



KEMPSEY
Shire Council

**DIRECTOR CORPORATE AND COMMUNITY SERVICES
SUPPLEMENTARY REPORT**

8th May 2007

**DCCS14 VIRGIN BLUE AIRLINES – RESPONSE TO SITE
SUPP INSPECTIONS
FILE: 183 SJR {Folio No. *}**

SUMMARY:

Reporting on the response from Virgin Blue Airlines following an onsite inspection of the Kempsey Airport.

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DESCRIPTION:

The DCCS5 report on Site Inspection of Kempsey Airport was hurriedly formulated on the day of Virgin Blue Airlines (VBA) site inspection for the information of Council on 17 April 2007. The report noted that a formalised response was expected from VBA within three weeks. A formalised response was received on 7 May 2007 from VBA in relation to Flight Operations and Technical requirements and is attached at [\(Appendix D – Page J31\)](#).

VBA have to date provided only this initial response detailing actual 'on ground' requirements in terms of runways, taxiways, lighting and airport classification etc. We expect a further report from the Ground Operations team in the very near future.

Key issues raised within the response are summarised below with comments for consideration:

Item	Regulatory Requirement	Operational Requirement	Operationally Desirable	Meets VB Requirements	Airport Managers comments
Aerodrome Certification	Yes	Yes	Yes	No	Requires reclassification from 'Registered' to 'Certified'. Can be carried out by Aerodrome Consultants to prepare new Aerodrome Manual, Safety Management System and prepare Electrical Report. As part of the reclassification the airport would have an obstruction survey to Code 3 standard, to CASA requirements. Total cost estimate \$7,000

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Item	Regulatory Requirement	Operational Requirement	Operationally Desirable	Meets VB Requirements	Airport Managers comments
AWIS	No	No	Yes	No	Kempsey Airport DOES offer an Automatic Weather Information Service that is accessed by phoning 65631530. Should VBA have higher requirements negotiations to take place regarding availability and user pay principles.
RNAV (GNSS) Rwy 04	No	Yes	Yes	No	This requirement relates to the main runway at the south western end. The Runway is known as runway 22/04. The 22 end (North eastern end) has Radar Navigational GPS procedures available. These navigational aids are seen as adequate. It could be negotiated with VBA that landings are undertaken utilising runway approach 22 as a matter of procedure until Council are in a position of financial strength following a lasting financial partnership with VBA to consider the provision of Navigational Aids to approach 04. In the interim it would be the pilots call in extreme weather conditions to attempt a landing without these aids. Should this issue become a sticking point further guidance would be sought from Air Services Australia to determine costs and obligations. Total Cost Estimate \$Nil
Standby Power	Yes	Yes	Yes	No	The airport has no emergency power generators. Regulations do call for this to offer Jet services and accordingly this requirement should be met. Total Cost Estimate – quotes not gathered as yet, dependent on outcomes of negotiations with VBA toward successful future partnership

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Item	Regulatory Requirement	Operational Requirement	Operationally Desirable	Meets VB Requirements	Airport Managers comments
PAPI/TVASIS	Yes	Yes	Yes	No	<p>Precision Approach Path Indicator lights are not provided at the airport. To offer a Jet Service this is a mandatory requirement. In a nutshell these are a lighting system to enable pilots to accurately gauge that they are on the correct descent path to safely land the plane through a series of lights that are only visible once the plane is on the correct trajectory to the runway. For passenger safety these have been deemed mandatory for Jet Services by CASA. Once again our agreement should be predicated on a long term partnership with VBA/Council.</p> <p>Total Cost Estimate – for provision of PAPI's \$25,000 for each end of the runway.</p> <p><i>It should be noted that the airport DOES have Pilot Activated Lighting (PAL) accessible by ALL aircraft and this will be clarified with VBA</i></p>
Apron Area	Yes	Yes	Yes	No	<p>Initial indications from VBA at the site inspection were that the apron WAS of sufficient size. Clarification will be sought on their requirements. A plan for the usage of the apron and designated parking areas for the RPT plane would be required and can be provided by our consultants. It is Councils view that the strength of the apron (which was not assessed in the recent runway strength test) would have been designed to a similar carrying capacity as the main runway. The preferred position is to grant an apron concession to VBA for the apron and to monitor degradation if and when it occurs.</p> <p>Total Cost Estimate – For development of apron and RPT parking Plan \$800</p>

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Item	Regulatory Requirement	Operational Requirement	Operationally Desirable	Meets VB Requirements	Airport Managers comments
Runway Shoulders	Yes	Yes	Yes	No	The report states that runway length is dependent on proposed sector lengths. This relates to the projected length of journeys emanating from Kempsey to the destination port as fuel loads need to be taken into consideration. As this is a much larger plane with wider engine spacing than the runway has previously hosted the outer edges of the runway will require maintenance to avoid debris from being 'sucked' into the turbines. Council could offer to VBA a monthly street sweep of the runway and taxiways to counteract this identified deficiency. Total Cost Estimate - \$650 per month
Taxiway Shoulders	Yes	Yes	Yes	No	Included in above. The majority of line markings within the runway and taxiway have been identified as requiring repainting and this is not disputed. Total Cost Estimate - \$20,000 (loose estimate)
Taxiway Strip Width	Yes	Yes	Yes	No	Included in above
60m Runway Edge Light Spacing	Yes (if night operations)	No	Yes	No (if night operations)	The current light spacing of 90 metres conforms to our current classification as a Registered airport. There are no exemptions available from CASA for Jet operations and accordingly conforming spacing at 60 metre intervals must be provided. The preferred position is to agree to the upgrade of lighting systems subject to a long term partnership between VBA/Council. VBA report indicates that there is no Wind Direction Indicator Lighting. This is NOT the case as the Primary Wind Sock has conforming lighting whereas the Secondary Windsock does not. Total Cost Estimate – for provision and installation of correctly spaced runway lights \$95,000. For the provision of lighting to the Secondary Windsock \$35,000

Item	Regulatory Requirement	Operational Requirement	Operationally Desirable	Meets VB Requirements	Airport Managers comments
90m RESA	Yes	Yes	Yes	No	60 metre Runway End Safety Areas have always been provided at the airport. In effect these provide an emergency runoff area at the end of the runway in the case of emergency. It is believed that an increase RESA can be provided for and maintained as a clearly denoted zone on the site. Total Cost Estimate – nil/minimal included in annual safety inspection survey report.
MAGS	Yes	Yes	Yes	No	It is Council's opinion, on advice from our consultants that Movement Area Guidance Signs are only required at International Airports such as Kingsford Smith, Melbourne and the like. If VBA want them then they should bear the cost. This can be negotiated. Total Cost Estimate - Nil
Pavement Concession	Yes	Yes	Yes	No	This requirement has been previously provided following the April 2007 meeting of Council.
TOTAL COST ESTIMATE					\$197,000 plus a monthly obligation of runway sweeping at \$650 per month

VBA has indicated that the terminal at the airport will require upgrading in terms of size and conformity to cater for a security screening point and the creation of a secure area to hold passengers before boarding. To date the report summarising Ground Operational needs has not been provided to Council to formulate cost estimates.

Consistent comment from VBA has indicated that their decision to enter into a partnership with Council will be made entirely on the basis that their venture makes money. Council need to consider the very same thing whilst taking into account the overall benefits to be derived from a partnership with VBA.

It would be prudent to indicate to VBA that Council will give thorough consideration to meeting VBA needs on the basis that Council requires assurances that the partnership is for the 'long term' and that is how Council will justify its investment in the partnership. Council requires a commitment from VBA to mid to long term commitments to Kempsey in return for our deliverance of their requirements.

Council should take the stance that they are willing to invest in the long term future of our airport so that we are not excluded from future deliberations and investigations to be undertaken by VBA. We should promise a lot but commit to the delivery of little until longevity assurances are provided by VBA. It must be recognised that VBA are going through a

lengthy process and Kempsey wishes to be there in the running at the end of the decision making process.

REPORT IMPLICATIONS:

- *Environmental*

Should negotiations with VBA be fruitful there would be environmental implications mostly relating to noise complaints. Whilst residents in the locality of the airport purchased their properties in cognisance of the fact that the airport was close by they may not have anticipated the increased noise levels of jet aircraft operations.

- *Social*

Impacts could only be viewed as socially positive. Local interest in the commencement of VBA has been phenomenal and to quote media comment the elevation in Community pride in the promotion of Kempsey and the Macleay Valley would be immeasurable.

- *Economic (Financial)*

All known financial implications to date, in terms of expenditure are included within the body of the report. The economic stimulus to the community would be immeasurable in terms of contribution to a wide ranging sector of the local economy. The financial return to Council may take a long time to be realised but the growth in support businesses massaged by the provision of true 'low cost' air services to Kempsey would grow the economy of the shire in a way that very few other commercial investments could.

- *Policy or Statutory*

Nil implications

- *Directors Review*

As per Report.

RECOMMENDATION:

That Council seek a meeting with representatives from Virgin Blue Airlines to further investigate the development of a business partnership for mutual benefit.

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G B Snape
DIRECTOR CORPORATE AND COMMUNITY SERVICES