

Town of
Port Hedland



TOWN OF PORT HEDLAND

AIRPORT COMMITTEE MEETING MINUTES

**THURSDAY 8 OCTOBER 2015 AT
12:30PM**

**COUNCIL CHAMBERS, MCGREGOR
STREET, PORT HEDLAND**

**“A nationally significant, friendly city that people are
proud to call home”**

*M.J. (Mal) Osborne
Chief Executive Officer*

TERMS OF REFERENCE - AIRPORT COMMITTEE OF THE TOWN OF PORT HEDLAND COUNCIL**AIM/PURPOSE**

The Airport Committee is established to ensure that the Port Hedland International Airport is recognised as a leading regional airport in the area of passenger and freight movements and customer satisfaction and to:

- Develop a comprehensive Airport Master Plan and commence implementation of key initiatives that are identified;
- Actively pursue the generation of income from a variety of sources at the Airport including through leases, rentals, advertising, freight and any other means; and
- Upgrade terminal facilities including baggage screening and departure lounges.

MEMBERSHIP*Elected Members:*

Mayor Kelly Howlett

Councillor Gloria Jacob - Presiding Member

Councillor Jan Gillingham - Deputy Presiding Member

Councillor Julie Hunt

Councillor Lorraine Butson

Community Members:

Ms Florence Bennett

Mr Brad Pawlenko

Mr Jason Green

Deputy Members:

Councillor David Hooper

Councillor Troy Melville

QUORUM

The quorum for the Committee is to be a minimum of 50% of its membership.

DELEGATION

- i) To determine whether a tender is required to be sought or not as specified in LG (F&G) Reg 11F.
- ii) To choose tenderers for products services on behalf of the local government in accordance with LG (F&G) Reg 18.

TENURE

Ongoing

MEETING FREQUENCY

Monthly

DATES OF MEETINGS

The following dates have been set and advertised in accordance with the Local Government Act 1995 for Airport Committee Meetings to be held at 12:30 pm in Council Chambers:

- Wednesday, 11 March 2015
- Wednesday, 1 April 2015
- Wednesday, 13 May 2015
- Wednesday, 3 June 2015
- Wednesday, 1 July 2015
- Wednesday, 12 August 2015
- Wednesday, 2 September 2015
- Thursday, 8 October 2015
- Wednesday, 4 November 2015
- Wednesday, 2 December 2015

RESPONSIBLE OFFICER

Director Works and Services

(Terms of Reference adopted by Council at its Ordinary Meeting held 25 January 2012.

Meeting dates adopted and membership amended by Council at its Ordinary Meeting held on 14 March 2012.

Additional community members appointed by Council at its Ordinary Meeting held on 9 May 2012.

Dates of Meetings amended by Council at its Ordinary Meeting held on 24 October 2012.

Dates of Meetings amended by Council at its Ordinary Meeting held on 23 January 2013.

Terms of Reference amended by Council at its Ordinary Meeting held 26 June 2013.

Terms of Reference amended by Council at its Ordinary Meeting held 23 October 2013.

Terms of Reference amended by Council at its Ordinary Meeting held on 30 April 2014.

Terms of Reference amended by Council at its Ordinary Meeting held on 26 November 2014.

Terms of Reference amended by Council at its Ordinary Meeting held on 25 February 2015.

Date of October 2015 Meeting changed by Council at its Ordinary Meeting held on 23 September 2015.)

ITEM 1	OPENING OF MEETING	7
ITEM 2	ACKNOWLEDGMENT OF TRADITIONAL OWNERS	7
ITEM 3	RECORDING OF ATTENDANCE	7
3.1	Attendance	7
3.2	Apologies.....	7
3.3	Approved Leave of Absence	7
ITEM 4	RESPONSE TO PREVIOUS QUESTIONS	7
4.1	Questions from Public at Airport Committee Meeting held on Wednesday 2 September 2015	7
4.2	Questions from Committee Members at Airport Committee Meeting held on Wednesday 2 September 2015.....	8
4.2.1	Councillor Butson.....	8
ITEM 5	PUBLIC TIME	8
5.1	Public Question Time.....	8
5.2	Public Statement Time.....	8
ITEM 6	QUESTIONS FROM MEMBERS WITHOUT NOTICE	9
6.1	Councillor Gillingham	9
6.2	Councillor Hunt	9
6.3	Councillor Jacob	9
ITEM 7	DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING	10
ITEM 8	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	10
8.1	Confirmation of Minutes of the Airport Committee Meeting held on Wednesday 3 September 2015	10
ITEM 9	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION	10
ITEM 10	PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS	11
ITEM 11	REPORTS OF OFFICERS	12
11.1	Office of the CEO	12
11.1.1	Airport Management Report.....	12
ITEM 12	LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/ COMMITTEE	19
ITEM 13	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	19
ITEM 14	CONFIDENTIAL ITEMS	19
ITEM 15	APPLICATIONS FOR LEAVE OF ABSENCE FOR THE NEXT AIRPORT COMMITTEE MEETING	19
ITEM 16	ATTENDANCE BY TELEPHONE/ INSTANTANEOUS COMMUNICATIONS ...	19
ITEM 17	CLOSURE	19

17.1 Date of Next Meeting..... 19
17.2 Closure..... 19

ITEM 1 OPENING OF MEETING

The Presiding Member declared the meeting open at 12:35 pm

ITEM 2 ACKNOWLEDGMENT OF TRADITIONAL OWNERS

The Presiding Member acknowledged the traditional owners, the Kariyarra people.

ITEM 3 RECORDING OF ATTENDANCE**3.1 Attendance***Elected Members*

Councillor Gloria Jacob - Presiding Member
Councillor Jan Gillingham - Deputy Presiding Member
Councillor Julie Hunt

Community Members

Ms Florence Bennett
Mr Jason Green

Officers

Sid Jain	Acting Chief Executive Officer
Brett Reiss	Acting General Manager PHIA
Eleanor Whiteley	Compliance and Operations Manager PHIA
Nathaniel Santagiuliana	Terminal Duty Manager PHIA
Grace Waugh	Governance Officer/ Minute Taker

Public	2 (Representatives from AMP Capital Investors Limited and Infrastructure Capital Group Limited via teleconference)
--------	--

Media	0
-------	---

3.2 Apologies

Mayor Kelly Howlett
Mr Brad Pawlenko

3.3 Approved Leave of Absence

Councillor Lorraine Butson

ITEM 4 RESPONSE TO PREVIOUS QUESTIONS**4.1 Questions from Public at Airport Committee Meeting held on Wednesday 2 September 2015**

Nil

4.2 Questions from Committee Members at Airport Committee Meeting held on Wednesday 2 September 2015

4.2.1 Councillor Butson

In the budget supplied on page 15, the reserve opening balance on 1 July 2015 is \$21,800,074, the forecast closing balance 30 June 2016 is \$12,459,000. There is expenditure of an estimated \$6 million, however the actual is \$21,448,000. Where has the extra income come from?

Director Corporate Services advised that the difference between the budgeted (\$12,459) Airport Reserve Forecast Closing Balance 30 June 2016 and the YTD actuals (\$21,636) is related to the timing of the report and the actual completion of the work.

The Budgeted forecast is the estimated position at the end of the financial year after all budgeted work has been completed, whereas the YTD forecast is the expected position as at 31 July, where only a portion of the actual works have been completed to date. This figure will continue to move each month as works are completed.

ITEM 5 PUBLIC TIME

Important note:

'This meeting is being recorded on audio tape as an additional record of the meeting and to assist with minute-taking purposes which may be released upon request to third parties. If you do not give permission for recording your participation please indicate this at the meeting. The public is also reminded that in accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders nobody shall use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the presiding member to do so.'

Presiding Member opened Public Question Time at 12:38pm.

5.1 Public Question Time

Nil

Presiding Member closed Public Question Time at 12:38pm.

Presiding Member opened Public Statement Time at 12:39pm.

5.2 Public Statement Time

Nil

Presiding Member closed Public Statement Time at 12:39pm.

ITEM 6 QUESTIONS FROM MEMBERS WITHOUT NOTICE**6.1 Councillor Gillingham**

The new shade structure outside the Port Hedland International Airport looks great however it seems like the shade structure juts out past the walkway. I took a photo and sent an email to the Mayor and a Director last week. Can this be looked into?

Presiding Member advised that the Mayor has been on leave.

Acting General Manager PHIA advised that the shade was designed and constructed to finish just before the edge of the walkway. This was to ensure passing trucks would not hit the side of the shade structure. The shade was constructed to sit beneath the existing roof eave to provide protective shade through to the back of the terminal area.

There were men getting into a 4 wheel drive who said it looked like the structure would take off the luggage they had on top of their car.

Presiding Member advised that the question is taken on notice and Town officers will make sure the shade structures are compliant.

Are the windows at the Port Hedland International Airport being tinted? A few people through the Chamber of Commerce have been saying that there is a company contracted to do window tinting.

Terminal Duty Manager PHIA advised in the affirmative, all of the windows at the airport are getting tinted. The tinting commenced three weeks ago and is scheduled to be finished by 16 November 2015.

6.2 Councillor Hunt

Councillor Hunt declared that she is a candidate in the upcoming [Local Government] Election.

6.3 Councillor Jacob

Councillor Jacob declared that she is a candidate in the upcoming [Local Government] Election.

I commend Town officer's effort to install the TV screens in the Port Hedland International Airport arrivals area. When is the second lane for the boom gate exit of the short term car park going to be developed? There are people who pay at the gate and it is creating a long traffic line waiting to exit. Can we get an indication as to when the works will commence? If the works are being held up by the transition [to the lessee consortium] could the Town look at signage that encourages people to pay at the pay station?

Acting General Manager PHIA advised that the second exit in the short term car park is part of the lessee’s works and will be programmed to commence once the transition is complete and the lessee company has reviewed the works program. The Town does have all of the design elements including the landscaping, schematic drawings and plans for the works. The Town can look at signage as an interim measure to encourage the public to use the pay stations.

Given the project will be held up in the transition period to the new lessee the Airport Committee should indicate to the lessee that the second exit lane of the short term car park should be a priority. There should be a message on the new TV screens and a sign at the end of the zebra crossing advising people to pay at the pay stations.

Acting General Manager PHIA advised that the comments are noted.

ITEM 7 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

Councillor Jacob	Ms Bennett
Councillor Gillingham	Mr Green
Councillor Hunt	

ITEM 8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 Confirmation of Minutes of the Airport Committee Meeting held on Wednesday 3 September 2015

AC201516/013 RECOMMENDATION/ AIRPORT COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: MR GREEN

That the Airport Committee confirm that the Minutes of the Airport Committee Meeting held on Wednesday 3 September 2015 are a true and correct record.

CARRIED 5/0

ITEM 9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Councillor Jacob declared that she is a candidate in the upcoming [Local Government] Election.

Councillor Jacob advised that as this is possibly the last Airport Committee meeting she may be Chair of she would like to thank Town officers for their service to the Committee.

Acting Chief Executive Officer thanked Councillors Jacob and Hunt for their service to the Airport Committee should they not be re-elected on Saturday 17 October 2015.

ITEM 10 PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS

Nil

Disclaimer

Members of the public are cautioned against taking any action on Committee decisions, on items on today's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.

ITEM 11 REPORTS OF OFFICERS**11.1 Office of the CEO****11.1.1 Airport Management Report**

Brett Reiss, Acting Airport General Manager
Eleanor Whiteley, Manager Compliance & Operations PHIA
Nathaniel Santagiuliana, Terminal Duty Manager
File No. 08/02/0025

DISCLOSURE OF INTEREST BY OFFICER

Nil

AC201516/014 RECOMMENDATION/ AIRPORT COMMITTEE DECISION

MOVED: CR HUNT

SECONDED: MR GREEN

That the Airport Committee notes the Airport Management Report.

CARRIED 5/0

EXECUTIVE SUMMARY

This report provides the Airport Committee with a consolidated update on the management of the Port Hedland International Airport, specifically regarding capital projects, business development, operations, security, stakeholder management and customer service.

DETAILED REPORT**General Manager Airport Report**

Business Development

Aeronautical Growth

Passenger growth has been softer in the June period with a 19.5% drop in numbers being experienced over the prior comparable period. The financial year-to-date figures are also softening with the airport experiencing 6.7% drop over the prior financial period.

Aircraft movements have softened in the June period with a 2.6% drop in movement numbers being experienced. The financial year-to-date figures are also negative with the airport experiencing a 4.1% drop in growth over the prior comparable period.

Commercial Opportunities

Expressions of Interest for a food and beverage outlet in the Arrivals Hall closed on 04 September 2015. There were no submissions received and due to this lack of interest negotiations were commenced with a local vending machine operator to install and operate a food and beverage vending operation within the arrivals café seating area.

The operator's name is Red Vend and the key details for the vending operation are as follows:

- 12 month term to supply, stock and maintain two vending machines in the Arrivals hall
- The Airport will receive a percentage of all gross revenues
- The Airport will be given access to live online viewing of sales
- The vending machines will have their own inbuilt 3G wireless network to process all card transactions;
- Red Vend is a locally owned and operated

Stakeholder Communications

Pursuant to the recent signing of the long term lease transaction documents further meetings have been held with the airport tenants to update them on the progress of the long term lease of the airport. This meeting were held in the terminal and was attended by a number of airport tenants.

Airport Operations

The Electrical Annual Technical Inspection have be carried out in this period, and a technical report is expected in October.

Bird & Animal Hazard Management

• <i>Reported bird strikes – Actual</i>	<i>0</i>
• <i>Reported bird strikes but unsubstantiated</i>	<i>0</i>
• <i>Reported bird strikes – Near miss</i>	<i>0</i>
• <i>Reported animal strikes – Actual</i>	<i>0</i>
• <i>Reported animal strikes – Near miss</i>	<i>0</i>
• <i>Reported aircraft damage</i>	<i>0</i>

Commentary

There were nil incidents in this period.

Following the recent bird strike, Ornithological Technical Services were engaged to investigate the incident. Initial investigations revealed a large build up of bird population at the landfill site. OTS recommended further study of the landfill and possible attractants be carried out. This has now been completed and Airport Management are awaiting the technical report and mitigation recommendations. Item has been listed for next Bird and Animal Hazard Management Committee (BAHMC) meeting.

Airport Infrastructure

Maintenance is being carried out in accordance with programmed schedules.

Airside Pavements

Non- destructive strength testing of the pavement areas has been conducted and the destructive testing (apron) has been scheduled for 13 October 2015. Design works are nearing finalisation. Sample testing of materials and asphalt mixes are being carried out in Perth at this time and will be completed shortly.

Short term repair works have been scheduled for 13 October for the taxiway to return it to operations in time for the summer weather.

Terminal Operations

Customer Service

The Terminal Duty Manager is progressing the abovementioned Vending proposal to progress the establishment of an arrival food and beverage operation. Terminal users enjoyed the convenience of the prior operation and airport management is working toward re-establishing a suitable alternate service.

Maintenance and Operations

Maintenance and short term works are scheduled to be carried out landside with interim improvements to lawn area outside terminal and in hire car bays. These are only interim works to improve visual amenity and passenger comfort whilst landscaping and traffic management projects are being procured.

People and Culture Report

Airport Management are completing final ARO interviews for the vacant ARO position and will be finalising an appointment for this position in the next reporting period.

FINANCIAL IMPLICATIONS

The Airport capital expenditure program has been established in consultation with the airport management team. The program is based on project priorities, and asset management programs. The 2015/16 overall capital budget has been established on this basis.

Financial and Business Performance Report

Passenger traffic report

Actual passenger numbers for FYE14 were 504,659 and final passenger numbers for FYE15 are 470,714. This represents a projected decrease in passenger numbers of 33,945, or 6.73%.

Aircraft movements report

Actual aircraft movements for FYE14 were 5,754 and final aircraft movements for FYE15 were 5,518. This represents a projected decline in aircraft movement activity of 236, or 4.1%.

Aircraft load factors

Actual passenger aircraft load factors for FYE14 were 58% and actual passenger aircraft load factors for FYE15 were 57%.

Note: the above load factors are based on an estimate of landed seats and are an indicative indication of the current aircraft passenger load factors.

The Airport Budget Performance is attachment 2 to this item.

Airport Capital Expenditure Program

The PHIA capital program has progressed well this month with the following key highlights:

Landside Improvements

Cardno has finalised their civil detailed design package. In addition, Cardno has finalised the verge landscaping concept based on the allowable plant species. This package has been handed over to the Airport.

Shade structure install has been completed and received practical completion on Thursday 24 September 2015

Security Boundary Fencing

Works have now commenced onsite for construction of Tender 02/15 PHIA Security Boundary Fencing, works have been tracking on schedule and will continue for a period of 10 weeks.

Access Control

Recent auditing has taken place at the Airport to identify our current CCTV and IT infrastructure which will be used to help with the design of an Access Control and CCTV system. A submission has been received from a WALGA provider to undertake final scoping and design. This will be incorporated into an install Tender. Auditing reports and appointment of contractor will be by 2 October 2015.

New Toilet Block

The design and construct of Tender 14/15 PHIA New Toilet Block for International Arrivals has been awarded to Pilbara Constructions. Works are due to commence on site 12 October 2015 with a completion date of 31 December 2015

STATUTORY AND POLICY IMPLICATIONS

The Town's Strategic Community Plan (section 2.2 A nationally significant gateway city and destination) outlines the goal to develop the Port Hedland International Airport as a leading regional airport in the area of passenger and freight movements and customer satisfaction.

Section 4.1 further outlines the goal to deliver responsible management of infrastructure, assets, resources and technology.

All procurement processes to deliver the Airport capital program and operational requirements are in accordance with the Council's Procurement Policy 2/007, Tender Policy 2/011 and Regional Price Preference Policy 2/016. Tenders are administered in accordance with the Local Government Act (1995) section 3.57 and the Local Government (Functions and General) Regulations 1996 part 4, division 2.

Aviation Security and Compliance

Compliance

No reported incidents in the period

Security

No reported incidents in the period

ATTACHMENTS

1. Capital Infrastructure Projects October 2015
2. Airport Budget Performance (Under Separate Cover)

30 September 2015

ATTACHMENT 1 TO ITEM 11.1.1

Capital Infrastructure Projects October 2015

Project	Project Status	Completion Timeframe
Terminal precinct – stage 1 (café, departures, ablutions, verge landscaping, shade structures)	<ul style="list-style-type: none"> - Terminal building certification complete. - Public art completed - Shade structure install due to start 16th September 2015 - Design and Construct of New Toilet Block at International Arrivals RFT 14/15 due 11th September 	<ul style="list-style-type: none"> - Shade structure Completed 24 September 2015. - RFT 14/15 Works to commence 12 October 2015, estimated completion end of December 2015 <p>These projects to be completed by the Town</p>
Car park/ground transport reconfiguration	<ul style="list-style-type: none"> - Civil Design package has been completed and undergoing final review - Landscape concept designs are completed and undergoing final review 	<p>Implementation timeframes will be established with the airport lessee company.</p> <p>This project will be completed by the Airport Lessee Company</p>
Electrical ring main	<ul style="list-style-type: none"> - Substation 2 construction award issued to TEC Services, long lead time items procured. 	<p>All work expected to be completed and commissioned by November 2015.</p> <p>This project to be completed by the Town</p>
Perimeter fence security upgrade	<ul style="list-style-type: none"> - RFT 02/15 Security Boundary Fencing has been awarded to Southern Wire. - All approvals have been received. - Due to start on site 14th September 2015 	<p>Implementation timeframes are as follow: Works commenced 16 September 2015 Submit application to Office of Transport Security (OTS) for change of footprint Southern Wire to remobilised to site to demolish existing fence line, April 2016 after OTS approval time of 60 days</p> <p>This project to be completed by the Town</p>
Security access and CCTV upgrade	<ul style="list-style-type: none"> - RFQ has been sent to prepare design and scope of works to be inserted into tender documentation. 	<p>Implementation timeframes are as follows: Finalising gate and door schedules to submit to contractor to provide scope of works for the</p>

	<ul style="list-style-type: none"> - Review of design to be done by IT and Airport prior preparing Tender 	<p>implementation of access control. End of August. IT infrastructure and CCTV auditing to be completed and submitted to contractor by 2 October 2015 Contractor to design an Access Control system by 30 November 2015 Tender preparation and advertisement estimated to be 13 January 2016 Tender issue and award 7 March 2016 Construction period TBC</p> <p>This project to be completed by the Town</p>
Transport and logistics subdivision	<ul style="list-style-type: none"> - Design review is 95% complete, pending finalising intersection with GNH to MRWA compliance requirements. - Substation 2 construction award issued to TEC Services, long lead time items procured. 	<p>Implementation timeframes under review in consideration of long term lease opportunity.</p> <p>This project will be reviewed by the Airport Lessee Company</p>
Water and sewer service upgrade	<ul style="list-style-type: none"> - Developer agreement with Water Corporation has been executed. Water Corp project manager to be assigned. - Detailed design process underway. 	<p>Project to be staged over 2-3 years, pending approvals from Water Corporation.</p> <p>This project to be completed by the Town</p>
Apron extension	<p>Reallocation of funds as this project is of lower priority than taxiway. Design phase to be carried out this year with balance of funds rolled over into 15/16</p>	<p>Project has been reviewed and is no longer a priority. Funds to be reallocated towards taxiway repairs and ensure compliance.</p> <p>This project will be completed by the Airport Lessee Company</p>
Apron lighting upgrades	<p>Scope has been revised to concentrate on parking bays 1-5. Design Phase to be carried out 14/15</p>	<p>Design phase commissioned 14/15 works rolled over to 15/16. Compliance issue.</p> <p>This project will be completed by the Airport Lessee Company</p>

**ITEM 12 LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/
COMMITTEE**

Nil

ITEM 13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

ITEM 14 CONFIDENTIAL ITEMS

Nil

**ITEM 15 APPLICATIONS FOR LEAVE OF ABSENCE FOR THE NEXT
AIRPORT COMMITTEE MEETING**

Nil

**ITEM 16 ATTENDANCE BY TELEPHONE/ INSTANTANEOUS
COMMUNICATIONS**

Nil

ITEM 17 CLOSURE

17.1 Date of Next Meeting

The next Airport Committee Meeting of Council will be held on Wednesday 4 November 2015 at 12:30pm.

17.2 Closure

Councillor Jacob thanked all Committee Members and Town officers for their contribution to the Airport Committee and advised it was a privilege to chair the meetings.

There being no further business, the Presiding Member declared the meeting closed at 1:09pm.