



Town of Port Hedland

MINUTES

OF THE

AIRPORT COMMITTEE OF THE TOWN OF PORT HEDLAND COUNCIL

HELD ON

THURSDAY 22 JULY 2010

COMMENCING AT 5:30 PM

**IN COUNCIL CHAMBERS
McGREGOR STREET, PORT HEDLAND**

Chris Adams
Chief Executive Officer

DISCLAIMER

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Airport Committee

The Committee be constituted as a formal committee of Council under the provision of Section 5.8 of the Local Government Act (1995)

Membership:

The membership of the committee be as follows:

Mayor Kelly A Howlett;
Councillor Arnold A Carter
Councillor W (Bill) Dziombak
Councillor Jan M Gillingham
Councillor Stan R Martin

Community Members:

- a) Janice Tucker;
- b) Serge Doumergue; and
- c) Doug Gould.

(Community Members appointed by Council at its Ordinary Meeting held 28 April 2010)

Quorum:

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

Delegation:

The Town of Port Hedland Airport Committee be given the following delegated authority to make decisions on behalf of Council:

- i) To determine whether a tender is required to be sought or not as specified in LG (F&G) Reg 11 f)
- ii) To choose tenderers for products services on behalf of the local government in accordance with LG (F&G) Reg 18.
- iii) Determine all Town Planning applications pertaining to the Town Planning Scheme No 5 that relate to Port Hedland International Airport without further reference to Council.
- iv) Undertake all Council statutory functions pertaining to Local Planning Schemes under Part 5 of the Planning and Development Act (2005) on Port Hedland International Airport land.
- v) Undertake all Council statutory functions pertaining to subdivision of land under Part 10 of the Planning and Development Act (2005) on Port Hedland International Airport land.
- vi) Provide direction and advice pertaining to the development of a Master Plan for the Port Hedland International Airport and the development of plans for a new airport terminal.

Tenure:

Ongoing. The following dates have been set and advertised in accordance with the Local Government Act 1995:

Date	Time	Location
20 May 2010	5.30pm	Port Hedland Civic Centre
17 June 2010	5.30pm	Port Hedland Civic Centre
15 July 2010	5.30pm	Port Hedland Civic Centre
19 August 2010	5.30pm	Port Hedland Civic Centre
16 September 2010	5.30pm	Port Hedland Civic Centre
21 October 2010	5.30pm	Port Hedland Civic Centre
18 November 2010	5.30pm	Port Hedland Civic Centre

(Adopted by Council at its Special Meeting held 10 March 2010)

Responsible Officer: Chief Executive Officer

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ITEM 1 OPENING OF MEETING**1.1 Opening**

The Chairman declared the meeting open at 5:32 pm and acknowledged the traditional owners, the Kariyarra people.

ITEM 2 RECORDING OF ATTENDANCE AND APOLOGIES**2.1 Attendance**

Councillor Arnold A Carter (Chairman)
Councillor Stan R Martin
Councillor Jan M Gillingham (from 5:48pm)
Councillor M (Bill) Dziombak

Doug Gould

Mr Terry Sargent
Mr Russell Dyer
Ms Gaye Stephens

Director Regulatory Services
Director Engineering Services
Executive Assistant

2.2 Apologies

Mayor Kelly A Howlett
Serge Doumergue

2.3 Approved Leave of Absence

Nil.

ITEM 3 RESPONSE TO PREVIOUS QUESTIONS - ON NOTICE

Nil.

ITEM 4 PUBLIC TIME**4.1 Public Questions**

5:33 pm The Chair opened Public Question Time

Nil

5:33 pm The Chair closed Public Question Time

4.2 Public Statements

5:34 pm The Chair opened Public Statement Time

Nil

5:34 pm The Chair closed Public Statement Time

ITEM 5 QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil

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

The following Members verbally declared to have given due consideration to all matters contained in the Business Paper presented before the meeting:

Cr A A Carter	Cr M (Bill) Dziombak
Cr S R Martin	Doug Gould

ITEM 7 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

7.1 Confirmation of Minutes of the Airport Committee Meeting held on Thursday 17 June 2010

AC201011/001 Airport Committee Decision/Officer's Recommendation

Moved: Cr S Martin

Seconded: Cr B Dziombak

That the Minutes of the Airport Committee Meeting held on Thursday 17 June 2010 be confirmed as a true and correct record of proceedings with the exception of the Port Hedland International Airport Master Plan.

CARRIED 4/0

ITEM 8 ANNOUNCEMENTS BY CHAIRMAN WITHOUT DISCUSSION

Chairman announced Janice Tucker's resignation

ITEM 9 PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS

9.1 *Airport Terminal Expansion Project*

Presentation on Airport Terminal Expansion Project by Mr Brett Anderson from Thinc Projects; including the project management plan, stakeholders, project objectives, etc.

5:48pm Councillor Jan M Gillingham entered the room

ITEM 10 REPORTS OF OFFICERS

10.1 *Lease Area for a Lotto/Duty Free Shop at the Port Hedland International Airport*

Officer	Russell Dyer Director Engineering
Date of Report	13 July 2010
Disclosure of Interest by Officer	Nil

Summary

For the Airport Committee to consider leasing an area for a Lotto/Duty Free Shop.

Background

The Town of Port Hedland Council have received a letter from Glenys Pike and Renae Coles who have expressed an interest in opening a lotto Agency and Duty Free Shop at the Port Hedland International Airport.

The lotto agency would be open for most outgoing flights during the day until 6.00pm and the Duty Free would only be open when the Bali flights are due to depart on both Saturdays and Sundays.

Consultation

Manager Airport Operations

Statutory Implications

“3.58. Disposing of property

- (1) In this section -
dispose~ includes to sell, lease, or otherwise dispose of, whether absolutely or not;
property~ includes the whole or any part of the interest of a local government in property, but does not include money.*
- (2) Except as stated in this section, a local government can only dispose of property to -
 - (a) the highest bidder at public auction; or*
 - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.**
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property-
 - (a) it gives local public notice of the proposed disposition -
 - (i) describing the property concerned;*
 - (ii) giving details of the proposed disposition; and***

- (iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;...*

Commonwealth Consolidated Acts
Customs Act 1901 – Sect 96A

Policy Implications

Nil

Strategic Planning Implications

KRA1- Infrastructure, Goal 3- Airport

Strategy 1: Developing and implementing an Airport Master Plan

Strategy 2: Actively pursue the generation of income from a variety of sources at the Airport including through leases, rentals, advertising, freight and any other means.

Budget Implications

1210326- Leases and rentals- increase revenue

Officer's Comment

With the current space restrictions at the airport and the fact that Council are developing the concept drawings for the new terminal through stakeholder consultation, it would be more appropriate for this request to be dealt with through that process.

The area that might be allocated in the new terminal for this type of business will attract plenty of interest with local businesses and as such should be available for all to bid on through an expression of interest and the new Investment Business Manager would be the person to handle all new businesses that operate from the new terminal building.

Attachments

Letter from Glenys Pike and Renae Coles

Officer's Recommendation

That the Airport Committee:

- i) write to Glenys Pike and Renae Coles stating that the Airport Terminal is going to be expanded through a major upgrade and as part of the Stakeholder consultation they will be asked to comment on the terminal expansion; and

- ii) when the new Terminal Design is agreed upon they will have the opportunity through an Expression of Interest to submit a bid for an area to operate a business from.

OR

The Airport Committee agree to lease an area to Glenys Pike and Renae Coles to operate a lotto Agency and Duty Free Shop and delegate the Chief Executive Officer or his nominated officer the ability to negotiate a commercial lease arrangement with Glenys and Renae.

AC201011/002 Airport Committee Decision

Moved: S Doumergue

Seconded: Cr B Dziombak

That the Airport Committee:

- i) **write to Glenys Pike and Renae Coles stating that the Airport Terminal is going to be expanded through a major upgrade and as part of the Stakeholder consultation they will be asked to comment on the terminal expansion; and**
- ii) **when the new Terminal Design is agreed upon they will have the opportunity through an Expression of Interest to submit a bid for an area to operate a business from.**

CARRIED 5/0

PO Box 2620
SOUTH HEDLAND WA 6722

26/4/2010

Town of Port Hedland
Port Hedland

To Whom it may Concerned

We wish to submit an expression of Interest in the opportunity of opening a Lotto Agency and Duty Free Shop out at the Hedland International Airport. Due to the lack of Tourist Information (ie brochures, maps etc) at the Airport of Port/South Hedland and surrounding areas, we would also like to cater for this section in the Kiosk for the Tourist that fly into our town. This is one way of welcoming Tourist into our town by providing the relevant information to them. While they are waiting for their bags to be unloaded from the plane, they will be able to browse through all the Tourist Information that we would have available in the Kiosk for them to read, purchase and ask any questions, of which we will try and answer to the best of our ability.

As Hedland does not cater for Duty Free Shopping for flights out of the Airport for overseas travelers to Bali and beyond, we can see the opportunity available to us to make this work and become very popular. The Duty Free Shopping would only be open when the Bali flights are due to Depart on both Saturdays and Sundays. This will mainly consist of Spirits, Wines, Cigarettes and small amount of Electrical items at this present stage.

The Lotto Agency will have to be open for most outgoing flights during the day, up until 6:00 pm. The Lotto will have a front desk opening, while the main door will be closed off until the International Flights are flying for the Duty Free Section.

We wish for the Council to discuss this at the next Council Meeting as we need both the Councils help in Passing this matter and help in organizing a suitable area at the Airport to enable us to achieve this dream in helping Hedland to have its own Duty Free Shopping.

Thank you for looking into this matter for us. Our contact phone numbers are:
Glenys Pike – 0417 175 624 or Renae Coles: 0438 933 413.

Yours Sincerely

GLENYS PIKE
RENAE COLES

10.2 Airport Operations Building – Lease of Unused Office Space (File No.: 05/05/0062)

Officer Terry Sargent
Director Regulatory
Services

Date of Report 17th July 2010

Disclosure of Interest by Officer Nil

Summary

As most Council staff currently located at the airport operations building well soon be relocated to temporary offices at the Civic Centre, consideration can be given to leasing the vacant space.

Background

A Purchase order has been issued for the supply of temporary transportable offices that will enable the majority of Council's administrative and technical staff to be located at the Civic Centre by late September 2010.

Allowing for delays that may occur in the construction, supply or location of the temporary buildings, installation of services or relocation of staff, the office space currently used by non- airport admin and technical staff should become surplus to requirements and available for lease by 1 November 2010.

Consultation

The matter has not been the subject of public consultation, but was informally discussed by the Airport Committee at its June 2010 meeting.

Statutory Implications

“3.58. Disposing of property

(1) In this section —

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(2) Except as stated in this section, a local government can only dispose of property to —

(a) the highest bidder at public auction; or

(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.

... etc.

[Section 3.58 amended by No. 49 of 2004 s. 27.] “

Policy Implications

Nil

Strategic Planning Implications

KRA

Goal 3

Other Actions 2. Review alternatives for additional business opportunities at the PHIA including air freight, aircraft maintenance, tourism and industrial uses

Budget Implications

There is no budgetary provision for the costs to be incurred in order to let the available office space, and there is no budgeted income from the premises. It is anticipated however that leasing of the offices will generate a nett income in excess of \$100,000.00 per annum

Officer's Comment

Council's draft strategic plan and the objects of the Airport Committee effectively require that all opportunities for the generation of financial or social returns from the town's airport assets be explored.

In this instance there is an under-utilized building that while not of the highest standard, is able to generate a substantial financial return to the Town and will also assist in addressing the critical shortage of office and boardroom type of spaces currently impacting local businesses in Port Hedland.

Although some consideration has been given to relocating airport operations staff from their current offices, it is not considered feasible in the short term, as the current office provides direct airside access not available in the alternate locations, and the current uncertainty over the precise details of the redevelopment of the airport terminal make it unwise to invest in modifying other buildings until it is known what space will be available in a redeveloped terminal building.

It is proposed to call tenders for the lease of all available office space at the airport operations building and to seek quotes from local agents to undertake the specialised role of managing the commercial lease(s).

Attachments

Nil

Officer's Recommendation

That the Airport Committee:

- i) call tenders for the lease of all available office space in the current operations building at Port Hedland International Airport; and
- ii) obtains quotes from local real estate agents experienced and competent in the management of commercial leases.

AC201011/003 Airport Committee Decision

Moved: D Gould

Seconded: Cr S Martin

That the Airport Committee:

- i) **call for EOI for the lease of all available office space in the current operations building at Port Hedland International Airport and other available buildings and land; and**
- ii) **obtains quotes from local real estate agents experienced and competent in the management of commercial leases; and**
- iii) **request the consolidation of Airport operations into one facility**

CARRIED 5/0

10.3 **Lease of Land Parcel for Transient Workforce Accommodation (File No.: 05/05/0056)**

Officer Terry Sargent
Director Regulatory Services

Date of Report 17th July 2010

Disclosure of Interest by Officer Nil

Summary

To consider making additional airport land available for lease for transient workforce accommodation

Background

There is land adjacent to the existing transient workforce accommodation sites, which was originally intended for inclusion in the lease areas but was not taken up by the current lessees because it is low lying and therefore less desirable due to the cost of fill.

This is likely to be up to 10ha but has not been surveyed as it was excluded from previously surveyed sites.

Council has been approached by Mineral Resources Limited, also acting on behalf of Hancock Prospecting seeking access to this land.

The land will need to be surveyed and leasing of the land will necessitate the calling of tenders. This would still enable the land to be released sooner than any other land on the airport site.

Consultation

There has not been any specific public consultation on this matter

Statutory Implications

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(a) the highest bidder at public auction; or

(b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.

... etc.

[Section 3.58 amended by No. 49 of 2004 s. 27.] “

Policy Implications Nil

Strategic Planning Implications Nil

Budget Implications

The lease of the land would generate substantial direct income, and based on current leases, potentially considerable community benefits but these cannot be quantified at this stage.

Officer's Comment

The companies behind this most recent approach to Council are keen to access the land as soon as possible and have indicated that their access to fill, earthmoving equipment and transportation enable them to deal with the fill requirements of the site.

There is no appreciable value to Council, the community or the environment that can be gained by deferring appropriate of this land. Furthermore, it is evident that short term development of this area will limit (to some extent) the demand on housing in the town and reduce the upward pressure on rents and property prices.

It is recommended that the land be surveyed and that tenders be invited to give the opportunity for companies to lease the land for development of transient workforce accommodation for a period of not more than ten years. In recent times it has been Council's practice to lease land for the market value of the land and invite bidders to tender on the basis of their community contribution, through the supply of rooms accessible to the public, contributions to community infrastructure or direct donations etc. This is an opportunity to continue this successful approach.

Attachments Nil

Officer's Recommendation

That the Airport Committee:

- i) authorises a survey to be undertaken to define the extent of land on the Port Hedland International Airport for lease as a site for transient workforce accommodation; and
- ii) authorises the Chief Executive Officer or his delegate to call tenders for the lease of such land at market value, with tenders to be assessed on the basis of the community benefit that will be derived from the development.

AC201011/004 Airport Committee Decision

Moved: Cr S Martin

Seconded: Cr M Dziombak

That the Airport Committee authorises a survey to be undertaken to define the extent of land on the Port Hedland International Airport for lease as a site for transient workforce accommodation

CARRIED 5/0

**10.4 Port Hedland International Airport Draft Master Plan
(File No.: ...)**

Report to be tabled for discussion.

AC201011/005 Airport Committee Decision

Moved: Cr S Martin

Seconded: Cr A A Carter

That the Airport Committee defers consideration of the Port Hedland International Airport Draft Master Plan until after a meeting or briefing to take place on 29 July 2010 in conjunction with representatives from Whelans planning consultants.

CARRIED 5/0

ITEM 11 LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL

Nil.

ITEM 12 MOTIONS OF WHICH PREVIOUS NOTICE HAVE 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 Thursday 19 August 2010, commencing at 5:30 pm

15.2 Closure

There being no further business, the Chairman declared the meeting closed at 6:55 pm.

Declaration of Confirmation of Minutes

I certify that these Minutes were confirmed by the Airport Committee at its Ordinary Meeting of _____ 2010.

CONFIRMATION:

CHAIR

DATE