



KEMPSEY
Shire Council

DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

14th August 2007

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| DCCS14 | DEVELOPMENT OF KEMPSEY AIRPORT |
| | FILE: 183 SJR {Folio No. *} } |

SUMMARY:

Reporting on the present position and future proposals for the development of the Kempsey Airport.

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DESCRIPTION:

Following a Notice of Motion to the 8th May 2007 General Meeting of Council it was resolved:-

"That a report be submitted to Council detailing the present position and future proposals in respect to the development of Kempsey Airport."

An earlier report detailing options for the future management of airport lands was submitted to the 14 November 2006 meeting of Council. This report attached for reference at [\(Appendix H – Page J16\)](#) detailed current and historical considerations relevant to development or divestment of airport lands and at that stage Council resolved:-

"That the engagement of a Project Manager by the Macleay Development and Promotion Committee (MDAP) to further investigate the opportunities identified within the Strategic document for the airport be noted."

An Investigation Plan for the Airport site was developed in July 2006 and MDAP advertised an Expression of Interest (EOI) for the development of the airport and received only one response. This response was deemed unsuitable due to costs and ongoing commissions expected. An additional EOI has not been advertised following the March MDAP meeting.

In the intervening period considerable effort has been devoted to the formulation of a submission to Virgin Blue Airlines to commence Regular Passenger Transport (RPT) services from Kempsey Airport. The proposal to Virgin Blue promoted the undeveloped nature of the airport and significant lands available for development for possible maintenance operations. To this end additional Council resources have not been committed to a feasibility study pending Virgin Blue's response. Should the response, expected within the next two months prove negative, Council resources will be utilised to attract appropriate skilled consultants

to develop a feasibility study aligned to the Investigation Plan for the airport site.

Kempsey Airport has been visited on two occasions by Virgin Blue Airlines as part of the assessment process following our submission to become an RPT destination. Site inspections were undertaken in April 2007 by Virgin's Ground Operations Team and the Flight Operations Team to assess the suitability of the airport for jet operations.

Mr Timothy Davern, Corporate Accounts Manager from Virgin Blue Airlines met with the Mayor and senior staff on 17 July 2007 to further discuss Council's submission.

Our proposal has been referred to Virgin Blue's Executive Committee for further consideration as part of the route selection process for Virgin Blue's Embraer E-Jet Program.

REPORT IMPLICATIONS:

▪ ***Environmental***

Nil implications

▪ ***Social***

Nil implications

▪ ***Economic (Financial)***

Nil implications

▪ ***Policy or Statutory***

There are no policy or statutory implications from the following recommendation.

▪ ***Directors Review***

The recommendation is supported.

RECOMMENDATION:

That Council awaits further information from Virgin Blue Airlines prior to developing a feasibility study to implement recommendations within the Airport Investigation Plan.

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G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES