



Town of Port Hedland

MINUTES

OF THE

AIRPORT COMMITTEE

OF THE TOWN OF PORT HEDLAND COUNCIL

HELD ON

WEDNESDAY 1 MAY 2013

AT 12:30PM

IN

COUNCIL CHAMBERS

MCGREGOR STREET, PORT HEDLAND

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

Terms of Reference**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:

Councillor Arnold A Carter
Councillor Jan M Gillingham
Councillor Michael B Dziombak
Councillor Julie E Hunt
Councillor Gloria A Jacob

Community Members:

Ms Florence Bennett
Ms Michelle Cook – tendered her resignation on 8 January 2013
Mr Serge Doumergue
Mr Chris Whalley

Quorum

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

Delegation

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

Tenure

Ongoing

Meeting frequency

Every 4 weeks

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, 6 February 2013
- Wednesday, 6 March 2013
- Wednesday, 3 April 2013
- Wednesday, 1 May 2013
- Wednesday, 5 June 2013
- Wednesday, 3 July 2013
- Wednesday, 7 August 2013
- Wednesday, 4 September 2013
- Wednesday, 2 October 2013
- Wednesday, 6 November 2013
- Wednesday, 4 December 2013

Responsible Officer

Director Engineering 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.)

OUR COMMITMENT

To enhance social, environmental and economic well-being through leadership and working in partnership with the Community.

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ITEM 1 OPENING OF MEETING**1.1 Opening**

The Presiding Member declared the meeting open at 12.30pm and acknowledged the traditional owners, the Kariyarra people.

ITEM 2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**2.1 Attendance***Elected Members:*

Councillor Arnold A Carter - Presiding Member
Councillor Michael B Dziombak – Deputy Presiding Member
Councillor Julie E Hunt
Councillor Gloria A Jacob

Community Members:

Mr Serge Doumergue
Mr Chris Whalley
Ms Florence Bennett

Officers:

Mr Mal Osborne	Chief Executive Officer
Ms Natalie Octoman	Director Corporate Services
Mr Russell Dyer	Director Engineering Services
Mr Gordon MacMile	Director Community Development
Ms Josephine Bianchi	Governance Coordinator
Ms Lorraine Mathieson	Administration Officer Governance
Ms Sara Bryan	Manager Investment and Business Development
Ms Anna Duffield	Airport Development Officer
Mr Bob Couzens	Manager Airport
Ms Jenella Voitkevich	Manager Infrastructure Development
Mr David Westbury	Manager Economic Development

2.2 Apologies

Nil

2.3 Approved Leave of Absence

Councillor Jan M Gillingham

ITEM 3 RESPONSE TO PREVIOUS QUESTIONS – TAKEN ON NOTICE

3.1 Questions from Public at Airport Committee Meeting held on Wednesday 3 April 2013

Nil

3.2 Questions from Elected Members at Airport Committee Meeting held on Wednesday 3 April 2013

Nil

ITEM 4 PUBLIC TIME

Presiding Member opened Public Question Time at 12.31pm.

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 20.3 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 chairperson to do so'.

NOTE: Due to technical difficulties, this meeting was not recorded.

4.1 Public Question Time

Nil.

Presiding Member closed Public Question Time at 12.32pm.

4.2 Public Statement Time

Presiding Member opened Public Statement Time at 12.33pm

Nil.

Presiding Member closed Public Statement Time at 12.34pm

ITEM 5 QUESTIONS FROM MEMBERS WITHOUT NOTICE

5.1 *Mr Chris Whalley*

Mr Whalley asked about the financing of the \$70 million upgrade of the Port Hedland International Airport operation, questioning where the money is coming from.

Presiding Member answered that it was being funded predominantly by the sale of land at Airport Precinct.

Mr Whalley asked how the sales were progressing?

Chief Executive Officer responded that the business case for a private treaty for one lot has been prepared, and the subdivision by BHP is progressing. A decision has not yet been made by Council if the method of sale of the land would be by auction, tender or private treaty. A further \$40 million funding for the development will come from lease payments from TWA site, plus \$15 million loan funds which are included in this year's budget, and a further \$9 million from reserve funds. Further funding opportunities are being sought from the Regional Airport Development Scheme and other Federal Government sources.

Mr Whalley asked if the lack of money up front would hold up the operation?

Chief Executive Officer said Mr Brett Reiss the new Airport Redevelopment Program Director will be reassessing the Master Plan to validate the various components, and preparing business cases for each component to assess the potential rates of return which will in turn fund further aspects of the development of the Airport.

5.2 Cr Dziombak

Cr Dziombak asked when Mr Reiss would be commencing duties?

Chief Executive Officer said that Mr Reiss would be commencing duties as of 20 May. Discussions regarding his Key Performance Indicators were already taking place.

ITEM 6 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

Cr Carter	Cr Dziombak
Cr Hunt	C Whalley
Cr Jacob	Ms F Bennett
Mr S Doumergue	

ITEM 7 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

AC201213/047 Airport Committee Decision

Moved: Mr Doumergue

Seconded: Mr Whalley

ITEM 10 REPORTS OF OFFICERS

10.1 *Port Hedland International Airport – Projects Update April 2013 (File No.: 08/02/0025)*

Officer **Anna Duffield**
Airport Development
Officer

Date of Report **17 April 2013**

Disclosure of Interest by Officer **Nil**

Summary

This agenda item provides an update on Port Hedland International Airport operational projects.

Background

Council will invest \$70.5 million over the next five years on the Port Hedland International Airport precinct's redevelopment. Major projects will begin following the commencement of new Program Director, Mr Brett Reiss, in May 2013.

Interim improvement works and operational infrastructure upgrades are continuing.

At the April 2013 Airport Committee meeting, it was decided:

'That the Airport Committee:

- 1. Note the Port Hedland International Airport Projects Update report; and*
- 2. Receive an overall airport development projects update in the format that has previously been presented at each Airport Committee Meeting.'*

The format of the report now reflects previous project updates.

Consultation

- Manager Investment and Business Development
- Manager Airport Operations
- Manager Infrastructure Development

Statutory Implications

Nil.

Policy Implications

Nil.

Strategic Planning Implications

The following section of Council's Strategic Community Plan 2012-2022 is considered relevant:

6.2	Economic
6.2.2	Gateway City & an attractive destination
	Develop the Port Hedland International Airport as a leading regional airport in the area of passenger and freight movements and customer satisfaction

Budget Implications

Nil.

Officer's Comment

The new program director Mr Brett Reiss will come on board in May 2013 at which time the five year precinct redevelopment project will commence implementation.

Interim improvement works and operational works are continuing. These projects include:

Capital works – demolition of old ASA building, installation of car park lighting, electrical ring main upgrades, interim terminal improvements and logistics subdivision; and

Commercial projects – negotiations for Airport Hotel, International freight depot and leases with terminal tenants

In addition to the above projects, the airport operations team are currently performing major works to repair airside lighting since a cable failure in February destroyed the mains transformer. Until the lighting is fixed, aircraft are unable to take off or land on the main runway after last light.

Airside lighting has remained operational on the secondary runway, which can accept aircraft of less than 5,700 kilograms, enabling emergency medical services, such as the Royal Flying Doctors Service, to maintain night operations.

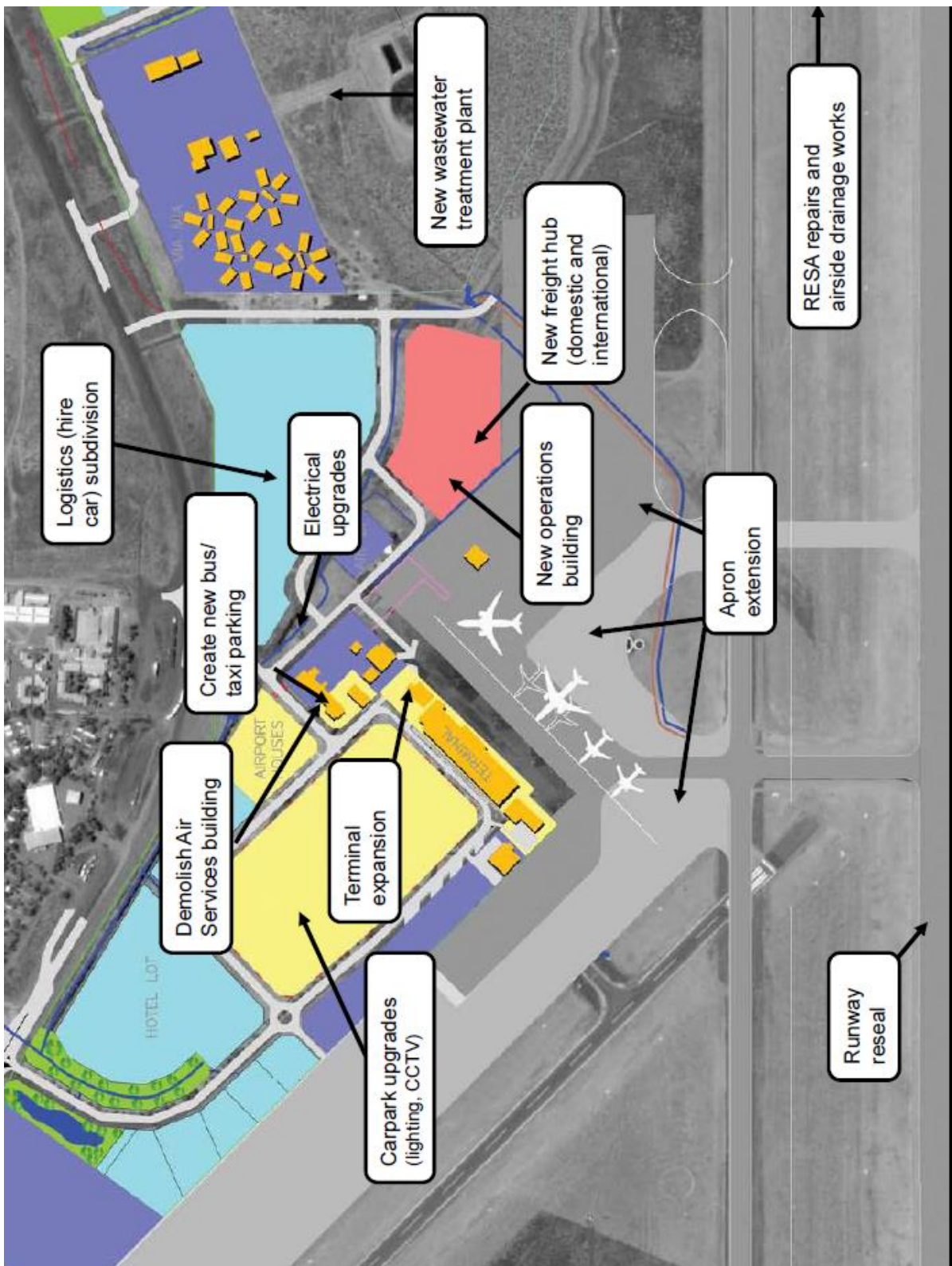
The airport has been working closely with airlines to minimise disruption to passengers. It is anticipated that repairs will be completed and lighting restored in the upcoming month.

Attachments

Port Hedland International Airport projects update

airport committee April 2013







redevelopment program 2012/13

Project	Budget 2012/13	Expenditure/ commitments (March 2013)
airport operations building (plus \$2.4M 2013/14)	\$1,100,000	\$0
bus parking and demolition ASA building (plus \$619k c/fwd)	\$150,000	\$20,5758
car park lighting and CCTV	\$250,000	\$109,288
electrical ring main	\$2,500,000	\$40,879
electrical vehicle access gates	\$25,000	\$24,666
freight facility	\$4,500,000	\$0
repair runway safety ends	\$300,000	\$0
resheet runway	\$7,000,000	\$80,262
stage 1 terminal extension (plus \$3.75M 2013/14)	\$2,250,000	\$4,750
transport and logistics subdivision	\$6,000,000	\$51,899



capital work projects – status update

Project	Status
airport operations building	<ul style="list-style-type: none"> on hold pending commencement of new airport redevelopment program director
apron extension and strengthening	<ul style="list-style-type: none"> quality survey being obtained prior to advertising tender
bus parking and demolition ASA building	<ul style="list-style-type: none"> demolition contract awarded and works to be finalised by end April new bus parking facility pending commencement of new director
car park lighting and CCTV	<ul style="list-style-type: none"> CCTV installed, new staff car park lighting to be installed by end of April long term car park lighting delayed due to late delivery of light poles
electrical ring main	<ul style="list-style-type: none"> tender for upgrade works due by 26 April quality survey being obtained
electrical vehicle access gates	<ul style="list-style-type: none"> complete



capital work projects – status update

Project	Status
freight facility	<ul style="list-style-type: none"> • on hold pending commencement of new director • reliant on logistics subdivision to be completed
repair runway safety ends	<ul style="list-style-type: none"> • to be completed with re-sheet works
resheet runway	<ul style="list-style-type: none"> • re-sheet works to commence following apron extension works (maximising when asphalt contractors are already on site)
stage 1 terminal extension	<ul style="list-style-type: none"> • stakeholder consultation ongoing • on hold pending commencement of new director • interim improvements ongoing – speed bumps being installed, landscaping undertaken, new slip road exit being installed
transport and logistics subdivision	<ul style="list-style-type: none"> • subdivision plans approved by Western Australian Planning Commission, pending services provision • design guidelines and business plan progressing

commercial projects – status update

Project	Status
business and investment opportunities	<ul style="list-style-type: none"> • negotiations ongoing with Element Accommodation for Airport Hotel • negotiations ongoing with Pilbara Freight Terminal for International freight depot • Wastewater treatment plant EOIs being assessed – 18 received
leases	<ul style="list-style-type: none"> • lease/licence negotiations progressing with: <ul style="list-style-type: none"> – Airport Bar and Cafe – Qantas – Westpac ATM – Pilbara Cargo Terminal
communication, marketing and stakeholder engagement	<ul style="list-style-type: none"> • website usage steady: <ul style="list-style-type: none"> – December: 5,547 visits – January: 6,243 visits – February: 7,645 visits (due to cyclone) – March: 4,592 visits



Runway lighting project – status update

Task	Status
<ul style="list-style-type: none"> • Identification of all underground services • Installation of all pits at all ducts under rwy and apron installations • Installation of pits to infrastructure • Trenching of rwy cable and papi cable runs, installation of conduit and electrical tape for these installations and trench backfilling • Installation of mains, isolating transformer at airside cubical • RWY light layout plan design surveyed onto shoulders 	<ul style="list-style-type: none"> • complete • complete • complete • complete • complete • complete
<ul style="list-style-type: none"> • Cable installation thru conduits • Pit and transformer installations for individual lights • Alterations to existing edge lights for connection to new cable (this will give us lights back quickly) • Installation of the 60m compliant rwy edge lighting as per plan • Trenching from new installation to airside control cubical 	<ul style="list-style-type: none"> • in progress • in progress • in progress • in progress • in progress



ITEM 11 LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/COUNCIL

Nil.

ITEM 12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

ITEM 13 CONFIDENTIAL ITEMS

Nil.

ITEM 14 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

ITEM 15 CLOSURE

15.1 Date of Next Meeting

The next Airport Committee Meeting of Council will be held on Wednesday 5 June 2013 at 12:30pm.

15.2 Closure

There being no further business, the Presiding Member declared the meeting closed at 1.55 pm.

Declaration of Confirmation of Minutes

I certify that these Minutes were confirmed by the Airport Committee at its Ordinary Meeting held on _____.

CONFIRMATION:

CHAIRPERSON

DATE