

FREQUENTLY ASKED QUESTIONS (FAQs)

RESPONSES TO STAKEHOLDER SUBMISSIONS FOR FY2022/23 FEES & CHARGES

6 JULY 2022

FEES & CHARGES	
Question / Comment	KSC Response
Landing Fees	
How were the Airport 2022/23 fees and charges determined?	Benchmarking of airport related fees and charges has been conducted with other regional airports, including non-RPT and RPT. These include the following airports: Gunnedah, Grafton, Cessnock, Coffs Harbour, Port Macquarie, Mudgee and Armidale. Additionally, the costs to operate the airport and the impacts of these on all ratepayers were also considered in setting fees and charges.
Is there a limit to the number of landings that an aircraft can do within the annual usage fee?	There is currently no cap on the number of landings for the annual published fees & charges. Caps only apply for Commercial Flight Training operators.
What is a movement charge? Is it landing and take-off or just landing?	For clarity, the heading 'movement' charge, which was included in the draft fees and charges, has been amended within the final 2022/23 Fees and Charges to refer to 'Landing' charge. Fees are charged per aircraft landing only.
Will Council incur additional costs for charging landing fees as a result of Hangar owners and aircraft owners not being exempt from landing fees?	Landing Fees are billed directly to aircraft owners by Hoeksec as part of their normal billing operations.
Why are Hangar owners not exempt from paying landing fees?	As the airport operates at a significant financial cost (~\$550k per annum), all ratepayers are contributing funding to ensure that the airport remains compliant and operational. Landing fees reflect a 'user pays' basis, whereby some of the airport operational costs are borne directly by those people who actually utilise the airport.
How can Council charge landing fees when I have a hangar lease agreement and pay a lease fee?	Lease rent is calculated on a square metre rate for the area of land/hangar footprint that is leased. The square metre rate is based on Market Rent Valuations conducted at regular intervals. The rent does not include airport user fees.
Why are local businesses or their customers using Kempsey Airport (e.g. maintenance) not exempt from landing fees?	As the airport operates at a significant financial cost (~\$550k per annum), all ratepayers are contributing funding to ensure that the airport remains compliant and operational. Landing fees reflect a 'user pays' basis, whereby some of the airport operational costs are borne directly by those people who actually utilise the airport. Council does not subsidise businesses or their customers in any other business operations in the Shire.
Charging landing fees for hangar owners will discourage further development at the Kempsey Airport.	Benchmarking of airport related fees and charges has been conducted with other regional airports, including non-RPT and RPT. These include the following airports: Gunnedah, Grafton, Cessnock, Coffs Harbour, Port Macquarie, Mudgee and Armidale. Kempsey airport fees are reasonable in the context of that benchmarking.



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Why do local hangar owners have to pay to use the airport when the airport is a community asset, available for use by anyone who needs or wants to use it?	<p>Access and use of the airport is restricted to Airport operations and is not open to the public. Whilst the community does benefit from emergency services that utilise the airport, the funding of the emergency services is sourced from other state and federal taxes paid by the public and does not include the fees and charges for Kempsey airport.</p> <p>As noted above, the airport operates at a significant financial cost (~\$550k per annum), and all ratepayers are contributing funding to ensure that the airport remains compliant and operational. Airport fees and charges reflect a 'user pays' basis, whereby some of the airport operational costs are borne directly by those people who actually utilise the airport.</p>
The council will be spending in excess of \$11m of grant funds on the Macleay Valley Recreation Adventure Park in the next 12 months. Will hangar owners be asked to pay more airport fees for the maintenance of this facility?	The Macleay Valley Recreation Adventure Park is a separate project and does not impact hangar leases or landing fees.
Daily Parking Fees	
Charges for parking on unsealed areas represents further additional cost for aircraft arriving for maintenance.	A 6-week grace period will be provided for aircraft that are disabled (but not abandoned) due to maintenance being undertaken by a local aircraft maintenance business.
Wouldn't the airport staffing costs of monitoring and aircraft parking outweigh the revenue generated?	The monitoring of aircraft parking will be undertaken during the twice daily serviceability and wildlife inspections already undertaken by airport staff. Therefore, this activity can be done within normal operations at no additional cost.
How will the daily parking charge be managed, when does the 48 Hours Start/Stop?	If an aircraft is identified by the Airport Reporting Officer as having been parked for 48 hrs, parking fees will then apply.
Visiting Aircraft	
What (if any) are the aircraft parking fees and indeed where should visiting planes park?	<p>Parking Fees are detailed in the 2022/23 Kempsey Shire Council Schedule of Fees & Charges.</p> <p>Parking areas are detailed in the Kempsey Aerodrome Manual. Grassed parking is also indicated by yellow cones, in accordance with MOS 139.</p>
Disabled / Abandoned Aircraft Fees	
What is the definition of 'Abandoned' aircraft?	An abandoned aircraft is where the owner does not remove the aircraft within the required timeframes stipulated in the Kempsey Airport Conditions of Use and the Aerodrome Manual.
Will aircraft which have arrived for maintenance be classified as "abandoned" and therefore be charged \$30/day?	A 6-week grace period will be provided for aircraft that are disabled (but not abandoned) due to maintenance being undertaken by a local aircraft maintenance business.



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OTHER TOPICS	
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Master Planning	
Council needs to fully consider Airport maintenance, upgrades and developments at the airport to avoid poorly executed projects and operational issues.	<p>Council is aware of legacy issues at the airport and as a result is developing an Airport Master Plan to better plan and deliver future infrastructure over the next 20 years.</p> <p>Stakeholder consultation will be a key component of the Airport Master Plan 2042 Project.</p>
Is Council looking at developing strategies to increase the use of the airport precinct that will have indirect and direct benefit to Kempsey Shire community to offset some of the costs incurred?	
Is Council investigating how the airport can be more economically viable through increasing the number of users/hangars rather than just increasing the fees on the existing users?	
Stakeholder Engagement	
Will Council be engaging with the members of our Kempsey Airport Users Group to discuss our concerns in a collaborative manner as outlined in your Council's current Community Engagement Policy?	<p>Over the past four years, Council has actively engaged with local Kempsey Airport Users and formally invited Kempsey Airport Users to meet with Council on numerous occasions regarding airport developments, closure of grass runway, conditions of use procedures, noise management plan and fly neighbourly advice development, and proposed changes to fees and charges.</p> <p>Council maintains an open opportunity to meet with any airport user to discuss operations, developments, infrastructure, issues, and concerns.</p>
Leases	
Why do we need to get Council permission to have more than one aircraft in any one hangar?	<p>Hangar Lessees may have as many aircraft within their own hangar as the space safely allows. There is no restriction on the number of planes that one owner may have. However, subletting lease conditions apply.</p>
Why is there a sub-lease requirement within the hangar lease?.	<p>A sub-lease only applies when a hangar owner sub-leases their hangar space to another occupant for monetary consideration, whether there is another aircraft involved or not.</p> <p>This is a general requirement in most standard lease agreements.</p>

