



DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

3rd February 2009

DCCS5	KEMPSEY AIRPORT DEVELOPMENT
	FILE: 183 SJR (NRN)

SUMMARY:

Reporting on an update on the Kempsey Airport.

DESCRIPTION:

The 16th December General Meeting of Council resolved:-

"That a full report be provided to Council on the issues with the airport precinct and in particular the state of the grounds."

Difficulties have been experienced of late relating to maintenance mowing of the airport. Extended staff absences have been experienced as slasher operators require Aerodrome Reporting and Works Safety Officer qualifications to permit them to slash within the airside of the airport. Currently Council has two staff with these qualifications and as stated over the preceding months one of these officers has been on extended leave. Provision has been made in forward budget estimates to provide for another staff member to obtain the necessary qualifications.

On the grass apron two planes have been parked for several years awaiting repairs to bring them up to serviceable standard. It is quite difficult to move these privately owned planes on a regular basis to mow grass beneath them. Macleay Aircraft Maintenance Pty Ltd, who operates an aeronautical engineering business adjacent to the grass apron have assisted with the relocation of these planes to a more suitable area of the airport which has been identified for isolated plane parking. The removal of these planes has allowed the area to be tidied up and it is our intention to keep the apron in as tidy a state as funds and resources permit.

The area surrounding the airport terminal is being maintained in a better condition following the return to full staffing. Discussions have been held with the Kempsey Flying Club to consider a reduction in their annual rental in return for assistance with grounds maintenance in the vicinity of their clubhouse and the disused terminal. The Kempsey Flying Club provides training opportunities for future pilots and at the same time maintain their adjoining grounds to a high standard.

Currently two (2) new hangars are in the process of construction with completion expected in the near future. These new hangars have been advised by Council's Sustainable Development Services Department of the requirement to adequately deal with their storm water runoff. As the hangars are nearing completion Council is organising for levelling and

compacting of the area in front of these hangars to allow suitable access to the taxiway and runway.

Security lighting has been installed throughout the traffic areas of the airport from Federal funding when we were negotiating with commercial airlines to offer a regular passenger service from the airport. The airport was to become a 'Security Controlled Airport' in line with the Government's heightened airline security requirements. Lights were installed around the terminal area, the general aviation apron and also attached to the leased hangar of Macleay Aircraft Maintenance. The site never operated as a Security Controlled Airport and there has been no need to illuminate the airport. Macleay Aircraft Maintenance has been advised in writing that should they wish to issue Council with an account for electricity used we would reimburse them. The estimated annual cost for power to this light is approximately \$270 per annum. Macleay Aircraft maintenance has also been advised that if they wish to make use of the light to enhance security for their business into the future they may do so at their own electrical cost.

To further progress earlier resolutions of Council to develop the airport site we have obtained a draft development concept plan from Rob Dennis & Associates and the development concept is attached at [\(Appendix D – Page J28\)](#). The plan shows future allotments to be marketed for sale and provides a concept for consideration of future sites development. The concept plan allows for retention of the airport strip as a category 3C runway which provides flexibility to attract any type of current craft which could be accommodated by the length of our existing runway.

The next steps in refining the concept are to seek comments from our airport consultants who furnish our annual safety inspection and provide us with professional industry advice. From there we will refer it to the Civil Aviation Safety Authority (CASA) for comment and if all is in order proceed to seek a fully costed design plan from Rob Dennis that includes specifications to enable the calling of tenders for construction of necessary site works. Once this process is completed it is intended to travel to Bankstown Airport with a considered prospectus to entice existing tenants to consider relocation to Kempsey Shire.

Our SEPP1 application to subdivide adjoining land parcels has been reviewed by SDS. They have suggested amendments to the application which should provide an increased chance of success. The statement of environmental effects will require future review prior to submission to Department of Planning to sign off on subdivision to permit the offering of lands for sale. Once the subdivision has been approved companies who have expressed an interest previously in developing part of the airport lands for development as a Residential Airpark will be approached to advise them of the pending sale.

The valuation of the existing site and hangar occupied by Macleay Aircraft Maintenance has been completed and negotiations have commenced for a possible sale of a ninety nine (99) year lease over the land parcel with improvements.

An approach has been received from a prospective operator seeking to develop a business in the disused pilot training office adjoining the airport terminal. This prospective operator seeks access to the pilot training office for a few days per week to promote a pilot training business within the Macleay with a view to establishing a viable on-going business. I have

agreed to provide the office space free of charge for a period of three months to aid in the development of this business initiative.

A company has recently sought to establish a flight training centre in Queensland and had their DA refused. This business venture may be suited to utilise the existing terminal building with opportunities to develop purpose built facilities on site. This company will be approached to offer our airport facility for the establishment of their business.

RECOMMENDATION IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Nil

- *Economic (Financial)*

Nil

- *Policy or Statutory*

Nil

- *Directors Review*

As per report.

RECOMMENDATION:

That the information be noted

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K E OLIVER

ACTING DIRECTOR CORPORATE AND COMMUNITY SERVICES