



Airport Advisory Committee

Minutes

Wednesday 9 August 2023

Our Vision

Where environment, lifestyle and opportunity meet



Community Aspirations



KEY THEME 1

Environment

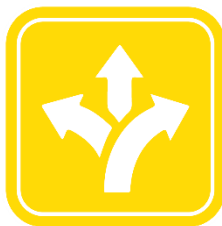
An environment that is valued, conserved and enjoyed by current and future generations.



KEY THEME 2

Lifestyle

A place that is relaxed, safe and friendly, with services and facilities that support positive lifestyles and wellbeing.



KEY THEME 3

Opportunity

A vibrant City with diverse opportunities and a prosperous economy.



KEY THEME 4

Leadership

A Council that connects with the community and is accountable in its decision making.

MINUTES

Minutes of a meeting of the Airport Advisory Committee held in the Council Chambers,
Administration Building, Southern Drive, Busselton, on Wednesday 9 August 2023 at 1:45 pm.

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1 OFFICIAL OPENING

The meeting opened at 1:45pm.

The City of Busselton welcomed Councillors, staff, guests and members of the public to the Airport Advisory Committee meeting of August 2023.

The City of Busselton acknowledged the Wadandi and Bibbulmun people as the traditional custodians of this region and paid respects to Elders past and present.

This meeting was audio recorded for minute taking purposes.

2 ATTENDANCE

PRESIDING MEMBER	MEMBERS
Cr Phill Cronin	Cr Anne Ryan
	Cr Paul Carter
	Cr Jodie Richards

OFFICERS	
Ms Maxine Palmer	Acting Director, Community and Commercial Services
Ms Jennifer May	Manager, Economic and Business Development Services
Mr James Burrige	Airport Reporting & Maintenance Officer
Ms Jo Barrett-Lennard	Governance Officer

APOLOGIES	
Nil	

OTHER	
Mr Matt Norton	Margaret River Busselton Tourism Association

3 DISCLOSURES OF INTEREST

DISCLOSURES OF FINANCIAL INTEREST

Nil

DISCLOSURES OF IMPARTIALITY INTEREST

Nil

4 PUBLIC QUESTION TIME

4.1 RESPONSES TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil

4.2 QUESTION TIME FOR PUBLIC

Nil

5 CONFIRMATION AND RECEIPT OF MINUTES

5.1 Airport Advisory Committee Meeting 14 June 2023

COMMITTEE DECISION

AIR2308/97 Moved Cr Anne Ryan, seconded Cr Paul Carter

That the Minutes of the Airport Advisory Committee Meeting 14 June 2023 be confirmed as a true and correct record.

CARRIED 4 / 0

6 REPORTS

6.1 Busselton Margaret River Airport Operations Update

Strategic Theme:	Key Theme 3: Opportunity 3.4 Develop aviation opportunities at the Busselton Margaret River Airport.
Directorate:	Community and Commercial Services
Reporting Officer:	Manager Economic and Business Development Services - Jennifer May
Authorised By:	Acting Director - Community and Commercial Services - Dave Goodwin
Nature of Decision:	Noting: The item is simply for information purposes and noting.
Voting Requirements:	Simple Majority
Disclosures of Interest:	No officers preparing this item have an interest to declare.
Attachments:	Nil

COMMITTEE RECOMMENDATION

AIR2308/98 Moved Cr Paul Carter, seconded Cr Anne Ryan

That the Council receives and notes the Busselton Margaret River Airport Operations Report.

CARRIED 4 / 0

OFFICER RECOMMENDATION

That the Council receives and notes the Busselton Margaret River Airport Operations Report.

EXECUTIVE SUMMARY

This report provides an overview of the operations and activities of the Busselton Margaret River Airport (BMRA) for the reporting period 1 July 2022 through 30 June 2023 and for the 2023/24 year. This includes an update on passenger numbers, regular public transport services (RPT), closed charter and general airport operations.

STRATEGIC CONTEXT

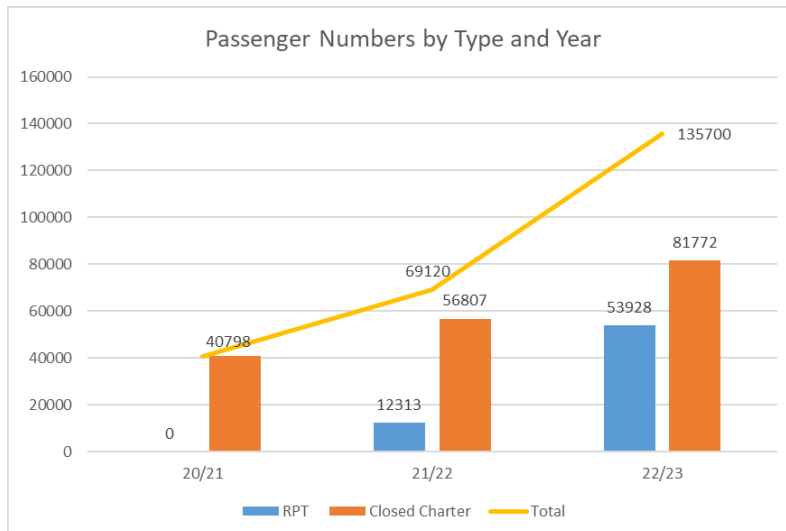
Regular updates on Busselton Margaret River Airport aids in the development of opportunities at the Busselton Margaret River Airport and aligns with Strategic Theme 3.4.

BACKGROUND

The BMRA has seen continued growth in passenger numbers with Jetstar RPT services, additional closed charter flights operating during the reporting period.

Passenger Numbers

The estimated passenger numbers for the reporting period (1 July 2022 – 30 June 2023) were 135,700 compared to 69,120 for the same period in 2022, representing an increase of over 196%. The continued increase in passenger numbers can be attributed to the growth in FIFO passenger numbers across all closed charter airlines servicing Rio Tinto, BHP and FMG, and Jetstar RPT services.

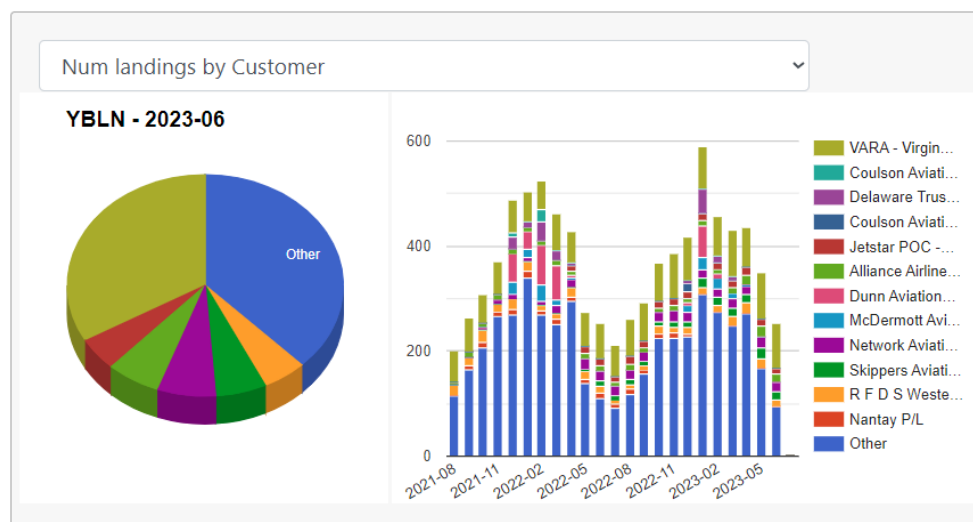


Aircraft Movements

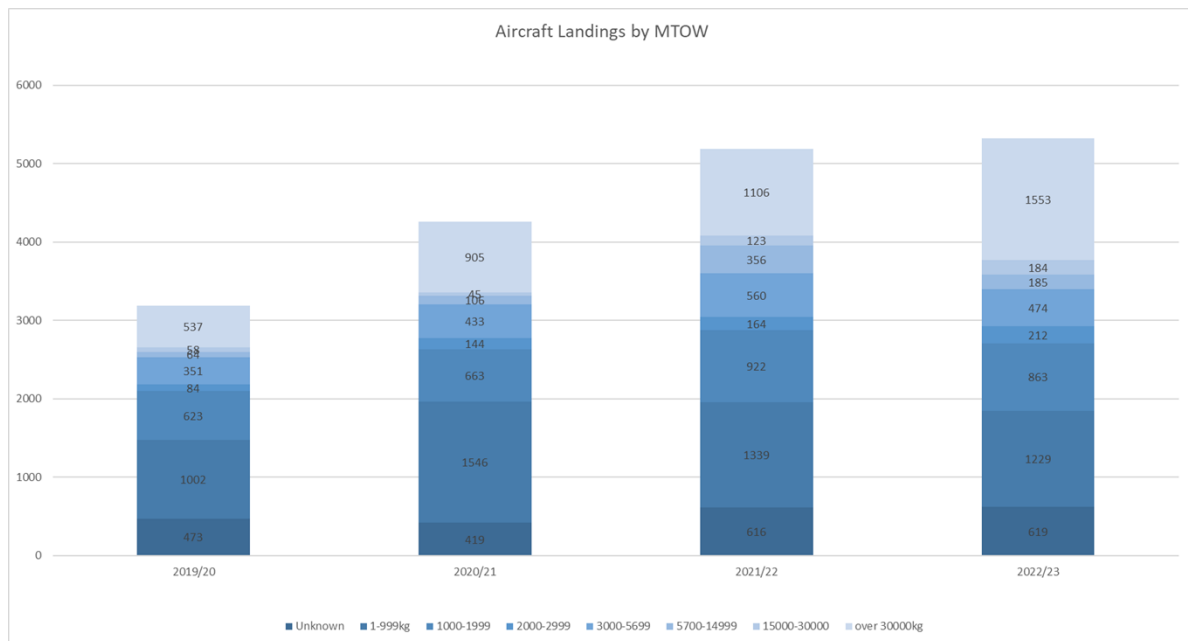
The total number of scheduled services operating from the BMRA as of the end of the reporting period was 34 movements per week, with 31 Fly in Fly out (FIFO) closed charter and 3 RPT services. This increased from a total of 23 flights FIFO closed charter flights movements and 3 RPT from the same reporting period in 2022.

Five airlines are operating from the BMRA with RPT and closed charter services utilising aircraft types from Dash 8/300 to Airbus A320 and Boeing 737/700 aircraft servicing destinations such as Melbourne and multiple mining operations across Western Australia. Private jet/charter operations have also increased with 50 formal landing approvals granted for the reporting period utilising the Central and Southern Apron Bay 4.

The below graph shows the number of landings by customer at the BMRA.



There has been a total of 5319 landings during the 2022/23 FY compared to 5186 landings in the 21/22 FY. The following graph represent the breakdown of landings by Maximum Take Off Weight (MTOW) at BMRA by year.



Operations Update

The 22/23 has seen a focus on the following operational projects:

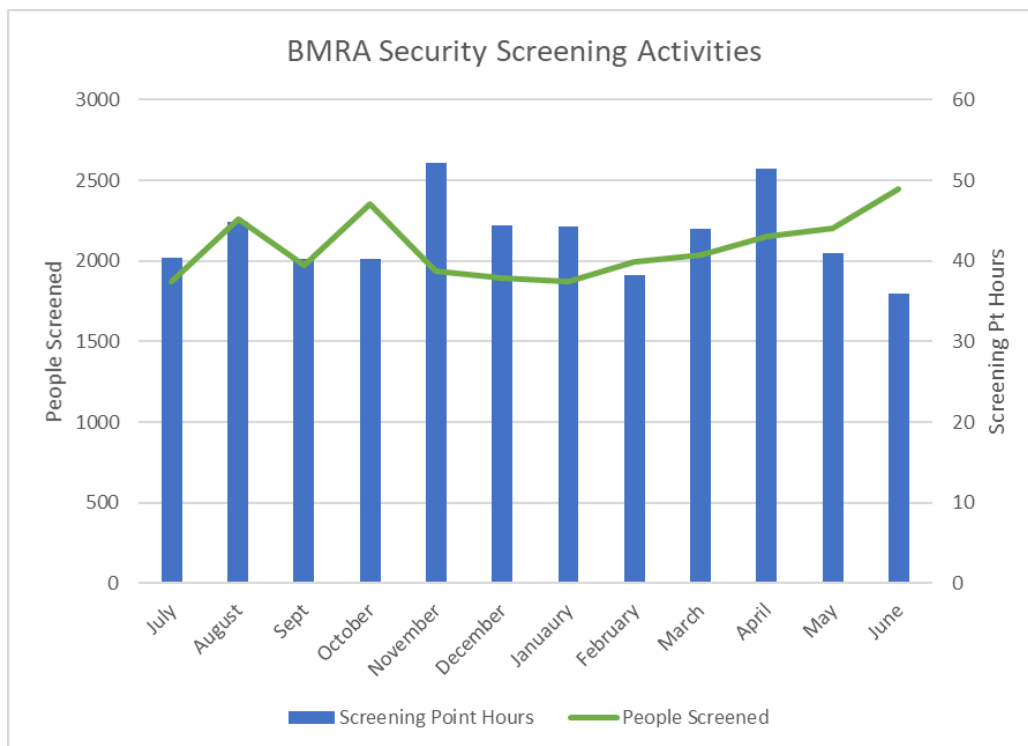
- The commencement of RPT services in April 2022 identified a number of improvements including;
 - Terminal departure (sterile lounge) expansion – completed.
 - Additional check-in desk and injector belt – installed.
 - Passenger screening lane upgrade – completed.
 - Expansion of the public car park (+250 bays) - completed.
 - Airside passenger pathways – completed.
 - Ground service equipment areas - completed.
 - Staff shower/toilet facilities in place – completed.
 - Staff Offices/ training transportable installation – in progress.
- Central Apron bay rationalisation – design and line marking for bays 9-11 – completed.
- The central apron edge extension project - completed.
- Aviation paperless compliance & management system implemented.
- Wildlife Hazard Management Plan reviewed and implemented.
- The Department of Fire and Emergency Services' large air tanker (LAT) bomber operations supported during 22/23 season.
- A second Jetfuel (A1) 110,000L tank installed and operational.
- New BMRA Master Plan – expected draft end of August.
- BMRA Master Plan - Aviation Strategy completed.
- DOT Strategic Airport Asset and Financial Management Framework – Completed.
- Aerodrome Manual review – completed.
- Transport Security Program review and submission – completed.
- Emergency Desktop exercise & Aerodrome Emergency Plan update – completed.
- Airside and landside mowing programs in track.

A number of additional projects were planned for the 2022/23 FY however due to prioritisation of operational activities and also winter weather, the following have not been completed and will be rolled over into the 2023/24 FY;

- RFDS relocation project - construction of new patient transfer hangar and apron in the general aviation precinct.
- General aviation hangars.
- Runway strip compliance works.
- Central Apron Bay 10 lighting project.
- Obstacle Limitation Surface infringement – management/trimming of vegetation.

Security Screening Activities

The graph below shows the number of people screened and screening point hours per month for the 22/23 FY.



During the 2022/23 FY, the City applied to the Department of Industry, Science, Energy and Resources, Regional and Remote Airport Security Awareness Program for grant funding to cover the costs of Aviation Security Screening accreditation training and was successful in being reimbursed to the value of \$21,100. The program has been extended for 2023/24 for grants of up to \$25,000 per year covering 100% of eligible expenditure.

OFFICER COMMENT

The 2022/23 FY has been an extremely busy year for the BMRA, with increased aircraft movements and passenger throughput resulting in the Airport Reporting Officers spending more time airside with serviceability (runway) inspections and wildlife management dispersals and Jet (A1) refuelling. As a result, maintenance programs were falling behind during the summer months and a casual

maintenance officer was recruited in August 2022 to assist with landside and some airside maintenance schedules being upheld.

Increased visitation to the airport also results in additional car parking usage and the public car parking system has experienced a number of issues during the year which the Airport team have been working to resolve with the supplier. A system software upgrade is planned for 23/24 along with equipment maintenance and a new payment machine planned to be installed in the Arrivals Hall.

The commencement of the Jetstar flights in April 2022 identified a number of improvements that were required to support RPT and closed charter operations. The City worked with the South West Development Commission to gain approval from the Department of Regional Development to release Royalty for Regions funds to implement a number of the operational improvements, of which the majority are now complete (listed in the Operations update above).

The Jetstar flights have proved very successful with an average of 90% passenger load of the 22/23 FY. Jetstar also operated a fourth (Thursday) flight during April with strong passenger numbers during this time. Jetstar commenced services operating on a 60-minute turnaround time which has now been reduced to 45 minutes with the operational improvements implemented.

Closed Charter services, including increased passenger numbers have also increased during the 22/23 FY resulting in the central apron busy periods for Tuesday, Wednesdays and Thursday experiencing conflicts. To mitigate this, a rationalisation of the central apron bays was performed with a revised apron design and line marking implemented to optimise the use of bays 9, 10 and 11 concurrently.

The focus for the 23/24 FY is on compliance, identifying and implementing efficiencies in operations to facilitate growth in closed charter and RPT services. There are also a number of capital projects that are planned for the new FY, including;

- Completion of staff offices/ training transportable installation;
- RFDS relocation project;
- General Aviation precinct apron reseal;
- Central Apron lighting project;
- Central Apron CCTV;
- General Aviation hangars;
- Car payment station installation;
- Runway strip compliance works;
- Replacement of Movement Area Guidance Signs (MAGS); and
- Taxiway Echo, helipad works.

Operational focus for the new year is on compliance activities and continued implementation of AVCRM, airport compliance and management online system to include full wildlife management reporting, safety management system and hazard and risk management.

Officers are also investigating further infrastructure improvements to address WHS issues, back-of-house setup for baggage handling, processing of charter and RPT passengers concurrently, additional parking and signage. The delivery of the new BMRA Master Plan due in late August / September will assist with some of the infrastructure improvement planning.

Officers have reviewed the current Airport team resources and are looking to recruit a new Compliance Officer, dedicated Airport Administration Officer and increase the Airport Reporting Officer FTE. This will allow for the increase in services, compliance, maintenance and project works planned for the coming year.

The Airport Manager will continue to work with the South West Development Commission on a business case for the new terminal, as well as maintaining the Department of Transport Airport Asset and Financial Management Framework, terminal concept design and quantity surveying cost estimate, BMRA Noise Modelling and BMRA route development for both intrastate and interstate Services. Additionally, once the master plan and asset and financial management framework is complete, a detailed operational business plan will be developed that will update the City's LTFP.

Statutory Environment

The BMRA operates in accordance with the following:

- *Aviation Transport Security Act 2004*
- *Aviation Transport Security Regulations 2005*
- CASA part 139 Manual of Standards (Aerodromes)
- City of Busselton Transport Security Plan
- Ministerial Statement 1088.

Relevant Plans and Policies

The officer recommendation aligns to the following adopted plan or policy:

Plan:

BMRA Master Plan 2016-2036

Policy:

Not applicable.

Financial Implications

The net operating result (inclusive of depreciation) for the 2022/23 FY was a deficit of \$1,034,276 compared to a budget deficit of \$2,082,140. Excluding depreciation, which totalled \$1,366,139 the net operating result was a surplus of \$331,863.

With the exclusion of depreciation and the Airline Attraction Program, which is reserve funded, the actual 2022/23 airport net operating result surplus is \$2,647,052 compared to the full year forecast budget surplus of \$1,674,220.

The 2022-2023 end of year operating income at the Busselton Margaret River Airport was \$4,721,563, an increase of \$1,413,728 compared to the forecast full year budget of \$3,307,835.

There are a few factors contributing to this result:

- Airport Landing & Take-off fees - \$1,447,754, actual compared to \$1,013,317 budgeted due to increased FIFO closed charter services;
- Head taxes / Passenger fees - \$1,280,918 actual compared to \$1,078,880 budgeted due to increased FIFO closed charter services; and

- Car parking revenue - \$1,114,263 compared to \$475,011 due to increased FIFO passenger and RPT passenger throughput.

The 2022-2023 end of year actual operating expenses (including depreciation) of \$5,762,756 is higher than full year budget operating expenses of \$5,392,864. A number of the larger variances can be attributed to increased expenditure compared to full year budget for the following factors;

- Increased costs for wages and allowances to the value of \$68,904 with the increase of Airport Reporting Officer hours and the recruitment of a casual maintenance officer;
- Car parking maintenance expenses at \$16,717 over budget;
- Commission charges for landing fee collection \$28,926 over budget as a result of increased aircraft movements;
- Increased contractor expenditure due to operational improvements and maintenance totaling \$78,131;
- Facilities Building maintenance/improvements and cleaning contract increased expenditure of \$100,362; and
- Depreciation costs were not included in the projected annual budget, however included in the actual annual expenses.

External Stakeholder Consultation

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

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 risks of a medium or greater level have been identified.

Options

As an alternative to the proposed recommendation the Council could choose not to receive and note the Busselton Margaret River Airport Operations Report.

CONCLUSION

The 2022/23 financial year has been a very busy year with increased services and significant growth in passenger numbers resulting in a shortage of resources and deferring / delaying of maintenance and capital works. With recruitment underway and the planning of the coming years works, Officers will continue to strive to provide high levels of customer service at the BMRA, while ensuring the airport is compliant, safe and security is maintained throughout.

With a focus on business development and the anticipated growth in RPT and closed charter flights, additional infrastructure improvements will be required over the coming year to support operations while a business case and funding strategy is developed for the new terminal.

The Airport team will focus on implementation of the new BMRA Master Plan, achieving operational efficiencies and business and commercial development initiatives that have been deferred to date.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Milestone	Completion Date
Not Applicable.	-

7 CONFIDENTIAL MATTERS

Nil

8 NEXT MEETING DATE

Wednesday 11 October 2023

9 CLOSURE

Meeting closed at 2:30pm.

The minutes of the Airport Advisory Committee meeting held 9 August 2023 were confirmed as a true and correct record on Wednesday 11 October 2023.

Date: 11.10.23

Presiding Member:

