for aircraft with tyre pressure up to 1000KPa and MTOW of 25,000kg (to be confirmed after runway is rated). Currently aircraft within this category and which exceeds 7500kg require a written Pavement Concession from Council under the provisions of the Aerodrome Manual for conditional occasional operations.

The proposed increase in the runway pavement strength is likely to attract airline operators to utilise the airport to provide regular services. It is a common perception that larger aircraft produce more noise. This is not necessarily correct. Each aircraft has its own noise signature. QantasLink has recently offered to provide services utilising Dash 8 aircraft.

Noise data for this aircraft has been provided. As with most commercial aircraft currently in service throughout Australia, this aircraft complies with the noise standards adopted under the *Commonwealth Air Navigation Act*. The noise footprint identifies a reading of 80dB(A) at a distance of 350m from the runway centreline. Residential properties located north-east of the runway fall within this impact area. The residential area also adjoins the Princes Highway and is subject to the noise impact of traffic. The current average daily traffic movements for this road is 38000v/d with estimated noise levels in the order of 85-90dB(A).

The Illawarra Regional Airport is not a highly utilised airport in terms of aircraft movements. In 1996 consultants Gutteridge Haskins and Davey Pty Ltd were

commissioned to prepare a noise report for future land use planning in proximity to the airport. In order to prepare the Australian Noise Exposure Forecast (ANEF) it was necessary to forecast aircraft types and an annual number of movements likely to occur in the period that the noise model is to be developed. This allows for growth at the airport. For the ANEF (year 2010) it was forecasted that there would be 6500 aircraft movements of commuter aircraft such as a SAAB 30 or Dash 8 type aircrafts from a total of 35090 movements. Other aircraft ranging from single engine light aircraft up to a BAe 146 jet aircraft were factored into the noise forecast. The combined effect of these aircraft noise profiles identified that part of the residential area mentioned above falls within the 25 – 30 ANEF 2010 contour, which exceeds the recommended level (25 ANEF) for houses. However it is unlikely that the forecasted aircraft movements are now likely to be achieved. The recent passenger growth estimates by QantasLink equate to less than 1000 Dash 8 aircraft movements up to 2007. Realistically the 2010 forecast for commuter services (SAAB 30 or Dash 8) is over-optimistic by around 600%.

In the medium term the GHD Report estimates approximately 10,800 movements of this type of aircraft (SAAB 8 and Dash 8) in 2020. Assuming an overestimation of the same magnitude as for 2010, this would result in approximately 1700 movements out of a total of 49350.

Noise generated by the additional aircraft movements as a result of the reconstruction works is not likely to be significantly greater than the noise generated by the airport's existing operation and the likely increase in those operations regardless of the reconstruction works.

The anticipated net impact of noise based on realistic aircraft movements, aircraft compliance with the Australian Noise Standard and the current and projected increase in ambient noise created by traffic on the Princes Highway is relatively minimal.

Council, as owner and operator of Illawarra Regional Airport, may introduce noise abatement procedures if warranted in the future.

Runway Construction Activities

The runway reconstruction is estimated to take two months to complete. Working hours will be between 7.00am to 6.00pm Monday to Friday and 7.00am to 1.00pm Saturday. Conventional road building equipment will be utilised. Truck movements to and from the construction site are designed to minimise traffic conflict by directing access predominantly via left turn movements to and from the site. Truck movements of up to a maximum 60 per day (10 per hour) may occur. This is expected to have minimal impact on the local community, as most access is via the Princes Highway/Illawarra Highway and Tongarra Road. Current daily vehicle movements where access will be gained onto the airport are as follows.

- Princes Highway: 37,869
- Illawarra Highway: 13,356
- Tongarra Road: 15,421

- b. any transformation of a locality

No obvious impact as this is an existing airport and works proposed when completed will not physically alter the current appearance of the facility.

Potential noise impacts have been addressed in point a.

- c. any environmental impact on the ecosystems of the locality

As all works will be confined to the existing runway pavement area there will be no impact on any ecosystems that may exist on the airport grounds/locality.

- d. any reduction of the aesthetic, recreational, scientific, or other environmental quality or value of a locality.

As previously identified, all works will be confined to the existing pavement area.

Potential noise impacts have been addressed in point a.

- e. any effect on a locality, place or building having aesthetic, anthropological, archaeological, architectural, cultural, historical, scientific or social significance or other special value for present or future generations.

There are no localities, places or buildings in the above categories that would or would likely to be impacted upon by the proposed activity.

- f. any impact on the habitat of protected fauna (within the meaning of the National parks and Wildlife Act 1974).

There are no habitats in the immediate area.

- g. any endangering of any species of animal, plant or other form of life, whether living on land, in water or in the air.

An Endangered Ecological Community – Illawarra Lowlands Grassy Woodland exists on the aerodrome site but is located such that the activity if carried out will not be impacted upon.

- h. any long-term effect on the quality of the environment

Given that the proposed works are limited to the existing runway footprint with a minor increase in height it is unlikely to be any long term impacts on the existing environment in the locality.

Potential noise impacts have been addressed in point a.

- i. any degradation of the quality of the environment

The existing environment in the immediate area around the runway and the areas adjoining the site are unlikely to suffer any degradation as a result of the activity. Sedimentation controls will be introduced for the construction phase.

Potential noise impacts have been addressed in point a.

- j. any risk to the safety of the environment.

The Illawarra Regional Airport Emergency Plan and Airport Manual identifies risks and measures to prevent and respond. These plans are audited by CASA.

- k. any reduction in the range of beneficial uses of the environment

The land has been utilised as an airport since 1945 and is currently zoned for this purpose.

- l. any pollution of the environment

Potential noise impacts have been addressed in a) above. Aircraft exhaust emission is minimal due to relatively low number of anticipated aircraft movements compared to equivalent regional or secondary airports throughout Australia.

- m. any environmental problems associated with the disposal of waste

Due to the method of construction no waste will be generated.

- n. any increased demands on resources (natural or otherwise) that are, or are likely to become, in short supply

The proponent proposes to use an enhanced waste product (steel slag) for the runway pavement in lieu of natural resources, ie basalt.

- o. any cumulative environmental effect with other existing or likely future activities

The site will continue to be used as an airport. There will always be some cumulative impact associated with any increase in aircraft movement activities.

However, the Illawarra Regional Airport Noise Study identifies potential noise effects from forecasted aircraft movements and potential future use. Design standards adopted for the reconstruction will permit use by aircraft within identified parameters.

Public/social impact

The proposed activity of reconstructing the north/south runway is unlikely to create any significant impacts. The runway exists and any improvements will reduce ongoing expenditure of public monies on ongoing maintenance of the runway. The level of reconstruction and any potential increase in use is within parameters identified in past studies and the identification of relevant ANEF contours.

There are unlikely to be any social impacts arising from the carrying out of the activity.

Options

1. Approve the carrying out of the activity under Part 5 of the *Environmental Planning & Assessment Act 1979* as amended.
2. Not approve of the carrying out of the activity.

Conclusions

Following consideration of the factors set out in Clause 228 of the *Environmental Planning & Assessment Regulation*, I am of the view that the proposed reconstruction of the north/south runway will not significantly affect the environment and accordingly, an environmental impact statement is not required under Clause 112 of the *Environmental Planning & Assessment Act, 1979*.

The proposed reconstruction of the runway will enable a wider range of aircraft to utilise the facility which will provide for an ongoing social and economic benefit for the locality and the wider public interest.

The granting of an approval to the carrying out of the activity under Part 5 of the *Environmental Planning & Assessment Act* is recommended.

Conditions

1. The reconstruction of the north/south runway must be carried out generally in accordance with Sheets 1 – 5, Plan No. 3G-103 dated 16 January 2002.
2. All works on the main north/south runway must be carried out in accordance with the rules and practices for aerodromes, Chapter 13 – Aerodrome Works.
3. Work involving noise, which may be audible in any residential premises must not be carried out other than between the hours of:

7.00am – 6.00pm Monday to Friday
7.00am – 1.00pm Saturday
No such work may be carried out on Sundays or public holidays.
4. Truck movements must be in accordance with an approved Traffic Management Plan with access to the site via left hand turn from Illawarra Highway and Tongarra Road with trucks exiting the site via left hand turn into Princes Highway from Airport Road.
5. Vehicle movements/traffic management must be in accordance with RTA Guidelines for Traffic Control on Public Roads.
6. Erosion control measures must be installed to prevent soil erosion, water pollution or the discharge of loose settlement on surrounding land, as follows:

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- i. divert uncontaminated runoff around cleared or disturbed areas
- ii. erect a silt fence to prevent debris escaping into drainage systems or water ways
- iii. prevent tracking of sediment by vehicles on roads
- iv. stockpile topsoil, excavated material, construction supplies and debris within the site.

Approved for Council's consideration: _____

Attachments

Nil

4.2 Illawarra Regional Airport - Proposed RPT Services (8299119)

To the General Manager

Division: Operations & Services Division
Department: Development and Technical Services

Manager: Arthur Webster – Director Operations & Services
Author: Arthur Webster – Director Operations & Services

Summary

QantasLink has advised that they would like to provide regular public transport services between the Illawarra and Melbourne utilising the Illawarra Regional Airport. Council's support to their proposal and its consideration to the funding for the reconstruction of the main runway and provision of airport security infrastructure necessary for their operation of this service is required.

Recommendation

1. That Council allocate \$1,050,000 towards the main runway reconstruction, upgrading of the runway lighting system and security works necessary for RPT services at the Illawarra Regional Airport.
2. That Council accept the \$100,000 grant from the NSW Department of State and Regional Development.
3. That Council seek funding assistance from members of the Southern Councils Group for this project.
4. That funds allocated by Council to this project be funded from Council's Entrepreneurial Fund.
5. That future income from the RPT service be utilised to repay the loan from Council's Entrepreneurial Fund.
6. Any external funding assistance provided be used to repay the Entrepreneurial Fund.
7. That the budget be amended accordingly.
8. That Council acknowledge the support it has received from the NSW Department of State and Regional Development, through the Minister for Regional Development and Minister for the Illawarra, the Hon David Campbell, and the corporate donors Cleary Bros, Bluescope Steel and ASMS.

Background

Council has been working towards attracting airline operations to provide regular services from its airport to popular destinations both inter and intra state, following the withdrawal of services between the Illawarra and Melbourne by Impulse Airlines in March 2000. Council in conjunction with the Illawarra Regional Development Board commissioned Sinclair Knight Mertz to carry out an economic study of the airport. An objective of this study was to determine whether it was economically feasible for an airline to provide commercial services to the Illawarra Region. The key issues identified in the study (which was completed in March 2001) included:

- the airport makes a significant positive economic impact on the regional economy
- an airline is viable but positive action is required by Council to market and facilitate a new service
- upgrading of the main runway is an essential element as it will remove constraints to airline operators
- the airport needs to be on the regional agenda.

Resulting from the outcomes of this study, Council proceeded to investigate and implement a program to improve airport infrastructure and to market the potential of the airport. Significant support was provided by local industry – BlueScope and Cleary Bros following the agreement with HARS to develop a major aeronautic facility. Council progressed designs and received development consent to construct aircraft hardstanding and taxiways to meet the requirements of the type of aircraft identified in the study as likely to utilise the airport in the foreseeable future. BlueScope and Australian Steel Mill Services (ASMS) provided road base for the construction of these runway pavement works. The hardstand area and the taxiway was completed. The runway reconstruction was not commenced due to insufficient funds and lack of government support although the pavement material is still available at no cost to Council.

Council officers have been communicating with several airlines to encourage the establishment of services. Council has also negotiated with the State Ministry of Transport, for the Ministry to call expressions of interest from suitable airlines to provide services on intrastate routes to and from the Illawarra Regional Airport. The Air Ministry is offering incentives such as exemption from State licence fees and restricting to one licence holder per route for a period of time. Expressions of interest closed on 28 February 2005. In all discussions the airline operators have raised the issue of the condition and pavement strength of the existing runway.

More recent development at the airport includes the commissioning of the new fuel facility, constructed by Shell Aviation (\$1M) and the funding approval and commencement of construction of Council's Aviation Business Cluster. Both facilities will attract new business and provide employment and benefits to the regional economy.

QantasLink approached Council recently and advised that the airline had been investigating the feasibility of establishing services to Melbourne. Council was requested to maintain confidentiality until the airline had completed its study and sought appropriate regulatory approvals. At a media conference called by QantasLink on Monday 28 February 2005, Mr Narendra Kumar, Executive General Manager of Qantas Regional

Airlines, announced that QantasLink propose to commence regular services between the Illawarra and Melbourne in May 2005, utilising Dash 8 Aircraft. He stated that initially there would be seven scheduled return services weekly from Monday to Friday.

This RPT services proposal from Qantas meets the aircraft type and service identified in the Airport Economic Study. QantasLink is the largest regional airline in Australia, is well known to the general public and has the reputation and resources to attract both tourist and business growth to its services. The service has potential to provide significant economic benefit to the Illawarra Region through added business opportunities, providing additional local jobs and tourism.

The direct benefit to Council will be an additional source of income through landing charges and passenger taxes. An agreement on these charges will be negotiated with Qantas and should reflect an incentive for Qantas to market our region to attract growth in the services they are to provide.

The constraints to the introduction of the service are:

- final approval by CASA
- the condition of the north/south runway
- security requirements.

QantasLink advises that it is well advanced in the documentation required to be approved by CASA as a prerequisite to the commencement of the service.

Council's north/south runway is currently rated at 7.5T for regular aircraft operations. The Dash 8 -100 weighs approximately 14.5T the 300 series weighs 20T. While Council may provide a runway pavement concession, the regular movements of this type of aircraft will accelerate the deterioration of the pavement which will increase the maintenance requirements and most likely require that major maintenance be carried out to keep the runway operational. Such maintenance would necessitate the closure of the runway for lengthy periods which will impact on the airline service. Further, Council has been advised that its current runway lighting system needs to be upgraded to meet the current licensed aerodrome standard. The estimated cost of the runway pavement reconstruction is \$800,000. The estimated cost of the runway lighting upgrade is \$150,000.

Security requirements involve the construction of man-proof fencing, security gates and some works around and within the terminal building. Final designs for these works have not been completed and signed off by an accredited security assessor and the Department of Transport & Regional Services, however, the anticipated costs are in the order of \$100,000.

Planning Considerations

The following advice has been received from the Manager Development Services and Council's Solicitor.

A pavement concession (approval) is currently required to use the north/south runway if the aircraft exceeds 7.5T.

Following completion of the reconstruction works no formal approvals either under planning legislation or the Aerodrome Manual will be required by RPT providers.

Consultations

Internal

General Manager
Manager Development Services
Group Manager Corporate Planning
Manager Financial Services

External

Council's Solicitor
QantasLink Management

Considerations

Financial/resources implications

The allocation of \$1.050 million dollars is a major capital expenditure for this Council. The allocation of \$100,000 towards this project from the NSW Department of State and Regional Development is gratefully accepted, as will any other contributions that may be forthcoming from the Australian Government and Member Councils from the Southern Councils Group. The provision of materials at no cost from ASMS and Bluescope is valued at \$1.1 million dollars and is a noteworthy vote of confidence in the Illawarra Regional Airport from the private corporate sector and requires appropriate acknowledgement.

Council funds provided for this project will be allocated from Council's Entrepreneurial Fund. This fund was established to create income producing assets to assist Council with the broadening of its income base as well as to add economic benefits to this area. These funds will be repaid from new income sources generated from the establishment of the RPT service.

When the runway is complete, Council will have a valuable asset worth in excess of \$3 million dollars. The runway will not only provide a new direct source of income for Council, but will also provide a boost for the Illawarra Region's economy in terms of job creation, tourism and offering a competitive advantage for our region and the surrounding Local Government areas of Shoalhaven and Wingecarribee and southern Sydney by allowing local access to air routes without the added time, expense and inconvenience of travelling to Sydney.

We are trying to broaden our economic base by creating new jobs in our region. The establishment of the light aviation industry cluster and the upgrade of the runway is an example of better utilisation of our asset at the Illawarra Regional Airport to meet this aim.

Legal & policy implications

Council has adopted the Airport Management Plan which includes an objective of attracting regular passenger services to the Illawarra Regional Airport. The Qantas proposal complies with Council's objective.

Public/social impact

The Illawarra community will benefit from the provision of services from Council's airport direct to Melbourne as an alternate to travelling to Mascot for a similar service. There will be some minor impact on residents who live in close proximity to the airport, however, that impact would be similar to when Impulse Airlines operated services in 2000. There were few noise complaints throughout the 18 months that Impulse operated.

Options

1. Adopt the recommendations of this report.
2. Council reject the QantasLink proposal and not carry out any improvement works at the Illawarra Regional Airport.

Conclusions

Council, as owner and operator of the Illawarra Regional Airport has the opportunity to provide significant and unique benefits to the Illawarra community through the development and management of its airport. The proposal by QantasLink to provide passenger services, initially to Melbourne, will provide an opportunity for the airline to develop growth in this service and consider services to other popular destinations. Fast, efficient and reliable transport links to major business centres greatly enhance opportunities to extend commercial operations. The QantasLink brand name provides tremendous tourism promotional opportunities for the Illawarra.

The need for the runway reconstruction has been identified as a priority in each of the independent studies carried out for the airport. Funding assistance has been sought from State and Federal Government in the past without success. However, with the proposal by QantasLink to commit services, it is no longer a question of whether Council would attract an airline service "if" it reconstructs the runway. The risk of allocating funds for a possible "no return" has been greatly reduced and the cost/benefit of the runway works are now well in favour of funding this project.

Approved for Council's consideration: _____

Attachments

Nil