



Town of Port Hedland

MINUTES

OF THE

**AIRPORT COMMITTEE
OF THE TOWN OF PORT HEDLAND COUNCIL**

HELD ON

THURSDAY 16 DECEMBER 2010

AT 5:30 PM

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

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*Russell Dyer
Acting Chief Executive Officer*

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ITEM 1 OPENING OF MEETING**1.1 Opening**

The Chairman declared the meeting open at 5:30 pm and acknowledged the traditional owners, the Kariyarra people.

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

Councillor Arnold A Carter (Chairman)
Mayor Kelly A Howlett
Councillor Stan R Martin
Councillor Jan M Gillingham
Councillor M (Bill) Dziombak
Doug Gould
Michelle Cook

Mr Russell Dyer
Ms Gaye Stephens

Acting Chief Executive Officer
Executive Assistant

Members of the Public

2 (including Airport Manager,
and Manager Investment and
Business Development)

Members of the Media

Nil

2.2 Apologies

Nil

2.3 Approved Leave of Absence

Serge Doumergue

ITEM 3 RESPONSE TO PREVIOUS QUESTIONS - ON NOTICE

Nil.

ITEM 4 PUBLIC TIME**4.1 Public Questions**

5:30 pm Deputy Mayor Arnold A Carter (Chairman) opened Public Question Time.

Nil.

5:30 pm Deputy Mayor Arnold A Carter (Chairman) closed Public Question Time.

4.2 Public Statements

5:31 pm Deputy Mayor Arnold A Carter (Chairman) opened Public Statement Time.

Nil.

5:31 pm Deputy Mayor Arnold A Carter (Chairman) closed Public Statement Time.

ITEM 5 QUESTIONS FROM MEMBERS WITHOUT NOTICE

5.1 Mr Doug Gould

Are the Port Hedland International Airport's financial statements, including the Profit and Loss Statement available to Committee members to ensure any direction for improvements at the Airport are made with an understanding of the business?

Deputy Mayor Arnold Carter advised the Town's financial statements, including those for the Port Hedland International Airport are presented to Council for its consideration each month.

Do those figures include any projections of income and expenditure?

Acting Chief Executive Officer advised that the Annual Budget is endorsed by Council each year. The financial statements presented to Council each month include all operating expenditure, budget and actual expenditure figures, and operating revenue.

Council's budget has allocations for works such as building maintenance, etc. The Town's Airport Reserve Account is to fund the ongoing and future operation and upgrading of the Port Hedland International Airport.

There is also a Port Hedland International Airport 10 Year Capital Works Plan.

Deputy Mayor advised a copy of the Port Hedland International Airport's 10 Year Capital Works Plan will be provided to Airport Committee members.

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 J M Gillingham
Mayor Kelly Howlett	Mr Doug Gould
Cr S R Martin	Ms Michelle Cook
Cr M Dziombak	

ITEM 7 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**7.1 Confirmation of Minutes of the Airport Committee Meeting held on Thursday 18 November 2010****AC201011/032 Airport Committee Decision/Officer's Recommendation**

Moved: Mr D Gould

Seconded: Cr M Dziombak

That the Minutes of the Airport Committee Meeting held on Thursday 18 November 2010 be confirmed as a true and correct record of proceedings.

CARRIED 7/0

ITEM 8 ANNOUNCEMENTS BY CHAIRMAN WITHOUT DISCUSSION

Nil.

ITEM 9 PETITIONS/DEPUTATIONS/PRESENTATIONS/ SUBMISSIONS

Nil.

ITEM 10 REPORTS OF OFFICERS

10.1 Port Hedland International Airport Terminal Expansion Project – Monthly Status Report (File No.: 08/02/0018)

Officer Jenella Voitkevich
Manager Infrastructure
Development

Date of Report 13 December 2010

Disclosure of Interest by Officer Nil

Summary

The purpose of this report is to provide the Airport Committee with a monthly update on the progress of the Port Hedland International Airport Terminal Expansion project.

Background

The Port Hedland International Airport (PHIA) is experiencing rapid growth in the numbers of passengers and service providers for both domestic and international flights. The 3,000m² Terminal building will need to be extended/redeveloped to accommodate long term growth in passenger numbers of the Port Hedland International Airport.

This project will run concurrently with other projects relating to the airport development. The project will see the delivery of approved concept plans for the redevelopment of the airport terminal building and car parking area. This will enable funding applications and budgeting opportunities for detailed design and construction.

Consultation

This project will involve thorough consultation with the Airport Committee, PHIA users and stakeholders, and the relevant statutory authorities as outlined in the project management plan.

Included in the attached report is the detailed final consultation report with stakeholders. The outcomes of this have determined the design parameters for the terminal building expansion.

Statutory Implications Nil

Policy Implications

This procurement of consultants for this project was conducted in accordance with Council's Procurement Policy 2/015.

Strategic Planning Implications

Key Result Area 1 - Infrastructure

Goal 2 - Airport

1. Immediate Priority Strategy 3 - Progress planning and design for an upgraded and extended terminal building
2. Other Action Strategy 1 - Undertake upgrades to the terminal and surrounds to improve the functionality of the facility including:
 - a) Creating more common-user check in points
 - b) Improving airport security screening arrangements
 - c) Review parking options and implement an agreed Airport Parking Plan

Budget Implications

The total budget allocated in the 2010/11 financial year is \$425,000. This is a combination of \$400,000 for the PHIA terminal expansion (investigation and concept design only) and \$25,000 for investigations on paid parking opportunities.

The estimate of costs for the various consultants required for this project is noted in the table below as previously reported. An additional column has been added to advise of the actual quoted costs and balance. Please note that disbursements for consultants' flights and accommodation are additional to the quoted costs.

Consultant	Cost Estimate (ex. Gst)	Awarded Cost (ex Gst)	Balance
Project Management (Thinc Projects)	\$59,500	\$59,500	Nil
Design	\$90,000	\$35,000	\$55,000
Airport Planner	\$40,000	TBA	
Stakeholder Consultation	\$40,000	\$54,000	\$11,000
Retail/Commercial Demand Analysis	\$25,000		
Road, Traffic & Car Parking Study	\$25,000	\$16,700	\$8,300
Site Feature Surveyor	\$5,000	Refer designer	
Site Services Infrastructure Engineer	\$20,000	\$7,100	\$12,900
Quantity Surveyor	\$15,000	\$1,750	\$13,250
Sub-total	\$319,500	\$174,050	
Contingency 20%	\$63,900		
TOTAL	\$383,400		

No additional costs have been allocated since the November report.

Officer’s Comment

Airport Terminal Building Expansion

The following table identifies the stages required to proceed with the PHIA Terminal Expansion project including timeframes. The project status is provided to form the content for the monthly update to the Committee.

Stage	Timeframe	Status
1 – Preparation of Project Management Plan (PMP)	August 2010	Complete.
2 – Engage consultants	August 2010 October 2010	Complete for consultants required at this stage. <u>Design</u> <ul style="list-style-type: none"> • Sandover Pinder <u>Services</u> <ul style="list-style-type: none"> • Cardno ITC <u>Commercial and Retail Demand Study</u> <ul style="list-style-type: none"> • Airbiz Aviation Strategies <u>Stakeholder Consultation</u> <ul style="list-style-type: none"> • Airbiz Aviation Strategies <u>Road Traffic and Carpark Study</u> <ul style="list-style-type: none"> • Cardno Eppell Olsen <u>Quantity Surveyor</u> <ul style="list-style-type: none"> • Rider Levett Bucknall
3 – Establish future demand of PHIA (consultation, retail demand study, site survey, road, traffic and car parking study)	October – November 2010 (depending on scope)	Complete. Stakeholder and retail demand final reports attached. Design parameters have been determined and reviewed. Concept plans can now be prepared.
4 – Preparation and approval of concept plan/s	February 2011	Concept plans are now being prepared, with stakeholder workshops scheduled for mid January to comment on concepts prior to workshopping with Committee end January.
5 – Preparation of cost estimates	February 2011	Pending concept plan development
6 – Development of management and staging plan for detailed design and construction	February 2011	NA
7 – 2011/12 budget proposal and funding considerations	March 2011	NA

Please refer to the attached report prepared by Thinc Projects for the status of this project to date. Also attached is a report for the design parameters for the expansion of the Airport Terminal building that have been determined based on stakeholder consultation, retail demand studies and consultation with Council staff.

Paid Parking and Car Park Design

At the Ordinary Council Meeting on 24th November 2010 Council approved the allocation of funds for the implementation of paid parking based on the Committee's recommendation as follows:

"That Council:

- 1. allocates \$785,000 from the Airport Reserve for the purpose of:*
 - a) Development of construction designs and specifications for the reconstruction of the PHIA carpark*
 - b) Minor reconstruction works to the short term carpark entrance to accommodate the paid parking system*
 - c) Development and implementation of a paid parking system at the Port Hedland International Airport; and*
- 2. authorise for tenders to be called for the implementation of paid parking."*

Project officers are currently preparing a specification brief for inclusion in tender documentation for the design, supply and installation of paid parking in the current short term car park. Considerations within this brief include:

- The ability to expand the system into the long term parking area
- What arrangements can be made for staff overflow parking in this area (permit or swipe card waiving fees during work hours)?
- What modifications are required to the car park entry and exit to accommodate boom gates and ticketing system?
- Equipment to be vermin proof
- IT requirements
- Serviceability
- Security/cash handling arrangements
- Bulk billing for some customers

The tender should be advertised in January, with final ticketing and payment machine locations being finalized upon approval of the terminal building concept plan. The overall car park design component of this project will proceed once the terminal building footprint has been established.

Attachments

1. PHIA Terminal Expansion Project – December PCG Report
2. 6.1 Stakeholder Consultation Report

3. 6.2 Commercial Retail Demand Report
4. 6.3 Design Report
5. Sandover Pinder Design Parameters

**AC201011/033 Airport Committee Decision/Officer's
Recommendation**

Moved: Cr S R Martin

Seconded: Cr J M Gillingham

That the Airport Committee acknowledge the status of the Port Hedland International Airport Terminal Expansion Project Monthly Status Report.

CARRIED 7/0



THINC
PROJECTS

ADVICE+ACTION

Town of Port Hedland	International Airport Upgrade
PCG Report – December 2010	10 th December 2010

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5.1 Stakeholder Consultation report

5.2 Concept design report

5.3 Commercial and Retail report

5.4 Services report

5.5 Carparking report

6.0 Attachments

6.1 Airbiz Stakeholder Consultation Report

6.2 Sandover Pinder Architects design report

6.3 Airbiz Commercial and Retail demand report



1.0 Executive Summary

1.1 Summary of Project Deliverables

Thinc issued a detailed project delivery program to the design team which captured stakeholder consultation process, concept design development and other relevant studies to achieve this objective for this high profile project and highlighted the following critical milestones;

- | | | |
|--------------------------------|-----------|------------------------------|
| • Consultant Appointments | 04 Oct 10 | (complete) |
| • Stakeholder Workshops # 1 | 18 Oct 10 | (complete) |
| • Orientation Site Visit | 01 Nov 10 | (complete) |
| • Services site visit | 01 Nov 10 | (complete) |
| • Commercial/Retail workshops | 10 Nov 10 | (complete) |
| • Existing Services report | 15 Nov 10 | (complete) |
| • Stakeholder Workshops # 2 | 15 Nov 10 | (complete) |
| • Car parking study | 15 Nov 10 | (complete) |
| • Commercial/Retail report | 15 Nov 10 | (complete) |
| • Define Planning parameters | 30 Nov 10 | (complete) |
| • Planning studies design | 15 Nov 10 | (complete) |
| • Accommodation schedule | 08 Dec 10 | (awaiting comments) |
| • Define design criteria | 08 Dec 10 | (awaiting comments) |
| • Stakeholder Consultation | 08 Dec 10 | (complete) |
| • Concept plans x 3 | 20 Dec 10 | (Sandover Pinder Architects) |
| • Stakeholder Workshop #3 | 12 Jan 11 | (Port Hedland) |
| • Airport expert peer review | 16 Jan 11 | (awaiting proposals) |
| • Refine concept plans | 17 Jan 11 | (Sandover Pinder Architects) |
| • Costings on 3 options | 20 Jan 11 | (awaiting proposals) |
| • Design Options Workshop | 07 Feb 11 | (Port Hedland) |
| • Final recommendation to ToPH | 25 Feb 11 | (Port Hedland) |

The Town of Port Hedland requested the priority of preliminary costs and design for the car parking area to be presented to the Airport Committee on the 18th November 2010. This has been provided in a separate report.



2.0 Project Delivery

2.1 Potential issues that may affect project delivery

The following matters may affect final project delivery:

1. Delays of comments from Design team
2. Delays to the date for Workshop with key Stakeholders
3. Delays providing adequate quotes for tender process

Thinc in conjunction with the Consultant team are reviewing above matter to ensure they do not affect delivery program.

2.2 Conformity to Delivery Program

The following key activities will be undertaken next week in order to maintain delivery of dates:

1. Ongoing review of Delivery programme. (Thinc)
2. Meeting with SPA to move forward with concept design and services (Thinc/SPA/Cardno)
3. Stakeholder Workshop #3 in Port Hedland with key players (Thinc/ToPH)
4. Workshop with ToPH to present concept designs and preliminary costings (Thinc/ToPH)
5. Appointment of Cost Consultant
6. Appointment of Baggage Handling expert
7. Appointment of Surveyor



3.0 Budget

3.1 Budget Analysis

Changes this month (November)

- Fee proposal from Rider Levett Bucknall to provide services in costs for car parking

3.2 Key risks to budget

The following risks have been identified that may impact on budget for this project;

1. Availability of new services
2. Delays to the delivery program

4.0 Consultant Performance

4.1 Current Design Team

Thinc have highlighted to the Client the disappointment on final stakeholder consultation and commercial retail demand reports in particular with the final presentation.

Thinc are meeting with SPA next week to review design options to present to key stakeholders for best feedback and coordinate with existing services and how they may impact on final preferred design.

4.2 New Consultants

Thinc have requested fee proposals from Rider Levett Bucknall, Aquenta Consulting, WT Partnership and Ralph Beattie Bosworth to advise on preliminary budget costs for concept design development.

Thinc are also seeking proposals for a Land Surveyor and Baggage Handling consultant.



5.0 Design Team reports

5.1 Stakeholder Consultation (Airbiz Aviation Strategies)

A summary report of recent activities by the Consultant is attached to this report in which Thinc have highlighted the following potential risks for this project;

1. Final report issued

5.2 Concept Design (Sandover Pinder Architects)

A summary report of recent activities by the Consultant is attached to this report in which Thinc have highlighted the following potential risks for this project;

1. Delay to concept design due to poor stakeholder feedback

5.3 Commercial/Retail studies (Airbiz Aviation Strategies)

A summary report of recent activities by the Consultant is attached to this report in which Thinc have highlighted the following potential risks for this project;

1. Final report issued



6.0 Attachments

- 6.1 Airbiz Stakeholder Consultation final report**
- 6.2 Airbiz Commercial Retail studies final report**
- 6.3 Sandover Pinder Architects design report**

Port Hedland
Airport

Terminal Plan

Stakeholder Consultation

08 December 2010



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1 Introduction

This report provides the outcomes and recommendations of the Stakeholder Consultation process undertaken at the commencement of concept design for the Port Hedland International Airport terminal expansion project.

2 Methodology

Airbiz developed a list of stakeholders based on input from airport committee and management

Identified stakeholders can be broadly grouped as follows:

- Airport owner and operator – the Town of Port Hedland , the airport committee and airport management
- Business and Community - major employers and business and tourism collectives
- Airlines – RPT and charter operators
- Government Agencies – border control and other
- Other service providers – current and prospective including the car rental industry and retail operators

During visits to Port Hedland on 18 October and 9-10 November, Airbiz engaged in face-to-face meetings with groups or individuals from these stakeholder groupings.

Further engagement was undertaken through meetings in Perth and through email and phone communications to other locations including Canberra, Sydney, Brisbane and Darwin.

This report includes:

- Project Background
- Specific Requirements identified by the following stakeholder groups:
 - Airport Owner and Operator
 - Business and Community
 - Airlines
 - Government Agencies
 - Other Service Providers
- Statement of Requirements – Planning Parameters

3 Project Background

The Town of Port Hedland (TOPH) owns and operates the Port Hedland International Airport (PHIA).

The Port Hedland International Airport (PHIA) is experiencing rapid growth in the numbers of passengers and service providers for both domestic and international flights. The 3,000m² Terminal building will need to be extended/redeveloped to accommodate long term growth in passenger numbers of the Port Hedland International Airport.

The PHIA currently operates general passenger and freight flights from/to Perth, Darwin, Broome, Karratha and Bali. There is potential for flights from/to Newman, Melbourne, Brisbane, Singapore and other destinations, pending discussions with relevant stakeholders. Several flights operate to transport workers from Port Hedland to remote mine sites. Some international flights stop at Port Hedland for fuel or customs checks.

This project specifically addresses the refurbishment and expansion of the PHIA Terminal Building and Parking Upgrade and does not include airside works.

4 Stakeholder Consultation

4.1. Stakeholder Consultation

To ensure consideration of all relevant aspects in the concept design process, the TOPH engaged Airbiz Aviation Strategies to:

- Undertake consultation with stakeholders to identify their needs and develop statements of technical requirements
- Coordinate with the design team to input stakeholder requirements in design

4.2. Stakeholder Consultation Process

Airport projects inevitably involve a wide range of stakeholders. During the concept development phase of a passenger terminal among the key stakeholders are:

- The airport owner/operator – management and senior staff
- The airlines – current and potential future
- Airport tenants – current and potential future
- Local, State and Federal government departments and agencies such as security, quarantine, immigration, customs
- Airport and terminal service providers such as fuel, freight, cargo
- Major commercial airport users groups.

4.3. The Objectives of the Consultative Process

The purpose of the stakeholder consultation process is to prepare an operations-oriented statement of how the refurbished and expanded PHIA Terminal will function to:

- Reflect updated operating and product intentions of airlines, particularly where these may be in a state of change
- Document the processes, technologies and manning/resource levels that government agencies will need to commit to in order that the Terminal facility functions in line with the airport owner's expectations and user requirements (particularly airlines) and Design team assumptions
- Identify and resolve any conflicts or contradictions between assumptions that various stakeholders may have about how other stakeholders will be operating

- Update and inform the Design Team, primarily to confirm the basis of their design brief, but also to identify where possible design changes may be deemed necessary so that the building and facilities is optimally aligned to the intended operating methodologies of all stakeholders.

For each of the functional elements within the PHIA Terminal expansion the methodology will comprise:

- Overall description of function and critical performance / outcome goals
- Process flow chart if applicable
- Relationship with adjacent functional areas including inputs (dependencies) and outputs
- Facilities and spatial requirements as appropriate
- Summary of design attributes and operational resources required to carry out the function to meet agreed demand levels

The statement of technical requirements will define departing and arriving passenger flows through the refurbished and expanded Terminal and all other movements and processes that are critical to terminal functions such as farewellers, meeters and greeters, staff, security, goods transfer, waste handling, retail concessions, interfaces with existing terminal infrastructure, cleaning, regular operations and emergency procedures.

5 Airport Owner and Operator

5.1. Vision for Terminal Expansion

During discussions with the ToPH Airport Committee, the Airport Committee identified the broad vision for the project in the context of the overall vision for development and growth of the Port Hedland economy and community

Planning horizon 2025, anticipated passenger numbers of 1 million, fully licensed international airport to be planned for. These decisions were based on the growth of passenger numbers from 71000 to 350000 in seven years, the expectation of continued strong growth in business demand for fly-in fly-out workers and the time required to establish local services that will encourage a higher level of local worker utilization.

The ToPH Strategic Plan 2010-2015 (adopted by Council on 28 July 2010) goal in regard to the airport states:

Goal 2 - Airport

That the Port Hedland International Airport is recognised as a leading regional airport in the area of passenger and freight movements and customer satisfaction.

Other Actions

1. Undertake upgrades to the terminal and surrounds to improve the functionality of the facility including:
 - (a) Creating more common-user check in points
 - (b) Improving airport security screening arrangements
 - (c) Review parking options and implement an agreed Airport Parking Plan
2. Develop a Capital Improvement Plan for airport infrastructure that ensures Airport infrastructure can cater for projected growth.

Immediate Priorities

1. Complete the development of the Airport Land Development Plan and commence implementation of the key initiatives that are identified.
2. Upgrade runways, taxiways and aprons to facilitate efficient aircraft movement.
3. Progress planning and design for an upgraded and extended terminal building.

5.2. Current Demand

Port Hedland airport is experiencing strong passenger growth. Recent passenger data is presented in the following tables and graph:

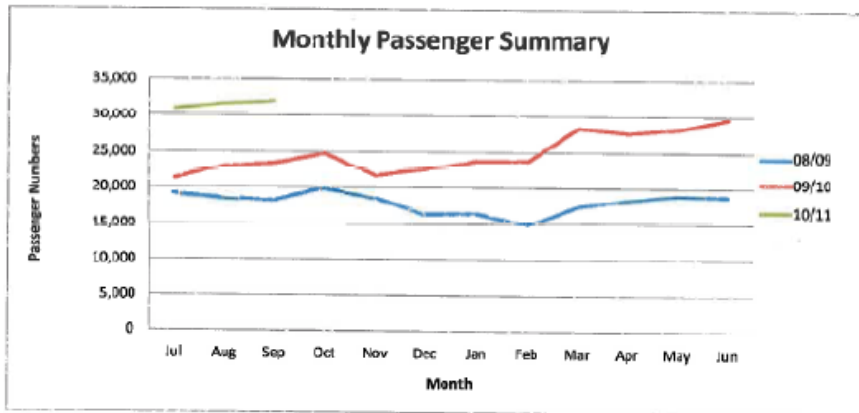
Summary Table 08/09 - 09/10 - 10/11

	08/09	09/10	10/11
Jul	19,138	21,347	31,153
Aug	18,545	21,148	31,784
Sep	18,212	23,544	32,180
Oct	19,870	24,833	
Nov	18,584	21,750	
Dec	16,387	21,635	
Jan	16,497	21,872	
Feb	14,874	23,838	
Mar	17,446	28,381	
Apr	18,288	27,210	
May	19,080	28,241	
Jun	18,909	29,574	

10/11 data entry table

	Qantas	Skywest	Karratha F/S	Ailmorth	Strategic
Jul	22,632	1,324	243	210	
Aug	21,904	1,021	326	310	836
Sep	21,612	1,154	336	310	1,383
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					
Apr					
May					
Jun					

Y.T.D	215,940	298,941	95,117
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5.3. Passenger Demand and Future Proofing of Development Concept

With the airport currently handling almost 400,000 passengers over the past year and given the confidence of a variety of business and community stakeholders with increasing economic activity in the resource sector supporting further passenger growth, the prospect of the airport reaching 600,000 passengers per annum by 2015 as flagged by previous master planning consultants, Airport Master Plan Consultants, appears to be not unrealistic.

Further growth towards the Airport Committee vision of 1,000,000 passengers by 2025 would represent 6% average annual growth from the current base.

As these projections represent on-going strong growth over a 15 year period, it should be understood that to sustain this level of growth over such a long period may be unrealistic. In terms of terminal expansion, therefore, a staged development towards a future concept which could accommodate the 2025 vision would amount to a prudent and "future-proofed" approach to development.

5.4. Master Plan

The ToPH has prepared and recently issued for comment a draft Master Plan for the Airport. A focus of the draft Master Plan, prepared for the Town of Port Hedland by Parsons Brinkerhoff & Whelans Town Planning, is to provide security to airport related land uses and the protection of operational aspects of the airport.

The airport terminal precinct, Precinct 1 as identified in the draft Master Plan, encompasses the airport terminal and the surrounding airport related commercial leases, extending to the north beyond the Bureau of Meteorology site. The site is bound by Great Northern Highway to the east, and a runway to the west. The southern boundary for this precinct has been defined by the town planning and engineering considerations to the south, and the location of the existing Council work depot.

The Airport terminal is located approximately 13 kilometres from the town centre of Port Hedland, and some 10 kilometres from the centre of South Hedland.

The proposal to expand the airport passenger terminal and to develop car parking and other airport specific commercial developments in Precinct 1 is consistent with the Airport Committee's direction to the Project Team to prepare a concept design for passenger terminal expansion.

5.5. Site Constraints

The Airport Committee identified that expansion of the terminal potentially occurring to the east, to the west and to the landside should be considered within the concept design scope. Extensions upward into a second level would also be considered.

The Airport Committee noted that consideration of other potential terminal sites was not part of the scope of the terminal expansion project.

5.6. Existing Facility Limitations

The Airport Committee and Airport Management noted that there were a number of shortcomings with the existing terminal facilities including but not limited to:

- Limited building depth for optimum facilitation arrangements
- Limitations on the throughput of international passengers
- Limited retail offering (scale, positioning and mix)
- Segregated check-in facilities
- Constraints on security point
- Limitations on departure lounge facilities
- Inadequate airline lounge facilities
- Limited car rental facilities
- Out-dated services including CCTV
- Inadequate dock and storage facilities

5.7. Proposed Facilities

The Airport Committee was briefed on design aspects of contemporary passenger terminal including:

- Combined international/domestic terminal layouts
- "Swing" facilities – where terminal facilities and spaces are used to efficiently manage peak activities
- New technologies being adopted for check-in, security and border agency screening
- Terminal layouts for optimized retail penetration
- Wider precinct commercial opportunities consistent with modern airport layouts and suited to Port Hedland's particular requirements




The Airport Committee noted that these considerations and opportunities should be considered in the concept design stage of the terminal expansion project.

5.8. Stakeholder Consultation

Airport Management and the ToPH assisted with the identification and contact details of stakeholders potentially relevant to the expansion of the airport terminal.

5.9. Outcome of Specific Consultations

The outcome of consultations with the airport owner and operator is summarised in the following table:

<p>Airport Committee</p> 	<p>Committee members</p>	<p>Design Horizon 2025 Target Passenger throughput 1 million passenger per annum (current approx 400,000 pa) Address car parking requirements as a priority Consider:</p> <ul style="list-style-type: none"> • Terminal expansion eastwards, westwards and towards car park • Opportunity for swing facilities <p>Possibility of commercial office and hotel development within the precinct</p>
<p>Airport Manager</p> 	<p>Mr Bob Couzens</p>	<p>Areas for improvement:</p> <ul style="list-style-type: none"> • Departures facilities/toilets • Upgrading from restricted international licence • Common use check-in • Club lounge expansion (particularly Qantas) • Upgraded Airservices facilities and operations with passenger threshold exceeded • Possible additional rental car facilities • Retail study to consider gift, newsagent, duty free & ATM over and above existing Food & Beverage retail offering • CCTV system coverage and amenity • Asbestos, mechanical services condition, other service capacities to be considered
<p>Town of Port Hedland – planning and commercial</p> 	<p>Ms Jasmine Person, Serge Doumergue Jenella Voitkevich</p>	<p>Meeting with Airbiz & ToPH officers in PHE on 10 Nov 2010</p> <ul style="list-style-type: none"> • Stated there was a high demand for retail/commercial office space. • Has current enquiries for 6000 sq mt office space and 5000 sq mt retail space • Would like to fastrack the development of 3000 sq mt office space and lease to mining companies for a 5 year period • suggested strong demand for meeting/conference space at airport • stated that current market rates are: <ul style="list-style-type: none"> ○ retail \$440/sqmt inc. GST + outgoings ○ new office \$660/sqmt inc. GST ○ old office \$550/sqmt inc. GST • stated multi-storey carpark would not happen • a hotel would cause infrastructure issues and therefore would not be feasible • accepted that the needs/demands and use of terminal at PHIA is not necessarily the same as similar sized terminals due to high component of FIFO's and lack of tourism in greater community

	<ul style="list-style-type: none"> • currently renegotiating leases with car rental companies and suggested that there is an opportunity to expand to six providers • is looking at increasing booth size in terminal for the car rental companies • supported need for presence in terminal to include: <ul style="list-style-type: none"> ○ F+B ○ News/gift ○ Tourism ○ Car rental ○ Airline lounges • Supported need for "wall of ATM's" & currency exchange • Suggested that any commercial offers in airport precinct shouldn't conflict with downtown offers • Stated that there were no sub-leases within terminal • Supported inbound/outbound duty free offer <p>Will supply contact details for car rental companies</p>
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6 Business and Community

Several business and community groups were identified amongst key stakeholders and approached to understand passenger demographics and community expectations in regard to airport facilities and amenities, and other relevant factors.

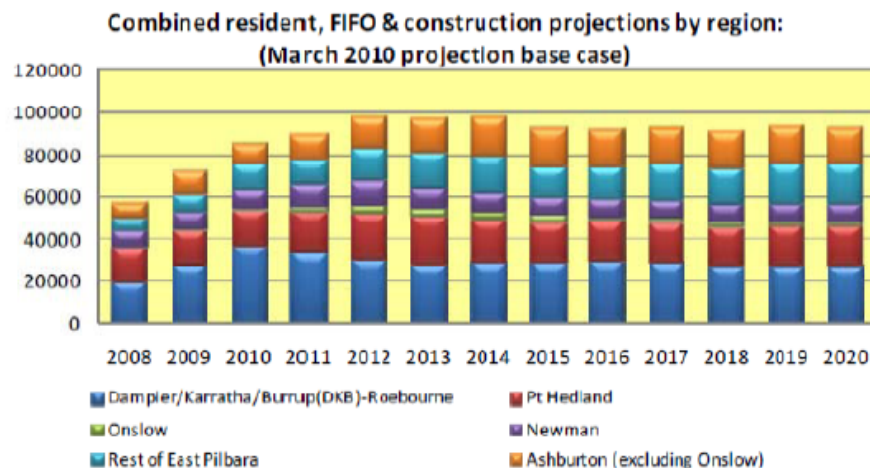
Several organisations provided feedback through meetings and other direct communication:

- BHP Billiton
- FMG
- Rio Tinto
- Port Hedland Visitor Centre
- Port Hedland Chamber of Commerce Inc – including views received from several PHCCI constituents.

There is broad support from Business and Community groups for improved airport facilities including:

- Terminal expansion to meet additional demand and to facilitate improved services and air route opportunities
- Upgraded lounge facilities
- Retail variety and amenity
- Kerbside and parking facilities
- Commercial developments such as hotel, business centre and office within the airport terminal precinct
- Continued support facilities for charter operations

The major resource industry companies identified projected strong growth in direct and indirect employment requiring an appropriate infrastructure response within the community generally and the airport specifically. Evidence of this expected growth was provided by BHP Billiton in the form of industry sponsored report which focussed on resource industry projected population affects relevant to the Pilbara region:



Source: Heuris Partners Ltd March 2010 Report provided by BHP Billiton


FMCG also noted strong projected workforce growth



6.1. Tourism

The Port Hedland Visitors Centre expressed interest in establishing a presence within an expanded airport terminal to facilitate better promotion of the town and region to visitors. The Visitor Centre also is supportive of improved retail services and outlets operating at the terminal and its associated precinct to assist in lifting the image of services available within the town.

6.2. Outcome of Specific Consultations

The outcome of consultations with business and community stakeholders is summarised in the following table:

<p>FMG</p> 	<p>Vicki James</p>	<ul style="list-style-type: none"> • FMG has 350 staff currently working in area with a proposed expansion of up to 800 within short period • A high percentage of these staff will be local residence rather than FIFO's • DJ is FMG's current preferred carrier (all their staff are Gold Members therefore high demand on lounge facilities) • With expansion in workforce see the opportunity to engage with DJ to use larger planes rather than more services • FMG have their own 18 seat plane which transports indigenous staff only (mainly to Cloudbreak) • Sees current issues with airport to be: <ul style="list-style-type: none"> ○ lack of covered footpaths between terminal and carpark ○ lack of area for airline lounges (especially during delays) ○ shaded area at kerbside whilst waiting for pick-up ○ limited bus zone access for group pick-ups ○ security of cars during long-term stays ○ terminal in not child friendly • stated that ancillary businesses are growing as a result of the expansion in mining • stated that a lot of their staff are ex Brisbane (where a similar skill set is prevalent) • believes that opportunities are being missed by the lack of presence in terminal from the Visitors Centre to inform FIFO's what they can do on their RDO's • stated that a lot of their staff are very IT savvy • suggested the following would be desirable at airport: <ul style="list-style-type: none"> ○ gifts/news - wider variety of foods ○ duty free - IT/electronic store ○ Car wash/detail facility - Boarding facilities for pets ○ Hangar space ○ Convenience store - Lockers/storage • Supported survey opportunity with FIFO's to advise of what they feel is missing • Suggested contacting Andre Bush from the Port Authority • Capacity for additional commercial flights • Parking and secure parking options with cement footpaths to these areas • Club lounge waiting area • Shade outside the terminal waiting areas <p>Meeting FMG & Airbiz 10 Nov 2010 in PHE – see Retail & Commercial Study for detailed feedback</p>
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<p>BHP Billiton</p> 	<p>Patrik Mellberg; Gerry Gorman</p>	<ul style="list-style-type: none"> • Industry initiated Pilbara demographic study provided • On-going requirement for BHP charter flights ex PHE to Newman etc using Karratha Flying Service, Heliwest etc <p>Meeting BHPB & Airbiz 10 Nov 2010 in PHE –</p> <ul style="list-style-type: none"> • Suggested retail needed to provide range of choices other than just a bar at airport • Keen on improving airline lounges with high number of staff users • Very strong on the need to separate the “drinkers in the bar” from family groups within terminal • Suggested child amusement centre/playground would be valued by their staff within the terminal • Felt need for better food choices and quality • Suggested that there should be outside areas for general public not just for the smokers • Patrick will provide us with HR data on demographics of workforce • Patrick offered to distribute a survey amongst their staff to obtain feedback on what they would like to see at airport • Suggested other services within terminal could include: <ul style="list-style-type: none"> ○ medical centre ○ gifts/tourist information ○ news/books ○ convenience/personal hygiene ○ vending ○ lockers/storage for FIFO to leave work gear ○ short stay hotel ○ shower facilities ○ IT access ○ Hangar facilities for light aircraft (have staff who have enquired re flying up from PER)
<p>Rio Tinto (Dampier Salt Ltd)</p> 	<p>Scott Mathewson</p>	<p>Contact initiated through Scott Mathewson in Port Hedland – requirements include:</p> <ul style="list-style-type: none"> • Additional check in counters • Larger café / bar facility. Improved outdoor area. Entertainment TV's installed • Internet café / access • Improved International facility, luggage collection and customs area

Port Hedland Port Authority



Andre Bush
Katerina Businoska

General comment

Additional increase in the local population is necessary for new resource projects and port development projects to proceed in the Pilbara region. The Pilbara region has a large number of transient workers (including FIFO) and this population accounts for a significant proportion of the population in many Pilbara towns including Port Hedland. Within the Port Hedland area, the PHPA and current and emerging port users have a number of significant port development projects planned which will require additional workforce to deliver those projects over the next 3 to 5 years.

The PHPA is also planning for an increase in port staff to ensure the port can operate at the current growth levels and a further boost to staff numbers to facilitate and operate a Port in excess of 800 million tonnes per annum.

The proposal to develop a Master Plan to expand the Port Hedland International Airport to support the growth in population and transient workers is fully supported by PHPA. The Master Plan and concept design for the airport should consider requirements to the 2025 timeframe and beyond to ensure we are planning well ahead for the future and not just current pressures we are facing.

Preservation of strategic areas

Appropriate protection mechanisms should be applied to strategic areas in the Pilbara which are required to be preserved and protected by the State. The PHPA supports a protection mechanism to be applied over the proposed expansion area for the Port Hedland International Airport.

It is also important to consult with the Department of Regional Development and Lands (State Land Services) as they are responsible for allocating Crown Land for specific projects and they need to ensure that there are no conflicting issues with other land uses planned within the proposed expansion area or in close proximity.



Passenger demand

Please note that PHPA does not have information on passenger demand. The Department of State Development should have this information as they are aware of all project developments planned within the Pilbara region, and the Department of Planning should also be able to advise their views on population growth.

Potential for air cargo

The proposed airport expansion should take into consideration the potential to handle air cargo. To reduce impacts on the road freight network, consideration should be given to providing adequate facilities to facilitate growth in air cargo transportation. This will enable goods such as food (perishable and non-perishable), household goods (e.g. furniture) and other heavy or bulky goods to be transported by air rather than by road or ship.

The proposal to accommodate air cargo fits in with PHPA's port plans for a general cargo hub for the North West initially catered for over the existing 3 public berths on the Port Hedland town side of the port, expanding rapidly in the coming years via the Lumsden Hub and SW Creek berths. These will also service urgent deliveries to the offshore oil and gas industry. In the future potential exists for a much larger transshipment port (similar to the Port of Salalah in Oman). The strong transport and infrastructure links between air and sea could be beneficial to the region. If at all possible future planning should cater for this potential.

		<p>Comment on design vision and associated facilities</p> <ul style="list-style-type: none"> • Need for adequate parking area. Current parking area is insufficient. • There is a significant impact on the community, workers/visitors and the region as there is a serious accommodation shortage in Port and South Hedland. Additional hotel accommodation of good standard in close proximity to the Port Hedland International Airport would help alleviate accommodation pressures. • Need for major general amenity improvements. • Need for improved seating. • Need for improved VIP lounges. The existing VIP Qantas lounge is very very small currently and needs to be expanded. A Virgin VIP lounge should also be accommodated. • Need for Duty Free shopping, adequate cafes and restaurant facilities. • Need for improved entry and exist between the airport and the planes. An airbridge arrangement should be considered. • Need for improved luggage handling to ensure its managed in a more streamlined way.
<p>Port Hedland Chamber of Commerce</p> 		<p>Constituents contacted. 3 responses received:</p> <ul style="list-style-type: none"> • Designtech – offering engineering and design/drafting services • Bullback (ground transport service provider) – increased/improved parking for shuttle services; F&B service hours to meet delayed flights; improved view amenity from terminal • Glenys Pike – proposal for news/lotto/duty free outlet at airport terminal <p>Further discussions between CCI & Airbiz occurred on 9 Nov 2010 in Port Hedland</p>
<p>Port Hedland Visitor Centre</p> 	<p>Peter Wood & Julie Broad</p>	<ul style="list-style-type: none"> • Meeting between PHVC & Airbiz on 9 Nov 2010 in PHE • Indicated interest in Visitor Centre presence within expanded terminal • raised lack of accommodation and lack of affordable accommodation in town as restricting tourism growth (mining companies block book hotels) • suggested that the FIFO do not spend a lot of money in town • Peter has recently commenced a shuttle service from airport targeting FIFO's. • Would like to get presence within terminal • Believe that good quality coffee/food is needed at airport • Mentioned that BHP spend 1% of their GP back into community • Weren't supportive of the need for additional meeting rooms at airport • Stated that long term parking has high demand at airport • Suggested that the airport could become a retail hub for the community with certain services not provided currently in town (these included dry cleaners, butchers, bakery, commercial offices)

7 Airlines

The engagement in the design process and support from airlines is considered fundamental to the success of any airport terminal development project. A table of existing RPT services at Port Hedland is included below. Consequently airlines were approached to obtain their views and plans for future operations at Port Hedland.

Input was received from the following airlines:

- Qantas
- Virgin Blue
- Strategic
- Airnorth

At the time of preparing this draft report, input was still awaited from Skywest Airlines.

Melbourne-based low cost carrier Tiger Airways indicated that there may be interest in operating through Port Hedland in the future.

Perth-based charter operator Maroomba provided input relevant to charter operations through Port Hedland airport.

There is acknowledgement from airlines of passenger growth and route development opportunities through Port Hedland airport:

- Qantas flagged potential busy hour growth – to 2 x B737-800 aircraft
- Qantas further identified the possible future operations with wide-bodied aircraft of B767/A330/B787 types - Note: only in lieu of rather than additional to the two narrow bodied B737 aircraft requirement identified above.
- Virgin Blue flagged potential introduction of some direct eastern states and international services. Also a possible overnight aircraft parking requirement was also identified.
- Lounge developments for Qantas and possibly Virgin Blue (together with a partner airline)
- Opportunities for application of new technologies in check-in processes
- Ongoing back-of house office requirements with good access to CBS and baggage make-up

- Increased technological demands as new technologies are introduced.
- Vehicle parking requirements and amenities for use by ground handling agents
- Strategic supports the expansion of international passenger facilities and the removal of restrictions to enable full international services for A320 aircraft

Airlines are supportive of terminal improvements at Port Hedland but stressed that they wish to be consulted regularly as concept plans are developed and before any commitment to new developments is made.

7.1. Departures Facilities

Qantas has indicated a future move to self serve check-in facilities similar to those currently being introduced in Perth and Sydney. Use of this type of technologies offers spatial, staffing and process time efficiencies which can assist with passenger experience and can indirectly lead to improved airside retail results.

Similarly, Virgin Blue identified a potential move from traditional check-in to their standard self-serve kiosk with bag drop.

Strategic and Airnorth also remained open to introducing new check-in technologies to deliver process improvements and efficiencies.

The airlines are supportive of airside retail and the establishment of airside airline lounges as this concept assists with airline on-time performance.

7.2. Lounge Facilities

Both Qantas and Virgin Blue identified lounge requirements.

Specific details of Qantas lounge requirements remain outstanding at the time of preparing this report.

While Virgin Blue identified a possible 300 square metre requirement, it was non-committal on whether that would be needed at the completion of the terminal extensions or rather as a planning allocation for future expansion. Virgin Blue flagged a possible partner airline involvement in any new lounge facilities.

Strategic currently has arrangements with Qantas for use of the Qantas lounge. Strategic would either continue with this arrangement or is potentially interested in a future common lounge offering.

7.3. Other Facilities

Reference to possible wide bodied aircraft operations, passenger movements to and from aircraft, GSE parking and other requirements relevant to the aircraft parking apron were made by various airlines.


These airside requirements should be considered during terminal expansion concept planning and design in terms of apron layouts and operational plans.


		Arrivals			Departures		
	Flight	ETA	FROM	FLIGHT	ETD	TO	
Monday	Virgin Blue DJ1837	8:05	PER	Virgin Blue DJ1840	8:35	PER	
	Qantas 1110	8:25	PER	Qantas 1111	9:05	PER	
	Qantas 1812	10:10	PER	Qantas 1813	10:50	PER	
	Qantas 1828	12:25	PER	Qantas 1829	13:05	PER	
	Qantas 1116	17:40	PER	Qantas 1117	18:20	PER	
Tuesday	Virgin Blue DJ1843	17:20	PER	Virgin Blue DJ1846	18:00	PER	
	Virgin Blue DJ1837	8:05	PER	Virgin Blue DJ1840	8:35	PER	
	Qantas 1110	8:25	PER	Qantas 998	9:05	MEL	
	Qantas 1812	10:10	PER	Qantas 1813	10:50	PER	
	Qantas 997	11:40	MEL	Qantas 1113	12:20	PER	
Wednesday	Qantas 1128	12:25	PER	Qantas 1829	13:05	PER	
	Strategic VC510	12:40	BNE	Strategic VC210	14:15	DPS	
	Air North TL355	17:00	KTA	Air North TL355	17:30	BME	
	Qantas1116	17:40	PER	Qantas 1117	18:20	PER	
	Virgin Blue DJ1843	17:20	PER	Virgin Blue DJ1846	18:00	PER	
Thursday	Virgin Blue DJ1837	8:05	PER	Virgin Blue DJ1840	8:35	PER	
	Qantas 1110	8:25	PER	Qantas 1111	9:05	PER	
	Qantas 1828	12:25	PER	Qantas 1829	13:05	PER	
	Qantas 1814	16:10	PER	Qantas 1815	16:50	PER	
	Qantas 1116	17:40	PER	Qantas 1117	18:20	PER	
Friday	Virgin Blue DJ1843	17:20	PER	Virgin Blue DJ1846	18:00	PER	
	Virgin Blue DJ1837	8:05	PER	Virgin Blue DJ1840	8:35	PER	
	Qantas 1110	8:25	PER	Qantas 1111	9:05	PER	
	Air North TL352	9:05	BME	Air North TL353	9:35	KTA	
	Qantas 1828	12:25	PER	Qantas 1829	13:05	PER	
Saturday	Qantas 1814	16:10	PER	Qantas 1815	16:50	PER	
	Qantas 1116	17:40	PER	Qantas 1117	18:20	PER	
	Virgin Blue DJ1843	17:20	PER	Virgin Blue DJ1846	18:00	PER	
	Virgin Blue DJ1837	8:05	PER	Virgin Blue DJ1840	8:35	PER	
	QF 1810	8:25	PER	QF 1811	9:05	PER	
Sunday	Skywest XR31	9:00	BME	Skywest XR251	10:00	DPS	
	Skywest XR252	15:20	DPS				
	QF1816	17:40	PER	QF1817	18:20	PER	
	Qantas 1812	10:10	PER	Qantas 1813	10:50	PER	
	Skywest XR 254	13:20	DPS	Skywest XR32	14:20	BME	
TABLE 7-1	Qantas 1116	17:40	PER	Qantas 1117	18:20	PER	
	Virgin Blue DJ1843	17:20	PER	Virgin Blue DJ1846	18:00	PER	
	QF 1818	18:45	PER	QF 1819	19:25	PER	


RPT FLIGHT SCHEDULE - 9TH NOVEMBER 2010 - 26TH MARCH 2011

7.4. Outcome of Specific Consultations




The outcome of consultations with the airlines is summarised in the following table:

<p>Qantas</p> 	<p>Darren Batty</p>	<ul style="list-style-type: none"> • Communication initiated through Qantas WA manager (Rowan Chalmers) • Discussions with Adrian Boys (perth) and Darren Batty (Sydney) re future demand • Contact for Qantas Security provided (Roberta Stumpo in Sydney) <p>Qantas Input:</p> <ul style="list-style-type: none"> • Review of overall functions, processes and goals In the long run we expect that fewer staff will be needed and processes will be more streamlined due to technology changes • Impact of new technologies Aspects of Next Gen check-in will be introduced next year (Q-tag readers and podiums). We envisage that in the medium term Next Gen or 'future gen' by 2025, pax possibly wouldn't see any staff, only technology • Current check-in counter allocation, operations and utilisation Moving forward we'd like to have Auto Bag Drop's instead of check-in counters (auto-bag-drops - next gen technology) with little or no staffing. Therefore check-in counters will reduce rather than increase. • Current and future plans for check-in facilities and operations Moving from manpower to next gen technology - everything automated from check-in to bag drop • Current and future plans for lounge facilities <ul style="list-style-type: none"> — Qantas Product's review of future lounge requirements: <ul style="list-style-type: none"> ○ Sqm per pax 3.5sqm ○ Pax using lounge 60 pax ○ Lounge size ~200sqm <p>These numbers are for high level analysis only. These numbers are based on significant growth and any increase in lounge size would only occur if it was commercial sound to invest in such a jump in space. You can treat 200sqm as your ultimate lounge size for masterplanning purposes and not for what is required currently. Qantas estimates that current requirements are around the 100sqm mark (v 45sqm existing cap).</p> • Current boarding procedures for aircraft departures <ul style="list-style-type: none"> — Boarding in the future via electronic means rather than manual i.e retina scans or waving b/cards in front of scanners. — Consider boarding capability direct from larger lounge • Staff interfaces with departures and arrivals processes Less interaction as new technologies developed and less staff
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		<ul style="list-style-type: none"> • Staff access to support / administration offices and rest areas Back office and easy access to airside • Input into high level process and detailed flow charts Please provide before we can comment • Gate requirements Plan for up to two simultaneous 73Hs or one B763/A330 in the future.
<p>Virgin Blue</p> 	<p>Mr Brian Lewis; Ms Leigh Balderson</p>	<p>The Virgin Blue Group is currently undergoing a network review and as such my response to your request is outlined to the best of our ability at this current point in time. Key markets such as Western Australia are indeed important to our strategy moving forward and Port Hedland is well positioned to incorporate potential increases to services. To assist in your planning we deem there is opportunity to increase services to PHE of around 2-3 trans-con services per week and the potential for up to 2 international services per week, of course, this information is strictly confidential and we have not had any official decisions made as yet on these services or which routes they would be.</p> <p>Below is some information on the key areas for our operation, following the network review we will be better placed to discuss the actual effects for Port Hedland.</p> <p>Check in</p> <ul style="list-style-type: none"> • Our current and future plans for check in counters are dependent on services to and from Port Hedland, under our current schedule the allocation of counters is sufficient for our operation • Should our schedules increase we would need to re-address the allocation and associated equipment to ensure sufficient ability to service our operation. As the allocation requirement are schedule driven, I am not currently in a position to advise if we will or will not require and increase in check in counters • Virgin is willing to work with the airport to ensure the most efficient allocation of counters etc. be that under a dedicated counter assignment or a common use environment, ensuring that any equipment installed meets the requirements of the airline • As our airline moves towards a more "self service" focus, we will be looking at opportunities to potentially install kiosks in the terminal, this would most likely be our standard kiosk offering which offers check in and seat allocation functionality whilst the check in of baggage would be conducted via a standard check in counter <p>Lounge Facilities</p> <ul style="list-style-type: none"> • Even though Port Hedland is viewed as a key port in the Virgin Blue Group, we do not have an immediate need for a lounge facility, however, we would request that during the planning stages, Port Hedland keeps in mind that our Airline may in fact wish to include Port Hedland on its list of Airports that offers some form of Lounge facility be that solely Virgin or a joint lounge with other carriers. <p>Office Space / Rest Areas</p> <ul style="list-style-type: none"> • Virgin or our GHA will require access to an office facility in order to manage the day to day operational matters, under normal circumstances a space of around 25-30sqm would be suitable, but as per above this is also

		<p>driven by schedules and staffing levels.</p> <ul style="list-style-type: none"> We would also require a suitable space to install our IT server and radio communication equipment. We are happy for this to be a common use area so long as the space meets our requirements ie. suitable power supply, air conditioning etc. Toilets, lunch areas etc. under normal circumstances we look at utilising common use space for standard amenities <p>Security</p> <ul style="list-style-type: none"> Office areas to be suitably secured via locking system (key, proxy access etc.) Access to CBS and Passenger screening systems Dependant on schedule, may require access to CCTV for any aircraft that may overnight <p>Vehicle Parking Requirements</p> <ul style="list-style-type: none"> Could you please elaborate a little more on this point, are you interested in parking requirements for GSE, Staff vehicles, Aircraft parking bays??
<p>Strategic</p> 	<p>Mr Phil Warth</p>	<p><i>Review of Overall Functions, Processes and Goals</i></p> <ul style="list-style-type: none"> Strategic Airlines currently believes the area of greatest concern is specific to the processing of international passengers. The current customs and border protection area is insufficient to service a full passenger load of 156 people on an Airbus A320. The introduction of a larger international passenger processing area will ensure that services can continue into the future. The current infrastructure at the airport is not sustainable for increased domestic passenger numbers. This includes more baggage belts to cater for increased flight numbers, security screening point, passenger amenities, lounge facilities and so on. International passenger processing is difficult currently, as referred to earlier. The federal government currently administers classification of international airports via the 'International Airports Operators Guide' which defines the standard for international classified airports. This process also allows for government funding to be assigned to the port for inclusion of border agency services. The issue with this is the infrastructure requirements required to establish a full international port are fairly capital intensive. The government has granted ongoing international status to other airports, namely Coolangatta Airport, without going through this process previously. Strategic Airlines suggests that the Gold Coast airport is used as a case study and applications developed from that point. As an aside, the last airport to go through the full process was Cairns International approximately 15 years ago, there may be some value in referring to them also. <p><i>Impact of New Technologies</i></p> <ul style="list-style-type: none"> Strategic Airlines is reviewing a number of options for the introduction of new technologies to the business. These are in the main from a passenger experience and check-in processing perspective. These include the introduction of kiosk/next generation check-in facilities at ports, and the introduction of departure control systems that work in a common user terminal environment. These technologies will allow for significant

		<p>efficiencies in passenger processing.</p> <ul style="list-style-type: none"> At this stage Strategic Airlines cannot further define requirements without engaging on specific planned airport technology introductions. <p><i>Current Check-in Counter Allocation, Operations and Utilisation</i></p> <ul style="list-style-type: none"> The current check-in counter allocation and utilisation at Port Hedland airport is sufficient to service operations for our current schedule. Utilisation may be improved over time with the introduction of CUTE. <p><i>Current and Future Plans for Check-in Facilities and Operations</i></p> <ul style="list-style-type: none"> Please refer to impact of new technologies above for further information. <p><i>Current and Future Plans for Lounge Facilities</i></p> <ul style="list-style-type: none"> Currently Strategic Airlines utilises the Qantas Lounge at Port Hedland airport. The lounge in itself requires a larger space, and a refurbishment, which is most likely at Qantas' expense. Future plans Strategic would like to be involved in a common user lounge on the current schedule. If Strategic were to increase number of services to Port Hedland opportunity for a Strategic branded lounge would be reviewed. <p><i>Current Boarding Procedures for Aircraft Departures</i></p> <ul style="list-style-type: none"> Boarding procedures are currently difficult from an OH&S perspective for all departing aircraft. Passengers currently move from the terminal directly to the aircraft via the tarmac. Two issues arise with this – departing aircraft and risk of jet blast to passengers, monitoring passengers in a secure zone of the airport is difficult to maintain. A good example of full stand off for passenger movements is the Gold Coast airport updates where shelter is maintained for passengers and protected direct lines in place. Disembarking procedures also have the same issue, however, somewhat enhanced due to the baggage belt being at the very far end of the terminal. <p><i>Staff Interfaces with Departures and Arrivals Processes</i></p> <ul style="list-style-type: none"> Similar issues as discussed in the procedures above. Other than that the staff interface within the airport environment is achieved to a satisfactory standard currently due to the size of the terminal. <p><i>Review Adjacencies of Functional Areas Including Inputs (dependencies) and Outputs</i></p> <ul style="list-style-type: none"> Further clarification of the request is sought by Strategic Airlines for this question. <p><i>Staff Access to Support / Administration Offices and Rest Areas</i></p> <ul style="list-style-type: none"> Currently Strategic Airlines have no requirements for support or administration offices at the terminal. Longer term, dependent on Strategic Airlines schedule expansion, there may be a requirement for a crew rest / administration area, however a common user area would be a workable solution as long as IT infrastructure between all stakeholders can be agreed to.
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		<p><i>Input into High Level Process and Detailed Flow Charts / Identification of Exceptions and How They are to be Handled / Fallback Procedures if Appropriate</i></p> <ul style="list-style-type: none"> Further clarifications of the requests detailed above are sought by Strategic Airlines. A number of items Strategic would like to have input on, however a better understanding of what is requested is required prior to an accurate response is given. <p><i>Vehicle Parking Requirements</i></p> <p>As stated above Strategic have no permanent staff based in Port Hedland currently. If operations were to expand this situation may change, however our Ground Handler currently completes this service on the airlines behalf. One item to consider is the ongoing storage of GSE airside and increasing schedules requires increasing amounts of equipment.</p>
<p>Skywest</p> 	Mr Richard Pickford	<p>Contact initiated through Mr Terry Cooper and Richard Pickford in Perth</p> <ul style="list-style-type: none"> Advice remains outstanding
<p>Air North</p> 	Ms Tanya Cason	<p>Contact initiated through Simone Saunders, David Gooch and Tanya Cason in Darwin</p> <ul style="list-style-type: none"> Currently Airnorth is operating E170 – 76 seater aircraft into PHE, and don't envisage increasing the aircraft size in the near future. At present Airnorth has no proposed routing changes that would include PHE in any other services. Airnorth current and potential future use of check-in counters would be for 2 staff and 1 service desk Currently utilise check-in counters do not envisage using kiosks Web check-in with a bag drop (future requirement) Nil requirements for lounge facility Gate access – 1 boarding gate use forward stairs on aircraft only Boarding gate 1 staff required/ / Arrivals 1 staff required
<p>Tiger Airways</p> 	Michael Jarvis	<p>Possible interest in future services expressed</p>

Maroomba'



Mr Steve Young

- Ongoing adhoc charter on Govt, commercial and medivac business anticipated
- Requires continuing landside/airside access to suitable apron parking preferably in proximity to terminal

8 Government Agencies

With the existing terminal operating only limited international services, the airport's vision of increased international capacity and services is dependent on cooperation from Federal border agencies and support from State organisations.

During the consultation process, input was sought from:

- Australian Quarantine and Inspection Service (AQIS)
- Australian Customs Service (ACS), and
- Department of Immigration and Citizenship (DIAC)
- WA Department of Transport

Advice from Federal border agencies provided reference to the joint agency publication *International Airport Operator's Guide - Version 1.2.1*

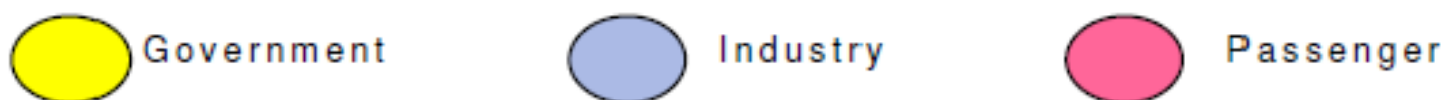
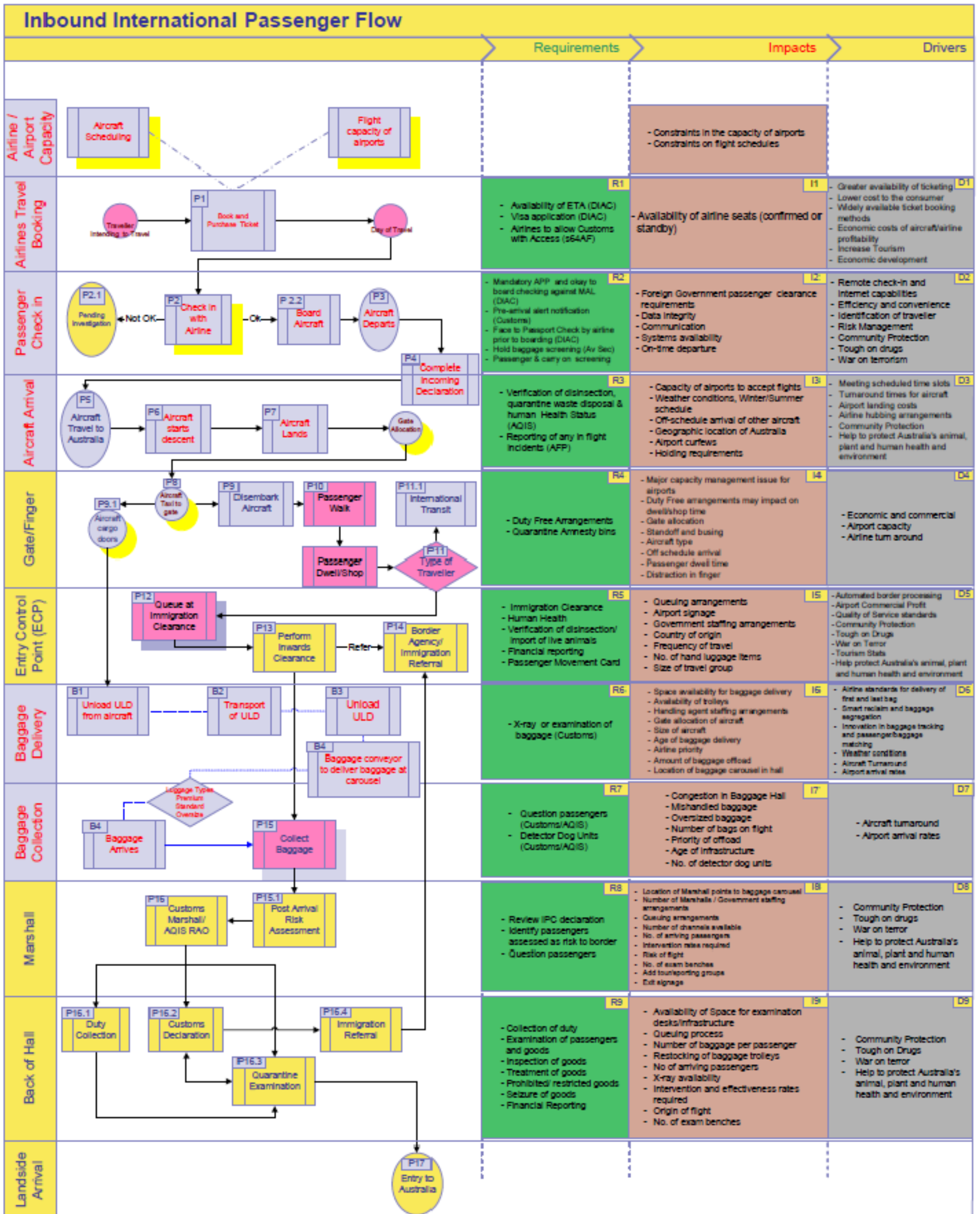
This Guide provides information and advice on accommodation and infrastructure requirements for:

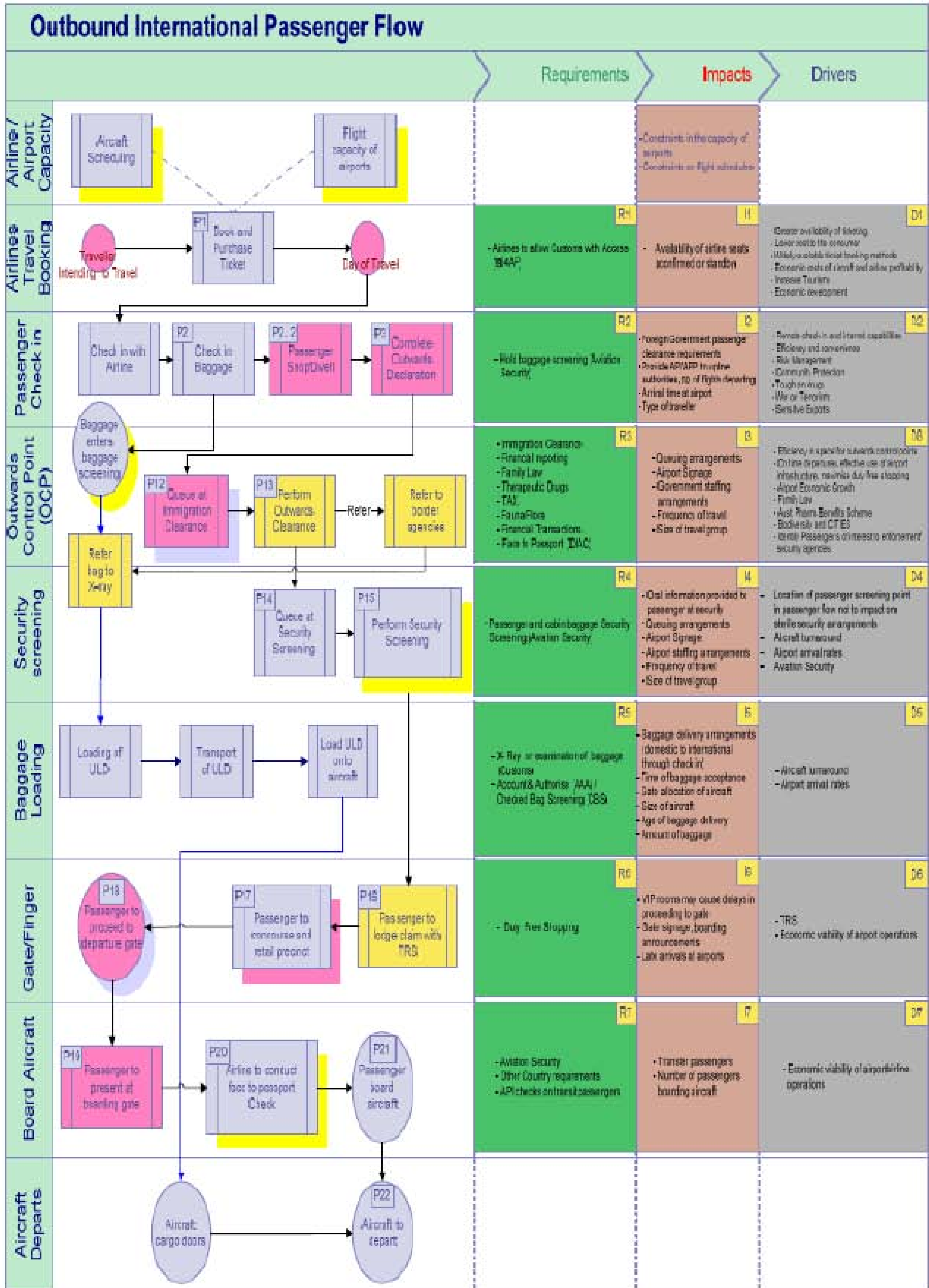
- (a) existing international airport operators in relation to day to day agency requirements and for the purposes of planning refurbishment or redevelopment of airport terminals; and
- (b) airport operators planning to process regular international flights.

Existing and prospective international airport operators are responsible for the provision of adequate facilities to enable border and border related agencies to process arriving and departing passengers, and the goods they bring with them, in a secure environment.

8.1. Passenger Processing

The following flowcharts represent the interrelationship between Government, industry and passengers, and provides a 'whole of airport' business process for international passenger flow in terminals.





Government



Industry



Passenger

8.2. Terminal Design – Government Agency Perspective

In the design of terminal facilities to accommodate the carrying out of Government regulatory functions the following is relevant:

8.3. Design Objectives

Each functional element should be flexible enough to allow them to be readily and economically rearranged or expanded to meet changing demands and technologies. Potential for shared facilities for the border agencies wherever possible to foster interagency collaboration and minimise the impact on terminal infrastructure and cost to the operator. Adoption of materials that are planned, designed and suited to their function to minimise maintenance and cleaning and to maximise operational efficiency. Provision of functional areas sized and situated to meet demand in terms of expected passenger movements at peak operating periods and capable of expansion for forecast passenger and aircraft movement levels for the anticipated design horizon of the terminal.

- Planned facilities that support the safe and orderly conduct of each functional element without compromising border agencies' security or the integrity of the Australian border.
- Use of processing stations that are clearly identifiable and logically arranged to suit their functions.
- All weather facilities with appropriate climate control.
- Natural light wherever possible. Where natural light is not available, adequate artificial light is to be provided.

8.4. Terminal Infrastructure

The terminal infrastructure provided by airport terminal operators is fundamental to the level of service experienced by the passenger and significant in the measure of success that border agencies can achieve in meeting agreed processing standards and objectives. The number of processing points, queue zone areas, signage, straight-line passenger flows, baggage delivery and flexibility of the terminal to adapt to new technologies, airline requirements, airline and border agencies' initiatives are all significant elements of achieving cost effective passenger processing. The general and specific requirements are as follows.

8.5. General Requirements

- Base fit out for operations and operational support areas, ready for border agencies to occupy.
- Public toilet facilities, drinking fountains and seating in sterile processing areas.
- Data and communications, electrical, mechanical, hydraulic and fire services to support the specific requirements of border agencies' operations and administration.

8.6. Specific Requirements**Passenger Clearance**

- To support border integrity and control measures, arriving and departing international and domestic passengers and their baggage are to be separated. Domestic passengers travelling on international flights through international terminals will not require separation from international passengers and their baggage.
- To support bio-security and quarantine measures, no live plants are to be placed between the aircraft and landside arrival including international transit areas.
- Multi-use or combined terminals:
 - areas that are primarily dedicated to domestic passenger flows must be able to be cleared and secured for Customs & Border Protection purposes prior to the establishment of international processing. The clearance process includes toilet facilities, retail outlets, interview rooms and any areas that might be accessible to international passengers; and
 - before the area is returned to domestic passenger use, all waste is required to be collected, transported and treated as quarantine waste by the airport operator in accordance with AQIS requirements.
 - • International passenger flows:
 - uncleared international arriving passengers are to be separated from international departing passengers; and
 - transit passengers are to be separated from arrivals prior to the Entry Control Point and directed to the departure lounge area via a security check.

- Clear lines of sight are required for all passenger processing areas, including baggage reclaim halls, to allow passengers to identify relevant processing streams and directional signage, and for border agencies to maintain observation and surveillance of passengers (including CCTV) for border protection and clearance purposes.
- Areas established under and in accordance with the *Customs Act 1901* (section 234AA) are required for use by Customs & Border Protection for questioning or searching passengers disembarking from or embarking on an aircraft, or their personal baggage; and as a holding point for such passengers.

8.7. Outcome of Specific Consultation

The outcome of consultations with government agencies is summarised in the flowing table:

Border agencies		Interaction with local representatives held during Airbiz visit on 09 Nov 2010.
	Mr Sanjay Boothalingam	Requirements document reference provided by AQIS - joint agency publication <i>International Airport Operator's Guide - Version 1.2.1</i>
Dept of Transport WA	Ms Carole Theobald Mr Michael Kennedy	Confirmation of RADS funding in years 2010/11 and 11/12 for PHE projects including terminal upgrade

9 Other Service Providers

9.1. Retail

Retail requirements for the proposed terminal expansion were reviewed in the Commercial and Retail Demand Study undertaken by Airbiz and issued as a draft report on 24 November 2010. The draft report recommends retail area requirements for staged terminal development passenger throughput levels.

In terms of stakeholder consultation, input was provided by existing and potential future service providers and is reflected in the table below.

9.2. Car Rental operators

Six car rental service providers (including four existing and two prospective) were asked for input.

The only formal respondent was Europcar which identified industry requirements typical at airports:

- Desk access within terminal
- Ready bays with good proximity to terminal
- Additional storage with contingency space for seasonal requirements
- Wash and service facilities available nearby

McLaren indicated an interest in establishing rental car services at Port Hedland airport.

9.3. Aviation Support

Aviation Support service providers typically provide services to airlines such as:



- Ground Handling services
- Security services
- Aviation Fuel services
- Catering services


At this concept design stage, the direction provided by airlines in terms of future service requirements will dictate how these service providers respond and what their facility requirements might be.

Engagement with aviation support service providers should therefore follow the endorsement by airlines of preliminary concept design options.

9.4. Outcome of Specific Consultations

The outcome of consultations with the other service providers is summarised in the flowing table:

<p>Rental Car</p>		<p>Interaction with local representatives held during Airbiz visit on 09/10 Nov 2010. Request for feedback issued to 6 companies. Response received from Europcar.</p>
<p>Europcar</p> 	<p>Eoin MacNeill</p>	<p>Port Hedland represents challenges for car rental companies as investing in facilities to process vehicles is difficult due to the recourse boom bust cycles.</p> <p>We are looking to expand into the region in the future</p> <p>Biggest issue is parking bays that can accommodate the fly in fly out market and wash facilities</p> <p>Desks spaces in terminal</p> <p>Staff access does not seem to be a big issue</p> <p>We are interested in the flow of operations and passenger movements within and without terminals</p> <p>Most positive steps appear to be in consulting the industry and involvement in planning and design of facilities desks, parking and back up facilities</p> <p>Not sure what you mean by fallback</p> <p>Parking is a big issue - our needs are peculiar in that the customer wants to be closest for pick up and return (given luggage etc this is understandable) however our customers tend to all come in at similar times and depart at similar times putting capacity strains on available spaces and proximity</p> <p>We also have the seasonal and shift patterns of our customers that lead to the need for overflow parking for short periods such as over holiday periods</p>
<p>Fuel Companies</p>	<p>Ms Julie Ingram - AirBP</p>	<p>Current operations do not present any significant fuel supply issues. Interested to participate subsequent to airlines input</p>
<p>Esplanade Hotel</p> 	<p>Mr Doug Gould Ms Shelley Wood</p>	<ul style="list-style-type: none"> • Took over existing café operations 1 Jan 2010 • Experiencing issues with peak times. Penetration rate lower due to crowding of outlet • Flow an issue with creation of bottleneck at that end of the terminal • Sees opportunity in trying other styles of foods • Supported increased retail in terminal (particularly duty free) and a separate news/gift • Currently supplies airlines with in-flight food • When brands were mentioned didn't react strongly to this opportunity • raised issue of access for deliveries and waste into/out of existing facility • current rental agreement is a flat fee

<p>Duty Free proponent</p>	<p>Ms Pyke Glenys</p>	<ul style="list-style-type: none"> • Initial review has indicated that Glenys still has more investigation to make re business case for operating a duty free outlet within terminal. She needs to consider: <ul style="list-style-type: none"> ○ capital investment ○ return on investment ○ desired floor space (for outlet plus bond store) ○ expected revenues and margins ○ supply chain ○ legislative requirements to operate a duty free outlet ○ expected rents • stated that she would be happy to run a temporary site (not necessarily duty free) to determine what pax were after in range of duty free products (her initial thoughts were cigarettes and alcohol only) • Would be interested in establishing a Lotto agency within terminal. Similar to above all considerations still need investigating
<p>Westpac</p> 	<p>Susan Heyder</p>	<ul style="list-style-type: none"> • The existing ATM installation arrangement is about 1 year into a 3 year term; extensions would be considered and subject to negotiations with ToPH • The installed ATM is running at about 3,000 transactions per month; this is well below the 10,000 transactions per month which would normally be considered the point at which some facility augmentation would be required • Westpac unlikely to consider Foreign Exchange kiosk but could consider self-serve foreign exchange through an enhanced ATM • Westpac would be interested to be further consulted during design development of the terminal expansion.

9.5. Statement of Requirements – Planning Parameters

After receiving input from a range of key stakeholders including airlines, Airbiz in consultation with Airport Management prepared a table of planning parameters for input to the concept design process. These parameters are intended to inform the spatial requirements for the assessed busy hour demand for staged development of the Port Hedland airport terminal.

Functional	Parameter	Allowance	SOURCE (ToPH confirmed or Airbiz assumed)
Passengers	Departing busy hour passengers	As per demand	
	Arriving busy hour passengers	As per demand	
	Busy hour load factor	80%	Confirmed by ToPH
	Passenger to friend ratio (departing)	1 : 0.3	Confirmed by ToPH
	Passenger to friend ratio (arriving)	1 : 0.3	Confirmed by ToPH
	Percentage of priority passengers	10%	Confirmed by ToPH
	Percentage of economy passengers	90%	Confirmed by ToPH
Check-In & Baggage Make-up	Groups	0%0%	Confirmed by ToPH
	Average priority passenger processing time	1.5 min/pax	Confirmed by ToPH
	Average economy passenger processing time	1.5 min/pax	Confirmed by ToPH
	Max. acceptable delay for priority passengers	5 mins	Confirmed by ToPH
	Max. acceptable delay for economy passengers	15 mins	Confirmed by ToPH
	Percentage of passengers with checked bags	80%	Confirmed by ToPH
	No. of checked bags per passenger with checked bags	1.2 bags/pax	Confirmed by ToPH
Outbound Immigration (OCP)	No. of separations (barrows/containers) per flight	2 or 3	Baggage Consultant to confirm
	Average passenger processing time	30 secs	Confirmed by ToPH
Security	Max. acceptable delay	15 mins	Confirmed by ToPH
	Passenger processing rate	300 pax/hr	Airbiz assumed
Common Departure Lounge	Items per passenger	1.5 items	Confirmed by ToPH
	Items per friend	1 item	Confirmed by ToPH
	Departing passenger & friends dwell time	45 mins	Confirmed by ToPH
	Arriving passengers' friends dwell time	30 mins	Confirmed by ToPH
	Percentage of passengers in common departure lounge	50%	Confirmed by ToPH
	Percentage of passengers in airline lounge	20% average 40% test	Confirmed by ToPH
	Percentage of passengers in concessions	30%	Confirmed by ToPH
	Percentage of friends airside of security	50%	Confirmed by ToPH
	Percentage of friends airside of security in common departure lounge	70%	Confirmed by ToPH
	Percentage of passengers in concessions	30%	Confirmed by ToPH
Percentage of arriving passenger's friends in common departure lounge	20%	Confirmed by ToPH	
	Proportion of passengers seated	80%	Confirmed by ToPH

Functional	Parameter	Allowance	SOURCE (ToPH confirmed or Airbiz assumed)
Common Departure Lounge	Proportion of passengers standing	20%	Confirmed by ToPH
	Area per seated passenger	1.7 m ²	Confirmed by ToPH
	Area per standing passenger	1.2 m ²	Confirmed by ToPH
	Retail Areas	As recommended	See Commercial and Retail Demand Paper
Airline Lounge	Area per passenger / friend	4.0 m ²	Confirmed by ToPH
Inbound Immigration (ECP)	Average passenger processing time	45 secs	Confirmed by ToPH
	Max. acceptable delay	20 mins	Confirmed by ToPH
Secondary Examination	Percentage of passengers checked	100%	Confirmed by ToPH
	Percentage of passengers fully checked	50%	Confirmed by ToPH
	Average ACS search time	10 mins	Confirmed by ToPH
	Average AQIS search time	5 mins	Confirmed by ToPH
	X-Ray processing time	300 bags/hr	Confirmed by ToPH
Baggage Claim & Arrivals Hall	Claim utilisation per NB aircraft	25 mins	Confirmed by ToPH
	Claim utilisation per WB aircraft	40 mins	Confirmed by ToPH
	No. of barrows/containers per flight	3	Confirmed by ToPH
	Effective presentation length (NB)	35m	Confirmed by ToPH
	Effective presentation length (WB)	45m	Confirmed by ToPH
	Percentage of passengers with checked bags	80%	Confirmed by ToPH
	Checked bags per passenger	1.3 bags/pax	Confirmed by ToPH
	Time for first / last passenger bag (NB)	5 / 20 mins	Confirmed by ToPH
	Time for first / last passenger bag (WB)	10 / 35 mins	Confirmed by ToPH
	Passenger dwell time	10 mins	Confirmed by ToPH
	Friends dwell time	30 mins	Confirmed by ToPH
	Percentage of passengers in hall at one time	80%	Confirmed by ToPH
	Percentage of friends in hall at one time	80%	Confirmed by ToPH

Port Hedland
Airport

Terminal Plan

Commercial and Retail Demand

24 November 2010

ATTACHMENT 3 TO AGENDA ITEM 10.1



Contents

1	INTRODUCTION	1
2	PROJECT BACKGROUND	2
3	SCOPE OF WORKS	3
4	COMMERCIAL – WIDER PRECINCT CONSIDERATIONS	4
5	RETAIL	8

1 Introduction

This report provides the outcomes and recommendations of the Commercial and Retail Demand Study including consultation with key stakeholders. There are two major parts to the report:

- Commercial – wider precinct considerations
- Retail – initiatives and opportunities to improve non-aeronautical revenues

The following are included in this report.

- Project Background
- Scope of Works
- Commercial – Wider Precinct Considerations
 - Optimising airport business opportunities
 - Land uses
 - Airport planning principles
 - Commercial development planning principles
 - Commercial within terminals
- Retail
 - Retail and economic details
 - Retail paradigms
 - Retail guidelines
 - Retail activity market demand
 - Stakeholder feedback
 - Retail concept
 - Sustainability of concept
 - Staging of expansion and refurbishment

2 Project Background

The Port Hedland International Terminal (PHIA) is experiencing rapid growth in the numbers of passengers and service providers for both domestic and international flights. A Masterplan prepared by Airport Master Planning Consultants has estimated that the passenger numbers will double from 300k in 2009/10 to 600k within the next five years (considered short term). The 3,000 sqm terminal building will need to be extended/redeveloped to accommodate long term growth in passenger numbers of the Port Hedland International Airport.

Airbiz have been appointed to provide a report into maximising the commercial returns to the Town of Port Hedland through the delivery of a Commercial and Retail Demand Study. The key deliverables of this study are:

- Market Demand Paper which identifies the types and nature and uses that would be sustained in the terminal building and carpark
- Commercial Drivers Paper which identifies the types and natures and characteristics that would be suited to particular areas of the planned development
- Opportunities Paper which identifies opportunities to improve aspects of the plan to increase the sustainability of the development

3 Scope of Works

The Commercial and Retail Demand Study is to respond to the following scope:

- Provide market commercial and economic advice in relation to planned development of the International Airport
- Assess the market demand for commercial activity within the terminal building and carpark areas
- Assess and provide input to the influences and implications of key elements on the commercial sustainability of the concept plan
- Identify opportunities for commercial activity
- Consider initiatives which may improve/increase the attraction/activation and sustainability of airport terminal and car parking
- Consider these implications in relation to staging and timing of the terminal expansion and refurbishment
- Provide assistance with cost estimates to the QS as required

4 Commercial – Wider Precinct Considerations

4.1. Optimising Airport Business Opportunities

To optimise commercial outcomes, airport businesses can pursue a range of strategies. Rather than engaging in purely aviation activities such as the development and operation terminals and airfield facilities, airport businesses are increasingly looking to ancillary opportunities to enhance business sustainability and resilience.

Large airports have been credited with creating an “aerotropolis” effect where surrounding land uses take on the form of a virtual town/city centre complete with all forms of industrial, commercial and even residential and recreational land-uses forming around an airport activity hub. This makes commercial and environmental sense when principles of “Live, Work & Play” place a diversified range of activities around a significant transport hub and employment centre at an airport. Examples: Hong Kong Airport

The same principles can apply to smaller airports though the level of sophistication is scaled back proportionately. Examples: Darwin, Newcastle, Sunshine Coast.

The primary objective remains the same – airport businesses need to be sustainable and resilient.

4.2. Land uses offering potentially enhanced business sustainability and resilience

After consulting a range of airport, business and community stakeholders, Airbiz has formed a view that there is broad support for a range of commercial development opportunities at Port Hedland International Airport which should be considered to enhance airport business sustainability and resilience.

Candidate land uses are reviewed and rated for further consideration in the table below:

Land Use	Description	Relationship	Rating
Hotel	2-3 star branded hotel	Supporting business traveller/visitor accommodation needs	High
Business Centre	Meeting rooms and business support facilities and services	Supporting business traveller need for time-efficient meeting and business support	High
Commercial Office	A-grade office accommodation	Supporting businesses having high air-transport usage	High
Service station	Branded fuel supply outlet	Supporting airport users including rental car returns and commercial precinct users/visitors Also targeting passing traffic	Moderate
Convenience Store	Branded convenience store outlet	Supporting commercial precinct and airport visitors	Moderate
Food Outlets	Branded fast food outlet	Supporting commercial precinct and airport visitors	Moderate
Outdoor Advertising	Sky signage exploitation	Targeting airport visitors	High

4.3. Airport Planning principles and their influence on Commercial Development

The hierarchy of land uses for prudent airport planning is generally determined in this order of priority:

1. Runways
2. Taxiways
3. Aprons
4. Terminals & Terminal support
5. Ground Access
6. Parking
7. Aviation Support
8. Commercial Development
9. Other

While commercial development may be well down the list of airport planning priorities, it nevertheless offers an airport the ability to round out the services offered to airport patrons and to position the airport as a complimentary centre to town, city and region.

4.4. Commercial Development Planning Principles

Commercial developments should be assessed on a "highest-and-best" use basis with consideration of:

- Allowable use
- Physical feasibility
- Financial feasibility
- Maximum productive use

Typically at airports, car parking is a benchmark for financial feasibility and maximum productive use.

4.5. Commercial (non-retail) within Terminals?

When considering the inclusion of commercial (non-retail) functions within terminals, have regard to:

- High development cost of terminal infrastructure
- High operating costs of terminal infrastructure and hence outgoings charged to tenants
- Provision of critical operational office uses only should be considered within a terminal
- Provision of commercial office requirements in separate purpose-designed facilities at reduced capital and operating cost

4.6. Hotels

- 3 to 5 star hotels potentially located adjacent to terminals with footprint minimized to avoid terminal and ground access facilitation issues and car parking opportunity conflicts
- 1 to 3 Star hotels located walking (100 to 300 metres, preferably covered) or shuttle distance (>300 metres)
- On-site parking minimized to optimize airport parking business upside
- Rent based on site and turn-over

4.7. Business Centre

- Ancillary use of hotel recommended
- Hotel consent may be conditional on provision and management of business centre
- Scaled and equipped to address unique airport demand

4.8. Commercial Office

- Offices may be located within walking distance of terminals (up to 300 or 400 metres) to provide for terminal support functions and to provide an "airport address"
- Avoid conflicts with car parking opportunities
- Consider regular floor plates 1,200 to 2,000 square metres for optimum efficiency
- Internal secure car parking attracts premium rents
- Rents based on floor area and car parking

4.9. Service Station

- Located to optimize airport visitor and passing trade visitation
- Located to optimize airport rental car and ground transport synergy
- Preferably branded product to optimize identification with airport patrons
- Co-location with convenience and fast food branded outlets for business and airport commercial precinct support service
- Rents based on site and turnover

4.10. Convenience Store

- Co-located with service station to optimize trade
- Preferably branded product to optimize identification with airport patrons
- Rents based on site and turnover

4.11. Fast Food

- Co-located with or adjacent service station, hotel or office to optimize trade
- Preferably branded product to optimize identification with airport patrons
- Rents based on site and turnover

4.12. Outdoor Advertising

- Provided at view nodes for revenue optimization – parking entry and exit stations, parking structure fabric, commercial building penthouse fabric, precinct entry and exit thresholds, signage pillars
- Preferably managed installations for consistent look & feel
- Avoid conflicts and clutter with airport way-finding signage.



5 Retail

5.1. Retail Economic Details

Increasingly non-aeronautical revenues are becoming more important to airport operators with the growth of low cost carriers. In airport terminals generically these revenue streams are:

Non-Aeronautical Revenues – Terminal	Concession	Non-Aeronautical Revenues – Landside	Concession
<ul style="list-style-type: none"> • retail/specialty retail • food/beverage • news/gift • service providers (tourism info, telecommunications, banks, foreign exchange) • duty free/tax free • advertising 		<ul style="list-style-type: none"> • car parking • rental cars • taxis, buses, limos • other commercial vehicles • hotels, conference centres, office buildings • shopping centres 	

5.2. Retail Paradigms

The following retail principles and indicative areas form critical input for terminal development options:

- Airports are not shopping malls – passengers primary purpose is to fly
- Outlets must be in the best possible locations relative to passenger flow and visibility
- Retail needs to be planned early in the airport design process
- Shops need to be limited in depth and maximised in width when possible
- Airside space is higher yielding than landside space

- It is better to have adequate space in the best location, than too much space in secondary locations
- Retail mix needs to be tailored to specific airport's passenger mix
- Retail needs to be planned for future expansion

5.3. Retail Guidelines

Indicative guidelines for retail areas per million passenger (pax) are as follows:

- Retail locations with areas per million pax
 - USA 200 - 400 m²

US airports are not particularly commercially focused

- Asia 600 – 1,000 m²

More successful airports have higher m²

- Australia 600 – 1,000 m²

- Retail areas per million pax by airport (including F&B seating):
 - Adelaide 900m²
 - Gold Coast 900 m²
 - Changi T3 900 m² per 1m pax
 - Heathrow T5 700 m² per 1m pax

5.4. Retail Activity Market Demand

Current retail operations existing at PHIA are restricted to a food & beverage outlet which sells newspapers and magazines and car rental outlets only. It is understood that there is no other retail operations existing either inside or outside the terminal which the airport would be deriving any revenues from.

As part of a familiarisation of the airport Airbiz held consultative discussions with key stakeholders and members from the local community to gain a better understanding for the demand on outlets and services that could be considered during this planning process.

Key stakeholders and local community members included:

- Members from ToPH
- Existing retail operators The Esplanade Hotel (F&B and airline catering provider)
- Representatives from mining companies BHP Billiton and FMG
- Representatives from Port Hedland Visitors Centre
- Potential retail operator of duty free outlet
- Existing ATM and car rental operators

A summary of the commercial opportunities raised from meetings with stakeholders are listed below:

Strongly Recommended	Recommended	Mentioned
<ul style="list-style-type: none"> • Airline lounges • Improved food & beverage • Children's play area • IT access • Office space (current enquires of 6,000 m²) • News/gift • Hangar facilities for light planes • Need to separate the "drinkers" from family groups • Vending options • Improved carpark facilities 	<ul style="list-style-type: none"> • Gifts/tourism information • Lockers for personal storage • Shower facilities • Duty free outlet • Convenience (offering reading material, entertainment DVDs etc) • Wider variety of foods • IT/Electronic outlet • Potential to go to six car rental providers 	<ul style="list-style-type: none"> • Boarding facilities for pets • Lotto agency • Medical centre • Foreign Exchange • Airport hotel • Commercial precinct outside terminal • Advertising

5.5. Stakeholder Feedback

Stakeholder	Comments
Mr Bob Couzens Mgr Airport Operations TOPH	<ul style="list-style-type: none"> • Pro staged development • Pro multi-storey carpark • Pro hotel (similar to Formula 1 style) • Suggested separate International terminal linked to existing terminal • Suggested any new retail precinct to the far end of the terminal
Doug Gould/Shelley Wood The Esplanade Hotel	<ul style="list-style-type: none"> • Took over existing café operations 1 Jan 2010 • Experiencing issues with peak times. Penetration rate lower due to crowding of outlet • Flow an issue with creation of bottleneck at that end of the terminal • Sees opportunity in trying other styles of foods • Supported increased retail in terminal (particularly duty free) and a separate news/gift • Currently supplies airlines with in-flight food • When brands were mentioned didn't react strongly to this opportunity • Raised issue of access for deliveries and waste into/out of existing facility • Current rental agreement is a flat fee
Peter Wood/ Julie Broad PH Visitors Centre	<ul style="list-style-type: none"> • Raised lack of accommodation and lack of affordable accommodation in town as restricting tourism growth (mining companies block book hotels) • Suggested that the FIFO do not spend a lot of money in town • Peter has recently commenced a shuttle service from airport targeting FIFO's. • Would like to get presence within terminal • Believe that good quality coffee/food is needed at airport • Mentioned that BHP spend 1% of their GP back into community • Weren't supportive of the need for additional meeting rooms at airport • Stated that long term parking has high demand at airport • Suggested that the airport could become a retail hub for the community with certain services not provided currently in town (these included dry cleaners, butchers, bakery, commercial offices)

Stakeholder	Comments
Patrick Mellberg Mgr Sustainability (Andre/Lisa) BHP Billiton	<ul style="list-style-type: none"> • Suggested retail needed to provide range of choices other than just a bar at airport • Keen on improving airline lounges with high number of staff users • Very strong on the need to separate the “drinkers in the bar” from family groups within terminal • Suggested child amusement centre/playground would be valued by their staff within the terminal • Felt need for better food choices and quality • Suggested that there should be outside areas for general public not just for the smokers • Patrick will provide us with HR data on demographics of workforce • Patrick offered to distribute a survey amongst their staff to obtain feedback on what they would like to see at airport • Suggested other services within terminal could include: <ul style="list-style-type: none"> – Medical centre – Gifts/tourist information – News/books – Convenience/personal hygiene – Vending – Lockers/storage for FIFO to leave work gear – Short stay hotel – Shower facilities – IT access – Hangar facilities for light aircraft (have staff who have enquired re flying up from PER)

Stakeholder	Comments
TOPH Serge Doumergue Jenella Voitkevich Jasmine Person	<ul style="list-style-type: none"> • Stated there was a high demand for retail/commercial office space. • Has current enquiries for 6000sqm office space and 5000sqm retail space • Would like to fastrack the development of 3000sqm office space and lease to mining companies for a 5 year period • Suggested strong demand for meeting/conference space at airport • Stated that current market rates are: <ul style="list-style-type: none"> – Retail \$440/sqm inc. GST + outgoings – New office \$660/sqm inc. GST – Old office \$550/sqm inc. GST • Stated multi-storey carpark would not happen • A hotel would cause infrastructure issues and therefore would not be feasible • Accepted that the needs/demands and use of terminal at PHIA is not necessarily the same as similar sized terminals due to high component of FIFO's and lack of tourism in greater community • Currently renegotiating leases with car rental companies and suggested that there is an opportunity to expand to six providers • Is looking at increasing booth size in terminal for the car rental companies • Supported need for presence in terminal to include: <ul style="list-style-type: none"> – F+B – News/gift – Tourism – Car rental – Airline lounges • Supported need for "wall of ATM's" & currency exchange • Suggested that any commercial offers in airport precinct shouldn't conflict with downtown offers • Stated that there were no sub-leases within terminal • Supported inbound/outbound duty free offer • Will supply contact details for car rental companies

Stakeholder	Comments
Vicki James FMG	<ul style="list-style-type: none"> • FMG has 350 staff currently working in area with a proposed expansion of up to 800 within short period • A high percentage of these staff will be local residence rather than FIFO's • DJ is FMG's current preferred carrier (all their staff are Gold Members therefore high demand on lounge facilities) • With expansion in workforce see the opportunity to engage with DJ to use larger planes rather than more services • FMG have their own 18 seat plane which transports indigenous staff only (mainly to Cloudbreak) • Sees current issues with airport to be: <ul style="list-style-type: none"> — Lack of covered footpaths between terminal and carpark — Lack of area for airline lounges (especially during delays) — Shaded area at kerbside whilst waiting for pick-up — Limited bus zone access for group pick-ups — Security of cars during long-term stays — Terminal in not child friendly • Stated that ancillary businesses are growing as a result of the expansion in mining • Stated that a lot of their staff are ex Brisbane (where a similar skill set is prevalent) • Believes that opportunities are being missed by the lack of presence in terminal from the Visitors Centre to inform FIFO's what they can do on their RDO's • Stated that a lot of their staff are very IT savvy • Suggested the following would be desirable at airport: <ul style="list-style-type: none"> — Gifts/news wider variety of foods — Duty free IT/electronic store — Car wash/detail facility Boarding facilities for pets — Hangar space — Convenience store Lockers/storage • Supported survey opportunity with FIFO's to advise of what they feel is missing • Suggested contacting Andre Bush from the Port Authority

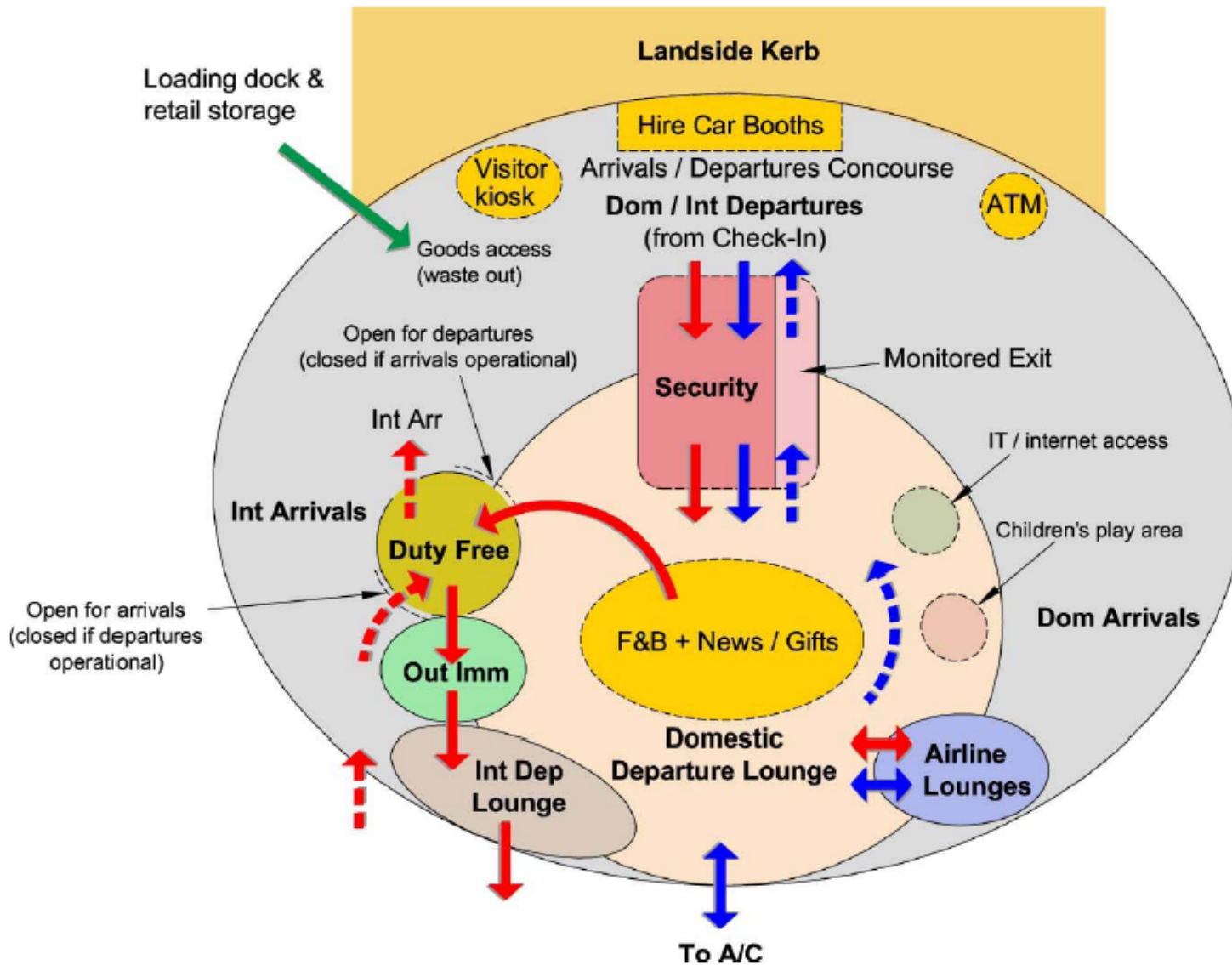
Stakeholder	Comments
<p>Glenys Pike Duty Free</p>	<ul style="list-style-type: none"> • Initial review has indicated that Glenys still has more investigation to make re business case for operating a duty free outlet within terminal. She needs to consider: <ul style="list-style-type: none"> – Capital investment – Return on investment – Desired floor space (for outlet plus bond store) – Expected revenues and margins – Supply chain – Legislative requirements to operate a duty free outlet – Expected rents • Stated that she would be happy to run a temporary site (not necessarily duty free) to determine what pax were after in range of duty free products (her initial thoughts were cigarettes and alcohol only) • Would be interested in establishing a Lotto agency within terminal. Similar to above all considerations still need investigating
<p>Susan Heyder Westpac Banking Corporation</p>	<ul style="list-style-type: none"> • Existing ATM installation arrangement is approximately 1 year into a 3 year term; extension would be considered and subject to negotiations with ToPH • The installed ATM is running at approximately 3,000 transactions per month – well below the 10,000 tpm which would be normally considered the point at which some facility augmentation would be required • Westpac unlikely to consider foreign exchange kiosk but could consider self-serve FX through an enhanced ATM • Would be interested to be further consulted during design development of the terminal expansion

5.6. Retail Concept Plan

To achieve the retail objectives of increased retail penetration and increased passenger spend it is proposed to place the retail hub airside.

The retail hub initially should consist of an improved food & beverage operation, a separate news/gift outlet and potentially a limited duty free offer which can service both departing and arriving international passengers. As demand grows additional retail outlets could be considered.

- Ancillary retail offers of paid internet and vending (international departing lounge only) are also in demand
- Seating needs to be strategically placed to ensure all retail outlets are visible at all times
- The ambience of the lounge needs to incorporate light, fresh feeling and the addition of a children's play area is seen as highly desired
- The airline lounges need to be easily accessible from the food & beverage outlet as it is highly likely that this concession would be servicing them
- The duty free outlet should have a limited offer consisting of tobacco, alcohol & perfume
- The news/gift outlet should range the standard offering with key gift items for the "guilt" purchase which was mentioned frequently by the key stakeholders
- Landside should accommodate for car rental booths, a visitors kiosk and ATM's. There is also a potential to offer personal lockers, another regularly mentioned service from the stakeholders
- Key services like loading docks, storage and a bonded store for the duty free are needed



5.7. Sustainability of Concept

Retail rents should be negotiated on a fixed guaranteed base rent structure payable monthly in advance with a percentage structure kicking in when pre determined levels of revenues are exceeded. These overages are paid in arrears. Base rents should increase year on year at the rate of at least the CPI.

In addition to these rents it is common that retail operators pay 0.5% of their gross turnover into a promotional activity fund which the airport operator controls and instigates activity to drive awareness and passenger visitation to the outlets.

Base rents and percentages vary between styles of outlets, styles of service offered and also region to region.

Indicative rents for similar style airports based on turnover are:

- Food & beverage 14-18%
- News/Gift 10-13%
- Duty Free negotiated by category
- coin operated facilities 20%
- ATM/advertising negotiated percentage of turnover

Rents per square metre are applicable to airline lounges and other floor space (e.g. storage rooms) leased. Due to the high rents being achieved downtown, a Market Rent Assessment would be required to determine the commercially viable rates within the airport precinct.

Car rental operators usually pay a percentage of turnover with a set desk site fee and a fixed fee per parking bay in the carpark.

Many local councils are now introducing paid carparking and this is another revenue stream available to ToPH. Rates are tiered based on duration of stay, with long term facilities offering more competitive daily rates. There are ancillary opportunities to drive revenues through carparks with services such as valet, carwash/detailing and undercover parking. It is also believed that to minimise adverse reaction if these charges were implemented that adding value with shaded areas would be beneficial.

Commercial transportation businesses such as coaches, taxis, tour operators and shuttle service providers are commonly charged access fees to operate out of the airport precinct. Fees range from \$2-3 per vehicle movement.

5.8. Staging of expansion and refurbishment

The staging of the retail development needs to be slightly in advance of the passenger growth to maximise opportunities. Overtrading is a common occurrence amongst retail precincts who are experiencing rapid traffic increases and often leads to below budget performances and poor customer experiences.

Evidence would substantiate the proposed level of retail facilities in the concept plan with future development scaled on passenger growth forecasts.

Below is an indicative assessment of required footprints as passenger numbers increase:

Pax	250k	500k	750k
F&B (including seating)	120 – 150m ²	250 - 350m ²	350 - 450m ²
News /Gift	350 - 450m ²	100m ²	100 - 250m ²
Duty Free	-	250 - 750m ²	750 – 1,000m ²
Other Retail	-	100 - 200m ²	100 - 200m ²

The table below relates Actual (existing) or Recommended (future) retail floorspace areas to the Port Hedland terminal expansion and future passenger growth projections.

Pax per annum	Year	Actual/Recommended Retail Area Range (sqm)				
		F&B	News & Gift	Other	Duty Free	Totals
350k	current	225	-	-	-	225
500k		250-350	35-50	100	75*	460-575
600k	2015#	350-400	100	100-200	75*	625-775
750k		350-450	150	100-200	75*	675-875
1000k	2025#	450-600	150	200-250	75*	875-1075

* Assumes 100,000 International passengers

ToPH passenger traffic assumptions

F&B areas (including seating) are influenced by the number of airline lounges operating

In terms of staged development, and having regard to current traffic levels, terminal development timeframes and future growth projections, it would appear prudent to consider initial development to the 600-750k annual passenger throughput range and options to expand to the 1,000k annual passenger range at a later stage. It should be noted that before the terminal development expansion concept is finalised, these recommendations will need to be revisited to consider the influence of airline lounge take-up.

**PORT HEDLAND INTERNATIONAL AIRPORT
TERMINAL REFURBISHMENT AND EXPANSION**

PCG PROGRESS REPORT 02 – 10.12.2010

19.11.2010	Presented preliminary design criteria (area calculations) to initiate discussion on brief requirements. Presented 3 preliminary concept planning studies to indicate general approaches to extension and redevelopment and possible arrangements of key areas – check-in, departures and arrivals hall.
08.12.2010	Presented revised design criteria incorporating agreed planning parameters and recommended retail areas drawn from Airbiz stakeholder consultation and retail study. Issued preliminary accommodation schedule for consideration and to give a clearer indication of the expected scale of development.

Upcoming	<ul style="list-style-type: none"> • Final draft of design criteria Mon 13.12.10 • Final draft of accommodation schedule Mon 13.12.10 highlighting areas we consider specifically require PCG, airport committee or other stakeholder comment • Concept plans to be issued Mon 20.12.10 for stakeholder review
Items of note	<ul style="list-style-type: none"> • The base criteria on design criteria document require formal agreement. The assumption of 4 simultaneous B737 aircraft as maximum demand informs all area calculations and consequently the scale of the terminal development. • Consideration is needed towards the secondary examination requirements for arriving international passengers as current planning parameters would lead to an extremely large customs/quarantine area. • Baggage handling specialist consultant advice/feedback will be valuable after concept plans issued.

PORT HEDLAND INTERNATIONAL AIRPORT
TERMINAL EXPANSION CONCEPT PLANNINGPRELIMINARY DESIGN CRITERIA – rev 4
13.12.2010

Base criteria

Current throughput	350,000 passengers p/a
Projected 2025 throughput	1,000,000 passengers p/a
Peak design demand	4 x B737-800 aircraft (170 seat) @ 80% capacity = 550 arriving + 550 departing passengers at peak demand moment
Percentage of transit/transfer	0%
International flights	Outside of peak, or maximum of 1 peak time aircraft to be international

Highlighted figures are drawn from Airbiz stakeholder consultation and retail study reports.

Check in

- Assuming 4 flights are across 3 carriers (1 major 2 minor)
- Assuming counters are not switched assignment during peak hour
- Assuming separate queuing areas for each carrier
- Each flight capacity = 136 (80% x 170)
- 20% (27) have no checked baggage; assume 50% (14) of these will use web check-in prior to arrival at terminal, leaving 122 pax check-in per flight

Check-in counters*Minor carriers*

Allow for checking in one flight (122 pax) each

122 @ 1.5 min each = 183 minutes total checking in time
= 3 counters to check in all in 1 hour

Major carrier

Allow for checking in 100% of one flight and 50% of second flight = 183 pax

183 @ 1.5 min each = 275 minutes total checking in time
= 5 counters to check in all in 1 hour

Total = 11 check-in counters
+ 1 ticketing/service counter (assumed)

Area requirement = 11 x 11m²
+ 1 x 14m²
= 135m² (from front of queues to rear of collector conveyor)

Queuing and entry

At 1.5 min per check in and allowing 15 minute acceptable queuing time, queue area should allow for 10 pax/counter = 110 pax

Queuing area – 110 x 1.5m ²	= 165m ²
Add 100% for circulation (incl. entry foyer)	+ 165m ²
Allowance for friends 30% (33) x 1m ²	+ 33m ²
Total queuing/foyer area	= 365m ² (rounded)

For comparison: current check in area (excl. counters) = 200m² approx

Departure Lounge

Peak departing passengers = 550 pax
 Subtract 20% using airline lounges - 110
 = 440 pax in common lounge/concessions

Seating area

Departing passengers in seating area 50% x 440 = 220
 Departing passengers' friends in seating area = 440 x 30% (friends)
 x 50% (proportion airside)
 x 70% (in seating)
 = 46
 Arriving passengers' friends = 550 x 30% (friends)
 x 20% (proportion airside)
 = 33
 Total occupancy = 300 pax (rounded)
 Area requirement 1.7m² x 80% seated (240) = 408
 1.2m² x 20% standing (60) = 72
 Total area = 480m²

For comparison: current holding lounge area = approx 210m² effective area

Food & beverage area

Departing passengers in concessions 50%* x 440 = 220
 Departing passengers' friends in seating area = 440 x 30% (friends)
 x 50% (proportion airside)
 x 30% (in concessions)
 = 20
 Total occupancy = 240
 Tables / seating area 240 @ 1.5m² = 360m²
 Allowance for bar and back of house facilities = 140m²
 Total F&B area = 500m²

* increased from 30% Airbiz assumed figure

For comparison: current bar/café area = approx 225m²

Retail

Total terminal retail (excl. F&B) allowance ~ 450m²
 Assuming 80% airside component = 360m² (inc. 75m² duty free)

Departure Lounge total = 480 + 500 + 360 = 1340m²

Airline Lounges

Allowing max 40% x 550 departing passengers = 220
 Area required 220 x 4m² = 880m²

Arrivals Area

Assuming 3 x baggage carousels (including 1 x swing international/domestic carousel) allowing for redundancy when international carousel in use.

Assuming maximum of 1 x airplane load of passengers to each carousel
 = 136 pax

80% have checked baggage = 110
 80% in hall at one time = 88 pax

Friends 30% x 88 = 26 pax

Area required
 88 pax @ 1.5m² = 132m²
 Add friends 26 pax @ 1m² = 158m²
 Add 25% circulation (40m²) = 198m²
 Add carousel (60m²) = 260m² (rounded)

Total for 3 x carousels approx = 780m²

For comparison: current baggage claim = approx 220m² effective area

Security Screening

Assumed peak hour security throughput

- 100% of first departing aircraft passengers
 - 85% of second aircraft
 - 65% of third aircraft
 - 50% of fourth aircraft
- = 410 pax

Friends going airside = 410 x 30% (friends) x 50% (airside)
 = 62 pax

Total = 472 pax/hr

Processing rate 300 pax/hr = 2 screening lines required

Queuing area allowance = 20m²
 Screening area, 2 x 40m² = 80m²
 Total = 100m²

Outbound Immigration

Allowing for 50% of departing passengers (136)	= 68 pax
Processing time 30 seconds/person	= 34 minutes
15 min acceptable queuing time	= 2 counters
Area allowance for 2 counters	= 10m2
Add queuing 68 pax @ 1m2	= 78m2

Inbound Immigration

Allowing for all arriving passengers	= 136 pax
Processing time 45 seconds/person	= 102 minutes
20 min acceptable queuing time	= 5 counters
Area allowance for 5 counters	= 30m2
Add queuing 136 pax @ 1m2	= 166m2

Secondary Examination

Fully checking 50% arriving passengers	= 68 pax
Processing time 5 minutes/person	= 340 minutes
Assuming ~ 30 minute acceptable wait time	= 11 examination benches
Allowing 12m2 per bench with circulation, x 11	= 132m2
Queuing 68 pax @ 1.5m2	= 102m2

SANDOVER PINDER

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PHIA Terminal Expansion Concept Plan
Accommodation schedule **13.12.2010** **rev2**

FACILITY	AREA m2	NOTES
1 DEPARTURES/CHECK-IN	511	
1.1 Entry/Queuing area	365	
1.2 Check-in counters	135	11 counters
1.3 Service counters		incl. 1 counter
1.4 Oversize bag drop	10	
1.5 Comms room/cupboard	1	
2 CHECKED BAG SCREENING	85	Consultant advice required
2.1 CBS room	80	
2.2 Level 2/3 operator workstation	5	
2.3 Level 2/3/4 take off points		incl.
2.4 Baggage makeup area		TBD
3 SECURITY	160	
3.1 Passenger screening	100	2 screening lines
3.2 Monitored exit	10	
3.3 Security office	40	
3.4 Search/interview room	10	
4 AIRSIDE DEPARTURES LOUNGE	709	
4.1 Seating/waiting area	480	
4.2 International swing gate lounge		incl.
4.3 Male toilets	20	
4.4 Female toilets	20	
4.5 Accessible toilet	10	
4.6 Baby change	5	
4.7 Cleaner's room	4	
4.8 Gates	120	
4.9 Childrens' play area	50	Requirements to be confirmed

5	AIRSIDE RETAIL / F&B	860	
5.1	Bar licensed area	180	
5.2	Unlicensed café seating area	180	
5.3	Bar/café servery area	70	
5.4	Kitchen	70	
5.5	Cool room	incl.	
5.6	Stock room	incl.	
5.7	Retail tenancies	285	
5.8	Duty free	75	International departures
6	OUTBOUND CUSTOMS/SECURITY	227	Border agency feedback required
6.1	Primary Line with queuing	78	
6.2	DIAC cubicle	4	
6.3	Primary support point	15	
6.4	Interview room	10	
6.5	DIAC office	40	
6.6	Server room	incl.	
6.7	Customs office	40	
6.8	LAGS secondary screening	40	
7	AIRLINE LOUNGES	880	
7.1	QANTAS lounge	440	
7.2	Virgin/Skywest lounge	440	
8	BAGGAGE MAKEDOWN		TBD
9	ARRIVALS	850	
9.1	Entry gate	30	
9.2	Baggage reclaim hall	520	
9.3	Swing international baggage claim hall	260	
9.4	Male toilet	15	Off swing lounge for international arrivals
9.5	Female toilet	15	Off swing lounge for international arrivals
9.6	Accessible toilet	5	Off swing lounge for international arrivals
9.7	Baby change	5	Off swing lounge for international arrivals
10	INBOUND IMMIGRATION	206	Border agency feedback required
10.1	Primary Line with queuing	166	
10.2	IPC desk	incl.	
10.3	Health/waiting room	10	
10.4	Interview room	10	
10.5	Holding room	10	
10.6	Primary support point	incl.	

10.7	Document examination room		10	
11	SECONDARY EXAMINATION	308		Border agency feedback required
11.1	Queuing		102	
11.2	X-Ray		20	
11.3	Baggage inspection benches		132	11 manned counters. Based on 50% fully screened
11.4	Administration desk		4	
11.5	Interview room		10	
11.6	Treatment room		10	
11.7	Tool room		10	
11.8	Technical examination room		10	
11.9	Duty collection counter		10	
12	OFFICES	340		
12.1	Airport operations		80	
12.2	Ground operator		60	
12.3	Airline offices		120	Assuming 4 @ 30m2
12.4	Conference room		30	Assumed. For hire out by ToPH. ToPH to confirm if required. Assuming
12.5	Conference room		30	2 rooms can be combined through operable wall
12.6	Amenities		20	Shared office amenities
13	LANDSIDE CONCOURSE	459		
13.1	Car hire booths		70	
13.2	Visitor kiosk		10	
13.3	Atms		5	
13.4	Male toilets		20	
13.5	Female toilets		20	
13.6	Male showers		10	
13.7	Female showers		10	
13.8	Accessible toilet/shower		5	
13.9	Baby change		5	
13.10	Cleaner's room		4	
13.11	Concourse		300	Assumed figure. Dependent on design planning arrangement.
14	PLANT	200		
14.1	A/C plant (allowance)		200	Assumed. TBD with consultant input
	TOTAL	5795	5795	

Existing area 2700m2 approx

10.2 Status of Airport Committee Decisions (File No.: ...)

Officer Gaye Stephens
Executive Assistant

Date of Report 1 December 2010

Disclosure of Interest by Officer Nil

Summary

Informing members of the Airport Committee of actions undertaken in relations to decisions of Committee in the past month.

Background

This monthly report is presented to the Town's Airport Committee for information. The report advises the Committee how decisions are being actioned by staff. Any Committee Decision that has not yet been completely implemented will remain on the list until it has been completed.

Officers Comments

This report includes decisions from the following Airport Committee meetings that are currently in progress, since its commencement in May 2010.

Statutory Implications

Section 2.7 of the Local Government Act states how Council is responsible for directing the local government's affairs:

"2.7. The role of the council

(1) The council –

(a) directs and controls the local government's affairs; and

(b) is responsible for the performance of the local government's functions.

(2) Without limiting subsection (1), the council is to –

(a) oversee the allocation of the local government's finances and resources; and

(b) determine the local government's policies."

Policy Implications Nil

Strategic Planning Implications Nil

Budget Implications Nil

Attachments

Status of Airport Committee Resolutions Report.

**AC201011/034 Airport Committee Decision/Officer's
Recommendation**

Moved: Cr S R Martin

Seconded: Mayor K A Howlett

That the 'Status of Airport Committee Resolutions' Report as presented to the Airport Committee Meeting held on 16 December 2010 be received.

CARRIED 7/0

Airport Committee Meeting held Thursday 22 July 2010			OFFICER	Background Status/Work to Date	THIS MONTH'S UPDATED STATUS	COMP-LETED?	EST. COMP. DATE
10.1	Lease Area for a Lotto/Duty Free Shop at the Port Hedland International Airport	AC201011/002 Airport Committee Decision 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.	DES				
10.2	Airport Operations Building – Lease of Unused Office Space	AC201011/003 Airport Committee Decision 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	DRS				
10.3	Lease of Land Parcel for Transient Workforce Accommodation	AC201011/004 Airport Committee Decision 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	DRS				
Airport Committee Meeting held Thursday 21 October 2010			OFFICER	Background Status/Work to Date	THIS MONTH'S UPDATED STATUS	COMP-LETED?	EST. COMP. DATE
10.2	Proposed Draft Airport Master Plan	AC201011/010 Airport Committee Decision/Officer's Recommendation That the Airport Committee: a) Endorses the draft Airport Master Plan, for public consultation; b) Advertises the draft Airport Master Plan for a period of 28 days in accordance with sub clauses 4.3.3 and 4.3.4 of Town Planning Scheme No. 5; and c) Reconsider this matter if significant changes are proposed as a result of public consultation, prior to referral to Council for consideration.	MPS	DAMP available from Civic Centre and http://www.porthedland.wa.gov.au/services_facilities/town_planning/phia_master_plan.pdf Advertised for Public Comment in Town's enews and print media. Closes Monday 6.12.10. Agenda Item to Airport Mtg 16.12.10			

10.3	Reconsideration of Request for Lease of Land Parcel for Transient Workforce Accommodation	<p>AC201011/011 Airport Committee Decision/Officer's Recommendation That the Airport Committee recommends to Council:</p> <ol style="list-style-type: none"> 1. the Acting CEO and the Chairman of the Airport Committee be authorised to negotiate with Mineral Resources Pty Ltd, the terms of a draft lease of a suitable parcel of land adjacent, to existing Transient Workforce developments on Lot 2444 Great Northern Highway, and any related agreements within the following parameters: <ol style="list-style-type: none"> a) the lease will be for a period not exceeding 10 years b) the rental value shall be in accordance with Council's most recent valuation. c) there will be a clearly measurable community benefit equal to, or greater in value than the community benefits proportionally provided by other TWA's developments on nearby land; and d) any costs associated with re-survey to modify the design or size of the lease area must be at the lessee's expense, and any such variation must not restrict access to other potential sites in the future. And; 2. a report on the proposed terms of an agreed draft lease and any associated agreement be presented to Council as soon as possible, and; 3. calls for expressions of interest from small business or locally based contractors seeking to establish Transient Workforce Accommodation developments for not more than 50 persons. 4. notes only the top part of the marked area of the attached site description on page 32. 				
10.4	Hire Car Leasing Arrangements and Proposed Building Demolition	<p>AC201011/012 Airport Committee Decision/Officer's Recommendation That the Airport Working Committee:</p> <ol style="list-style-type: none"> 1. notes the current status of the leasing arrangements between the hire car companies (Avis, Budget, Hertz and Thrifty) and the Town of Port Hedland; and 2. request Council to consider the demolition of the buildings on the current sites occupied by the hire car companies in principal, and allocates \$150,000 for the demolition works to be sourced from the Airport Reserve with any unspent funds being returned to the Reserve upon completion; and 3. notes that if the quotes received for the demolition works are in excess of \$100,000 that a tender is required to be called, and consideration of the Airport Working Committee will be sought in accordance with the Town of Port Hedland Airport Committee approved delegations at a subsequent Committee meeting; and 4. notes that if the demolition works and funding are approved in principal, that subsequent demolition permits, advertising and environmental approvals will be sought as per the usual process. 	DCS			

10.6	Information Update of the Tender Evaluation for Tender 10/24 – Supply and Installation of Transportable Dwellings at Port Hedland Airport	AC201011/014 Airport Committee Decision/Officer’s Recommendation That the Airport Committee awards Tender 10/24 ‘Supply and Installation of Transportable Dwellings at the Port Hedland International Airport’ to McGrath Homes for the supply and installation of three (3) dwellings (MAWSON MKII) , with the Town undertaken the relevant property developments, inclusive of the nominated Exclusions and Sheds, within the allocated budget of \$1,470,000.	MBS				
Airport Committee Meeting held Thursday 18 November 2010			OFFICER	Background Status/Work to Date	THIS MONTH'S UPDATED STATUS	COMP-LETED?	EST. COMP. DATE
10.3	Hire Car Leasing Arrangements	AC201011/023 Airport Committee Decision That the Airport Committee: 1. requests the Chief Executive Officer or his nominated delegate to investigate other alternative opportunities to accommodate hire companies at the Port Hedland International Airport: a) in discussions with all 6 potential hire car tenants, which includes a depot/bay(s) for hire car companies to be constructed by either: i) the Town of Port Hedland; or ii) hire car companies; b) which identifies the synergies and concepts for the opportunities identified in Clause 1(a) with Draft Airport Master Plan; and c) seeks confirmation of McLaren Hire’s intention to have a presence at the Port Hedland International Airport that includes a depot/cleaning bay(s), etc.; and 2. provides a report on the findings of the above to the next Airport Committee’s Meeting to be held on Thursday 16 December 2010.	MIBD				

10.4	Extension of Airport Café Lease	<p>AC201011/027 Airport Committee Decision</p> <p>That the Airport Committee:</p> <ul style="list-style-type: none"> i) recommends that Council revokes its Decision (200910/441) of Agenda Item 11.3.1.2 'Extension of Airport Café Lease' of its Ordinary Meeting held on 9 June 2010, and recorded on page 70, as follows: "That Council: <ul style="list-style-type: none"> 1. Agrees to dispose of by lease, the additional area, as indicated on the attached diagram at the Port Hedland International Airport, to Bloomoons Pty Ltd, as per section 3.58 of the Local Government Act 1995 (private treaty), at a rate of \$307 per square metre, and the same terms as the existing lease with Bloomoons Pty Ltd for the Airport Café; and 2. Authorises the Chief Executive Officer (or his delegate) to sign and execute the amendments to the existing leasing agreement, should no submissions from the public advertising be received by Council."; ii) subject to the revocation recommended above in Clause 1), authorises the Chief Executive Officer or his nominated delegate to: <ul style="list-style-type: none"> (a) liaise with Bloo Moons Pty Ltd to assist them in finding a solution to the current issue being experienced by them, including wall proposal; and (b) enter into discussions regarding the potential for extension of their lease outside the terminal building. 				
10.5	Strategic Airlines Review	<p>AC201011/027 Airport Committee Decision/Officer's Recommendation</p> <p>That the Airport Committee:</p> <ul style="list-style-type: none"> i) acknowledges that a three monthly review of the Direct Service Agreement with Strategic Airlines is pending and the criteria with which that review should be conducted, must include a disclosure by Strategic Airlines of the following: <ul style="list-style-type: none"> a) passenger numbers and gross revenue generated for the 3 month period; b) details of any marketing campaigns undertaken and any analysis of market research conducted; c) projected sales forecasts; d) intentions with respect to the Brisbane – Port Hedland route; e) future or anticipated plans with respect to flights out of Port Hedland generally. ii) requests the Chief Executive Officer or his nominated delegate to: <ul style="list-style-type: none"> a) undertake a review of Strategic Airlines in accordance with the above criteria; and b) provide a report for the Committee to consider the information disclosed to enable the Committee to make a decision in relation to the subject agreement, namely: <ul style="list-style-type: none"> 1. terminate the agreement with 4 weeks written notice; 2. continue with the agreement for the remainder of the term; or 3 negotiate with Strategic Airlines for the amendment of any terms of the agreement. 	DCS			

10.6	PHIA Terminal Expansion Project – Parking Redevelopment & Paid Parking Strategy	<p>AC201011/028 Airport Committee Decision</p> <p>That the Airport Committee recommends that Council:</p> <ol style="list-style-type: none"> 1. allocates \$785,000 from the Airport Reserve for the purpose of: <ol style="list-style-type: none"> a) Development of construction designs and specifications for the reconstruction of the PHIA carpark b) Minor reconstruction works to the short term carpark entrance to accommodate the paid parking system c) Development and implementation of a paid parking system at the Port Hedland International Airport; and 2. authorises for tenders to be called for the implementation of paid parking. 	MID				
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10.3 Hire Car Leasing Arrangements (File No: ...)

Officer Jasmine Person
Manager Investment and Business
Development

Date of Report 9 December 2010

Disclosure of Interest by Officer Nil

Summary

This report provides the Airport Committee with an overview of the proposals that were discussed at its Meeting held on 18 November 2010 in relation to Hire Car Arrangements at the Port Hedland International Airport and summarises the results of further investigation undertaken by Officers.

Background

As the Airport Committee considering item 10.3 'Hire Car Leasing Arrangements' at its Meeting held in November, a number of proposals were overviewed by Officers in relation to the geographical position and occupation of hire cars on airport land, in addition to infrastructure possibilities to cater for their demand requirements.

The Committee sought for all potential opportunities of development and accommodation for hire car companies at the Port Hedland International Airport; and synergies with the Draft Airport Master Plan to be explored prior to making any further recommendation to Council on the matter.

The Committee requested further details as to the feasibility and location of the new site, together with feedback received by the hire car companies to this proposal. In relation to Hire Car Leasing arrangements at the Port Hedland International Airport, the Committee resolved as follows:

"That the Airport Committee:

1. *requests the Chief Executive Officer or his nominated delegate to investigate other alternative opportunities to accommodate hire companies at the Port Hedland International Airport:*
 - a) *in discussions with all 6 potential hire car tenants, which includes a depot/bay(s) for hire car companies to be constructed by either:*
 - i) *the Town of Port Hedland; or*
 - ii) *hire car companies;*
 - b) *which identifies the synergies and concepts for the opportunities identified in Clause 1(a) with Draft Airport Master Plan; and*

- c) *seeks confirmation of McLaren Hire’s intention to have a presence at the Port Hedland International Airport that includes a depot/cleaning bay(s), etc.; and*
- 2. *provides a report on the findings of the above to the next Airport Committee’s Meeting to be held on Thursday 16 December 2010.”*

The Proposal

The proposal in relation to the hire car arrangements can be summarised as follows:

- an allocated number of bays should be located in front of the terminal to cater for the daily ‘between flight’ demands; and
- the bulk or remainder of the stored vehicles should be re-located, together with office, workshop and wash down bays (and potentially fuel facilities) to a location south east of the terminal area. They do not need to be in front of the terminal.

For the purposes of discussion these proposals can be categorised as follows:

1. *Car Parking Bays*

Each hire car company currently has an allocated number of bays, (between 8-10), for the daily ‘in between’ flights and catering for the regular movement of their vehicles: the rear row, in the first car park, out the front of the terminal - See Annexure A. This is clearly inadequate, as their vehicles also occupy other car parking bays within this same car park.

The recent lease documentation, the subject of negotiations, had an allocated number of bays, namely 8 per hire car company, which does not cater for their current demand, let alone future growth.

Consultation with the hire car companies, confirm that they actually require more than had originally been anticipated:

Hire Car Company	Number of Bays
Avis	20 (as indicated by the current number of vehicles)
Hertz	20 (as indicated by the current number of vehicles)
Thrifty	20-30
Budget	20-30
McLaren	10
TOTAL	90-110 bays

They further confirm that they are forced, due to lack of space, to use additional car parking bays and the land surrounding their workshops.

The requisite number of bays should be granted to the hire car companies by way of a licence agreement. By doing so it will have the following advantages for both the Town and the hire car companies;

- it will allow the hire car companies the flexibility to increase their bay numbers as demand requires;
- it will allow the Town to move the 'bays' around into different geographical locations outside the front of the terminal as the airport re-development moves ahead;
- it will allow the Town to implement a 'pay per bay' system which will alleviate the administrative work associated with the current 'concession' structure, which entails each hire car company formally reporting their gross revenue with these figures to be reviewed and agreed to by the Town: this disclosure has not to the officers knowledge ever occurred and the declaration of gross revenue has been based on an honesty system; and
- with a 'pay per bay' system the Town will have certainty of revenue and the hire car companies will have certainty of expenditure.

2. *Leased area for bulk storage of vehicles*

Avis, Hertz and Budget currently occupy land at the airport, by way of lease agreements with the Town. Budget's fenced occupation area is close to double their leased area. The other hire car companies park their vehicles up on the curbing around their leased areas. This further evidences the lack of space for the parking of hire car vehicles.

The original parcel of land that had been identified in the draft lease agreements is not the most suitable location for the storage of vehicles. The bulk of the stored vehicles should be re-located to a parcel of land identified in the 'freight and logistics hub' in the draft airport master plan. See Annexure B. This would effectively see the bulk of the vehicles located away from the terminal with minimal vehicle space out the front of the terminal for hire cars.

The advantages and rationale for this proposal are as follows:

- The most valuable piece of real estate on the airport land, is arguably out the front of the terminal and it is commercially unsound, for both the Town and the hire car operators, to be occupying this land for the storage of vehicles;
- The parcels of land that were originally identified are too far away for passengers hiring vehicles;
- Ideally, the originally identified site should be occupied by long term parking;
- There is no infrastructure ie water, power, sewerage or communications to the originally identified parcel of land, however there is infrastructure in the freight and logistics hub adjoining Mia Mia Camp; and
- This is the model that is used by the majority of airports nationwide.

3. *Long Term Parking*

Given the proposed relocation of the hire car companies away from the terminal area, that parcel of land originally identified as available for lease to the hire car companies, could now be utilised for long term parking. It is already asphalted, marked, and fenced.

A set of boom gates will need to be installed to allow the traffic to pass in and out of the car park, in addition to lighting. This would also require a change to the flow of traffic.

Whilst on site, it was observed that many vehicles who parked in this area did not follow the road directions. Rather, they went against the flow of traffic to turn the corner sharply and drive straight into that car park. It is most certainly a large enough area to cater for any demand requirements for long term parking for a very long time, based on those figures provided by the consultants. Finally, this location is the furthest distance from the terminal and like most airports, the long term car parking is always the furthest facility from the terminal for obvious reasons.

Proposed Locations for Bulk Storage of Vehicles

Two areas within the freight and logistic hub have been identified as a potential location for the bulk storage of the hire cars.

1. Location One

The first identified area is the current existing airport depot, situated approximately 500m south east of the terminal, adjoining the Hedland Riders Club and Mia Mia Camp – Refer to Annexure B & C.

This site is approx. 15,000sqm (100m x 150m) and contains the following infrastructure:

- Brick office building with kitchenette, toilet and shower facilities;
- 2 bay brick workshop with mezzanine level and secure lockable storage;
- Three bay open equipment storage shed;
- Aging bulk fuel storage facility;
- Water, power, sewer, telecommunications;
- Fully fenced and secure.

This area could potentially be divided into a number of segments for use by the hire car companies. It will need an asphalt overlay first to prevent dust accumulating on the vehicles.

One of the hire car companies may wish to utilise the existing facilities which would result in less capital expenditure for the Town initially. The remaining hire car companies could utilise new facilities erected by the Town.

The advantages of this site are;

- The existence of the infrastructure named above;
- The ability to expand the land area in three directions as demand required;
- The ability to accommodate direct access to the freeway in the future thus reducing traffic through the main terminal road.

The disadvantages of this site are as follows:

- The position of the existing buildings are scattered and take up a large area within the fence area; and
- The land area may not actually be large enough for all of the hire car companies, given the above point.

Given that there is a substantial amount of infrastructure in place, in good condition, it is recommended that an expression of interest first be called to assess the financial feasibility of leasing this site as it is.

2. Location Two

This location is still within the freight and logistic hub, however it adjoins the boundary of the airport depot on the western side and the great northern highway. The area is relatively flat and would require little site preparation works before an overlay could be put down. It is large enough to fence to the size required and the water, power, sewer and telecommunications could be joined to that already connected to the Depot.

The advantages of this site are as follows:

- The ability to tap into existing infrastructure;
- The ability to expand the land area in two directions;
- The ability to enable direct access to the freeway in the future thus reducing traffic through the main terminal road;
- The ability to make the area the size and dimensions to suit any future planning;
- The ability to create an aesthetically consistent appearance to the hire car area;
- The depot can be leased to generate another revenue stream for the Town.

The disadvantages of this site are as follows:

- The costs associated with the overlay, fencing, survey , construction of wash down bay, office and workshops (and potentially fuel facilities);
- There may be costs associated with accommodating the natural drain that runs through this land;
- It is likely that Horizon Energy will need to be consulted to re-locate the existing power poles under the ground, posing a time constraint.

This is the more suitable area, given that an the depot infrastructure is slightly spread throughout one corner of the fenced area. By placing the hire cars in location two, it free up the existing airport depot for lease to generate another income stream.

Consultation and Demand Requirements

Thrifty, Budget and McLaren were consulted and all were very favourable to this proposal. Budget and Thrifty were available for a site visit and discussion.

Budget further indicated that Avis would be favourable to this arrangement; however staff has been unable to discuss the proposal with the Chief Executive Officer of Avis. Hertz have been advised of the proposal, however the Town has not yet received any feedback from them.

It was expressed by each of them that the re-location of the bulk vehicles was a more suitable model that airports currently use nationwide. For comparative purposes, it is understood that Karratha have recently adopted this model charging approximately \$4,400 per bay per annum.

All of the hire car companies were favourable and receptive to the proposal and all indicated that they would be seeking an office, wash down bay and workshop, with some expressing an interest in fuel facilities.

All would all like to see a costs proposal for the Town construction of the office, workshop and wash down bays, those costs to be recovered in the rental. Budget further expressed that they had not accommodated for a \$500,000 expenditure to erect such buildings, given that they still had a number of years left on their lease.

Thrifty and McLaren have their depot situated at Wedgefield, however, both hire car companies expressed a keen desire to occupy land at the airport. Thrifty further stated that they were prepared to pay for their own office, wash down bay and workshop, if required as the costs in employing 7 staff to run cars back and forth from Wedgefield to continually fill 8 bays was cost prohibitive for them.

Some also expressed a desire to have re-fuelling facilities on their leased area. This may entail the installation of one large tank with separate bowsers on each area for their individual use. This would require some further investigation on the part of officers as it may be another business opportunity and revenue stream for the Town.

Financial Considerations

All bar the financial aspects of these locations has been explored and whilst compiling that information, it is recommended that a market valuation be conducted and an Expression of Interest (EOI) be advertised for the airport, to enable a complete financial investigation to be conducted in relation to both sites. Criteria will need to be formulated for the EOI in accordance with section 14 of the *Local Government (Functions And General) Regulations 1996*.

Lease Issues – Continuing Negotiations

Negotiations have continued regarding the outstanding issues, regarding the lessees' compliance with their obligations under the original lease, namely:

- Decommissioning the fuel facility;
- Providing the Town with an environmental contamination report for the Maintenance Area. If there is contamination present, a requirement to remediate the area at their cost.

A number of points were raised by Budget in the meeting. They are receptive to contributing to the de-commissioning of the fuel facilities. They acknowledge the use of it and would ideally like the town to arrange that de-commission at the same time as the de-commission of the mobile site, to keep the costs lower.

McLaren Hire

McLaren Hire have confirmed that they would like to occupy 10 bays, a parcel of land containing a wash down bay, workshop and office, together with a booth in the terminal, exactly as the other hire car companies have indicated.

A site visit to the terminal would suggest that there is room near the existing hire car companies for the location of a booth. The Manager of Airport Operations will need to supervise McLaren Hire in the placement of the booth, should Council accept the officers recommendation.

Consultation

Chief Executive Officer
Director Engineering Services
George Proos, Vice President & Managing Director, Avis (Notified)
Russell Chapman, Managing Director, Budget
James Whealing, Brady Whealing, Property Managers acting on behalf of Hertz (Notified)
Del Burge, Regional Operations Manager Hertz (Notified)
Martin Cuter CEO Thrifty WA
Frank Regional Manager Thrifty WA
Tom Petrickovic, Regional Manager McLaren Hire
McLeod's Barristers & Solicitors

Statutory Implications

Lease

Section 3.58 of the Local Government Act 1995 states (in part):

“3.58 Disposing of Property

- (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; and*
- (b) *it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.”*

Expression of Interest

Section 14 of the Local Government (Functions And General) Regulations 1996 – Regulation 14 states:

“14 . Requirements for publicly inviting tenders

- (1) When regulation 11(1), 12 or 13 requires tenders to be publicly invited, Statewide public notice of the invitation is to be given.*
- (2) If the CEO has, under regulation 23(4), prepared a list of acceptable tenderers, instead of giving Statewide public notice the CEO is required to give notice of the invitation to each acceptable tenderer listed.*
- (2a) If a local government —*
 - (a) is required to invite a tender; or*
 - (b) not being required to invite a tender, decides to invite a tender, the local government must, before tenders are publicly invited, determine in writing the criteria for deciding which tender should be accepted.*
- (3) The notice, whether under subregulation (1) or (2), is required to include —*
 - (a) a brief description of the goods or services required;*
 - (b) particulars identifying a person from whom more detailed information as to tendering may be obtained;*
 - (c) information as to where and how tenders may be submitted; and*
 - (d) the date and time after which tenders cannot be submitted.*
- (4) In subregulation (3)(b) a reference to detailed information includes a reference to —*
 - (a) such information as the local government decides should be disclosed to those interested in submitting a tender;*
 - (b) detailed specifications of the goods or services required;*
 - (c) the criteria for deciding which tender should be accepted;*
 - (d) whether or not the local government has decided to submit a tender; and*
 - (e) whether or not the CEO has decided to allow tenders to be submitted by facsimile or other electronic means, and if so, how tenders may so be submitted.*
- (5) After a notice has been given under subregulation (1) or (2), a local government may vary the information referred to in subregulation (3) by taking reasonable steps to give each person who has sought copies of the tender documents or each acceptable tenderer, as the case may be, notice of the variation.*

[Regulation 14 amended in Gazette 29 Jun 2001 p. 3130.] “

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

Nil at this stage.

Officer's Comment*Re-location of the Bulk Hire Cars*

After consideration of the advantages and disadvantages described above in relation to the two identified locations, it would at this stage be prudent to put out an expression of interest in accordance with *the Local Government (Functions and General) Regulations 1996*, for the airport depot area, to determine the number of bidders with potential interest and the level of market competition. This EOI should go into the National Newspapers as it is ideally located for a freight depot or alternatively a depot for heavy machinery. A criteria will need to be formulated in accordance with section 14 of the *Local Government (Functions And General) Regulations 1996* and that criteria will need to be endorsed by Council.

Consequently, a criteria for this expression of interest will be determined and presented for consideration by the Airport Committee on 20 January 2010.

Given the recent valuations on vacant land next to Mia Mia at \$15sqm, the rental on the land alone would equate to \$225,000 per annum. With the added infrastructure already there, it is arguable that that the rental would finance the renovation on the old Airservices building in the first 12- 18 months.

McLaren Hire

Given that McLaren clearly want to hire 10 vehicle bays, a booth area within the terminal and a parcel of land with a workshop, wash down bay and office, once the new location for the bulk storage of vehicles is formalised it is commercially prudent to grant this to them in the absence of any adverse impact for the Town.

Attachments

1. Ariel view of First Car Park
2. Illustration of 'Freight and Logistics Hub' in draft airport master plan
3. Photographs of Airport Depot and Infrastructure

Officer's Recommendation

That the Airport Committee:

1. adopts the proposed changes to the structure of hire car arrangements, namely to allocate by way of licence a number of bays in front of the terminal area, with the re-location of the bulk stored vehicles to a parcel of land pursuant to a lease agreement, away from the terminal area;
2. request the Chief Executive Officer or his delegate to develop a criteria for expression of interest for the leasing of the airport depot, that criteria to be presented at the next meeting of the Airport Working Committee on 20 January 2010;
3. request the Chief Executive Officer or his delegate to negotiate the terms of an agreement with McLaren Hire for a booth to be located within the airport terminal, these negotiations to be presented at the next meeting of the Airport Working Committee on 20 January 2010.

AC201011/035 Airport Committee Decision

Moved: Cr S R Martin

Seconded: Mayor K A Howlett

That the Airport Committee:

1. **adopts the proposed changes to the structure of hire car arrangements, namely to allocate by way of licence a number of bays in front of the terminal area, with the re-location of the bulk stored vehicles to a parcel of land pursuant to a lease agreement, away from the terminal area;**
2. **request the Chief Executive Officer or his delegate to develop a criteria for expression of interest for the leasing of the airport depot, that criteria to be presented at the next meeting of the Airport Working Committee on 20 January 2010;**
3. **request the Chief Executive Officer or his delegate to negotiate the terms of an agreement with McLaren Hire for a booth to be located within the airport terminal, these negotiations to be presented at the next meeting of the Airport Working Committee on 20 January 2010;**

4. request the Chief Executive Officer or his delegate to obtain concept plans and financial costing on the construction of office/workshop and wash down bays to cater for five (5) hire car companies in Location 2, identified as the area adjacent to existing Airport Depot; and these negotiations to be presented at the next meeting of the Airport Working Committee; and
5. implements long and short term parking plans.

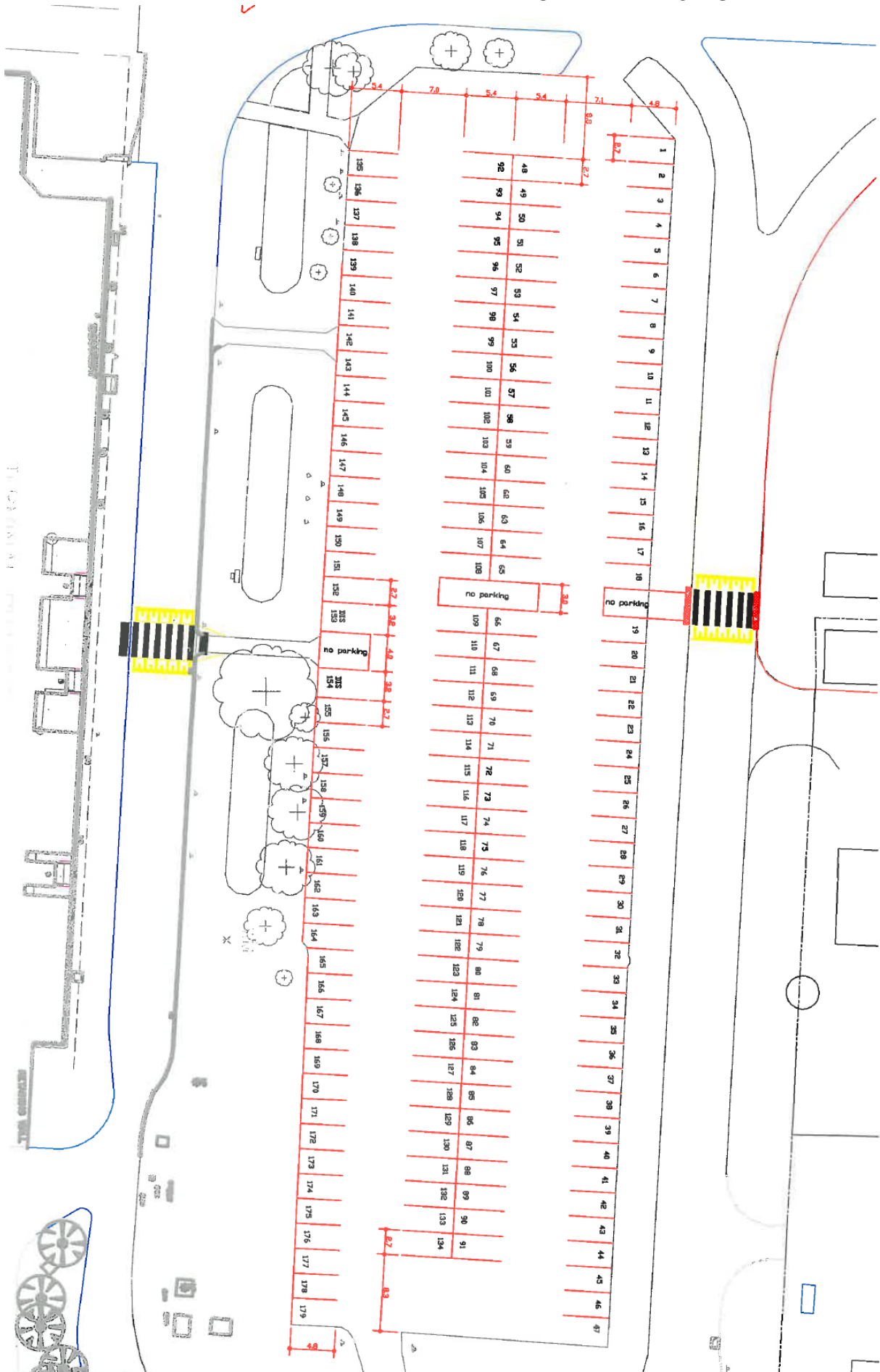
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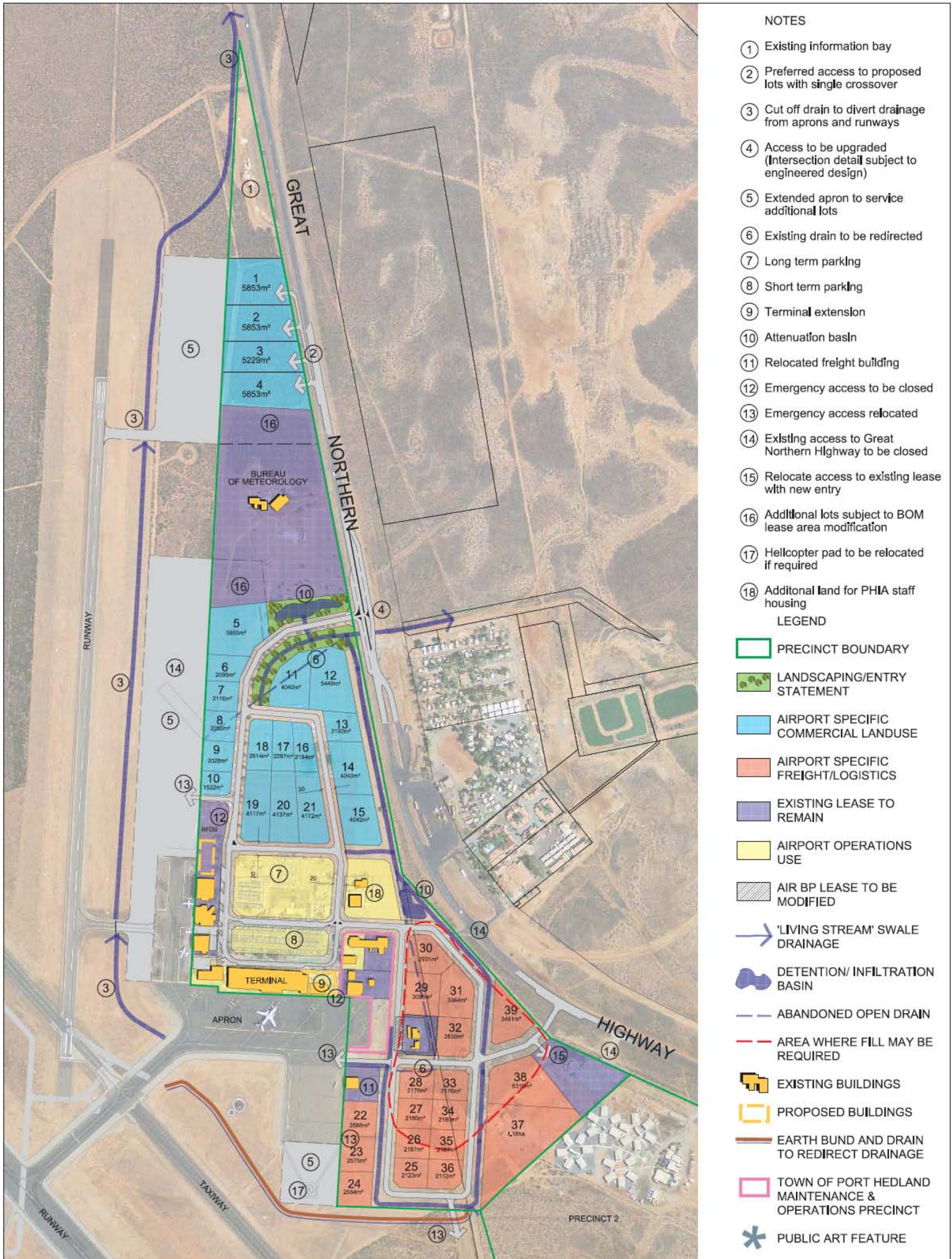
REASON: The Committee sought for both:

1. *concept plans and financial costing on the construction of office/workshop and wash down bays to cater for five (5) hire car companies in Location 2 to be sought (Location 2 being identified as the area adjacent to existing Airport Depot); and for these negotiations to be presented at the next meeting of the Airport Working Committee; and*
2. *long and short term parking plans to be implemented.*

The Committee included Clauses 4 and 5 in its decision above, accordingly.

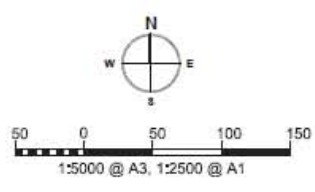
ATTACHMENT 1 TO AGENDA ITEM 10.3





- NOTES
- ① Existing information bay
 - ② Preferred access to proposed lots with single crossover
 - ③ Cut off drain to divert drainage from aprons and runways
 - ④ Access to be upgraded (Intersection detail subject to engineered design)
 - ⑤ Extended apron to service additional lots
 - ⑥ Existing drain to be redirected
 - ⑦ Long term parking
 - ⑧ Short term parking
 - ⑨ Terminal extension
 - ⑩ Attenuation basin
 - ⑪ Relocated freight building
 - ⑫ Emergency access to be closed
 - ⑬ Emergency access relocated
 - ⑭ Existing access to Great Northern Highway to be closed
 - ⑮ Relocate access to existing lease with new entry
 - ⑯ Additional lots subject to BOM lease area modification
 - ⑰ Helicopter pad to be relocated if required
 - ⑱ Additional land for PHIA staff housing

- LEGEND
- PRECINCT BOUNDARY
 - LANDSCAPING/ENTRY STATEMENT
 - AIRPORT SPECIFIC COMMERCIAL LANDUSE
 - AIRPORT SPECIFIC FREIGHT/LOGISTICS
 - EXISTING LEASE TO REMAIN
 - AIRPORT OPERATIONS USE
 - AIR BP LEASE TO BE MODIFIED
 - 'LIVING STREAM' SWALE DRAINAGE
 - DETENTION/ INFILTRATION BASIN
 - ABANDONED OPEN DRAIN
 - AREA WHERE FILL MAY BE REQUIRED
 - EXISTING BUILDINGS
 - PROPOSED BUILDINGS
 - EARTH BUND AND DRAIN TO REDIRECT DRAINAGE
 - TOWN OF PORT HEDLAND MAINTENANCE & OPERATIONS PRECINCT
 - ✳ PUBLIC ART FEATURE



MASTER PLAN- PRECINCT 1
PORT HEDLAND INTERNATIONAL AIRPORT
PORT HEDLAND



ATTACHMENT 3 TO AGENDA ITEM 10.3





10.4 *Airservices Australia Fire Appliance Maintenance Workshop Building 110 (Co-ownership with the Town) (File No.: ...)*

Officer	Jasmine Person Manager Investment and Business Development
Date of Report	9 December 2010
Disclosure of Interest by Officer	Nil

Summary

This report will provide Council with details pertaining to the status of the Airservices Australia (AsA) building at the Airport and a recommendation for the re-location of the Town of Port Hedland staff to this building after renovation.

Background

After the Town commenced operation and ownership of the airport, under the Aerodrome Local Ownership Plan, AsA took a peppercorn lease over several small parcels of land within the airport area for the provision navigational facilities to ensure the safe travel of aircraft.

Within this lease is a portion of a building of which the Town has possession of the remainder. This building is located adjacent to the first car park closest to the terminal, on the eastern side.

The total land area within which the building is situated is 3268sqm. The building itself is long and rectangular, approximately 35m x 10m (excluding the workshop) and the total office and workshop space is 542sqm. See Annexure A.

This building currently contains a number of offices at one end with open space and overhead hoists in the remainder. The cladding and interior is deteriorated and it is understood that the building contains asbestos. The structure of the building is not known. The open space area is currently used as storage for the Town.

The building was originally constructed for the Aviation Rescue & Fire Fighting Services. In 2003, the Fire Service was withdrawn from Port Hedland by AsA. Since that time the facility has been vacant. AsA are responsible for the maintenance of the facility, however clearly this has not been undertaken as it is in poor repair.

In 2006/2007, discussions took place with AsA for the surrender of this facility from the lease. It is understood that these negotiations were never finalised.

Officers have again recently been in contact with AsA to discuss this surrender, however have been unable to obtain a definitive answer in time for this report as it is not a decision that can be made by one department alone. However, now that it has been raised for their consideration, it is anticipated that the Town will receive a reply in the new year.

Recent Communications with AsA

Broome and Karratha were recently advised that their airports would now have a permanent AsA presence given that their passengers numbers were reaching 500,000 per annum. Port Hedland is at the top of their list in term of monitoring as it is likely our passenger numbers will exceed 400,000 next year.

The passenger numbers will require that the RFFS will need to have permanent fire services based at the airport. Discussions with senior officers of Airservices have established that the old fire station will be demolished and a new one constructed on or near the existing site with a fire truck service facility attached. It is understood that any workshop would be located at the new site because the 'new' fire trucks will not fit under the existing roof line of the AsA building the subject of this report. Conclusively they will not require the building in the future.

Rationale for the Re-location of the Town's staff

The building that the Airport specific staff currently occupies is located next to the terminal against the western end of the airside apron. There are no operational requirements or advantages in the Airport specific staff being located in this position. Rather it is to the contrary. This large parcel of land, approximately 2500 sqm is better utilised for services that require direct access to airside and the aircraft (i.e. Federal Border Agencies).

With a re-development of the terminal, it further frees up a substantial area of land to be utilized in any design concepts for a terminal extension.

There are a number of reasons why the AsA building should be utilised to house the Airport specific staff and these principally are that the building:

- is an existing structure of which we have possession of a portion already;
- is located within close proximity to terminal;
- is visible and accessible to the public;
- is large enough to house airport specific staff and a workshop enabling the re-location of the airport depot into the same premises;
- will facilitate better communication with all airport staff being located under the roof;
- allows direct access to the airside in an emergency;
- will cater for all airport equipment to be securely stored;
- There is no-where else to re-locate staff at present within close proximity of the terminal with direct access to the airside and any other location would either be too far away (from a safety perspective) or impede the ability to develop a general freight hub.

There has recently been a large amount of concern raised in relation to airport security. This location may also serve as a base for security staff, as it has visual access to the terminal, hangers and car parks. It is located on the only road down to the Air BP site and current airport depot site. It is an ideal location for security staff.

Consultation

Chief Executive Officer
Director of Engineering Services
Manger Airport Operations
Steve Tattam – Airservices Australia
Mason Henderson – Airservices Australia

Statutory Implications

Nil

Policy Implications

Nil

Strategic Planning Implications

Nil

Budget Implications

Indicative figures to renovate the AsA building have not been obtained at this stage.

Re-location of the airport depot into the AsA building will free up the current airport depot premises for lease, which will generate in excess of \$225,00 per annum (that valuation is for vacant land between Port Haven and Mia Mia at \$15/sqm).

Officer's Comment

In essence, there is no reason why the Airport specific staff should be occupying the current position. Strategically, it is an important piece of land for a terminal expansion.

A re-location of the airport depot to the same AsA premises frees up the depot area for potential lease and it is anticipated that this has the potential to generate enough revenue to pay for the renovations of the AsA building over time. An Expression of Interest is recommended for the airport depot, however this is covered in another agenda item.

From a safety perspective, the depot is too far away from the airside access and it also hinders the effective communication of airport staff, especially in an emergency, when they are located in separate locations.

Airport Security could also be located on this site with unobstructed visual access to the terminal, hangers and car parks and ready access to these areas in the event of an emergency.

Attachment

Arial plan of Airservices Australia Fire Appliance Maintenance Workshop Building 110.

Officer's Recommendation

That Council request the Chief Executive Officer or his delegate to:

- i) Continue negotiations with Airservices Australia for a surrender of their lease on this building; and
- ii) Obtain firm costing for renovation and re-location of the airport depot and Town's staff into the Airservices Australia Fire Maintenance Workshop Building 110; and
- iii) consider potential opportunities to occupy the floor space currently occupied by airport staff in the Operations Building until terminal re-development.

AC201011/036 Airport Committee Decision

Moved: Mayor K A Howlett

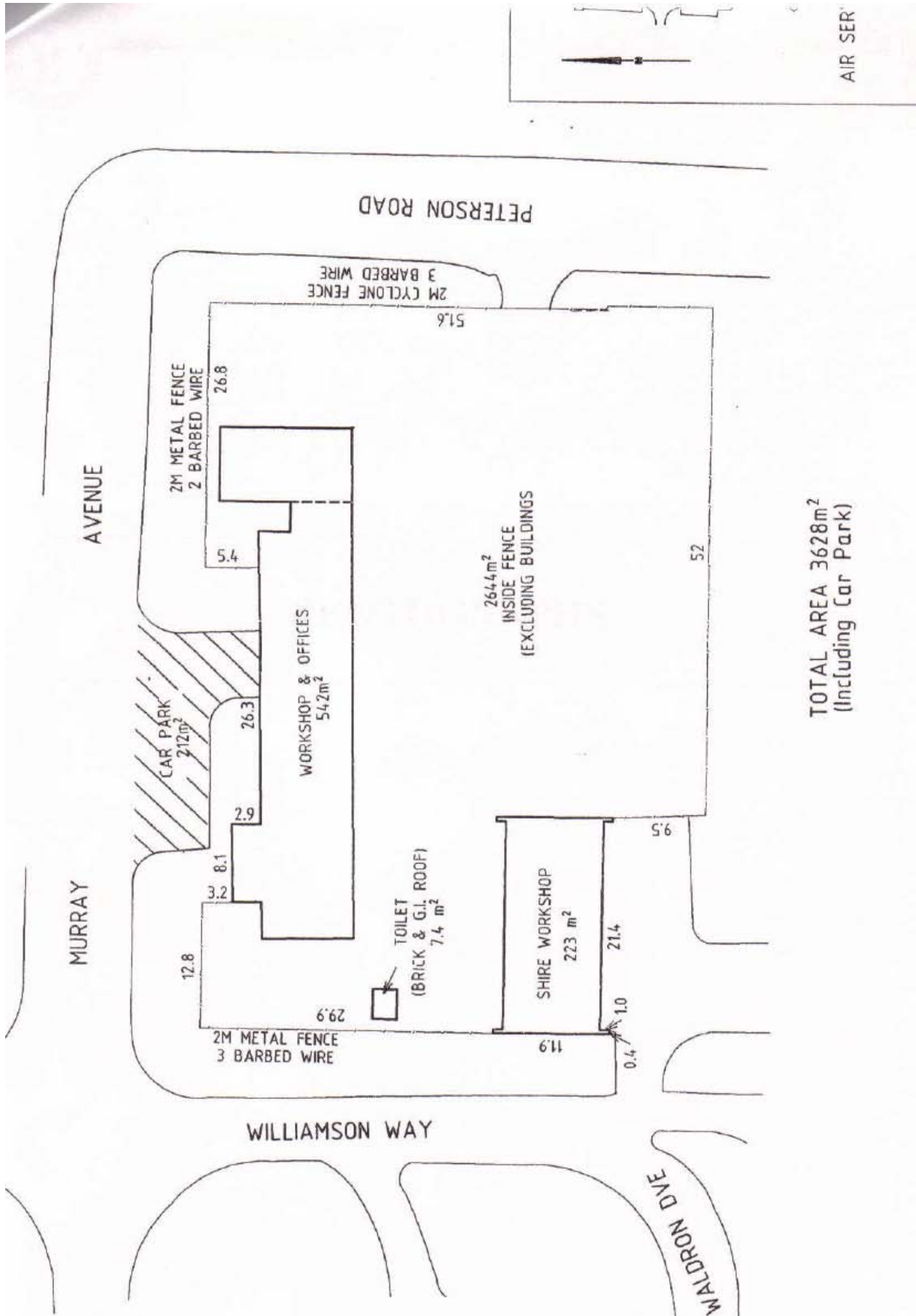
Seconded: Cr J M Gillingham

That Council request the Chief Executive Officer or his delegate to:

- i) Continue negotiations with Airservices Australia for a surrender of their lease on the Airservices Australia Fire Maintenance Workshop Building 110; and**
- ii) Obtain firm costings for the relocation; demolition and construction; and alternatively the renovation, of the airport depot and Town's staff into the Airservices Australia Fire Maintenance Workshop Building 110; and**
- iii) consider potential opportunities to occupy the floor space currently occupied by airport staff in the Operations Building until terminal re-development.**

CARRIED 7/0

REASON: The Committee sought firm costings for all alternatives, i.e.the relocation; demolition and construction of the Airservices Australia Fire Mainenance Workshop Building 110, and amended Clause ii) accordingly.



5:48 pm Mr Doug Gould declared a financial interest in Agenda Item 10.5 '10.5Extension of Airport Café Lease' as he is the owner of Bloo Moons Pty Ltd.

Mr Doug Gould left the room.

10.5 *Extension of Airport Café Lease (File No: 05/05/0060)*

Officer	Jasmine Person Manager Investment and Business Development
Date of Report	10 December 2010
Disclosure of Interest by Officer	Nil

Summary

Bloo Moons Pty Ltd currently leases a portion of floor space at the Port Hedland International Airport for the purposes of operating an airport cafe. Recently, they have been experiencing difficulties with keeping patrons inside the licensed area perimeter. In accordance with the Airport Committee's recommendation, Officers have liaised and discussed the difficulties with Bloo Moons and a proposal for the short term alleviation of this problem is contained within this report for the Airport Committee's consideration.

Background

On the 5 February 2010, Council entered into a lease with Bloo Moons Pty Ltd (Bloo Moons) to lease the Airport Café at rate of \$307 per square metre. In accordance to their initial tender and subsequent lease, Bloo Moons have renovated the café area, including the removal of an internal wall connecting the café to the rest of the airport terminal.

On 18 November 2010, the Airport Committee considered the history of this matter and on 24 November 2010, Council accepted the recommendation from the Airport Committee and resolved as follows:

That Council revokes its Resolution (200910/441) of Agenda Item 11.3.1.2 'Extension of Airport Café Lease' of its Ordinary Meeting held on 9 June 2010, and recorded on page 70 of those minutes, as follows:

"That Council:

- 1. Agrees to dispose of by lease, the additional area, as indicated on the attached diagram at the Port Hedland International Airport, to Bloomoons Pty Ltd, as per section 3.58 of the Local Government Act 1995 (private treaty), at a rate of \$307 per square metre, and the same terms as the existing lease with Bloomoons Pty Ltd for the Airport Café; and*
- 2. Authorises the Chief Executive Officer (or his delegate) to sign and execute the amendments to the existing leasing agreement, should no submissions from the public advertising be received by Council."*

“That Council authorises the Chief Executive Officer or his nominated delegate to:

- (a) liaise with Bloo Moons to assist them in finding a solution to the current issue being experienced by them, including wall proposal; and*
- (b) enter into discussions regarding the potential for extension of their lease outside the terminal building.”*

In accordance with this Council decision, liaison and discussion has taken place with representatives of Bloo Moons Airport Cafe. During these discussions, it was determined that the reason for the patrons moving out into the hallway was purely because the lease area is not large enough to cater for the amount of passengers in the terminal at a given time, especially when there are departing flights.

The patrons make their way out into the hallway through the front entrance of the Cafe, when there is no available seating left inside and outside the terminal leased area. This issue has come to the fore now that passenger numbers are increasing.

For the short term, a number of solutions were identified which may provide additional seating area for the patrons:

- grant an extension to the lease area outside the terminal;
- install different seating to maximize seating capacity; and
- install breakfast bar type seating inside the terminal where the existing wall used to be.

Details of the Proposed Lease Extension

An area was identified outside the terminal bordering two sides of their existing leased area. It would effectively see the outside area increased from approximately 40sqm to 98sqm.

Inside the terminal, it was identified that the corridor boundary could be extended out to allow a 2metre corridor for passing passengers. This would effectively see an additional 20sqm added to their lease area.

The breakfast style seating could delineate the cafe from the corridor and it was identified that this would potentially give them an additional 30 seats. Representative(s) from Bloom Moons indicated that there are most certainly patrons who travel solo and are using lap tops, so a breakfast bar area would be used by the patrons.

Outside the terminal it was again discussed to put the same style seating to form the boundary of their seating area with long bar stool type tables running inside the boundary. Bloo Moons have also indicated that they would consider the installation of an overhead mist spray that would make the outside experience a little more comfortable for patrons.

It was agreed that an increase of 78 sqm to their existing 234 sqm would actually double their seating capacity.

Consultation

Chief Executive Officer
Manager Airport Operations
Mr Doug Gould – Bloo Moons – Lessee
Shelley Wood – Bloo Moons - Lessee

Statutory Implications

Section 3.58 of the Local Government Act 1995 states (in part):

“3.58 Disposing of Property

(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; and

(b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.”

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

Legal Fees

Section 2(d)(ii)(D) states that the Lessee agrees to pay to the Lessor all costs, legal fees in connection with or incidental to any work done at the Lessee's request. Consequently, the Lessor should invoice the Lessee for the legal fees in preparing this variation of lease.

In relation to the legal fees incurred on the most recent lease variation, given the grounds for which it was revoked, it is only fair that the Lessor should bear the costs of the legal fees associated with that revoked decision.

Fit-Out

As the breakfast bar style wall delineation of the leased area is a fixture which should remain in the event that the Lessor vacates the premises, it should be a cost borne by the Town. It is unknown at this stage precisely what costs are involved in obtaining or constructing this fixture, however one quotation received suggests an amount of approximately \$40,000.

Officers Comments

The grant of a lease extension to provide additional floor space for Bloo Moons, in addition to a restructure of their existing seating arrangements, will most certainly see their seating capacity doubled.

This is a temporary solution to the much larger problem of the shortage of space within the existing terminal building. This lease extension should see the comfortable accommodation of patrons for the short term.

Pursuant to the current lease agreement with Bloo Moons, the existing rental for the floor space is \$307/sqm. Should Council agree with the Officers recommendation, it will yield an additional \$23,946 per annum in rental on the floor space. A market valuation for this floor space was obtained on 5 August 2010, consequently and pursuant to section 3.58 4(c)(ii) there is no requirement to have another market valuation conducted for the purposes of this lease extension request.

As indicated above, the Town should bear the costs associated with the breakfast bar style seating to ensure that it remains with the leased area in the event that the Lessee vacates the premises. Firm costs will be available shortly and this information will be presented to the Airport Committee in the New Year.

It is proposed to source a pre-fabricated fixture, to ensure that we can move and modify the breakfast style bar wall with terminal re-development.

Attachment

Proposed lease extension area.

AC201011/037 Airport Committee Decision/Officer's Recommendation

Moved: Mayor K A Howlett

Seconded: Cr J M Gillingham

That the Airport Committee recommends that Council:

- i) Consent to a disposal to Bloo Moons Pty Ltd, by way of a lease, of additional floor space, namely 78 sqm, adjoining the existing floor space of 234sqm as currently leased by Bloo Moons Pty Ltd for the Airport Café, in accordance with section 3.58 of the Local Government Act 1995 to Bloo Moons Pty Ltd on the same terms as the existing lease, namely:
 - a) Commencement date 5 February 2010;**
 - b) For a period of 4 years; and**
 - c) Rental of \$307/sqm.****
- ii) Authorises the Chief Executive Officer (or his delegate) to place an advertisement giving local public notice of the deposition in accordance with section 3.58(3)(a) of the Local Government Act;**
- iii) Authorises the Chief Executive Officer (or his delegate) to sign and execute the amendments to the existing leasing agreement, should no adverse public submissions be received by Council; and**
- iv) Notes that the Airport Committee will be advised of the costs associated with the installation of the breakfast bar style seating.**

CARRIED BY ABSOLUTE MAJORITY 6/0

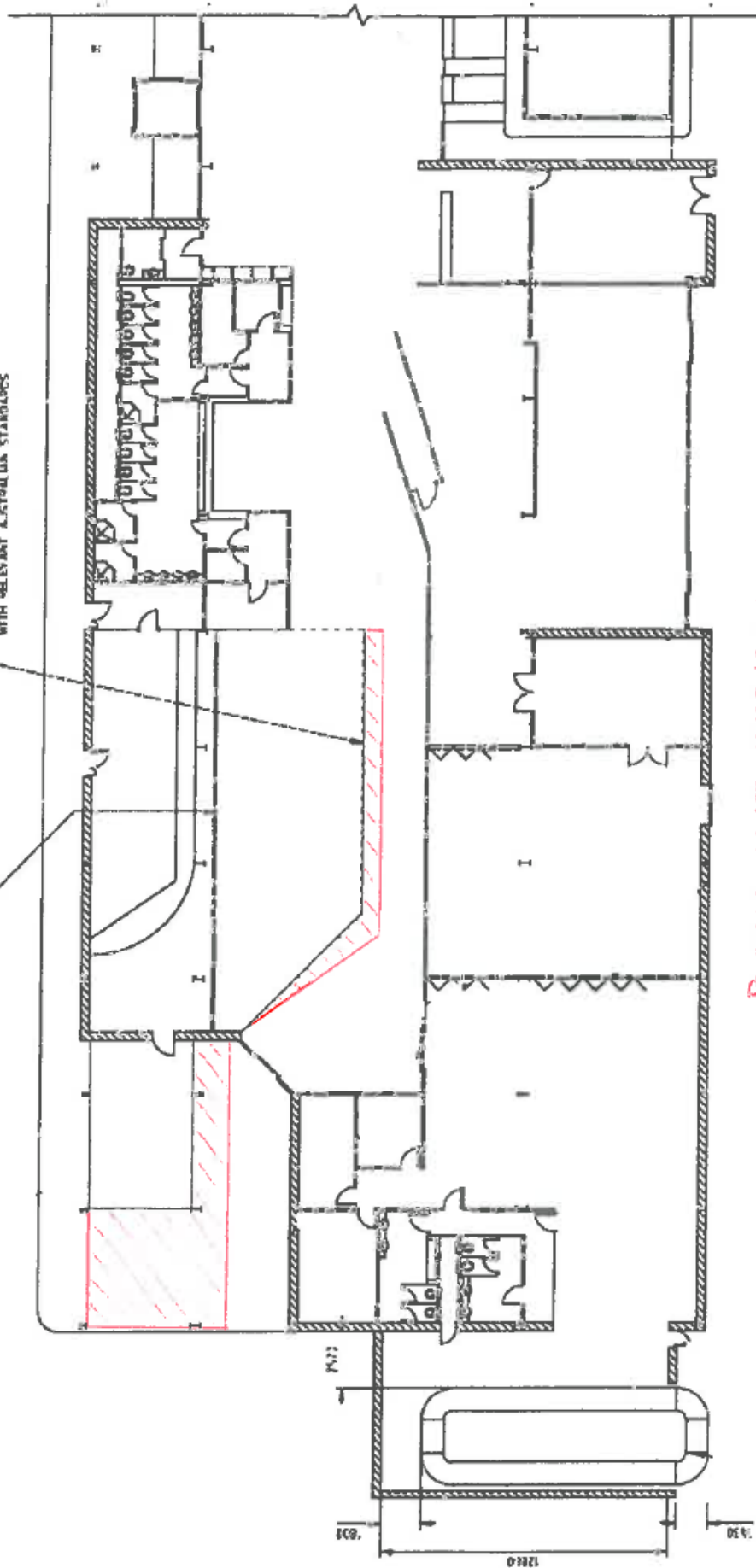
5:49 pm Mr Doug Gould re-entered the room and assumed his chair.

Deputy Mayor Arnold Carter advised Mr Gould of the Airport Committee's decision.

TENDER DOCUMENTATION - READ & KEEP THIS PART

NEW DREG DOWN LOCKABLE SHUTTERS 3810
400 x 750 HIGH TO UNDER SIDE OF A/C DUCT

NEW PARTIAL ON GROUND BELONGING
LEASED AREA TO BE IN ACCORDANCE
WITH RELEVANT AUSTRALIAN STANDARDS



PROPOSED LEASE EXTENSION
OUTLINED IN RED
= A 78m²

ITEM 11 LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL

AC201011/038 Airport Committee Decision

Moved: Cr J M Gillingham

Seconded: Cr S R Martin

That the Meeting be closed to members of the public as prescribed in Section 5.23 (2) (c), (e) and (h) of the Local Government Act 1995, to enable Council to consider the following Agenda Items:

11.1 Confidential Item: Strategic Airlines Review; and

11.2 Confidential Item : Qantas Airlines Review.

CARRIED 7/0

NOTE: Section 5.23 of the Local Government Act 1995 states:

- “(1) Subject to subsection (2), the following are to be open to members of the public —*
- (a) all council meetings; and*
 - (b) all meetings of any committee to which a local government power or duty has been delegated.*
- (2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*
-(c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;.....*
 - ...(e) a matter that if disclosed, would reveal —*
 - (i) a trade secret;*
 - where the trade secret or information is held by, or is about, a person other than the local government;*
 - ...(h) such other matters as may be prescribed.”*

5:50 pm Deputy Mayor advised the meeting is closed to the public.

5:50 pm Mr Doug Gould declared a financial interest in Agenda Item 11.1 ‘Confidential Item : Strategic Airlines Review.

Mr Doug Gould left the room.

AC201011/039 Airport Committee Decision

Moved: Cr S R Martin

Seconded: Cr J M Gillingham

That Standing Orders be suspended.

CARRIED 6/0

5:51 pm Deputy Mayor advised that Standing Orders were suspended.

AC201011/040 Airport Committee Decision

Moved: Cr M Dziombak

Seconded: Cr S R Martin

That Standing Orders be resumed.

CARRIED 6/0

5:54 pm Deputy Mayor advised that Standing Orders were resumed.

11.1 *Confidential Item : Strategic Airlines Review (File No.: ...)*

AC201011/041 Airport Committee Decision/Officer's Recommendation

Moved: Mayor K A Howlett

Seconded: Cr M Dziombak

That the Airport Committee recommends that Council:

- i) continue to provide financial support to Strategic Airlines pursuant to the agreement for direct flight services between Port Hedland and Brisbane for the remainder of the term until 3 February 2010;**
- ii) request the Chief Executive Officer or his nominated delegate to conduct another review of the service in January to make an assessment as to whether to enter into a fresh agreement with Strategic Airlines following the expiration of the term and provide a report to the Airport Committee on this matter.**

CARRIED 6/1

5:55 pm Mr Doug Gould re-entered and room and assumed his chair.

Deputy Mayor advised Mr Gould of the Airport Committee's Decision.

11.2 ***Confidential Item : Qantas Airlines Review (File No.: ...)***

AC201011/042 Airport Committee Decision/Officer's Recommendation

Moved: Mayor K A Howlett

Seconded: Miss M Cook

That the Airport Committee recommends that Council:

- i) continue to provide financial support to Qantas Airlines pursuant to the agreement for direct flight services between Port Hedland and Melbourne for the remainder of the term until 11 January 2011;
- ii) request the Chief Executive Officer or his nominated delegate to conduct another review of the service in January to make an assessment as to whether to enter into a fresh agreement with Qantas Airways following the expiration of the term and provide a report to the Airport Committee on this matter.

CARRIED 7/0

ITEM 12 MOTIONS OF WHICH PREVIOUS NOTICE HAVE BEEN GIVEN

Nil.

ITEM 13 CONFIDENTIAL ITEMS

As per late items considered In Item 11 'Late Items' above.

ITEM 14 APPLICATIONS FOR LEAVE OF ABSENCE

AC201011/043 Airport Committee Decision

Moved: Mayor K A Howlett

Seconded: Miss M Cook

That the Airport Committee approves the following Application for Leave of Absence:

- i) Cr J M Gillingham – from 29 December 2010 to 27 January 2011.

CARRIED 7/0

ITEM 15 CLOSURE

15.1 Date of Next Meeting

The next Airport Committee Meeting of Council will be held on Thursday 20 January 2011, commencing at 5:30 pm

15.2 Closure

There being no further business, the Chairman declared the meeting closed at 6:05 pm.

Declaration of Confirmation of Minutes

I certify that these Minutes were confirmed by the Airport Committee at its Meeting of _____ 2011.

CONFIRMATION:

CHAIR

DATE