BUSINESS ENTERPRISE COMMITTEE MEETING

AGENDA

1 OCTOBER 2014

Your attendance is required at a meeting of the Business Enterprise Committee to be held in the conference room, Rockhampton Airport, Canoona Road, Rockhampton on 1 October 2014 commencing at 8.00am for transaction of the enclosed business.

CHIEF EXECUTIVE OFFICER
25 September 2014

Next Meeting Date: 05.11.14

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

TABLE OF CONTENTS

1 OPENING

2 PRESENT

Members Present:

Councillor N K Fisher (Chairperson)
The Mayor, Councillor M F Strelow
Councillor C E Smith
Councillor C R Rutherford
Councillor G A Belz

In Attendance:

Mr E Pardon – Chief Executive Officer
Mr R Cheesman – General Manager Corporate Services

3 APOLOGIES AND LEAVE OF ABSENCE

Leave of Absence for the meeting was previously granted to Councillor Rose Swadling.

4 CONFIRMATION OF MINUTES

Minutes of the Business Enterprise Committee held 3 September 2014

5 DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

6 BUSINESS OUTSTANDING

6.1 BUSINESS OUTSTANDING TABLE FOR BUSINESS ENTERPRISE COMMITTEE

File No:	**10097**
Attachments:	**1. Business Outstanding Table for Business Enterprise Committee**
Responsible Officer:	**Evan Pardon - Chief Executive Officer**
Author:	**Ross Cheesman - General Manager Corporate Services**

SUMMARY

The Business Outstanding table is used as a tool to monitor outstanding items resolved at previous Council or Committee Meetings. The current Business Outstanding table for the Business Enterprise Committee is presented for Councillors information.

OFFICER'S RECOMMENDATION

THAT the Business Outstanding Table for the Business Enterprise Committee be received.

BUSINESS OUTSTANDING TABLE FOR BUSINESS ENTERPRISE COMMITTEE

Business Outstanding Table for Business Enterprise Committee

Meeting Date: 1 October 2014

Attachment No: 1

Date	Report Title	Resolution	Responsible Officer	Due Date	Notes
06 August 2014	Possible Compost Project	THAT the deputation and the report '*Possible Compost Project*' be received, and that a further report be brought back to the Committee with detailed analysis to consider inclusion in the overall waste strategy.	Craig Dunglison	20/08/2014	
06 August 2014	Landfill operating hours	1. THAT the hours of operation of the Gracemere Landfill are aligned with the operating hours of the Lakes Creek Road Landfill and that the Gracemere Landfill closes for a half hour period for lunch 12.00 to 12.30pm. 2. THAT an update be provided on the progress of this initiative in December 2014.	Nigel Tuckwood	20/08/2014	

7 PUBLIC FORUMS/DEPUTATIONS

Nil

8 OFFICERS' REPORTS

Nil

9 STRATEGIC REPORTS

9.1 MONTHLY OPERATIONS REPORT - ROCKHAMPTON REGIONAL WASTE AND RECYCLING

File No:	**7927**
Attachments:	**1. Monthly Operations Report RRWR August 2014** **2. Waste and Recycling Income Statement August 2014** **3. Waste and Recycling Capital Management Report**
Authorising Officer:	**Robert Holmes - General Manager Regional Services**
Author:	**Craig Dunglison - Manager RRWR**

SUMMARY

The purpose of this report is to provide Council with an overview of Rockhampton Regional Waste and Recycling (RRWR) for the month of August 2014.

OFFICER'S RECOMMENDATION

THAT Council accept the RRWR operations report for August 2014.

MONTHLY OPERATIONS REPORT - ROCKHAMPTON REGIONAL WASTE AND RECYCLING

Monthly Operations Report RRWR August 2014

Meeting Date: 1 October 2014

Attachment No: 1

MONTHLY OPERATIONS REPORT

ROCKHAMPTON REGIONAL WASTE AND RECYCLING

Period Ended 31 August 2014

VARIATIONS, ISSUES AND INNOVATIONS

Gladstone Regional Council – Rockhampton Regional Council Joint Refuse Project

The project continues to advance with officers from Gladstone Regional Council and Rockhampton Regional Council meeting separately with the Consultancy undertaking the work to refine the scope of the project to define the work outputs required.

Greenwaste and Concrete Recycling

A meeting was held with a local business who wishes to investigate the feasibility of managing the greenwaste and the concrete currently being accepted into Lakes Creek Road Landfill and possibly Gracemere Landfill. They are proposing to accept greenwaste and concrete directly into two sites in and close to Rockhampton. They were provided with basic information such as tonnages and customer transaction numbers. They will also meet with the Council's planning unit and the Department of Environment and Heritage Protection.

Isolated Worker Protection – Council Two-ways

A demonstration was attended where the operational capabilities of the proposed new two-way system where displayed. One new feature is the ability to set up the two-way where a staff member who is in an isolated location (single person WTS or waste collection driver undertaking a walk-in service) can initiate an automatic call back after a set period if the staff member does not use a special button on the mobile unit, similar to a dead-man switch on the engine of a train.

Over all the two-way system is of great value to the waste collection service as on a daily basis it is utilised by the drivers to communication with each other so as they can work "together" to complete the days works more effectively than they would otherwise.

Western Waste Facilities Contract

Work is underway to develop a contract specification to cover the Gracemere Landfill, Mt Morgan, Bouldercombe and Alton Downs Waste Transfer Stations. This contract will seek persons to provide services such as gatehouse operation, site supervision and general maintenance such as mowing, garden maintenance, litter collection, tidying of the greenwaste and metal piles.

The specification will state:

- That a submitter can submit a tender for 1 or more waste facilities,
- That there are currently local persons or businesses operating these sites and Council would encourage their continued use.

IMPROVEMENTS / DETERIORATION IN LEVELS OF SERVICES OR COST DRIVERS

MRF Contract

A meeting was held with Orora and the other Councils who transport recycling to the MRF located in Parkhurst. Orora has reviewed their approach to the recent management style of the contract and now are seeking to work cooperatively with the relevant Councils to improve the operation of the contract for all involved.

LINKAGES TO OPERATIONAL PLAN

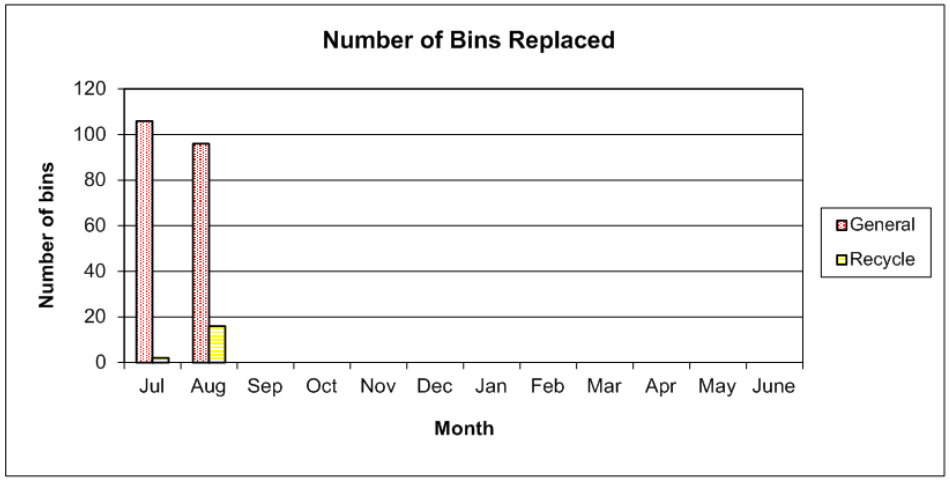
1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for *31 August 2014* are as below:

All Monthly Requests (Priority 3)
RRW&R 'Traffic Light' report
August 2014

	Balance B/F	Completed in Current Mth	Current Month NEW Requests		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth	Avg Completion Time (days) 6 Months	Avg Completion Time (days) 12 Months	Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed							
Waste/Recycling - RATES NOTICE QUERY	0	0	0	0	0	0	10	0.00	0.00	1.71	1.71
Additional Recycling Service (Fee applies) JJ RICH	0	0	0	0	0	0	2	0.00	3.75	4.75	1.50
Additional Waste Service (Fee applies) RRC	0	0	3	3	0	0	2	0.33	1.32	1.63	1.13
Park Bins (RRC Park/Reserve areas)	0	0	2	2	0	0	23	10.00	9.25	16.10	10.06
Change to Exisiting Bins (JJ RICHARDS)	1	1	6	6	0	0	5	3.00	2.79	3.26	2.42
Change to Exisiting Bins (RRC)	1	1	8	7	1	0	2	1.57	2.00	2.15	1.71
Missed Service Recycling - SAME DAY JJ RICHARDS	1	1	8	5	3	0	2	3.60	3.21	2.38	1.14
Missed Service Waste - SAME DAY ENQUIRY RRC	0	0	9	8	1	0	2	1.00	1.02	0.97	0.80
MIssed Recycling Bin JJ (Not out or Truck Missed)	6	6	24	15	9	0	2	2.33	2.52	2.49	1.63
Missed General RRC (Bin Not Out or Truck Missed)	0	0	26	24	2	0	2	1.13	1.25	1.68	1.18
New (First) Bin Set Up (Domestic/Recycle & Comm)	3	3	33	23	10	0	5	3.35	3.45	3.69	2.78
Repair JJ Richards Recycle	0	0	3	3	0	0	5	7.67	5.00	3.89	2.93
Repair RRC General Waste Bin	1	1	19	19	0	0	2	1.74	1.82	1.89	1.50
Replacement Bin JJ (Damaged/Lost/Stolen)	2	2	15	12	3	0	5	3.25	3.75	3.46	2.98
Replacement Bin RRC (Damaged/Lost/Stolen)	8	8	70	66	4	0	2	1.12	1.47	1.72	1.36
Special Event Bins (Parks/Halls etc)	0	0	1	1	0	0	2	2.00	1.71	1.67	1.47
Landfills & Transfer Station - Waste Facilities	4	4	1	1	0	0	1	0.00	1.52	2.31	2.75
Waste and Recycling General Query	1	1	20	15	5	0	5	1.53	1.97	2.56	1.50
Compliment or Complaint RRC or JJ Richards	1	1	4	4	0	0	2	4.50	3.22	3.03	1.38

Comment: Due to reporting lag from the contractor through our processes in entering responses to complete customer requests is showing largely as the reason for the few overdue customer requests. This alteration will take effect from the September reporting period.

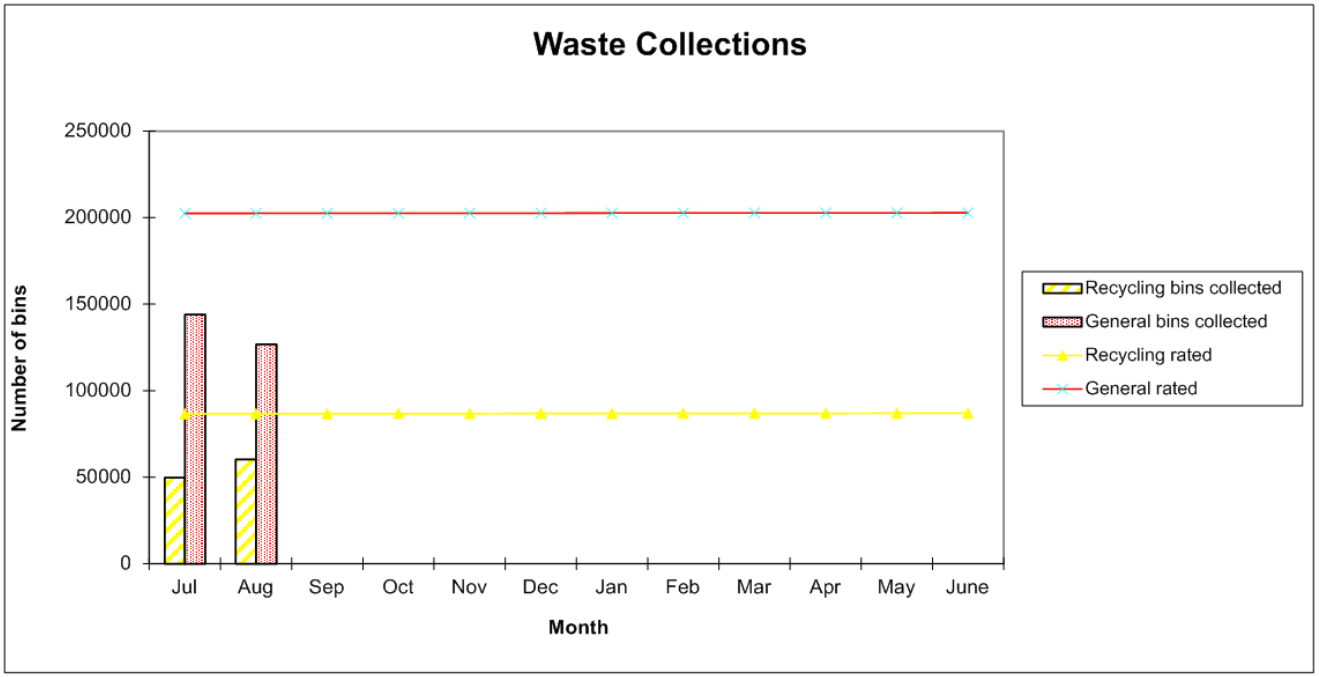


The graph above shows the number of bins replaced during the 2014/2015 financial year on a monthly basis.

Comment: General Waste: Average for the last 6 months is 106 per month (Rockhampton only). The number of bins replaced for this period is 96.
Recycling: Average for the last 6 months is 8 per month (Rockhampton only). The number of bins replaced for this period is 16.
Recycling bin replacement is considerable less as all bins are newer than the General Waste bins and carry a lesser weight (ie "less wear and tear").

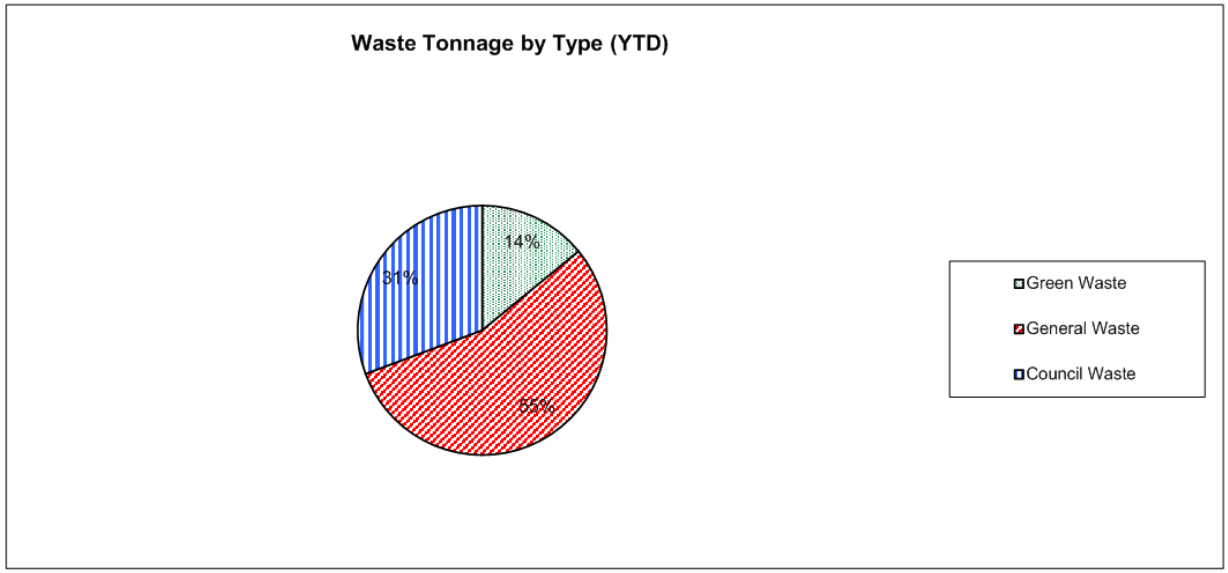
The graph above depicts the division of domestic and commercial waste collection services provided during the 2014/2015 financial year on a monthly basis.

Comment: Domestic: Average for the last 6 months is 113,520 per month (Rockhampton only). The number of bins collected for this period is 107,678
Commercial: Average for the last 6 months is 19,954 per month (Rockhampton only). The number of bins collected for this period is 19,002.
Services have been higher earlier in the year, generally.



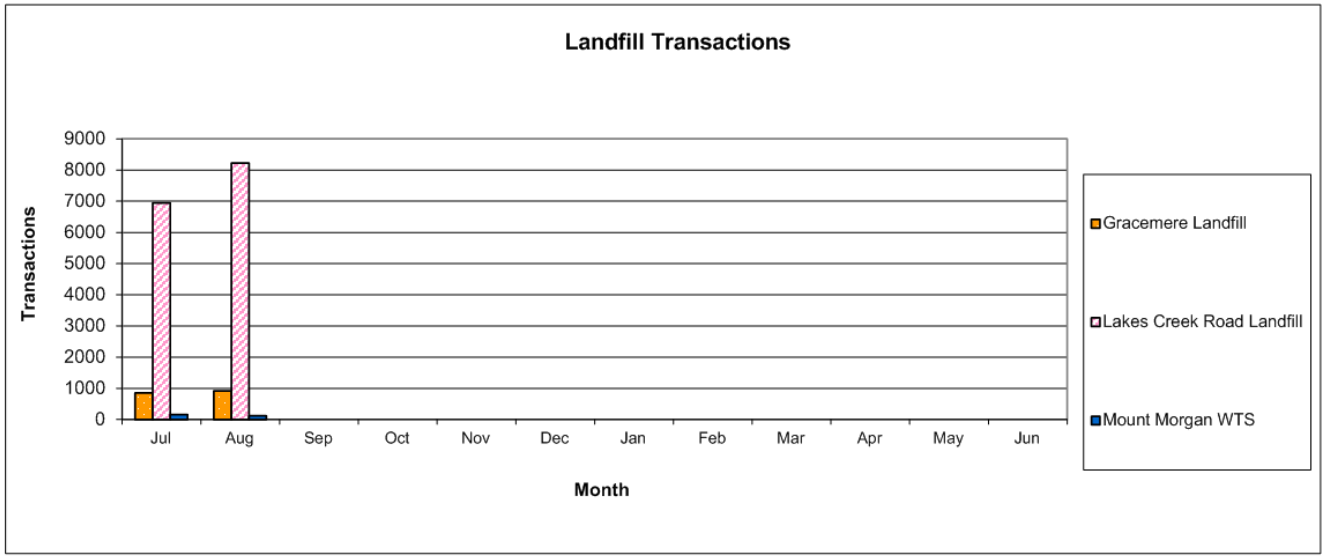
The graph above shows the number of General Waste and Recycling bins serviced during the 2014/2015 financial year on a monthly basis.

Comment: Recycling bins: Average for the last 6 months is 59,185 per month (Rockhampton only). The number of bins collected for this period is 60,166
General Waste bins: Average for the last 6 months is 133,474 per month (Rockhampton only). The number of bins collected for this period is 126,680



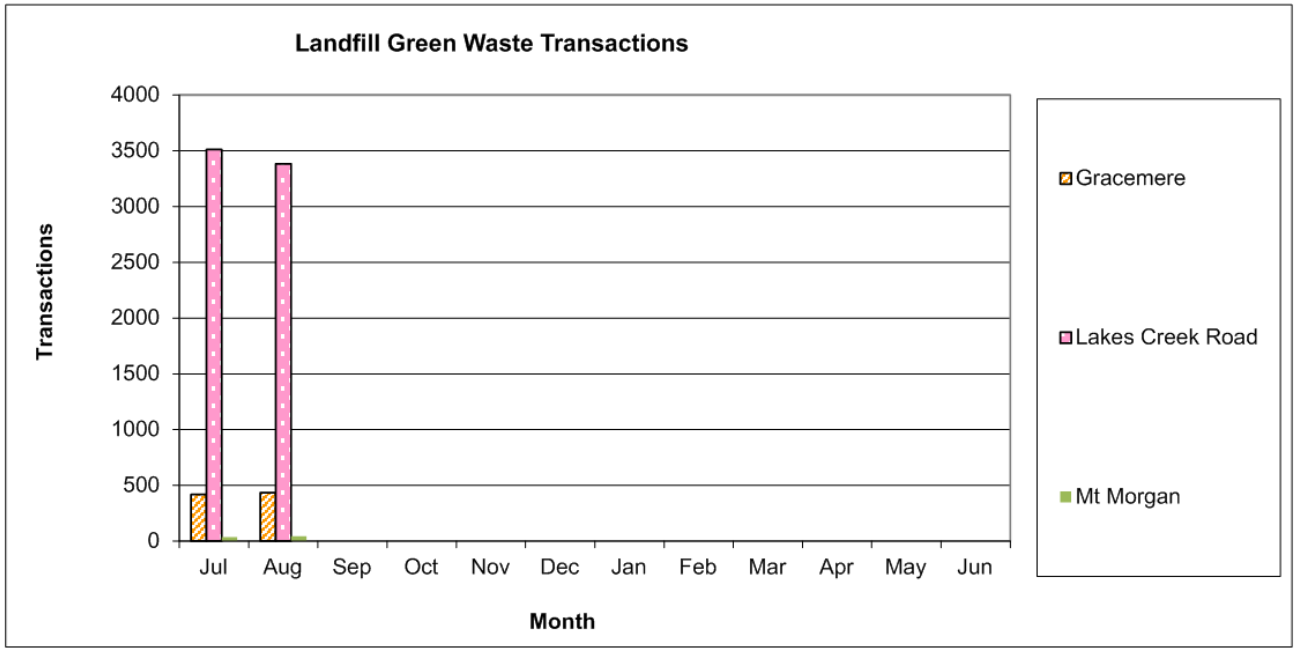
The graph above shows the percentage of waste tonnage by waste types accepted at all facilities during the 2014/2015 financial year to date.

Comment: Average for the last 6 months for Green Waste is 12% (832t) per month (Rockhampton only). The number of tonnes for this period is 820.
Average for the last 6 months for General Waste is 59% (3,957t) per month (Rockhampton only). The number of tonnes for this period is 3,348.
Average for the last 6 months for Council Waste is 29% (1,941t) per month (Rockhampton only). The number of tonnes for this period is 1,713.



The graph above shows the number of transactions to landfill facilities during the 2014/2015 financial year on a monthly basis.

Comment: Gracemere: Average for the last 6 months is 967 per month. The number of transactions for this period is 926.
Lakes Creek Road: Average for the last 6 months is 7150 per month. The number of transactions for this period is 8228.



The graph above shows the number of Green Waste Transactions accepted at facilities with electronic record keeping capabilities during the 2014/2015 financial year on a monthly basis.

Comment: Gracemere: Average for the last 6 months is 269 transactions per month. The number of transactions for this period is 436 .
Lakes Creek Road: Average for the last 6 months is 2,094 transactions per month. The number of transactions for this period is 3,384 .
Mt Morgan: Average for the last 6 months is 60 transactions per month. The number of transactions for this period is 44 .

2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS

Safety Statistics

The safety statistics for the reporting period are:

	LAST QUARTER			THIS REPORTING PERIOD
	APRIL	MAY	JUNE	AUGUST
Number of Lost Time Injuries	0	0	0	0
Number of Days Lost Due to Injury	0	0	0	0
Total Number of Incidents Reported	8	13	17	1
Number of Incomplete Hazard Inspections	9	12	11	0

Comment: Nil

Risk Management Summary

Example from Section Risk Register (excludes risks accepted/ALARP)

Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Complete d	Comment s
Failure to construct & have operational the Waste Transport Station (WTS), including off site haulage at Lakes Creek Road Landfill, by December 2016 which may result in the community of Rockhampton and its surrounds not having any location to effectively dispose of its waste causing possibly a decrease in public health and a significant potential for large scale environmental harm to be caused. This will cause Council strong damage to its reputation and a strong loss of confidence in the ability of Council to manage large facilities/processes on behalf of the community	Moderate 6	Nil – Risk at acceptable level	N/A	N/A	Nil

Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments
Failure to locate and establish a new Landfill for the community of Rockhampton and its surrounds prior to the closure of the existing Lakes Creek Road Landfill - current closure date December 2016 which would result in the community not having any location to effectively dispose of its waste causing possibly a decrease in public health and a significant potential for large scale environmental harm to be caused.	Moderate 6	Nil – Risk at acceptable level	N/A	N/A	Nil
Loss of a major waste management facility due to a natural or man-made disaster, i.e. flood, storm damage, discovery of unexploded ordinance, discovery of a hazardous waste type, etc. which may result in the community not having any location to effectively dispose of its waste causing possibly a decrease in public health and a significant potential for large scale environmental harm to be caused. This will cause Council strong damage to its reputation and a strong loss of confidence in the ability of Council to manage large facilities/processes on behalf of the community.	Low 7	Nil	N/A	N/A	Nil
Failure to adequately fund and support Council's asset system which may result in financial loss through increased maintenance costs and service delivery disruptions.	Low 7	Nil	N/A	N/A	Nil

Legislative Compliance & Standards

Legislative Compliance Matter	Due Date	% Completed	Comments
Quarterly and Annual Performance Plans	30/09/14 31/12/14 31/03/15 30/06/15	0%	Presented to Council at the first available meeting after the specified date
National Pollutant Inventory	30/09/14	0%	Annual reporting requirements
Carbon Regulatory Report	30/10/14	0%	Annual reporting requirements with payment

Legislative Compliance Matter	Due Date	% Completed	Comments
Landfill Licences – Department of Environment and Heritage Protection (EHP)	Ongoing for Licences	Ongoing	Licences currently being rewritten in association with EHP as they were incorrect when supplied to RRC post the de-amalgamation process. The Annual Report is a report dealing with waste statistics.
Annual Report	30/06/15	0%	The Annual Return is a report to EHP concerning the licence conditions at landfills.
Annual Return	30/08/14	0%	Supply of waste tonnages processed through all landfills
Queensland Waste Data System	Quarterly	ongoing	
Alton Downs and Mt Morgan Landfills – Compliance Inspection by EHP	No date set	N/A	EHP has sent a letter to Council requesting Council undertake monitoring of the surrounding environment of each site to initially determine if there has been any impact. If the impact in zero or negligible then the site will be closed. If there is an impact detected them remediation action may have to be undertaken.
Gracemere Landfill – underground water investigation	No set date	N/A	Complaint lodged with EHP in February. Information supplied to EHP. Awaiting a reply.
Waste Facilities – asbestos management	No set date	N/A	Council is in receipt of 3 notices from Workplace Health and Safety Queensland in regards to the cessation of the transportation off site, storage of and disposal of greenwaste mulch contaminated with asbestos. The notice in regards to transportation off site has been compiled with and work is ongoing in regards to other 2 Notices.
Fatigue Management	Ongoing	ongoing	Managed via the use of timesheet monitoring, and Wastedge
Safe Pan 2	Ongoing	ongoing	Monitored via Hazard Inspection, regular RRWR Safety Meetings and consistent highlighting at all Tool Box Meetings

3. ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME

The following abbreviations have been used within the table below:

RRWR	*Rockhampton Regional Waste and Recycling*
JMK	*JM Kelly Constructions*
WTS	*Waste Transfer Station*
PC	*Practical Completion*
EOT	*Extension of Time*
LCRL	*Lakes Creek Road Landfill*

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
ROCKHAMPTON REGIONAL WASTE & RECYCLING CAPITAL WORKS PROGRAM					
2014/ 2015					
LCRL – Remediation	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	21.8%	$1,957,200	$426,180
Comment: Working on bund construction for the western end of Stage 1					
LCRL Waste Transfer Station and related Works	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
Waste Transfer Station	29/10/12	Sept 2014	99%	$800,000	$180,759
Intersection	30/8/14	7/11/14	0%	$692,000	$481
Queensland Rail Infrastructure	10/11/14	26/12/14	1.7%	$779,000	$865,079
Entry Road	30/1/15	26/3/15	84%	$386,569	$511,571

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
Comment: The above figures are only for the Waste Transfer Station Building, Dean Street Intersection (including internal road works) and the rail crossing. The Waste Transfer Station building itself is nearly complete. The internal road component of the Dean Street Intersection has had its embankment and road base placed. It has been placed to preload the road area. No work has commenced on the Dean Street Intersection external to the site. There also has been no work on the Rail Crossing					
240Litre Mobil Garbage Bin (Wheelie Bin) Purchases	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	0%	$152,389	$0
Comment: No purchases undertake to date					
Gracemere Landfill – Expansion and Capping	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	0%	$228,882	$0
Comment: Have engaged a local consultancy to undertake a review of the Landfill License and associated planning works to expand the tonnage permitted to be accepted by the site from current limit of 10,000tpa to 100.000tpa and to provide information on the cost, timeframe and requirements to expand the site via the use of Stage 2. Am awaiting costs estimates to undertake this work Also the Council's Infrastructure Design Team is currently working on the final landfill form shape including the full usage of Stage 2 to provide the expected airspace for the site. The information once provided will be forwards to a consultancy who has previously worked on the design of the site to provide the estimated cost ad timeframe to construct to provide a liner for Stage 2					
Waste Infrastructure Plan & Landfill Infrastructure Plan	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	0%	$1,803,534	$0
Comment: A report is being prepared for Council to fully cost and consider feasibility of replacing the current Roadside Bin Stations with Bank of Bin Stations and Concrete pads and the provision of Waste Transfer Stations at Alton Downs, Stanwell and Bajool and removal of Midgee Roadside Bin Station – June Report to Business Enterprise Committee					
Closure of Existing Landfill sites and landfill remediation work	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	0%	$86,436	$0
Comment: Nil work to date. Project is generally reactive based. Funding is used to address matters such as the recent environmental issues with Rugby Park which is a closed landfill site. Staff resources permitting a survey of other closed sites will be undertaken to determine level of risk.					

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
Waste Facilities, fences, gates and security maintenance	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
	01/07/14	30/06/15	0%	$50,000	$0
Comment: Regular inspections of Rugby Park are now occurring. Also a meter has been installed to measure the quantity of effluent being treated.					

4. ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME

As at period ended 31/08/2104 – 16.67% of year elapsed.

Project	Revised Budget	Actual (incl. committals)	% budget expended	Explanation
Nil	Nil	Nil	Nil	Nil

5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS

Service Delivery Standard	Target	Current Performance
Weekly collection of domestic waste on same day every week	98%	99.86%
Weekly collection of commercial waste	95%	99.98%
Fortnightly Collection of domestic recyclable waste	98%	99.85%
Fortnightly Collection of commercial recyclable waste	98%	99.95%
Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%	100.00%
Collection services will be made available within four working days upon application by owner	98%	100.00%
Provision of assisted services within ten working days from application by owner	100%	100.00%
Repair or replacement of stolen, removed, damaged, vandalised mobile bins within four working days from notification	100%	100.00%

as at 30 June 2014

6. FINANCIAL MATTERS

Waste and Recycling Income Statement August 14 - COMMITTEE.xls

WASTE Capital Mgmt Report 2013-14 August 14 - COMMITTEE.XLS

Percentage of year elapsed 16.67%

Operational

Net rates and utility charges is significantly above the percentage of year elapsed at 52.06% due to the first half of the years rates notices now having been issued with discounts still yet to be taken up.

Fees and charges revenue is currently below the percentage of year elapsed at 12.75% as a result of revenue being lower than anticipated for Lakes Creek (14.05%), Gracemere (1.95%), Alton Downs (24.85%) and Mt Morgan (14.30%) landfill facilities. It is however anticipated that revenue will be brought slightly closer to budget as a result of rises and falls thought the year due to seasonal fluctuations in rubbish being brought into the landfill.

Grants and subsidies revenue is also below budget at 1.65% as a result of the annual community education recycling contract revenue still yet to be received.

Contractors and consultants expenditure is also below budget at 10.53% as a result of low contractor's expenditure (9.52%) primarily as a result of Tax Invoice timing delays for recycling collection and processing services, all offset by higher than expected professional technical (59.78%) and contractors building / construction maintenance expenditure YTD.

Materials and plant expenditure is also lower than budget at 8.22% as a result of lower than anticipated equipment & plant hire (8.40%), fuel distillate (8.84%) and construction/ maintenance expenditure YTD.

Asset operational expenditure is significantly lower than budget at 0.23% as a result of the carbon tax repeal and tax invoice timing delays for electricity (0%), and cleaning (8.99%) expenditure (0%) YTD.

Finance costs represent interest charged on loans which is paid quarterly.

Accounting adjustment expenditure represents the writing off bad debts, provision for doubtful debts, expenditure of WIP in progress and stocktake adjustment expenditure.

Total Transfer/overhead allocation expense is higher than the percentage of year elapsed at 19.13% as a result of higher than anticipated internal charge expenditure YTD.

Capital

RRWR capital project expenditure for 14-15 is currently below the percentage of year elapsed at 13.5%.

The majority of RRWR capital expenditure to date relates to the following: LCR landfill capping (21.8%), LCR waste transfer station development (15.5%), regional waste infrastructure (12.7%) and waste facility fences / gates (10.1%)

Note – 13/14 budget rollovers are still yet to take place.

There are no material exceptions to this report.

MONTHLY OPERATIONS REPORT - ROCKHAMPTON REGIONAL WASTE AND RECYCLING

Waste and Recycling Income Statement August 2014

Meeting Date: 1 October 2014

Attachment No: 2

Income Statement
For Period July 2014 to August 2014
16.67% of Year Gone

	Adopted Budget $	Revised Budget $	YTD Actual $	% of YTD Actuals (excl commitals) to Total Budget
Revenues				
Net rates and utility charges	(13,119,737)	0	(6,829,686)	52.06%
Fees and Charges	(5,692,619)	0	(726,046)	12.75%
Private and recoverable works	0	0	(584)	0.00%
Grants Subsidies & Contributions	(41,364)	0	(682)	1.65%
Other income	(54,500)	0	(8,446)	15.50%
Total Revenues	***(18,908,220)***	***0***	***(7,565,443)***	***40.01%***
Expenses				
Employee costs	3,305,086	0	422,629	12.79%
Contractors & Consultants	3,984,018	0	419,412	10.53%
Materials & Plant	848,824	0	69,737	8.22%
Asset Operational	1,626,165	0	3,729	0.23%
Administrative expenses	130,042	0	7,983	6.14%
Depreciation	1,198,193	0	199,699	16.67%
Finance costs	1,833,045	0	0	0.00%
Accounting Adjustments	30,000	0	0	0.00%
Total Expenses	***12,955,373***	***0***	***1,123,189***	***8.67%***
Transfer / Overhead Allocation				
Transfer/Overhead Allocation	2,616,310	0	552,583	21.12%
OH Allocation	1,402,244	0	204,567	14.59%
Competitive Neutrality Adjustments	(412,188)	0	(67,261)	16.32%
Total Transfer / Overhead Allocation	***3,606,367***	***0***	***689,889***	***19.13%***

Page 1 of 1

MONTHLY OPERATIONS REPORT - ROCKHAMPTON REGIONAL WASTE AND RECYCLING

Waste and Recycling Capital Management Report

Meeting Date: 1 October 2014

Attachment No: 3

End of Month Management Report

Percentage of Year Elapsed: 16.67%

		1415 Adopted inc Carry Forward	YTD Actuals	Committals	Total YTD Actuals (inc committals)	% of YTD Actuals (excl commitals) to Total Budget
		$	$	$	$	%
	CP620 CAPITAL CONTROL WASTE					
0580971	[N] Lakes Creek Rd Landfill - Capping Tr	$1,957,200	$426,188	$0	$426,188	21.8%
0580972	[N] WTS & Stage 3 development - Lakes Cr	$3,155,179	$488,381	$1,793,914	$2,282,295	15.5%
0943108	Closure of existing landfill sites and r	$86,463	$0	$0	$0	0.0%
0959202	LIP - Gracemere - Planning incl Stage 2	$132,597	$0	$0	$0	0.0%
0983826	[R] Rubbish Bins - Rockhampton Regional	$152,389	$0	$0	$0	0.0%
0983996	[N] Planning and development approvals a	$174,177	$0	$0	$0	0.0%
0984012	[N] Regional Waste Infrastructure	$248,534	$31,505	$45,455	$76,960	12.7%
0984024	[N] Capping & Closure of Stage 1 & 2 -	$96,285	$628	$0	$628	0.7%
0987815	[R] Waste facilities fences gates securi	$50,000	$5,063	$0	$5,063	10.1%
1033823	[R] Regional Bin Station & WTS Solution	$500,000	$0	$0	$0	0.0%
1033861	[N] Reg Waste - future landfill investig	$500,000	$0	$0	$0	0.0%
	TOTAL CAPITAL EXPENDITURE	**7,052,824**	**951,766**	**1,839,368**	**2,791,134**	***13.5%***

9.2 ROCKHAMPTON REGIONAL WASTE AND RECYCLING ANNUAL PERFORMANCE PLAN

File No:	**8409**
Attachments:	**1. RRWR Annual Performance Plan 2014-15**
Authorising Officer:	**Robert Holmes - General Manager Regional Services**
Author:	**Craig Dunglison - Manager RRWR**

SUMMARY

The Local Government 2012 section 175 requires commercial business units to prepare an Annual Performance Plan for inclusion in the Rockhampton Regional Council Operational Plan. The 2014/15 Annual Performance Plan for Rockhampton Regional Waste and Recycling is submitted for consideration.

OFFICER'S RECOMMENDATION

1. THAT the 2014/15 Performance Plan for Rockhampton Regional Waste and Recycling as submitted, be adopted;
2. THAT the Community Service Obligations totalling $1,457,037as detailed in this report and identified in the 2014/15 Annual Performance Plan be received.

COMMENTARY

The following extract is from the Local Government Regulation 2012 section 28 "the key principles of commercialisation'.

This section sets out the basic 'ground rules' upon which a commercial business unit is required to conduct business. The basic thrust is that commercial business units are given a high degree of autonomy to pursue commercial objectives, with the role of the 'parent' Council being limited to:

- Giving clear, non-conflicting, specific and transparent directions and instruction in relation to any non-commercial objectives or requirements; and
- Otherwise adopting a monitoring role through the setting of objectives and performance targets, and assessment of actual performance against those objectives and targets.

In relation to the monitoring aspects of the 'parent' Council's role, the objectives are set out in the Council's corporate plan (s 165) and the operational plan (s 175) must include an annual performance plan setting out the performance targets. The information required to conduct the performance monitoring and assessment against these matters is provided in the annual operations report (s 190) forming part of Council's annual report.

Section 175 (1) of the Local Government Regulation 2012 requires that a local government's operational plan for a financial year must include an annual performance plan for each commercial business unit.

Rockhampton Regional Waste and Recycling's Annual Performance Plan (attachment 1) will form part of the Rockhampton Regional Council Operational Plan.

CONCLUSION

The Rockhampton Regional Waste and Recycling Annual Performance Plan is presented in accordance with legislative requirements for Council adoption.

ROCKHAMPTON REGIONAL WASTE AND RECYCLING ANNUAL PERFORMANCE PLAN

RRWR Annual Performance Plan 2014-15

Meeting Date: 1 October 2014

Attachment No: 1

Rockhampton
Regional Waste & Recycling

Performance Plan 2014/15

Version No. 1 Date: 23 September 2014 ***RRWR Annual Performance Plan 2014/15***

APPROVAL AND REVISION CONTROL

Authorisation

Approved	Title	Signature	Date
Craig Dunglison	Manager Rockhampton Regional Waste and Recycling		
Bob Holmes	General Manager Regional Services		
Adopted			**Date**
Business Enterprise Committee			
Council			

Revision

Revision	Revised	Title	Signature	Date

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY

Rockhampton Regional Council's (Council) waste and recycling services were identified as a Type 2 business activity as defined in the *Local Government Act*.

Council, at its meeting on 24 August 2010, resolved that the waste and recycling business be commercialised.

Rockhampton Regional Waste & Recycling (RRWR) commenced operations as a Commercial Business Unit on 1 July 2011.

This plan is RRWR's agreement with Rockhampton Regional Council to deliver waste and recycling services. The plan describes RRWR's objectives and functions, commercialisation objectives, community service obligations, customer service objectives, reporting requirements, environmental management objectives, asset management objectives and financial policies.

This plan is required by Section 175 of the *Local Government Regulation 2012 (the Regulation)* which states that:

1. there must be an annual performance plan for each commercial business unit;
2. a local government's operational plan must include the annual performance plan for each of its commercial business units; and
3. a performance plan may be amended at any time before the end of the financial year for which it is prepared.

Key financial and non-financial targets are detailed within this plan.

2. STRATEGIC DIRECTION

2.1. Vision, Mission, Values, Objectives

Vision

We will be a leader in the sustainable management of waste.

We will achieve this by:

- The provision of well-run services and facilities;
- Meeting high environmental standards; and
- Meeting our customers' needs.

(Extract from Strategic Business Plan adopted by Council 24 March 2009)

Mission

We are a waste management business unit of the Rockhampton Regional Council. Our business involves:

- Procurement and management of waste management services and facilities;
- Waste and recyclables collection management;
- Landfill management;
- Waste transfer station and bin station management;
- Strategic planning for waste management services;
- Specialist waste advice; and

- Waste information services.

Council staff and its contractors deliver these services every day to the community of the Rockhampton Regional Council.

(Extract from Strategic Business Plan adopted by Council 24 March 2009)

Values Statement

Rockhampton Regional Waste & Recycling will provide a service which embraces the Rockhampton Regional Council corporate values and are committed to:

- Caring for the environment

We will protect the environment based upon legislative guidelines and best practice for the betterment of our community and future generations.

- Resource Recovery

We will value our earth commodities through implementing innovative and viable resource recovery practices.

(Extract from Strategic Business Plan adopted by Council 24 March 2009)

Council Values

Consistency and Fairness - We will deal with all issues, including the management of change by achieving the fairest outcome possible and by being consistent in our decision making.

Results - We are results focussed on achieving results and in creating value for our customers.

Integrity and Honesty - We will operate with honesty and integrity, fostering transparency in whatever we do and promoting public trust and continued confidence.

Teamwork and Staff Development - We value collaborative effort by staff and are committed to encouraging professional development and learning as important across the organisation.

Inclusiveness and Fair Representation - We will listen to, respect the views of, strive to engage with and meet the reasonable expectations of our communities in a professional, compassionate and responsive manner.

Continuous Improvement and Innovation - We will achieve value for our communities by utilising more innovative, effective and efficient ways of producing results for our customers.

Accountability - In focussing on results and creating value for our customers, we own our successes and failures.

Leadership - We will demonstrate high standards of leadership in guiding the community to support and participate in achieving Council's vision and mission.

2.2. Objectives

The key objectives of RRWR are to deliver commercially viable waste and recycling services that satisfy adopted customer services standards.

Core business includes the following activities:

General

- Setting the strategic direction for Council's Waste Management Strategy; and

- Support of public education programs in relation to waste minimisation, reuse and recycling.

Waste

- Operation and management of two landfill sites at Rockhampton (Lakes Creek Road Landfill), and Gracemere (Gracemere Landfill)
- Operation and management of three manned and nine unmanned transfer station facilities / roadside bins stations currently located at:

Manned Transfer Stations

Alton Downs; Bouldercombe and Mount Morgan

Unmanned Transfer Stations

Bajool; Bushley; Dalma; Gogango; Laurel Bank; Marmor; Midgee; Ridgelands; and Westwood

- Collection and disposal of domestic and commercial waste within the Rockhampton Region; and
- Providing waste management services to events and activities.

Recycling

- Management of contracted recycling service providers.

3. OPERATIONS

3.1. Nature and Scope of Activities

RRWR is responsible for the operation and maintenance of waste and recycling assets totalling approximately $19.3M (replacement value).

General functions of these assets include:

- the provision of waste collections points for the bulk transport of waste to two landfills;
- the provision of 'airspace' to receive the region's waste in an environmental sound process; and
- associated recycling and reuse support facilities at the two landfills.

Broadly, the scope of RRWR (as at 30 June 2014 unless otherwise stated) is as follows:

Estimated Operating Revenue (2014/15)	$21.1M
Estimated Operating Expenditure (2014/15)	$18.8M
Number of staff (as at 30 June 2014)	31
Properties served – General Waste	32,190
Properties served – Recycling	27,500
Total Waste to Landfill - including kerbside waste collection but not including cover material (tonnes) (as at 30 June 2014)	69,398
Kerbside Waste Collection (tonnes) (as at 24 May 2013)	27,693
Recycling Collected (tonnes)	7,717
Landfills	2
Transfer Stations - Manned	3
Transfer Stations - Unmanned	9

3.2. Legislative Framework

In accordance with the *Local Government Act*, RRWR has a statutory objective to be commercially successful in carrying on its activities, and be efficient and effective in the provision of goods and delivery of its services including tasks carried out as community service obligations. RRWR, as the Council's waste and recycling commercial business activity, has been established as a 'commercial business unit' to provide sustainable, quality and efficient waste and recycling services to residential, commercial and industrial customers.

3.3. Asset Protection Issues

The asset protection functions to be performed by RRWR for Council include:

- RRWR site based management plans for each facility; and
- RRWR work instructions e.g. Acceptance of Asbestos.

3.4. Governance

The objectives of commercialisation are to improve overall economic performance and the ability of Council to carry out its responsibilities for good rule and government, by establishing an efficient and effective commercial business unit; and establishing a framework for operation and accountability of the unit.

3.5. Community Service Obligations

The Local Government Regulation 2012 Chapter 3 Section 24 defines a community service obligation as:

"A ***community service obligation*** is an obligation the local government imposes on a business entity to do something that is not in the commercial interests of the business entity to do."

The Community Service Obligation (CSO) is to be treated as revenue for the activity of an amount equivalent to the cost of carrying out the obligation less any revenue arising from carrying out the obligation.

Council may direct RRWR to use internal services over external services and to provide services where it is not in commercial interests to do so. In each of these cases an appropriate CSO will be paid by Council. The budgeted value of CSOs in 2014/15 is detailed in Appendix 1.

When additional CSOs are identified within the period of this Performance Plan the valuation of the CSO will be in accordance with Council resolution.

4. COUNCIL SERVICE PROVIDER RIGHTS & RESPONSIBILITIES

4.1. Provision of Services

Council, as the owner of RRWR, will be responsible for approving the strategic direction and broad policies for the Business Unit.

Council will be responsible for providing a number of support services to RRWR including:

- Corporate governance support;
- Corporate business systems;
- Financial support services;
- Human resource services and systems;
- Safety support services and systems;
- IT services support and systems;
- Records management support and systems;
- Collection of revenue and infrastructure charges;
- Supply of fleet and plant; and
- Other miscellaneous support services (payroll, etc.).

The above support services will be provided via Council's internal service providers. RRWR is required to use internal support services over external service providers.

Any disputes concerning the availability or cost of the internal service provider and the urgency of the task to be undertaken will be resolved by mutual agreement between the General Manager Regional Services and the General Manager of the relevant Council Department with Council's Chief Executive Officer as the final adjudicator in line with the intentions of the commercialisation aspects of the *Local Government Act*.

RRWR with the approval of the Chief Executive Officer may use an external service provider when the internal providers are unable to provide delivery within a reasonable timeframe or at a cost that is commercially competitive.

4.2. Service Level Agreements

Service Level Agreements as listed below have been developed and implemented with internal Council service units that clarify the service and service standards to be delivered by both parties. The Service Level Agreement will facilitate continuous review and improvement of services provided to ensure best value is achieved.

Customer Service *

Workforce & Strategy

Asset Services

Records Management *

Fleet Services

Local Laws

Marketing & Engagement

Civil Operations

Financial Services *

Engineering Services

Parks & Maintenance Support Services

Information Technology Services

Procurement and Logistic

* *These internal services are considered compulsory for RRWR to utilise and will be subject to CSO funding if required.*

The level of service provided by internal service providers have been defined in service level agreements between RRWR and the relevant Sections. Parties will apply the following objectives in the development of these service level agreements.

The objectives to be applied are to:

- Ensure, by way of a service level agreement, that formal trading arrangements exist between RRWR, support services and internal suppliers;
- Define the scope of internal services provided;
- Define non-legally binding, obligations and performance requirements for internal suppliers and customers involved in an agreement;
- Specify service standards including those related to quality and quantity;
- Specify the timeframes and timeliness of services to be provided;
- Ensure that internal suppliers progressively develop full cost pricing for service delivery; and
- Council's commitment to improve quality of internal service providers.

Furthermore, there is a commitment to continually improve the quality and cost of services provided by these internal units as stipulated by the Service Level Agreements.

4.3. Council's Commitment to Improve Quality of Internal Service Providers

In adopting this Performance Plan, Council recognises that the standard of service required of RRWR is heavily dependent upon Council's internal support service providers. There is a strong commitment by Council and its internal support service providers to deliver the quality of service required in accordance with the Service Level Agreements.

5. ROCKHAMPTON REGIONAL WASTE & RECYCLING GENERAL RESPONSIBILITIES

5.1. General

Council requires RRWR to carry out its undertakings in accordance with the requirements of the following:

- legislative obligations including the *Local Government Act* and other state and federal legislation;
- Council policies and procedures;
- licence conditions; and
- this Performance Plan.

While this Plan details RRWR's specific responsibilities, the following section outlines the more generic requirements of the business unit.

5.2. Levels of Service

Council have set desired levels of service in line with overall funding considerations and implications on the long term financial plan. RRWR operates to provide target levels of service as part of longer term plans and these are as outlined in Appendix 2.

5.3. Customer Service

RRWR is responsible for the contact and commitment with customers in accordance with Customer Service Standards (CSS). Commercial customers will also have a formal contract with Council but the service will be provided by RRWR on behalf of Council.

5.4. Delegated Authorities

RRWR's overall delegated authorities are in accordance with *Section 260 of the Local Government Act*. Delegated authorities for specific RRWR staff are included in Council's Register of Delegations.

To protect its assets and to ensure that it can meet its performance agreement with Council, RRWR is responsible for managing and controlling the operations and development of the following where required in accordance with Council's adopted policies:

- two landfill sites at Rockhampton and Gracemere; and
- three manned and nine unmanned transfer station facilities / roadside bins stations.

The above facilities may change from time to time, as resolved by the Council, to meet the changing needs of the community and RRWR will be responsible to manage and control the waste infrastructure that is in place from time to time.

5.5. Resource Allocation

With the approval of the Chief Executive Officer, the General Manager Regional Services is responsible for determining:

- the appropriate mix of internal and external resources necessary to carry out the undertakings of the business (in accordance with Council's Enterprise Bargaining Agreement); and

- the most appropriate organisational structure for carrying out the undertakings of the business below the establishment of each of the broad management areas in accordance with Council's delegations.

5.6. Dealing with External Parties

RRWR will represent Council on relevant industry groups and working parties. RRWR will provide advice and recommendations for future planning and issues requiring involvement of the CEO and/or Mayor will be facilitated as required.

5.7. Compliance and Regulatory Reporting

Council is the registered waste and recycling service provider with ultimate responsibility for compliance in service delivery.

RRWR will be responsible for managing the day to day requirements of Council's responsibilities under various licences and preparing required reports.

RRWR is responsible for the development of regulatory reports and delivery on the outcomes of the final approved plans including associated reporting.

5.8. Purchasing of Materials and Services and Disposal of Assets

RRWR is bound by Council's purchasing, procurement and asset disposal policies.

6. ORGANISATIONAL STRUCTURE

Council has approved the following organisational structure for RRWR as appropriate for delivering its objectives as set out in the Corporate and Operational Plans.

7. KEY STRATEGIES

RRWR's key strategies for the 2014/15 financial year are set out in the Rockhampton Regional Council 2014/15 Operational Plan.

8. BUSINESS ACTIVITIES

8.1. Reporting to Council, Customers & Agencies

Reporting to Council

RRWR will report to Council through whatever forum the Council decides from time to time but such will be funded by CSO funding should it exceed commercial requirements.

Reporting to Customers

The *Local Government Act* requires that an annual statement on the operations of the commercialised business unit for the preceding financial year is given to the Local Government and included in the Local Government's Annual Report. RRWR will provide the following information to Council on its annual performance:

- Information to enable an informed assessment of the operations of RRWR including a comparison with its Annual Performance Plan.
- Particulars of any amendments made to its Annual Performance Plan in the financial year.
- Particulars of any directions to RRWR during the financial year (including directions about any CSOs to be carried out).
- Particulars of the impact that any changes to its Annual Performance Plan may have had on RRWR's financial position and operating surplus/deficit.

Council is required to satisfy the requirements set out in the *Local Government Act* and the *Local Government Regulation 2012*. RRWR will provide Council with the necessary information pertaining to waste and recycling services to enable it to comply with this requirement.

Quarterly Reporting

RRWR will prepare a quarterly report to the Council on its operations in accordance with the agreed format within one month after the end of each financial quarter or other time as agreed with Council.

The quarterly report will generally include the following:

- Manager's overview;
- Performance against the adopted Customer Service Standards;
- Financial Performance against budget;
- Compliance matters;
- Safety management; and
- Environmental management; and
- Any amendments proposed to this plan.

Other matters to be reported as required are:

- Risk management and strategic planning;
- Expenditure requirements greater than the delegation of the Chief Executive Officer;
- Exceptional circumstances and issues affecting policy;
- New statutory, regulatory and other information to facilitate informed policy making;

- Policies and future directions requiring Council endorsement; and
- Benchmarking of RRWR activities to state and/or nationally recognised published standards.

Annual Reporting

RRWR will prepare an annual report within one (1) month after the auditor general gives the audit report about the local government's financial statements for the end of the financial year, in accordance with the *Local Government Act,* and additional information as required by the *Local Government Regulation 2012.*

The Annual Report will include all matters included in the quarterly report as well as the following financial indicators.

Item	2014/15 Target
Operating surplus ratio	16.1%
Interest coverage ratio	8.7%
Asset consumption ratio	77.7%
Gross revenue	$21,091,988
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	$6,436,485
Competitive neutrality ratio (% of gross revenue)	2.1%
Depreciation ratio	5.7%
Total written down asset value	$14,990,414
Return on assets	8.4%

Commentary

Operating surplus ratio is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes. A positive result indicates that surplus revenue is available to support the funding of capital expenditure, offset past or future operating deficits or used to reduce current debt levels. This positive result shows that RRWR is raising enough utility and other revenue to meet its operating expenditure.

Interest coverage ratio is an indicator of the extent to which operating revenues are committed to funding interest expense on current loan borrowings and leases. The DLGP financial management guideline indicates that the target should be between 0% and 5%. For every dollar of operating revenue earned, RRWR is committed to paying 0.087 cent interest on loan borrowings.

Asset consumption ratio is an indicator of the 'as new' value remaining in the assets. This ratio seeks to highlight the aged condition of the stock of physical assets. The DLGP financial management guideline indicates that the target should be between 40% and 80%. A low ratio indicates an aged stock of assets. A low indicator need not be a cause for concern as

long as the assets are being maintained and replaced in accordance with an asset management plan and the business is operating sustainably. RRWR has 77.7% of 'as new' value remaining in its assets.

EBITDA is a measure of profitability used as comparison within and across industry and is net income with interest, taxes, depreciation and amortisation added back to it. It eliminates the effects of financing and accounting decisions. It is a useful measure of profitability for business with large amounts of assets and/or debt. This shows the funds RRWR has available to fund interest payments and principle repayments on loans and can be used to acquire debt leverage.

Competitive neutrality ratio measures the extent to which operating revenues are committed to competitive neutrality adjustments such as tax equivalents and return to Council. RRWR is contributing 21% of its operating revenues to Council's general fund ie for every dollar of operating revenue earned RRWR returns to Council 0.4 cent.

Depreciation ratio indicates the extent to which operating revenues are committed to funding depreciation. RRWR depreciation is 5.7% of its operating revenues ie for every dollar of operating revenue earned RRWR requires $0.059 cents to fund asset renewal.

Return on assets is an indicator of how profitable a business is relative to its total assets. ROA tells you what earnings were generated from invested capital (assets). It gives investors an idea of how effectively the company is converting the money it has to invest into net income. The higher the ROA number, the better, because the company is earning more money on less investment. RRWR return on assets indicates that it is not generating large earnings from its investment in capital. RRWR is generating net income of 0.084 cents for every dollar of investment in assets.

The Local Government Regulation 2012 requires that an annual statement on the operations of the commercial business unit for the preceding financial year is given to the local government and included in the Local Government's Annual Report. RRWR will provide the following information on its annual performance:

(a) information to enable an informed assessment of the operations of RRWR including a comparison with its Annual Performance Plan;

1. particulars of any amendments made to its Annual Performance Plan in the financial year;
2. particulars of any directions to RRWR during the financial year (including directions about any CSOs to be carried out); and
3. particulars of the impact that any changes to its Annual Performance Plan may have had on RRWR financial position; operating surplus/deficit and prospects.

RRWR will generate indicators as required which are measured annually for collation by State Government Agencies as part of the state wide annual comparative data collection process and the reporting requirements in respect of the Waste Levy in accordance with the Waste Reduction and Recycling Act.

8.2. Customer Service

Customer Service Standards

RRWR is determined to meet customer needs and provide quality services. Customer needs shall be evaluated by a variety of measures including, but not limited to stakeholder analysis and engagement through:

- Customer feedback;
- Analysis of services provided by other waste management agencies; and
- General waste collection.

Information on RRWRs customer service standards will be provided through customer service centres and on its web page.

When delivering services such as household waste collection, commercial waste collection, recycling services, waste advisory services and landfill waste disposal services, RRWR recognises that customers are entitled to be guaranteed of a certain level of service.

Specific Customer Service Standards are detailed in Appendix 2.

Customer Contact

RRWR will be responsible for customer contact relating to all waste and recycling matters either directly or via Service Level Agreements with other relevant Departments of Council.

Contracts for Service Provision

RRWR will maintain contracts for recycling collection services within the Rockhampton Regional Council collection area in accordance Council's resolution dated 23 February 2010.

8.3. Risk Management

RRWR will undertake to identify, assess and manage risks in relation to business risk, major asset failure, interruption to supply or delivery and environmental risk in accordance with the Rockhampton Regional Council Risk Management Framework.

8.4. Policy Compliance

RRWR shall be bound by Council's corporate policies and procedures until such time that RRWR develops specific policies and procedures that improve its performance. Any such policies and procedures are subject to the proposed policy complementing the Council policy direction and the approval process.

8.5. Environment

Responsible management of environmental issues is an essential part of achieving business objectives. Accordingly, RRWR will conduct activities in ways which will:

- Improve awareness and management of environmental risks and avoid, reduce and control pollution from operations;
- Promote the open exchange of environmental information with customers, suppliers and the community to improve environmental awareness and to obtain feedback on environmental performance;
- Ensure that environmentally appropriate practice is encouraged and integrated into business practices; and
- Promote waste minimisation and energy management within day to day operations.

RRWR is responsible for meeting Council's obligations under the *Environmental Protection Act* relating to waste and recycling. This responsibility shall include negotiating any new

licences or amendments to existing licences, managing the licence and reporting to the relevant State Government bodies on performance aspects covered by any licences.

9. ASSETS

9.1. Asset Management

RRWR will manage assets to minimise the whole of life cost whilst achieving the desired levels of service. To achieve this objective the following are undertaken:

- Maintaining detailed asset registers;
- Maintaining asset valuations and depreciation schedules for the purpose of allowing Council to report externally in accordance with provisions of the *Local Government Act,* the *Local Government Regulation 2012*, and the Australian Accounting Standards Board; and
- Detailed planning, design and construction of new assets.

9.2. Asset Relationship

Under National Competition Policy guidelines and the COAG reform agenda, RRWR is required to maintain an appropriate return on these assets which is in turn paid as a dividend to Council after reserve requirements are met.

10. FINANCIAL MATTERS

10.1. Long Term Financial Strategy

The two (2) tables contained within Appendix 3 provide the long term Operating and Capital Funding Statements for RRWR for the period 2013/14 to 2023/24.

10.2. Capital Structure

RRWR will continue to improve long term financial planning models which upon adoption, will be incorporated into Council's overall financial strategy.

10.3. Funding Sources

The following are the funding sources for the waste and recycling capital expenditure program:

Revenue

- loan borrowings, with repayments made from revenue;
- depreciation funding;
- other reserves
- CSOs provided by Council; and
- Government grants and subsidies.

Loans

Current liability (forecast closing as at 30 June 2014)	$2.5M
2014/15 (proposed new loans)	$0

Capital Expenditure for 2014/15 is approximately $7.9M (including debt redemption of $2.8M).

10.4. Operational Budget

The operational budget as detailed in Council's financial strategic plan is as follows:

Operating revenue for 2014/15 is estimated to be $21.1M (inc CSO's) comprising:

Waste and Recycling Utility and Charges	62%
Fees and Charges	27%
Community Services Obligations & CAN's	7%
Other sources	4%

Operating expenditure for 2014/15 is estimated to be $18.8 comprising:

Administration	79%
Depreciation	6%
Loan Interest	10%
Income tax and Dividends	5%

11. FINANCIAL POLICIES

11.1. Accounting

Financial statements are prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other pronouncements issued by the Australian Accounting Standards Board. They also comply with the requirements of the *Local Government Act* and the *Local Government Regulation 2012*. Financial statements are prepared under the historical cost convention except for the revaluation of certain non-current assets.

11.2. Asset Depreciation

The calculation of asset depreciation for external reporting and tax purposes shall be in accordance with the *Local Government Regulation 2012, AASB 116 – Property, Plant and Equipment Accounting Standard*, Australian Accounting Standards Board and the Local Government Tax Equivalent Manual, respectively.

Depreciation is calculated annually and effectively creates a cash backed source of funds available to fund RRWR's infrastructure replacement works. Other sources of funds for capital expenditure include grants and subsidies, loan borrowings and other reserves.

RRWR accumulates any unspent depreciation funds for the future capital renewal of waste and recycling assets to either maintain or reinstate their service potential.

11.3. Taxation

RRWR is required to pay the following taxes, either to Council or via Council to the relevant government agencies:

1. Commonwealth taxes including, fringe benefits and GST;
2. State taxes, and
3. All remaining taxes as tax equivalents directly to Council. These tax equivalents shall include:
   - Income tax;
   - Payroll tax
   - Land tax; and
   - Stamp duty.

11.4. Treatment of Surpluses / Losses

In accordance with Council resolution, after the required Return on Assets and Income Tax Equivalents have been forwarded to Council each year, any remaining surplus/loss will be held in a RRWR Recurrent or Capital Reserve. The Capital Reserve will be solely used for capital works expenditure to improve sustainable waste disposal. The amounts to be transferred to each reserve will be detailed at the time of the transfer to the applicable reserve.

11.5. Borrowing Policy

Section 104 of the Local Government Act requires a local government to have a financial management system, and this system must have a long term financial forecast and included within this system a debt policy. *Section 192 of the Local Government Regulation 2012* provides that a Council must prepare a debt policy each financial year and that the policy must state:

- new borrowings planned for the current financial year and the next 9 financial years; and
- the time over which it is planned to repay existing and new borrowings.

RRWR's Strategic Asset Management Plan Financial Strategy identifies new capital expenditure for projects over the 10 year planning horizon providing the basis for future borrowings.

The following principles underlie RRWR's Borrowing Policy:

- loans will only be used for capital expenditure; and
- long term capital works and borrowing strategies will be reviewed on a yearly basis and any necessary adjustments made, but any changes will be in line with the financial plan adopted by Council.

Where RRWR requires debt financing, Council will raise funds for RRWR. Council will make explicit the terms and conditions of all funds raised for RRWR, having due regard to Council's determination on RRWR's capital structure. RRWR will be responsible for managing this debt and use Council's services where necessary to assist in this regard.

12. PRICING AND REVENUE COLLECTION

12.1. Responsibility for Price Setting

Council will be responsible for setting the price for waste and recycling services on an annual basis. RRWR will be responsible for:

- recommending to Council revenue targets for waste and recycling services;
- recommending price structures and price paths; and
- pro-actively communicating Council's decisions with respect to pricing to customers.

12.2. Revenue Target

Consideration will be given to the following principles when setting the revenue targets for the financial year:

- full cost recovery including required rate of return;
- elimination of cross subsidies;
- economic, asset and ecological sustainability; and
- transparency in pricing regarding CSOs.

RRWR will actively work with Council to maximise the realisation of the above principles.

12.3. General Fees and Charges for Miscellaneous Activities

In addition to the primary services of waste and recycling services, RRWR provides a number of other miscellaneous services directly to customers, such as:

- collection and disposal of waste from carnivals and special events including bin delivery, recovery and cleansing; and
- sale of mobile bins.

RRWR is responsible for recommending appropriate general fees and charges for such services to Council.

Where these are monopoly services, the basis for price setting will be full cost recovery. Where the services are provided into a competitive market, prices will be set having regard to the sustainability of the business activity and the market price for the services.

12.4. Revenue Collection

RRWR in conjunction with Council's Finance and Business Services Department is responsible for revenue collection for the provision of waste and recycling services. Billing and debt management is the responsibility of Finance and Business Services.

12.5. Recovery for Damage to Infrastructure

RRWR will recover compensation for third party damage to waste and recycling infrastructure.

13. FINANCIAL STATEMENTS

The *Local Government Regulation 2012* requires that RRWR must provide to Council an annual statement of operations and this statement must be included in Council's Annual Report.

14. REVIEW OF PERFORMANCE PLAN

The *Local Government Regulation 2012* allows a performance plan to be amended at any time before the end of the financial year for which it is prepared.

This Plan is to be reviewed and amendments made where necessary on a quarterly basis. Such a review or amendment of the plan should be as a result of the following:

- reviewing RRWR's actual performance and the reasonableness of the performance targets or standards set as part of the plan;
- resolution of any of the matters referred to in the plan as being unresolved; and
- any new direction of Council in relation to the overall strategic direction of RRWR.

APPENDIX 1: COMMUNITY SERVICE OBLIGATIONS

Community Service Obligations (CSOs) are the activities required by the Council that are not in RRWR's commercial interests to perform and do not arise because of an accountability for performance, or competitive neutrality.

CSOs have been identified and adopted by Council for 2014/15 in the following areas. These CSOs will be funded by a contribution from Council to RRWR.

Transfer:	
Roadside Bin ops (Collection)	$361,026
Roadside Bin ops (Clean Up)	$40,857
Roadside Bins Disposal Cost	$129,999
	$531,882
Collection:	
Boat Ramps Waste Service	$14,523
	$14,523
Disposal:	
Old Landfills maintenance works	$52,685
Tyres, Chemicals, Fridge Degassing, Gas Bottles	$81,714
Charity Waste Policy	$74,285
Green Waste	$578,000
	$786,684
Strategic Management:	
Clean Up Australia Day	$15,477
Waste Education	$49,043
Waste Audit	$59,428
	$123,948
Total	**$1,457,037**

APPENDIX 2: PERFORMANCE TARGETS FOR QUARTERLY REPORTING

Customer Service Standards

Performance Indicator	Target
Weekly collection of domestic waste on the same day every week	98%
Weekly collection of commercial waste	95%
Fortnightly collection of domestic recyclable waste	98%
Fortnightly collection of commercial recyclable waste	98%
Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%
Collection services will be made available within four working days upon application by the owner	98%
Provision of assisted services within ten working days from application by the resident	100%
Repair or replacement of stolen, removed, damaged, vandalised mobile bins within four working days from notification	100%

Financial Performance Targets

Indicator	Target	Reporting Frequency
RRC Operational Plan	Initiatives successfully completed by year end	Quarterly
Operating Budget	Conduct all activities in accordance with required timelines and budget	Quarterly or when variations arise
Annual Revenue	Timely reporting of any significant variations to budget revenue and collection timing	Quarterly or when variations arise
Capital Works	Completion of capital program in accordance with adopted timeframe and budget (within 3%)	Quarterly or when variations arise

APPENDIX 3: LONG TERM OPERATING AND CAPITAL FUNDING STATEMENTS

	Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Operating Revenues/Expenses	**REVENUE**											
	Water Rates and Charges	13,119,737	14,104,767	15,163,753	16,008,374	16,900,040	17,841,372	18,835,137	19,865,042	20,951,263	22,096,878	23,305,135
	Income from other commercial services	5,692,619	6,000,020	6,324,022	6,671,843	7,038,794	7,425,928	7,834,354	8,257,409	8,703,309	9,173,288	9,668,645
	Interest Revenue	0	0	0	0	0	0	0	0	0	0	0
	Community Service Obligations & Competitive Neutrality Agreements	1,512,318	1,587,934	1,667,331	1,750,697	1,838,232	1,930,144	2,026,651	2,127,984	2,234,383	2,346,102	2,463,407
	Non-Capital Grants and Subsidies	41,364	42,191	43,035	43,896	44,774	45,669	46,583	47,514	48,465	49,434	50,422
	Other Revenue	767,314	808,749	853,230	900,157	949,666	1,001,898	1,056,000	1,113,024	1,173,128	1,236,476	1,303,246
	Total Operating Revenue	21,133,352	22,543,661	24,051,370	25,374,967	26,771,506	28,245,011	29,798,725	31,410,973	33,110,547	34,902,178	36,790,856
	EXPENDITURE											
	Operations Expense	14,773,690	15,512,374	16,287,993	17,102,393	17,957,513	18,855,388	19,798,158	20,788,065	21,827,469	22,918,842	24,064,784
	Maintenance Cost	0	0	0	0	0	0	0	0	0	0	0
	Management and Administration	0	0	0	0	0	0	0	0	0	0	0
	Depreciation	1,198,193	1,538,571	2,035,033	2,500,018	2,930,546	3,185,382	3,444,344	3,720,793	4,029,163	4,140,901	4,255,983
	Other operating expenses (specify by way of note)	0	0	0	0	0	0	0	0	0	0	0
	Total Operating Expenditure	15,971,883	17,050,946	18,323,026	19,602,411	20,888,059	22,040,770	23,242,501	24,508,859	25,856,632	27,059,743	28,320,767
	EBIT (Excl Capital adj)	5,161,469	5,492,715	5,728,344	5,772,556	5,883,448	6,204,241	6,556,223	6,902,114	7,253,915	7,842,434	8,470,089
	Interest Expense	1,833,045	1,882,796	2,262,229	2,563,449	2,786,205	2,785,793	2,766,466	2,741,836	2,725,417	2,475,046	2,310,046
	Net Operating Profit (Loss)	3,328,424	3,609,919	3,466,115	3,209,107	3,097,242	3,418,447	3,789,757	4,160,278	4,528,498	5,367,389	6,160,043
Abnormal (Capital) Adjustments	**ABNORMAL/CAPITAL RELATED REVENUE**											
	Capital Grants and Subsidies	0	0	0	0	0	0	0	0	0	0	0
	Developer Contributions (Infrastructure charges)	0	0	0	0	0	0	0	0	0	0	0
	Donated assets	0	0	0	0	0	0	0	0	0	0	0
	Funds from Disposal of Non current assets	0	0	0	0	0	0	0	0	0	0	
	Total Abnormal/Capital related Revenue	0	0	0	0	0	0	0	0	0	0	0
	ABNORMAL/CAPITAL RELATED EXPENSE											
	Abnormal and Extraordinary Items	0	0	0	0	0	0	0	0	0	0	
	Total Abnormal/Capital Related Expense	0	0	0	0	0	0	0	0	0	0	0
PROFIT	**Total Operating Profit (EBIT + Inf Charges)**	5,161,469	5,492,715	5,728,344	5,772,556	5,883,448	6,204,241	6,556,223	6,902,114	7,253,915	7,842,434	8,470,089
	Taxable Income(excl abnormals)	3,328,424	3,609,919	3,466,115	3,209,107	3,097,242	3,418,447	3,789,757	4,160,278	4,528,498	5,367,389	6,160,043
	Income Tax Payable	981,943	1,082,976	1,039,834	962,732	929,173	1,025,534	1,136,927	1,248,083	1,358,549	1,610,217	1,848,013
	Operating Profit (After Tax, before abnormals)	2,346,481	2,526,944	2,426,280	2,246,375	2,168,070	2,392,913	2,652,830	2,912,195	3,169,948	3,757,172	4,312,030
	Profit (Loss) after tax and incl. abnormals	2,346,481	2,526,944	2,426,280	2,246,375	2,168,070	2,392,913	2,652,830	2,912,195	3,169,948	3,757,172	4,312,030
	Distributed Profit (Dividend Paid from Operating Profit)	0	0	0	0	0	0	0	0	0	0	0

Year	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
New Works											
New capital works constructed	4,296,950	4,750,000	4,357,500	5,788,125	2,604,656	2,734,889	2,871,634	3,015,215	0	0	0
Donated assets	0	0	0	0	0	0	0	0	0	0	0
Total	4,296,950	4,750,000	4,357,500	5,788,125	2,604,656	2,734,889	2,871,634	3,015,215	0	0	0
Funded by:											
1. Subsidies & grants in relation to these works	0	0	0	0	0	0	0	0	0	0	0
2. Constrained Works Reserve	0	0	0	0	0	0	(0)	0	0	0	0
3. Donated assets	0	0	0	0	0	0	0	0	0	0	0
4. Other reserves for the purpose	0										
5. Loans raised	4,296,950	4,750,000	4,357,500	5,788,125	2,604,656	2,734,889	2,871,634	3,015,215	0	0	
6. Internal loans											
7. Revenue from current year used for capital purposes											
8. Shareholder equity/Contributions	0										
TOTAL	4,296,950	4,750,000	4,357,500	5,788,125	2,604,656	2,734,889	2,871,634	3,015,215	0	0	0
Balance Check (Check = 0)	0	0	0	0	0	0	0	0	0	0	0
Replacement Works											
Replacement capital works.	702,389	2,626,000	2,311,688	138,915	319,547	153,154	193,787	452,975	177,295	186,159	195,467
Loan redemption's	2,087,766	2,334,145	2,696,334	3,060,403	3,426,422	3,737,228	4,068,747	4,428,252	4,823,638	5,162,204	1,609,824
Total	2,790,155	4,960,145	5,008,023	3,199,318	3,745,969	3,890,382	4,262,534	4,881,228	5,000,933	5,348,364	1,805,291
Funded by:											
1. Subsidies & grants in relation to these works	0	0	0	0	0	0	0	0	0	0	0
2. Disposal proceeds from non-current assets	0	0	0	0	0	0	0	0	0	0	0
3. Depreciation funds from current & previous years	1,198,193	1,538,572	2,035,033	2,500,019	2,930,546	3,185,382	3,444,343	3,720,794	4,029,163	4,140,902	1,805,291
4. Constrained Works Reserve											
5. Loans raised	0	3,421,573	2,972,990	699,299	815,423	705,000	818,191	1,160,434	971,770	1,207,462	0
6. Revenue from current year used for capital purposes		0	0	0							
7. Shareholder equity/Contributions	1,591,962										
TOTAL	2,790,155	4,960,145	5,008,023	3,199,318	3,745,969	3,890,382	4,262,534	4,881,228	5,000,933	5,348,364	1,805,291
Balance Check (Check = 0)	0	0	0	0	0	0	0	0	0	0	0

9.3 ROCKHAMPTON AIRPORT ANNUAL PERFORMANCE PLAN - AS AT 30 JUNE 2014

File No: 1392

Attachments:
1. Airport Income Statement - 30 June 2014
2. Airport Capital Management Report - 30 June 2014
3. Airline Routes 30 June 2014
4. Customer Service Statistics

Authorising Officer: Ross Cheesman - General Manager Corporate Services

Author: Trevor Heard - Manager Rockhampton Airport

SUMMARY

Rockhampton Airport's performance is reported to Council on a quarterly basis in accordance with the adopted 2013/14 Performance Plan. This report, as at 30 June 2014, is presented for the Committee's information.

OFFICER'S RECOMMENDATION

THAT the Rockhampton Airport's Annual Performance Plan quarterly report as at 30 June 2014 be 'received'.

BACKGROUND

Rockhampton Airport is required to provide a quarterly report on its performance against non-financial performance targets as adopted in the Annual Performance Plan for 2013/14.

AIRPORT MANAGER'S OVERVIEW

Passenger Numbers

Passenger numbers, including Domestic and International charters for the 4th Quarter were:

	4th Quarter	YTD
2012/13	170,542	714,294
2013/14	163,151	677,442
Variance	-4.3%	-5.1%

The likely factors that have led to this downturn are:-

- General economic conditions; and
- Severe cuts to corporate and government travel budgets; and
- Increased competition since Virgin Australia and Qantaslink increased seat capacity to Gladstone, Emerald and Moranbah airports and are now offering lower fares than previously; and
- Uncertainty of job security with recent job cuts in mining, energy resources investment and other sectors.

The most recent available data from BTRE is for the annual period to 30/06/2014 and we have attached the table comparing major competitive regional routes for June and the full year, with 25 of the 50 routes showing a decrease for the year. Interestingly, recent negative growth occurred in Gladstone at - 6.5% and continued decreases at Mackay (-18%), Emerald (-13.6), Mt Isa (-10.4%), Townsville (-3.3%), Moranbah (-7.9) and Rockhampton (-3.6).

This indicates other airports are also experiencing a downturn in passenger numbers. See attached data.

Capital Project Update

The Airfield Ground Lighting Upgrade planning to replace the ageing legacy lighting system is well under way.

The second stage, the pit and ducting design for the new cables is well under way and stage 3 , Cabling and replacement of light fittings and fit-out of the control systems will go to tender in September.

CUSTOMER SERVICE PERFORMANCE

The table and graph attached, document the telephone enquiries received by RRC Customer Service ('Enquiries'), the calls referred to the Airport Management for action ('Airport Referrals') and any resulting Pathway requests.

FINANCIAL PERFORMANCE – TARGET

Operational

The final result of Airport's of net profit after Council's dividend and Tax equivalent payments is showing a small surplus of $351,927.

Capital

Overall Airport's capital expenditure including committals is below budget as many projects are at the design stage. A monthly status review was attached to the June Monthly Strategic matters Report for your information.

COMPLIANCE MATTERS

There have been no non-compliance notices issued by CASA or the Office of Transport Security during this period.

The Airport is bound by Council's corporate policies and procedures.

SAFETY MANAGEMENT

The Airport Safety Management System **(SMS**) consists of reported Incidents and Hazards and they are addressed at the fortnightly airport management meetings.

Airport management has commenced the process of reviewing and developing revised Work Instructions, Work Procedures and SOP's for airports specific functions and activities.

Lost time days per Section	**4th Quarter 2013/2014**	**YTD 2013/2014**
Airport	0	1

Incident breakdown – Airport	**4th Quarter 2013/2014**	**YTD 2013/2014**
Accident Only / Equipment Damage	0	8

ANY AMMENDMENTS PROPOSED TO THIS PLAN

No amendments are proposed to be made to this plan.

RISK MANAGEMENT

In line with the new monthly reporting to commence in July the risk register has been reviewed.

NON-FINANCIAL PERFORMANCE TARGETS & REQUIRED OUTCOMES

Target	**Result**
Increase passenger numbers by minimum of 1% in 2013/14	-5.1%

Required Outcomes compared for the same period in 2012/13

	Target 4th QTR	**Result 4th QTR / Full Year**
Passenger Numbers	+1%	-4.3% / -5.1%
Aircraft Movements	+1%	7.2% / -5.2%
Bird Strikes	10 per qtr	6 / 38
Lost Time Days – workplace injuries	0	0 / 1
Reported Public Injuries on Airport Precinct	0	2 / 5
Customer Requests Actioned	100%	100% / 100%
Airline Engagement Meetings	Quarterly	Yes / Yes
Military Exercise Briefings Attended	100%	Yes / Yes

Passenger numbers at other Regional airports are also experiencing a downturn, 25 out of 50 – refer attached Airline Routes table.

38 bird strikes for the full year are below our target of 40. Dispersal of birds has become challenging since the lack of availability of Bird Frite ammunition.

Airline engagement – Discussions with Virgin and Qantas regarding passenger numbers decrease. There has been some capacity reductions by both airlines due to reduced demand.

ROCKHAMPTON AIRPORT ANNUAL PERFORMANCE PLAN - AS AT 30 JUNE 2014

Airport Income Statement - 30 June 2014

Meeting Date: 1 October 2014

Attachment No: 1

Income Statement
For Airport
For the Period July 2013 to June 2014

Percentage of the year elapsed: 100.0%

	Adopted Budget $	Revised Budget $	YTD Actuals $	% of YTD Actuals (excl commitals) to Total Budget
Revenues				
Fees and Charges	(10,120,406)	(10,122,322)	(10,108,984)	99.9%
Rent/Lease Revenue	(1,711,959)	(1,996,407)	(1,999,440)	100.2%
Grants Subsidies & Contributions	0	0	(55,461)	0.0%
Interest revenue	(150,000)	(150,000)	(131,196)	87.5%
Proceeds from Asset Sales	0	0	(2,182)	0.0%
Other income	(1,948,309)	(1,804,604)	(1,778,490)	98.6%
Res.received below fair value	0	(750)	(750)	100.0%
Total Revenues	**(13,930,674)**	**(14,074,083)**	**(14,076,504)**	**100.0%**
Expenses				
Employee costs	2,665,480	2,579,644	2,440,329	94.6%
Contractors & Consultants	1,405,903	1,407,999	1,118,066	79.4%
Materials & Plant	249,391	182,170	158,996	87.3%
Asset Operational	1,390,326	1,821,243	1,759,392	96.6%
Administrative expenses	331,466	237,405	179,322	75.5%
Depreciation	2,283,234	2,601,357	2,601,247	100.0%
Other Expenses	4,000	0	0	0.0%
Accounting Adjustments	0	0	291,011	0.0%
Total Expenses	**8,329,800**	**8,829,816**	**8,548,363**	**96.8%**
Transfer / Overhead Allocation				
Transfer/Overhead Allocation	268,909	230,424	226,193	98.2%
OH Allocation	794,836	794,836	794,836	100.0%
Competitive Neutrality Adjustments	4,537,129	4,219,007	4,219,007	100.0%
Total Transfer / Overhead Allocation	**5,600,874**	**5,244,267**	**5,240,036**	**99.9%**
TOTAL OPERATING POSITION (SURPLUS) / DEFICIT	**(0)**	**0**	**(288,104)**	**0.0%**

ROCKHAMPTON AIRPORT ANNUAL PERFORMANCE PLAN - AS AT 30 JUNE 2014

Airport Capital Management Report - 30 June 2014

Meeting Date: 1 October 2014

Attachment No: 2

End of Month Management Report - Airport Capital Projects for June 2014

Percentage of Year Elapsed: 100.00%

		Feb Revised Budget $	YTD Actuals $	Committals $	Total YTD Actuals (inc committals) $	% of YTD Actuals (excl commitals) to Total Budget %
	CP640 CAPITAL CONTROL AERO					
0943123	0943123 GA Apron Code B Parking Areas	0	0	0	0	0%
0959093	0959093 CASA / OTS Compliance Database / IT Syst	0	28,390	0	28,390	0%
0959095	0959095 Crescent Lagoon Area Storm Water Managem	63,787	40,743	0	40,743	64%
0959127	0959127 [N] Security Upgrades to General Aviatio	99,694	(5,530)	0	(5,530)	-6%
0959133	0959133 [U] RPT Apron Lighting	100,650	20,548	0	20,548	20%
0959135	0959135 [N] GA Apron Lighting	92,550	41,723	0	41,723	45%
0959137	0959137 [N] Movement Area Guidance Signs (MAGS)	0	0	0	0	0%
0959140	0959140 [R] Relocation of RWY 15 Windsock	0	0	0	0	0%
0959142	0959142 [U] Ongoing extension of all weather tra	0	0	0	0	0%
0959150	0959150 [R] Runway Lighting Power Distribution a	3,581,582	2,247,815	0	2,247,815	63%
0959154	0959154 [N] Bay 6 Apron Lighting Upgrade	0	4,687	0	4,687	0%
0959155	0959155 [N] GA Apron Environmental Control for S	0	0	0	0	0%
0959158	0959158 [R] Terminal Building Airside Water Main	0	(496)	0	(496)	0%
0983708	0983708 [R] Movement Area Guidance Signs (MAGS)	0	0	0	0	0%
0987689	0987689 [R] Renew runway windsocks	0	0	0	0	0%
0987704	0987704 [U] Improve Airside Stormwater Managemen	133,125	0	0	0	0%
0987712	0987712 [R] Replace General Aviation Power Switc	0	0	0	0	0%
0987925	0987925 [R] Reconstruction of RPT Apron segment	0	0	0	0	0%
0989189	0989189 [R] Cooling Tower Water Chemical Control	30,000	19,667	0	19,667	66%
	TOTAL CP640 CAPITAL CONTROL AERO	4,101,388	2,397,546	0	2,397,546	58%
	CP650 CAPITAL CONTROL NON AERO					
0580951	0580951 Rockhampton Airport Terminal redevelopme	24,754	15,071	0	15,071	61%
0959120	0959120 [N] Covered walkway electrical	36,135	36,135	0	36,135	100%
0959141	0959141 Rental Car Parking Expansion (Stage 2)	0	0	0	0	0%
0959145	0959145 [R] Repairs to Defence Deployment Areas	25,000	22,559	0	22,559	90%
0959149	0959149 Hunter Street stormwater drainage (Long	0	0	0	0	0%
0983748	0983748 [R] Resurface the Bitumen Area of the Sh	0	0	0	0	0%
0987680	0987680 [R] Enhance the Functionality of the Air	84,894	40,378	0	40,378	48%
0987681	0987681 [R] Refurbish General Aviation Precinct	13,032	29,712	0	29,712	228%
0987682	0987682 [R] Replace various Airport IT Systems S	30,650	0	0	0	0%
0987684	0987684 [R] Replace Stormwater Infrastructure	0	0	0	0	0%
0987685	0987685 [R] Renewal of aviation security infrast	61,300	611	0	611	1%
0987686	0987686 [N] Redundant HV Supply for Airport Prec	0	42,416	0	42,416	0%
0987691	0987691 [R] Replace Roofs of Various Airport Bui	43,383	25,360	0	25,360	58%
0987692	0987692 [N] Install Backup Airconditioning in th	6,000	14,643	0	14,643	244%
0987693	0987693 [U] Improve Terminal Access for People w	61,423	21,861	0	21,861	36%
0987694	0987694 [R] Refurbish Terminal Toilets	50,000	0	0	0	0%
0987695	0987695 [R] Replace Terminal Floor coverings	0	0	0	0	0%

		Feb Revised Budget	YTD Actuals	Committals	Total YTD Actuals (inc committals)	% of YTD Actuals (excl commitals) to Total Budget
		$	$	$	$	%
0987701	0987701 [R] Improve Landside Stormwater Manageme	0	0	0	0	0%
0987703	0987703 [R] Resurface Tower Crescent Road	0	0	0	0	0%
0987705	0987705 [N] Construct Staff Access Road off Apro	20,000	21,408	0	21,408	107%
0987706	0987706 [R] Replace and Relocate Telecommunicati	73,189	72,981	0	72,981	100%
0987708	0987708 [R] Refurbish Terminal Main Concourse Ai	15,000	0	0	0	0%
0987709	0987709 [R] Refurbish Air Handling Unit AC9	0	0	0	0	0%
0987710	0987710 [R] Replace Corrective Services Aircondi	0	0	0	0	0%
0987715	0987715 [R] Replace Mesh on Perimeter Security F	0	0	0	0	0%
0987721	0987721 [R] Replace Depature Lounge Air Handling	0	0	0	0	0%
0987723	0987723 [R] Replace Airconditioning System Chill	19,667	(19,667)	0	(19,667)	-100%
1017282	1017282 [N] Covered areas for paid parking equip	25,000	0	0	0	0%
1020125	1020125 [N] Passenger Security Screening Equipme	250,000	245,465	0	245,465	98%
1023540	1023540 [U] Europay MasterCard Visa - Compliance	60,000	0	0	0	0%
1026224	1026224 [N] Water Main Installation Short Term C	0	44,236	0	44,236	0%
	TOTAL CP650 CAPITAL CONTROL NON AERO	899,427	613,170	0	613,170	68%
	TOTAL CAPITAL EXPENDITURE	5,000,816	3,010,716	0	3,010,716	*60%*

ROCKHAMPTON AIRPORT ANNUAL PERFORMANCE PLAN - AS AT 30 JUNE 2014

Airline Routes 30 June 2014

Meeting Date: 1 October 2014

Attachment No: 3

TOP FIFTY REGIONAL AIRPORTS

Table 10: Top fifty regional airports (000s) — passenger movements, monthly

	Airport	Jun 2013	Jun 2014	% Change
1	Cairns	321.6	306.2	-4.8
2	Darwin	170.1	171.5	0.8
3	Hobart	142.7	150.5	5.5
4	Townsville	137.8	133.3	-3.3
5	Launceston	82.9	93.9	13.3
6	Williamtown	91.8	90.9	-1.0
7	Mackay	99.9	81.9	-18.0
8	Rockhampton	59.6	57.4	-3.6
9	Karratha	64.0	57.1	-10.8
10	Alice Springs	57.7	56.3	-2.5
11	Port Hedland	39.1	44.0	12.4
12	Gladstone	42.4	39.8	-6.2
13	Broome	44.4	39.5	-11.1
14	Hamilton Island	31.9	32.1	0.6
15	Newman	39.3	31.1	-20.9
16	Ballina	28.3	29.3	3.6
17	Coffs Harbour	30.1	28.0	-6.9
18	Roma	17.6	22.4	27.3
19	Emerald	23.9	20.6	-13.6
20	Mount Isa	22.8	20.4	-10.4
21	Proserpine	17.7	20.1	13.7
22	Mildura	19.6	19.7	0.8
23	Albury	20.6	19.2	-6.9
24	Kalgoorlie	20.3	19.2	-5.5
25	Dubbo	16.0	18.3	14.5
26	Port Macquarie	18.1	18.0	-0.7
27	Ayers Rock	16.2	17.6	8.5
28	Wagga Wagga	17.0	17.5	3.2
29	Paraburdoo	18.8	16.1	-14.3
30	Moranbah	16.7	15.4	-7.9
31	Port Lincoln	14.1	14.9	5.4
32	Bundaberg	13.3	13.5	0.8
33	Tamworth	12.8	13.2	2.9
34	Hervey Bay	11.9	12.3	3.7
35	Kununurra	11.0	11.0	-0.6
36	Geraldton	10.7	11.0	2.3
37	Armidale	8.3	10.7	28.3
38	Devonport	9.9	10.1	2.4
39	Gove	9.8	8.4	-14.3
40	Thursday Island	8.6	7.4	-13.5
41	Learmonth	8.3	7.1	-15.2
42	Olympic Dam	6.3	6.9	8.9
43	Mount Gambier	6.3	6.4	2.0
44	Griffith	5.5	5.8	6.6
45	Weipa	5.9	5.6	-3.9
46	Whyalla	5.6	5.1	-9.6
47	Albany	4.5	4.9	8.7
48	Burnie	5.1	4.9	-3.3
49	Broken Hill	4.8	4.9	1.3
50	Merimbula	2.4	4.5	NA (a)
	Total top 50 regional airports	**1 894.1**	**1 855.9**	**-2.0**
	Total regional airports	**2 012.4**	**1 963.2**	**-2.4**
	Total domestic network	**9 022.4**	**8 985.5**	**-0.4**

(a) Data not comparable due to the partial closure of Merimbula airport in June 2013 for major works on the runway.
Note: Airport passenger movement numbers are the sum of passenger arrivals and departures at each airport.

Table 11: Top fifty regional airports (000s) — passenger movements, annual

	Airport	YE Jun 2013	YE Jun 2014	% Change
1	Cairns	3 702.0	3 878.7	4.8
2	Hobart	2 026.6	2 106.6	4.0
3	Darwin	1 808.7	1 791.2	-1.0
4	Townsville	1 635.9	1 581.2	-3.3
5	Launceston	1 223.5	1 286.6	5.2
6	Williamtown	1 195.9	1 213.0	1.4
7	Mackay	1 171.7	1 087.2	-7.2
8	Karratha	815.6	727.8	-10.8
9	Rockhampton	746.1	712.2	-4.5
10	Alice Springs	596.0	677.5	13.7
11	Gladstone	471.4	516.7	9.6
12	Port Hedland	517.9	509.9	-1.5
13	Hamilton Island	446.7	477.3	6.8
14	Broome	445.0	424.8	-4.5
15	Newman	439.8	408.3	-7.2
16	Ballina	359.9	399.3	11.0
17	Coffs Harbour	357.8	383.6	7.2
18	Emerald	296.5	263.9	-11.0
19	Albury	268.8	255.4	-5.0
20	Roma	179.1	254.4	42.1
21	Mount Isa	278.1	249.6	-10.2
22	Proserpine	235.1	244.5	4.0
23	Mildura	243.0	244.1	0.4
24	Kalgoorlie	259.1	237.5	-8.4
25	Ayers Rock	257.2	236.8	-7.9
26	Port Macquarie	228.8	230.2	0.6
27	Wagga Wagga	208.0	211.6	1.7
28	Dubbo	183.9	209.3	13.8
29	Paraburdoo	266.1	209.1	-21.4
30	Port Lincoln	196.0	187.7	-4.2
31	Moranbah	149.5	185.3	24.0
32	Tamworth	155.1	160.4	3.4
33	Bundaberg	134.4	159.7	18.8
34	Hervey Bay	150.5	149.9	-0.4
35	Geraldton	140.5	134.9	-4.0
36	Devonport	125.3	131.7	5.1
37	Armidale	107.5	114.4	6.4
38	Kununurra	118.0	114.3	-3.1
39	Gove	113.0	110.8	-1.9
40	Learmonth	93.0	90.5	-2.8
41	Thursday Island	93.4	87.8	-6.0
42	Mount Gambier	83.0	79.0	-4.9
43	Olympic Dam	83.6	76.1	-8.9
44	Weipa	68.5	70.3	2.6
45	Griffith	64.3	67.6	5.2
46	Burnie	67.1	66.8	-0.5
47	Whyalla	71.8	63.3	-11.8
48	Albany	58.4	59.8	2.4
49	Broken Hill	65.4	59.7	-8.6
50	Merimbula	55.2	55.4	NA (a)
	Total top 50 regional airports	**23 057.7**	**23 253.7**	**0.9**
	Total regional airports	**24 580.2**	**24 646.2**	**0.3**
	Total domestic network	**114 245.8**	**115 431.4**	**1.0**

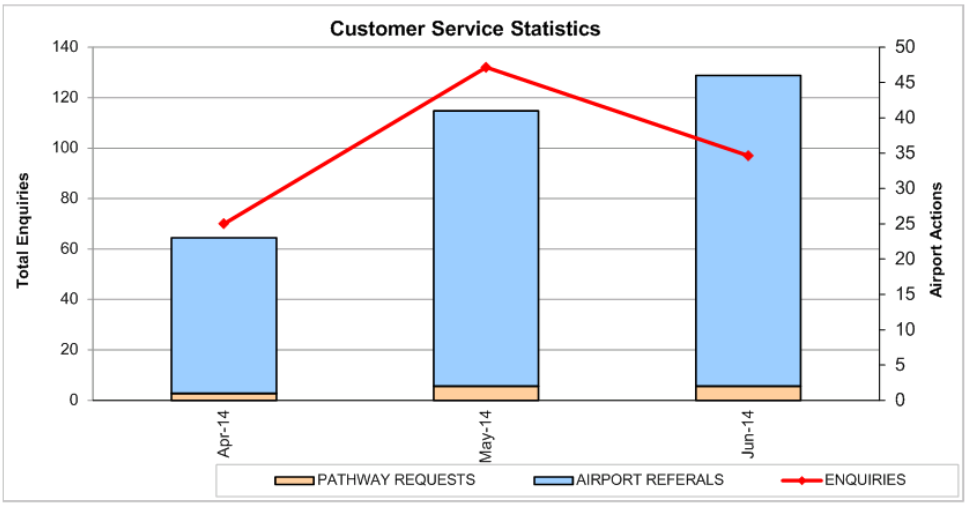
(a) Data not comparable due to the partial closure of Merimbula airport in June 2013 for major works on the runway.
Note: Airport passenger movement numbers are the sum of passenger arrivals and departures at each airport.

ROCKHAMPTON AIRPORT ANNUAL PERFORMANCE PLAN - AS AT 30 JUNE 2014

Customer Service Statistics

Meeting Date: 1 October 2014

Attachment No: 4



MONTH	ENQUIRIES	AIRPORT REFERALS	% REFERED	PATHWAY REQUESTS	NOTES
Apr-14	70	22	31.4%	1	
May-14	132	39	29.5%	2	
Jun-14	97	44	45.4%	2	
Totals	**299**	**105**	35.1%	**5**	

9.4 CORPORATE SERVICES DEPARTMENT - ROCKHAMPTON AIRPORT - MONTHLY OPERATIONAL REPORT

File No:	**7927**
Attachments:	**1. Airport Finance Monthly Report**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Trevor Heard - Manager Rockhampton Airport**

SUMMARY

The monthly operations report for the Rockhampton Airport as at 31 August 2014 is presented for Councillor's information.

OFFICER'S RECOMMENDATION

THAT the Corporate Services Departmental Monthly Operations Report for Rockhampton Airport as at 31 August 2014 be "received".

COMMENTARY

The monthly operation report for Rockhampton Airport of the Corporate Services department is attached for Council's consideration.

It is recommended that the monthly operations report for the Rockhampton Airport as at 31 August 2014 be received.

CORPORATE SERVICES DEPARTMENT - ROCKHAMPTON AIRPORT - MONTHLY OPERATIONAL REPORT

Airport Finance Monthly Report

Meeting Date: 1 October 2014

Attachment No: 1

MONTHLY OPERATIONS REPORT

Rockhampton Airport

Period Ended 31 August 2014

VARIATIONS, ISSUES AND INNOVATIONS

Innovations

Plane spotters viewing platform completed and ready for arrival of the first Singaporean exercise aircraft the Antonov 124 Freighter.

Improvements / Deterioration in Levels of Services or Cost Drivers

The new Rockhampton Region branding released at the airport and new graphics with tag lines installed in the airport terminal

AIRPORT OPERATIONS

Audit and Compliance

The Aerodrome Safety Management System (SMS) Committee met on Wednesday 13 August. No items of concern were raised at this meeting.

There were no regulatory audits completed in August.

Military Exercises

Final preparations for the military training exercise Wallaby 2014 occurred throughout the month. Final details for the Foreign Military Power Licence and charter flight schedules were resolved and approved.

General Activities

A lighting review request was received from CQ Rugby Union. The club proposes to seek funding to light a second sports field at Diggers Park. The park lies within the approach to the main runway and the area of regulated concern for safe operations. A detailed lighting design will be required.

Projects

Site works continued on the “Pit and Duct” stage of the airfield lighting replacement project. The mandated requirement to provide qualified Aerodrome Works Safety Officers for most components of these works continues to place considerable demand on staff resources.

Public consultation continued for the master planning review of future capacity for the secondary runway, Runway 04/22. Interested stakeholders have the opportunity to provide comment regarding a proposal to reduce the operating length and width of this runway. A separate report is included in this agenda.

Passenger Numbers

Passenger numbers for August this year were 55,151 compared to 60,869 in August 2013.

Asset Management Consultancy (in partnership with RRC Asset Management and Conquest Teams)

Airport Facilities are continuing to gather asset data ready for entry into Conquest and three quarters of Airport buildings have been inspected for defects and their condition assessed.

Terminal Precinct

Rockhampton Region promotional signage has been erected throughout the terminal.

The terminal concourse and plant room lighting has been re-lamped. The terminal front awning lights are being progressively replaced with LED lights.

The construction and installation of a Plane Spotters Platform in the Freight Area has been completed.

LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for August 2014 are as below:

	Balance B/F	Completed in Current Mth	Current Month NEW Requests		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth	Avg Completion Time (days) 6 Months	Avg Completion Time (days) 12 Months	Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed							
Airport Administration General Enquiries	0	0	1	1	0	0	10	0.00	2.30	2.32	1.29
Airport Services General Enquiries	0	0	0	0	0	0	10	0.00	10.00	6.00	0.00

2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS

Safety Statistics

The safety statistics for the reporting period are:

	FIRST QUARTER		
	July	**Aug**	**Sept**
Number of Lost Time Injuries	0	0	
Number of Days Lost Due to Injury	0	0	
Total Number of Injuries	0	0	
Number of Completed Hazard Inspections	0	4	

Risk Management Summary

Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments
Aircraft accident, incident or malfunction occurs within the Rockhampton airport precinct resulting in possible death or injury , financial loss, interruption to airline service delivery, damage to infrastructure and reputation damage to the airport	Moderate 6	Upgrade airport lighting system.	Stage 1: 30/6/2014 Stage 2: 30/6/2015 Stage 3: 30/6/2016	50%	Now 100% Stage 1 ALER complete and main runway transformers replaced to improve circuit reliability from zero MΩ to 0.3MΩ Stage 2 Pit&Duct due for completion mid September 2014 Stage 3 design in progress
Security breach or threat at the airport resulting in possible death or injury, reputation damage to the airport, additional costs, disruption to airline services due to airport closure, infrastructure damage, fines in relation to a regulatory breach	Moderate 6	Replace hard key system on all gates and access points with proximity card electronic card system so lost cards can have access withdrawn.	30/06/2014	40%	Due to the implementation issues in the GA area and lead time for new proxy locks the revised due date is now 31/12/2014. High risk gates in Main apron installed

Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments
Airport revenue decreases over a sustained period resulting in the airport performance KPI's not being met, budgetary impacts, reduced availability of funds for capital programs,	Moderate 5	Provide new lease agreements with Singaporeans and Australian Defence worth $1.4mill Redevelop the airport terminal to increase retail revenue.	30/06/2014 Terminal now - 30/12/2015	80%	Now 100% SAF & ADF long term leases now executed Architect has completed a cost effective solution. After consultation with the Mayor a report including a business case will be presented to Council.
Airport assets not maintained, upgraded, inspected or monitored effectively in accordance with regulatory requirements resulting in possible death or injury, reputational damage, compliance failure, reduced service delivery, WH&S fine	Moderate 6	Facility maintenance and condition assessment inspection schedules are in the process of being completed and detailed in conquest. Consultant engaged to identify critical infrastructure and to load into Conquest to ensure regular maintenance is performed.	Stage 1: 30/12/2014	45%	Now 50%, Main Runway condition assessment completed HV capacity evaluation preliminary study completed High risk Fire Hydrant Systems now completed Airconditioning condition report completed.

Legislative Compliance & Standards

Legislative Compliance Matter	Due Date	% Completed	Comments
Annual Review of Airport Risk Register	July 2014	50%	Expected completion date - October 2014
Annual Airport Electrical Inspection	October 2014	0%	
Annual Airport Technical Inspection	November 2014	0%	
Annual Runway Friction Testing	January 2015	0%	
Annual Review of Airport SMS Risk Register	April	0%	

	2015		
Aerodrome Manual review	April 2015	0%	
Emergency Exercise (Table Top)	May 2015	0%	

3. ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
FACILITIES					
959150 – Runway Lighting System Replacement	18/12/2011	30/05/2016	• Stage 1 – Practical Completion issued 24 April 2014. List of final defects being repaired. • Stage 2 – Commenced construction 19 May 2014, moving into final stages prior to completion. • Stage 3 –Preparing to go to Tender in September. Propose delivery over two years 2014/15 and 2015/16.	$3,312,805	$788,354

Commentary:

Strategy has been developed to complete this project over a four to five year period.

Major Projects are project managing this project; please refer to the Major Projects Monthly Report for more detail.

Stage 1 – Airfield Lighting Equipment Room (ALER) – Construction of a new ALER to house the electrical and control equipment associated with the new Aeronautical Ground Lighting System (AGL).

Stage 2 - Pit & Duct Network for Main Runway and Taxiways – Installation of the electrical pit and duct network to house the main electrical and control wiring network associated with the new AGL System.

Stage 2 - AGL System for Main Runway and Taxiways – Installation of the electrical and control equipment and network, including light fittings, for the new AGL System. This stage also includes the installation of the standby generator set required to support the new AGL System.

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
FACILITIES					
959095 – Crescent Lagoon Area Stormwater Management	08/08/2013	30/11/2014	Valving has been installed. Valve platform and grate have been installed. Pumping solution - developing technical specification. Pump site - planning construction.	$88,044	$10,921
Commentary: Valving and pumping solutions required to evacuate water. Evacuation required after major rain and storm events to prevent runway subsidence due to residual water being present for extended periods.					
987680 – Enhance the functionality of the Airport Building Management System software	19/12/2013	Ongoing	BMS software has been upgraded with graphical displays. Scoping the additional IT Hardware required to expand connectivity.	$54,516	$9,010
Commentary: Enhancement of the Airport Building Management System (BMS) to provide a more user friendly system and allow expansion of connectivity to continually monitor critical airport equipment.					
987693 – Improve Terminal Access for People with Disabilities.	Ongoing	Ongoing	Next element of work to be scoped.	$59,562	$0
Commentary: Implementation of systems and equipment that will assist people with disabilities to access the Airport Terminal building and facilities.					
959133 – RPT Apron Lighting	29/08/2013	N/A	Concept lighting design is complete. Switchgear and control equipment has been upgraded on 3 poles. 3 poles remaining.	$80,102	$0
Commentary: Upgrading RPT Apron Lighting fittings, switchgear and control equipment to meet current standards.					

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
FACILITIES					
959135 – GA Apron Lighting	17/02/2012	30/11/2014	Concept Lighting Design complete. Lighting Design being revised due to proposed shortening of cross-runway, Runway 04/22. Design documentation being finalised for lights associated with the RFDS lease extension.	$50,827	$26,991
Commentary: Final concept accepted. Upgrading GA Apron Lighting fittings, switchgear and control equipment to meet current standards.					
1017282 – Covered areas for long Term car park equipment	01/07/2014	31/08/2014	Work is complete. Financials to be finalised.	$25,000	$21,582
Commentary: Covers over Long-term Car Park paid parking equipment for protection and operation during inclement weather.					
1020125 - Airport Screening equipment			Completed Project currently in defect liability period. Maintenance Agreement being finalised.	$5,373	$5,373
Commentary: To provide business essential equipment to screened passengers and “carry-on” baggage. There was an unplanned need for this procurement due to the intention of the owner of the current equipment to withdraw from provision of services at the airport.					
1033137 – Paid Covered Car Parking Equipment	12/08/2014	30/09/2014	Project work has commenced. Car Park proposed to be closed to Airport Staff from 1 September 2014. Major works to be carried out during September.	$0	$46,082
Commentary: Installation of paid car parking equipment in the previous staff car parking facility. To be allocated in revised Budget.					

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
FACILITIES					
989189 – Cooling Tower Water Chemical Control	September/ October 2014	31/12/2014	Chemical monitoring and control equipment procured. Building modifications to be planned.	$10,333	$4,545
Commentary: Installation of 24/7 monitoring and control of the air conditioning condenser water chemicals treatment. Chemical monitoring and dosing equipment to be installed in section of ground floor office area leased to Virgin Australia.					
1023540 – Upgrade to Car Park Credit Card Readers for EMV	01/11/2014	31/12/2014	Airport has been working with the CBA and their preferred card reader provider. Delivery date has been extended. Request submitted to extend delivery date.	$60,000	$0
Commentary: Credit card providers stipulated that all credit card readers need to be upgraded to read the new programmable chip technology by 1 January 2014.					
959158 – Terminal Building Airside Water Main	25/09/2011	N/A	Possible deferral. Developing a scope of works in conjunction with FRW and the Design Office.	$109,155	$0
Commentary: Sections of the Airport Water Main are constructed in asbestos cement which has been identified as a high risk of failure therefore needs to be replaced.					
987719 – Refurbish Terminal Building Front Awning	N/A	N/A	Possible deferral.	$15,000	$0
Commentary: Several sections of the Terminal building front awning require major repairs.					
987728 – Replace/ Refurbish Air Handling Unit AC7	01/08/2014	30/09/2014	Service provider has been engaged and work is being planned.	$10,000	$9,940

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
FACILITIES					
Commentary: Condition assessment identified that AC 7 required refurbishment work to extend its working life.					
1033863 – Replace Internal & External Doors within the Terminal	Early 2015	Early 2015	Detailed scope of works to be developed.	$50,000	$0
Commentary: Several terminal doors are showing evidence of total failure and require replacing.					
1033866 – Replace 1 - Terminal Roof Skylights	Early 2015	Early 2015	Work has been scoped and works priced, supply of skylights to be evaluated.	$30,000	$0
Commentary: Terminal roof skylights are significantly deteriorated and require replacement.					
1033879 – Access Road to Workshop	N/A	N/A	Detailed scope of works to be developed.	$42,400	$0
Commentary: Road has significantly deteriorated and requires resurfacing.					
987694 – Refurbish Terminal Concourse Toilets	Early 2015	Early 2015	Preliminary design has been agreed. Concept design is being developed. Pricing of options being sourced.	$100,000	$0
Commentary: It has been identified that the terminal toilets are under capacity during peak operating hours and require redesign to increase capacity.					
987712 – Replace General Aviation Power Switchboards	Early 2015	Early 2015	Detailed scope of works to be developed.	$40,000	$0
Commentary: Condition Assessment has identified that several General Aviation switchboards are significantly deteriorated and require replacement.					

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
OPERATIONS					
959127– General Security Access Upgrades	Ongoing	Ongoing	Initial installation of equipment has been completed but could not be finalised due to withdrawal from sale of the electronic padlocks. Supply of the padlocks has resumed allowing this project to be finalised. Electronic padlocks for Gate 1 and 1A have been installed. This will provide enhanced access control for emergency services and defence force deployments. A "Hotspot" reader is to be installed at the GA Apron to allow tenants to use padlocks installed in that area.	$116,149	$0
Commentary: Funds to upgrade security equipment. Includes the replacement of the locking system for gates at the GA Apron and military deployment areas. Two wireless electronic locking systems were evaluated for external gates. A product that provides a wireless extension of the existing "Cardax" system has been selected.					
959142 – Ongoing Extension of All Weather Trafficable Perimeter Road	1/7/2014	N/A	Significant works are planned for completion of the aeronautical ground lighting replacement project. The scale of these works will significantly reduce the capacity of staff to complete the road works. Potential deferral.	$71,785	$0
Commentary: To improve access for daily fence inspections during wet weather. Annual funds allocated with the aim of providing a continuous perimeter road. Recycled pavement materials are utilised when available.					
987704 – Improve Airside Stormwater Management	1/7/2014	Further investigation works will be initiated by December 2014	Ground penetrating radar investigation works completed for subsoil drains along the shoulders of the original portion of Runway 15/33. Report received from contractor. Further investigations required to determine the scope of remedial works.	$508,125	$0

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD Actual (Including Committals)
CAPITAL WORKS PROGRAM					
OPERATIONS					
Commentary: To ensure high value aircraft movement area pavements are not compromised by ingress of groundwater. Aging subsoil drains present an erosion risk under the runway shoulders. Assess and complete repairs as required.					
987685 – Renewal of aviation security Infrastructure	Ongoing	Ongoing	Recurring annual provision to upgrade and replace systems.	$80,689	$19,355
Commentary: Installation of CCTV Cameras and associated infrastructure.					
959145 – Repairs to Defence deployment area	Ongoing	Ongoing	Extensive repairs required prior to Wallaby 2014. The reseal of 2000 sq. metres is scheduled for completion following trench excavations for the airfield lighting project. Works to be completed early in September.	$52,441	$8,253
Commentary: Ongoing repairs and restoration of pavement for military exercises.					

4. ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME

As at period ended August 2014 – 17% of year lapsed.

Project	Budget	Actual (incl. committals)	% budget expended	Explanation
Drainage Study for Future Developments	$16 379	$17 463	106%	This study is to determine the best options for a new road off Hunter Street to open up land for development and effects of the footprint of any new developments on the floodplain and how these can be mitigated in order for the developments to proceed. The study is progressing with input from flood modeling initially, of a local flood event.
Runway 04/22 Master Plan Options	$29 590	$21 945	74%	This study is to determine the best future length of the secondary runway given present and future usage of light aircraft, in particular the RFDS and Training and charter aircraft. The present length of 1645m is already reduced for each year during military exercises to 1200m. A permanent reduction in length to 1200m or shorter would enable development of new hangars, apron parking and freight facilities.
Rockhampton Sign on Airport Walkway	$2 574	$0	0%	A new style sign over existing lettering is being investigated by Brand & Marketing to better highlight Rockhampton airport for arriving or transiting passengers.
Terminal Redevelopment Design and Business Case	N/A	N/A	N/A	Since last report the architect has provided an interim solution to increase the size of the security departure lounge incorporating more toilets and the retail concessions, which will provide better passenger flow through the terminal and a better safety solution for passengers with the establishment of one central pedestrian crossing to the terminal. A retail specialist will also be performing an audit on the current Food & Beverage and News & Gifts concessions to determine ways to maximize their spend per passenger and strike rate. He will also provide advice on the possible establishment of a specialty retail store for Apparel and Accessories.

				His brief also includes providing benchmark revenues at other airports and advices on what increased revenue is possible when the concessions are after passenger screening, where there is increased dwell time and exposure to the retail outlets. This will form a basis for a business case to fund the redevelopment the terminal as suggested.
Design and Estimates for Runway, Taxiways and Apron Overlays	$30,000	$0	0%	Special Projects has prepared a draft scope of works for the major overlays of the airport pavements scheduled to commence in 2016/17. This tender will also include an updated estimate of the capital costs of these works so our future capex program can be adjusted if need be.

5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS

Non-Financial Performance Targets & Required Outcomes

Required Outcomes compared for the same period in 2013/2014

	Monthly Target	**Result Monthly / Full Year**
Passenger Numbers	+1%	-9.3% / -4.9%
Aircraft Movements*	+1%	+33.8% / +33.8%
Bird Strikes	3 per month	3 / 6
Lost Time Days – workplace injuries	0	0 / 0
Reported Public Injuries on Airport Precinct	0	0 / 0
Customer Requests Actioned	100%	100% / 100%
Airline Engagement Meetings	Every 3 months	Yes / Yes
Military Exercise Briefings Attended	100%	Yes / Yes

*Aircraft Movements – August figures not available at the time of lodging the report. July figures were utilised for statistical data.

FINANCIAL MATTERS

	Adopted Budget $	Revised Budget $	EOM Commitments $	YTD Actual $	Commit + Actual $	Variance %	On target 16.7% of Year Gone
AIRPORT							
Rockhampton Airport							
Revenues	(12,032,028)	0	0	(1,841,110)	(1,841,110)	15%	✗
Expenses	213,971	0	31,177	16,957	48,134	22%	✗
Total Unit: Rockhampton Airport	***(11,818,057)***	***0***	***31,177***	***(1,824,153)***	***(1,792,976)***	**15%**	✗
Administration							
Revenues	(130,384)	0	0	(17,899)	(17,899)	14%	✗
Expenses	3,761,299	0	65,978	701,254	767,231	20%	✗
Transfer / Overhead Allocation	5,338,895	0	0	890,821	890,821	17%	✓
Total Unit: Administration	***8,969,810***	***0***	***65,978***	***1,574,175***	***1,640,153***	**18%**	✗
Airport Operations							
Expenses	1,471,967	0	27,843	284,550	312,393	21%	✗
Transfer / Overhead Allocation	99,935	0	0	14,187	14,187	14%	✓
Total Unit: Airport Operations	***1,571,902***	***0***	***27,843***	***298,736***	***326,579***	**21%**	✗
Airport Commercial							
Revenues	(1,500,172)	0	0	(258,495)	(258,495)	17%	✓
Expenses	4,092	0	0	0	0	0%	✓
Total Unit: Airport Commercial	***(1,496,080)***	***0***	***0***	***(258,495)***	***(258,495)***	**17%**	✓
Airport Facilities							
Revenues	(2,444,500)	0	0	(381,037)	(381,037)	16%	✗
Expenses	5,074,345	0	618,827	492,456	1,111,282	22%	✗
Transfer / Overhead Allocation	142,580	0	0	9,757	9,757	7%	✓
Total Unit: Airport Facilities	***2,772,425***	***0***	***618,827***	***121,177***	***740,003***	**27%**	✗
Total Section: AIRPORT	***1***	***0***	***743,824***	***(88,560)***	***655,265***	**75317788%**	✗

End of Month Management Report - Airport Capital Projects for August 2014

Percentage of Year Elapsed: 16.67%

		12 Month Adopted Budget $	Adopted inc Carry Forward	YTD Actuals $	Committals $	Total YTD Actuals (inc committals) $	% of YTD Actuals (excl commitals) to Total Budget %
	CP640 CAPITAL CONTROL AERO						
0959095	0959095 Crescent Lagoon Area Storm Water Managem	0	88,044	0	10,921	10,921	0%
0959127	0959127 [N] Security Upgrades to General Aviatio	50,000	116,149	0	0	0	0%
0959133	0959133 [U] RPT Apron Lighting	0	80,102	0	0	0	0%
0959135	0959135 [N] GA Apron Lighting	0	50,827	19,230	7,761	26,991	38%
0959142	0959142 [U] Ongoing extension of all weather tra	71,785	71,785	0	0	0	0%
0959150	0959150 [R] Runway Lighting Power Distribution a	1,985,025	3,312,805	751,494	36,860	788,354	23%
0959158	0959158 [R] Terminal Building Airside Water Main	109,155	109,155	0	0	0	0%
0987704	0987704 [U] Improve Airside Stormwater Managemen	508,125	508,125	0	0	0	0%
0987712	0987712 [R] Replace General Aviation Power Switc	40,000	40,000	0	0	0	0%
0989189	0989189 [R] Cooling Tower Water Chemical Control	0	10,333	0	4,545	4,545	0%
	TOTAL CP640 CAPITAL CONTROL AERO	**2,764,090**	**4,387,325**	**770,724**	**60,087**	**830,812**	**18%**
	CP650 CAPITAL CONTROL NON AERO						
0580951	0580951 Rockhampton Airport Terminal redevelopme	0	1,609	0	1,609	1,609	0%
0959145	0959145 [R] Repairs to Defence Deployment Areas	50,000	52,441	8,253	0	8,253	16%
0987680	0987680 [R] Enhance the Functionality of the Air	10,000	54,516	9,010	0	9,010	17%
0987682	0987682 [R] Replace various Airport IT Systems S	20,000	50,650	0	0	0	0%
0987685	0987685 [R] Renewal of aviation security infrast	20,000	80,689	0	19,355	19,355	0%
0987693	0987693 [U] Improve Terminal Access for People w	20,000	59,562	0	0	0	0%
0987694	0987694 [R] Refurbish Terminal Toilets	50,000	100,000	0	0	0	0%
0987719	0987719 [R] Refurbish Terminal Building Front Aw	15,000	15,000	0	0	0	0%
0987723	0987723 [R] Replace Airconditioning System Chill	0	10,063	0	0	0	0%
0987728	0987728 [R] Replace Air Handling Unit AC7	10,000	10,000	0	9,940	9,940	0%
1017282	1017282 [N] Covered areas for paid parking equip	0	25,000	771	20,811	21,582	3%
1020125	1020125 [N] Passenger Security Screening Equipme	0	5,373	2,917	2,456	5,373	54%
1023540	1023540 [U] Europay MasterCard Visa - Compliance	0	60,000	0	0	0	0%
1033137	1033137 [N] Premium Paid Covered Carpark Equipme	0	0	1,476	44,605	46,082	0%
1033863	1033863 [N] Replace internal & external doors Te	50,000	50,000	0	0	0	0%
1033866	1033866 [R] Terminal Roof Skylights	30,000	30,000	0	0	0	0%
1033879	1033879 [U] Access road to Workshop	42,400	42,400	0	0	0	0%
	TOTAL CP650 CAPITAL CONTROL NON AERO	**317,400**	**647,303**	**22,427**	**98,776**	**121,203**	**3%**
	TOTAL CAPITAL EXPENDITURE	**3,081,490**	**5,034,628**	**793,151**	**158,863**	**952,015**	***16%***

9.5 ROCKHAMPTON AIRPORT MASTER PLAN RUNWAY 04/22

File No:	**1689**
Attachments:	**1. Secondary Runway 04/22 Master Planning Evaluation Consultation Report Mar-Aug 2014** **2. Rehbein Report - Rockhampton Airport Runway 04/22 Master Planning Report**
Authorising Officer:	**Ross Cheesman - General Manager Corporate Services**
Author:	**Trevor Heard - Manager Rockhampton Airport**

SUMMARY

This document outlines the study and consultation process to determine the best future operating capabilities of the existing secondary runway 04/22.

OFFICER'S RECOMMENDATION

THAT the secondary runway be altered to a Code 2B runway, non-instrument, daytime use only. It provides a 1200m take-off on 22 and a 1200m landing on 04. Furthermore it provides a 900m take-off on 04 and a 900m landing on 22. The disused runway length will be converted to taxiway.

BACKGROUND

This report does not refer to the main runway and there will be no changes to the way that runway and taxiing currently operate. 04/22 is the technical term based on degrees for the secondary runway with 04 being the western end and 22 the eastern end. It is currently 1645 in length with lighting. There is a considerable amount of area in the general aviation (GA) precinct that has a potential to be developed however this can only proceed if this runway is shortened. In addition a lessor runway requires less maintenance and upgrade. A community consultation process has been completed and the final report in this regard attached. The recommendations in this report will not impact on the current users operations but allows for the future development.

A number of studies have been performed in recent years regarding the future of the secondary runway 04/22 due to the low usage of the runway and the constraints the various transitional and approach surfaces cause. This places restrictions on heights of hangars (CHRS) , GA apron pole height (lighting LUX compliance), buildings on the PIQ lease and the potential to develop new hangar sites, Air Freight handling facilities aircraft parking aprons and taxiways at the Eastern end on the runway.

In 2007 a strategic development plan was produced which considered the options to expand or relocate the present GA precinct. The preferred option 5 included shortening the secondary runway to 1110m and creating a code "C" taxiway on the shortened section of the runway.

In 2009 a GA redevelopment project study was undertaken to firm up the work done in 2007 and the preferred option 5 identified during that study in relation to the GA precinct. The options 1A, 1B, 2 and 3 of that study all included shortening the secondary runway to 1200m, transforming the reduced runway length to a code "C" taxiway, providing sites for additional apron parking, hangars and Air Freight facilities.

For many years the secondary runway has been shortened to 1200m and take-off from runway 04 not available during military exercises to accommodate parking of military aircraft and virtually taking over the shortened area of the secondary runway, which requires taxiway "C" to be closed during this time. This also impacts on the air taxi options for the Rescue helicopter operations and required special "follow Me" guidance and escort by an airport safety vehicle.

Runway Usage – extract from 2010 Rehbein ANEF Report

Runway	Movements	Distribution
15	32,359	74.8%
33	6,550	15.15
04	1,271	**2.9%**
22	593	**.4%**

Runway Availability – 25 year ROK Wind & runway Usability

Percentage of time RWY 15/33 is available (up to 10 knot crosswind - 94.8%)

Percentage of time RWY 15/33 is not available (over 10 knot crosswind - 5.2%)

Percentage of time RWY 04/22 is available (up to 10 knot crosswind - 93.9%)

In summary whilst the secondary runway is available for use 93.9% of the time it is only utilized a total of 4.3% of the time.

Safety Management System airport stakeholders meeting

The preferred proposal was presented to the meeting for feedback from a safety perspective and was supported with no adverse comments from committee members.

Consultation Process

Consultation on the options for the secondary runway was undertaken by the consultant with key stakeholders and the comments were;

Key Stakeholder Feedback

- **QantasLink + Virgin**
  - ☐ Limited use of 04/22 due to marginal length and preferred ATC sequencing to 15/33 – company instructions
  - ☐ No Instrument approaches or PAPI available
  - ☐ Any reduction in length would prevent use
  - ☐ Not seen as critical to operations at ROK

- **Freight Operators**
  - ☐ Occasional users of 04/22 but 15/33 preferred due to night operations which require instrument approach (only runway 15/33 has published instrument approaches and PAPI approach lighting).
  - ☐ Minimum 1,400m length
  - ☐ Not seen as critical to operations at ROK

- **Royal Flying Doctor Service**
  - ☐ Regular use (25–30%) for movements to/from Emerald
  - ☐ 15/33 could always be used but 04/22 more convenient
  - ☐ Minimum 1,200m required
  - ☐ Rarely used for movements to/from east
  - ☐ Helpful to operations at ROK but not essential

- **Capricorn Helicopter Rescue Service**
  - ☐ No fixed-wing operations
  - ☐ No impact

- **Rockhampton Aero Club** (President)
  - ☐ 04/22 provides direct access to training area
  - ☐ Charter aircraft require minimum 1,000m for charter aircraft
  - ☐ Closure would be unacceptable

- **Airservices ATC**
  - ☐ Preference to retain 04/22 in some form
  - ☐ 1,200m would maintain flexibility for GA traffic and avoid increasing traffic on 15/33
  - ☐ Consistency of displaced thresholds would be supported
  - ☐ Helicopter ops to current 22 threshold could continue

Public Consultation

The Proposed Arrangement after Key Stakeholder feedback

- ☐ Provide 1,200m take-off 22 and landing 04
- ☐ Permanent displaced RWY 22 threshold
- ☐ 800m landing length 22
- ☐ 800m take-off run 04
- ☐ Similar to current arrangement during military ops but, with take-off on 04 now allowed
- ☐ Runway 04 operations permitted
- ☐ Code 2B runway, non-instrument, daylight only
- ☐ Disused runway length converted to taxiway to connect to taxiway "C"

Key Benefits to Council

- ☐ Reduced pavement area to maintain at higher standard (~50% existing)
- ☐ Lighting upgrade and maintenance costs avoided
- ☐ Provides for growth opportunities such as air freight, charter, FIFO and associated activity – through:
- ☐ Taxiway access to GA precinct for larger aircraft
- ☐ Additional aviation support facilities (hangars) at eastern end of GA precinct
- ☐ Future aircraft apron parking bays
- ☐ Air freight distribution facilities
- ☐ Ability to provide compliant GA apron lighting, in main use areas with increased pole heights

Consultation Process Evaluation

The following options were put to the community with the preferred option being 1200m x 23m 2B as indicated.

Option	Length	Width	Ref Code	*Pavement Area*	Lighting
Current	1,645m	30m	3C	*49,350m2*	Yes*
~~1200_3C~~	~~1,200m~~	~~30m~~	~~3C~~	~~*36,000m2*~~	~~Yes + No~~
1200_2B	**1,200m**	**23m**	**2B**	***27,600m2***	**Yes + No**
~~900_2B~~	~~900m~~	~~23m~~	~~2B~~	~~*20,700m2*~~	~~Yes + No~~
~~900_1A~~	~~900m~~	~~18m~~	~~1B~~	~~*16,200m2*~~	~~Yes + No~~
~~750_1B~~	~~750m~~	~~18m~~	~~1B~~	~~*13,500m2*~~	~~No~~
~~Closure~~					

Results of Public Consultation and Written submissions

19 members of the public attended the meeting on the 21st July 2014

16 persons provided written submissions including some of those who attended the meeting

During the question and answer session of the meeting apart from those that did not want anything to change the majority of the questions in relation to the shortening of the runway were adequately answered.

One issue that did become apparent is that the 800m length for training touch and go landings was considered too short for novice pilots and as a consequence the recommendation is for a longer length.

Analysis of written submissions

In total, there were 16 submissions received by the due date.

Submissions were received from a small cross section of the aviation community (recreation and commercial), those interested in aviation, emergency service providers and also Air Services Australia (labelled as other).

In terms of recreational aviators the majority of these persons seemed to have extensive experience whilst one submitter was a novice/beginner. As for commercial aviators these tended to be smaller commercial outfits.

10 out of the 16 that provided a submission indicated that the runway should remain as it is – this came from some recreation aviators and aviation enthusiasts. Commercial operators/ emergency services had no issues with reducing the Secondary Runway 04/22 to 1200m. Those that wanted the runway retained indicated that longer secondary runways can provide commercial benefits, it was important for training purposes, emergency situations and that other areas for hanger development could be reviewed rather than reducing the runway.

CONCLUSION

After considering all of the responses, with high weighting for safety, emergency services use, training, apron lighting compliance, maintenance and operational cost efficiencies, capital investment commitments, future growth of core aviation facilities such as taxiways, aprons, hangars and air freight facilities the most important and strongly supported requirements are considered to be:-

- ☐ Need to retain the Secondary runway in some form.
- ☐ Needs to be a length that support the emergency services (RFDS).
- ☐ Taking off to and landing from the West with a 1200m length is necessary.
- ☐ 800m for taking off to and landing from the east for touch and go training is not sufficient for novice pilots.
- ☐ Lighting of the secondary runway is not very important as portable lighting can be provided in emergency situations.

Benchmarking was conducted with smaller busy GA training airports in Queensland and the results of that study were

Redcliffe Airport	**RWY 07/25**	**741m asphalt**
Caboolture Airport	**RWY 06/24**	**821m grass**
	RWY 12/30	**1210 grass**
Caloundra Airport	**RWY 05/23**	**795m asphalt**

Recommendations

That the secondary runway be altered to a Code 2B runway, non-instrument, daytime use only. It provides a 1200m take-off on 22 and a 1200m landing on 04. Furthermore it provides a 900m take-off on 04 and a 900m landing on 22. The disused runway length will be converted to taxiway.

ROCKHAMPTON AIRPORT MASTER PLAN RUNWAY 04/22

Secondary Runway 04/22 Master Planning Evaluation Consultation Report Mar-Aug 2014

Meeting Date: 1 October 2014

Attachment No: 1

Secondary Runway 04/22 Master Planning Evaluation
Consultation Report

Date: Mar - August 2014

Contents Page

Executive Summary

Council is completing a master planning evaluation to determine the future use of Runway 04/22 (the Secondary Runway) at Rockhampton Airport. The provision of a facility that meets stakeholders' needs is being evaluated to justify future budget commitment, the Airports' overall operations, and the potential to improve the use of adjacent areas and facilities.

In terms of Council's community engagement procedure this engagement was rated as a high local engagement as significant changes were being evaluated that would potentially impact on the usage of the Secondary Runway 04/22. As such the engagement included:

- Direct stakeholder discussions;
- Direct discussions with general aviation;
- A meeting for of all stakeholders and general aviation; &
- A formal submission process.

In March/April 2014, Airport Management engaged Rehbein Airport Consulting to complete stakeholder engagement and to prepare engineered options for potential changes to the runway configuration. These options were presented and discussed at a stakeholder and general aviation meeting on the 21 July 2014 at the Rockhampton Aero club for all to voice their opinions. 29 people attended this meeting. This Secondary Runway 04/22 Master plan Evaluation was then released to the wider community calling for submissions to be made. Communications were undertaken through direct letters/emails to general aviation that use the facility, a media release, RRC website posts, Be In the Know daily newsfeed and the Council's Regional Voice membership was notified. In total, 16 submissions were received.

Main messages from participants…

Larger commercial operators outline that the runway 04/22 not critical to their operations

- QantasLink, Virgin Australia, Freight Operators (Pel-Air, Toll and GAM) all agreed that the Secondary Runway 04/22 is not critical to their operations at the Rockhampton Airport
- There is limited use of the Secondary Runway 04/22 by larger passenger operators and if this runway is reduced further this would limit their future use of the runway.
- Freight operators indicated that their preference is if the Secondary Runway 04/22 is to be reduced for their purposes 1400m in length is their preference.

Royal Flying Doctor Service prefers if the runway is to be reduced – 1200m minimum

- RFDS are regular uses of the Secondary Runway 04/22 as 25-30% of their operations are to and from Emerald.
- RFDS agrees that runway that Secondary Runway 04/22 is helpful but not crucial.

Rockhampton Aero Club - we are ok are with reduction but 04/22 must remain

- Closure of runway 04/22 is deemed *unacceptable* as it provides direct access to the training area.
- If the runway was to be reduced in length it is preferred that it is only to a minimum of 1,000 metres.

Airservices Australia – reduction to 1200m would maintain flexibility for general aviation

- Engineering supports these proposals so long as the integrity of restricted areas for the Rockhampton Communication, Navigation Surveillance facilities is maintained.

16 submissions received - recreational, commercial, emergency services and enthusiasts

- Mixed response on the Secondary Runway 04/22 Master plan Evaluation
- Many recreational aviators / all enthusiasts wanted the runway to remain as is.
- Smaller scale commercial operators had no issues with the reduction of the runway to 1200m

Aviation community sees the Secondary Runway 04/22 as an asset for the airport

- The main reasons were: in case of an emergency, for training purposes, cross winds making the secondary runway more favourable and the economic benefit of retaining the secondary runway.

Findings – Major stakeholder discussions

QantasLink and Virgin Australia
Both airlines engage in limited use of 04/22 due to its marginal length and unavailability of instrument approaches or PAPI. Preferred sequence for ATC is runway 15/33 for high capacity RPT operations. Airlines have been instructed by management to utilise only the main runway 15/33 due to its more extensive facilities. Any reduction in length would prevent limited use from occurring. Both airlines agree that runway 04/22 is not classified as critical to its operations at Rockhampton Airport.

Freight Operators (Pel-Air, Toll and GAM)
Freight operators are occasional users of runway 04/22 but the frequency of night operations require them to utilise runway 15/33 due to its instrument approach facilities. If the secondary runway was to be reduced in length, it is preferred that it only comes down to a minimum of 1,400 metres. All operators agree that runway 04/22 is not classified as critical for their operations at Rockhampton Airport.

Royal Flying Doctor Service (RFDS)
The RFDS are regular users of runway 04/22 as 25-30% of their operations are to and from Emerald. Runway 04/22 is rarely utilised for movements to and from the eastern direction. Runway 15/33 could always be used for operations although, due to its direction, runway 04/22 is considered to be more convenient for facilitation on the ground. If the secondary runway was to be reduced in length it is preferred that it only comes down to a minimum of 1,200 metres in length. The RFDS agrees that runway 04/22 is classified as helpful to operations to Rockhampton Airport, but not essential.

Capricorn Helicopter Rescue Service (CHRS)
The reduction of the secondary runway will have little to no impact on CHRS - no fixed-wing operations.

Rockhampton Aero Club (President)
The closure of runway 04/22 is deemed *unacceptable* as the runway provides direct access to the training area. If the runway was to be reduced in length it is preferred that it is only reduced to a minimum of 1,000 metres in length for charter aircraft.

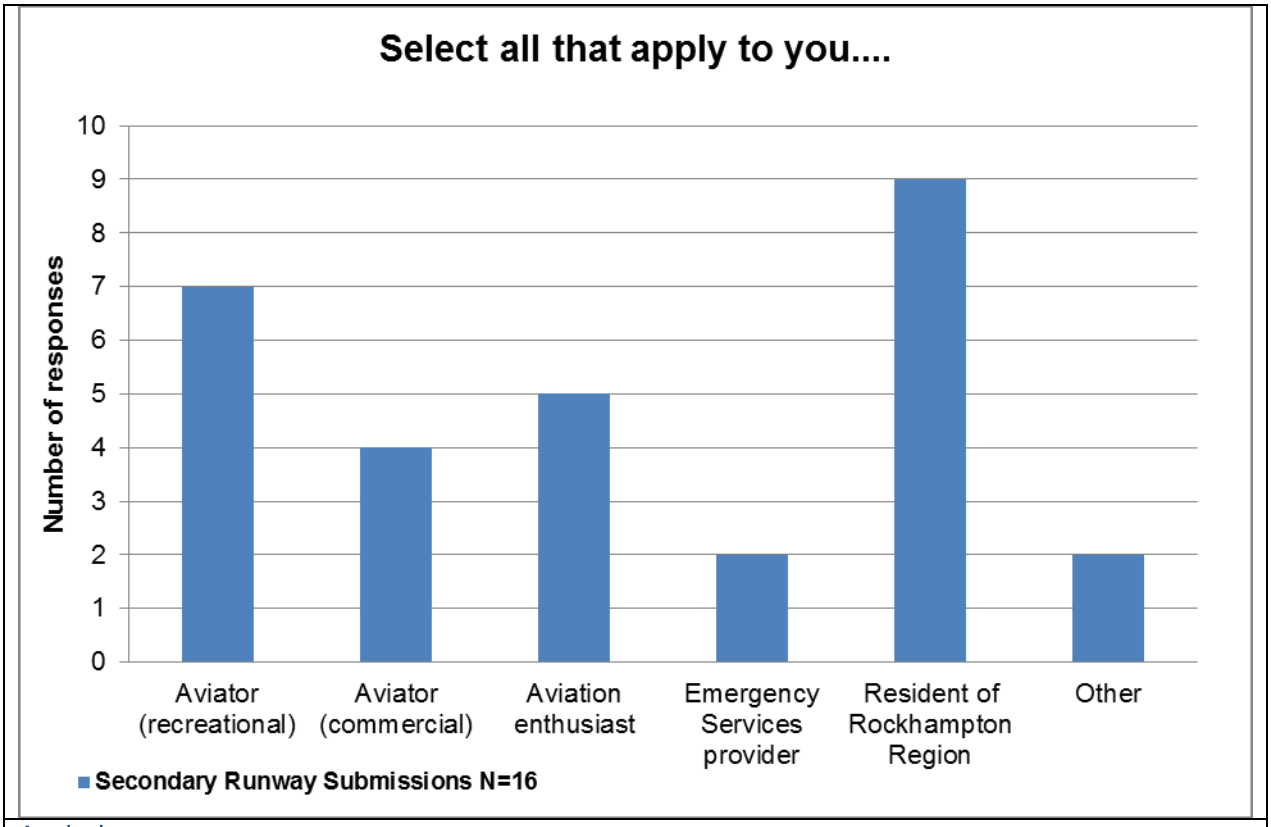
Airservices Australia (Air Traffic Control)
A strong preference to retain the secondary runway in some form for smaller aircraft operations, preferably to be reduced to only 1,200 metres. This alternative would maintain flexibility for GA traffic and would avoid increasing traffic on the main runway. The consistency of the displaced threshold would avoid confusion for operational procedures for helicopter operations at the 22 threshold.

Upon reviewing the initial feedback from key stakeholders a preferred option was formulated for a category **2B** runway (non-instrument and daylight operations only) with a length of 1,200 metres, a width of 23 metres and a pavement area of 27,600 square metres. This would provide for 1,200m take-off distance for runway 22 and landing distance for runway 04. A permanent displaced threshold for runway 22 would exist which would result in 800m in landing length at runway 22 and 800m in take-off length at runway 04. The disused runway length would later be converted to a taxiway to provide access to the GA area. This option is very similar to the arrangements set in place during military operations which is an indication that the option is effective.

The reduction of runway 04/22 presents many benefits to Council including:
- Reduced pavement overlay costs
- Lighting upgrade and maintenance costs avoided
- Solutions driven by enabling aviation related growth opportunities for GA, air freight, charter, FIFO and associated activity through;

- Taxiway access to GA precinct for larger aircraft
- Additional aviation support facilities (hangars) at eastern end of GA precinct
- Future aircraft parking bays
- Air freight distribution facilities

Findings – Submissions



Analysis:

In total, there were 16 submissions received by the due date.

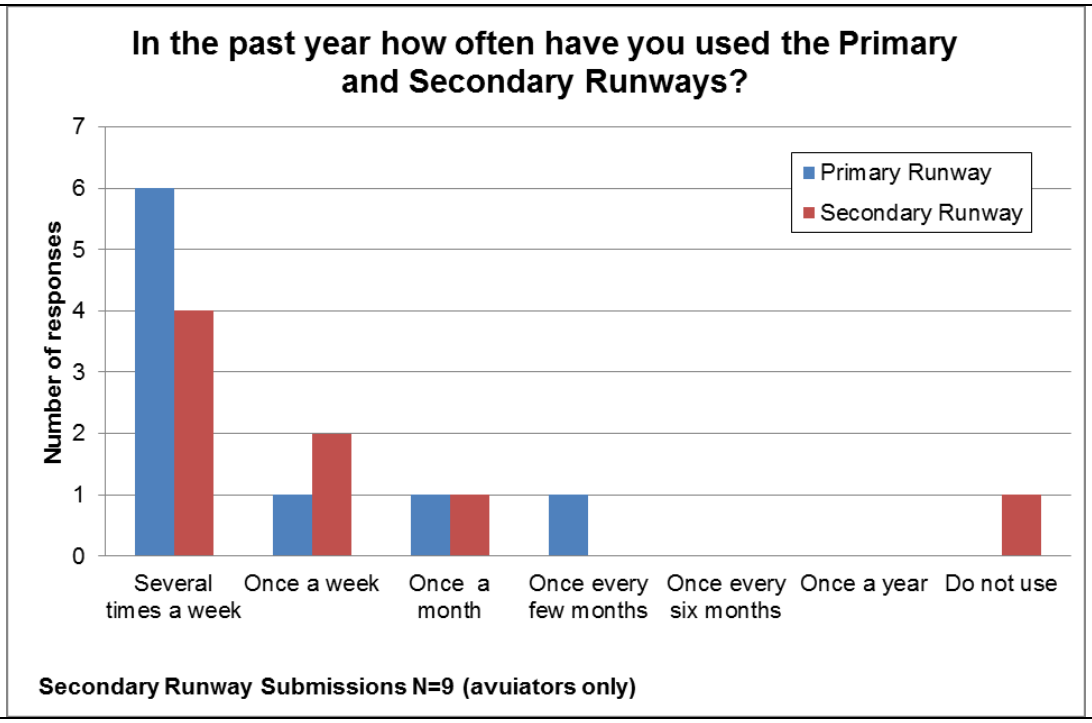
As can be seen above submissions were received from a small cross section of the aviation community (recreation and commercial), those interested in aviation, emergency service providers and also Air Services Australia (labelled as other).

In terms of recreational aviators the majority of these persons seemed to have extensive experience whilst one submitter was a novice/beginner. As for commercial aviators these tended to be smaller commercial outfits.

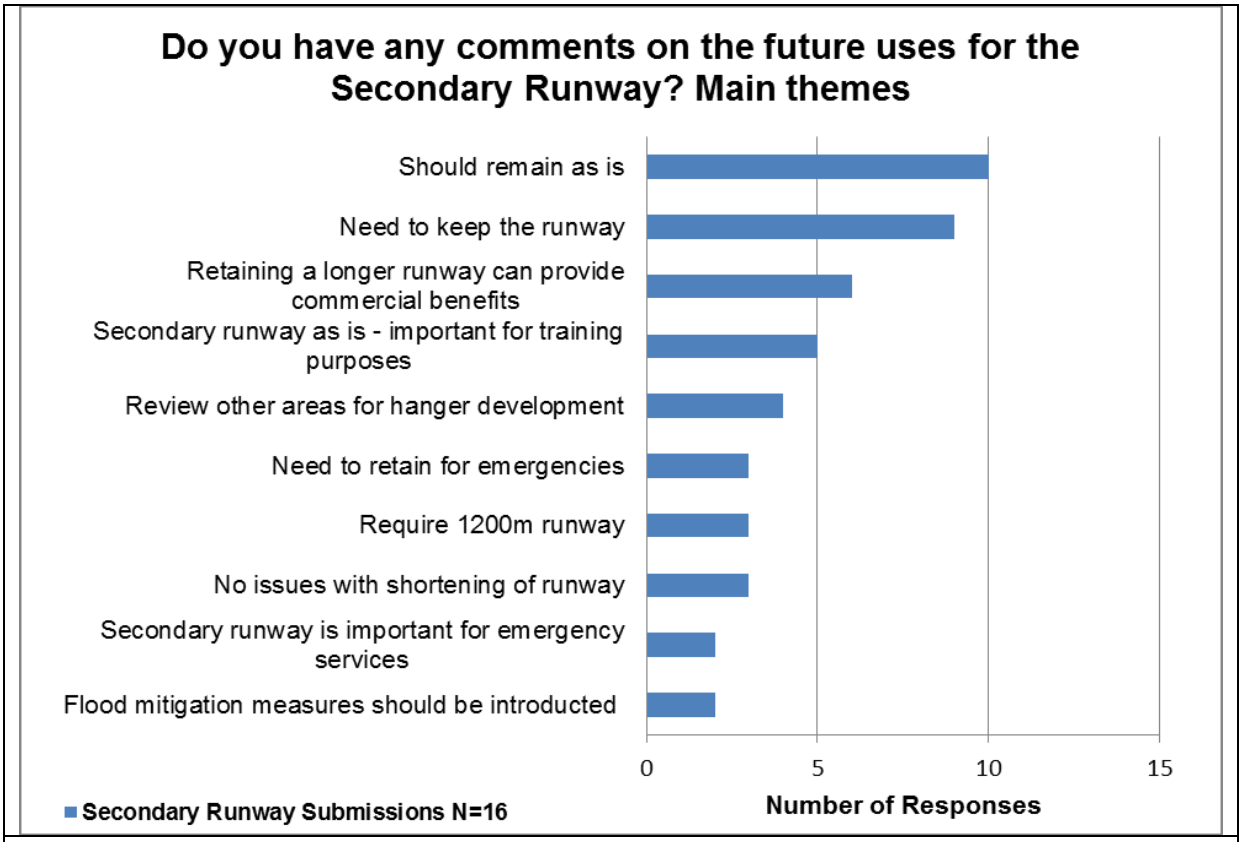
Note: that Jemena (owners and operators of the QLD pipeline) had requested more information as to nature of the Secondary Runway 04/22 Master plan evaluation, once understanding that there would be no impact on the QLD Gas Pipeline asset area Jemena indicated that there was no need from their perspective to place in a submission.

Type of aircraft respondents indicated they operated

C 150		
C 172		
Bell 412		
EMB - 135		
Beechcraft King Air		



Analysis: The primary runway was the most often used runway by both commercial and recreational aviators.
However the secondary runway was also frequently used by smaller commercial operators and recreational aviators. Many detailed this was for several reasons but mainly because of favourable wind conditions for the secondary runway.



Analysis: 10 out of the 16 that provided a submission indicated that the runway should remain as it is – this came from some recreation aviators and aviation enthusiasts. Commercial operators/ emergency services had no issues with reducing the Secondary Runway 04/22 to 1200m. Those that wanted the runway retained indicated that longer secondary runways can provide commercial benefits, it was important for training purposes, emergency situations and that other areas for hanger development could be reviewed rather than reducing the runway.

Do you have comments on the future uses for the Secondary Runway Actual Submissions

1. Yes it should be left as it is this is obviously to pander to the FIFO market which is almost at the moment dead on its legs with little chance of its recovering. We as a local company require a minimum of 1200 metres. The Council is just trying to relinquish its responsibility regarding maintaining the airport and while I feel this is a futile protest and the meeting was like watching a rerun of Yes Minister, I believe this is a forgone conclusion and again this is just cosmetic to look like there has been consultation XXXXXXXXXXXXX.

2. Whilst I am clearly in favour of encouraging reasonable, sustainable, commercial development opportunities for Rockhampton Airport, I strongly believe that the proposal to shorten the existing operational length of runway 04/22 is regressive rather than progressive.

   Once buildings are established within the area proposed to be made available by the shortening of this runway, the full operational length is **lost forever**. It has been stated that such a reduction in length would bring Rockhampton Airport in line with other regional centres. Better long term commercial outcomes can be achieved if Rockhampton Airport positions itself above other regional centres. Other development sites and opportunities around the airfield should be continuously explored rather than shorten this asset (runway 04/22) which our local predecessors had the foresight to establish as far back as 1930. If its present operational length is retained, it will be best suited to help the airport cope with future long term regional development.

   Certainly maintenance costs relevant to this runway are a major factor to be considered and these may dictate the standard to which it is maintained, but the full operational length should not be sacrificed permanently for short term gain.

   To date there has been a strong focus on options relating to reductions in the length of this runway. Some of the points offered in support of those propositions may have merit but warrant clarification and/or substantiation.

   1. A Figure of $9 million has been suggested in relation to the cost of upgrading runway 04/22 lighting. What is the basis of this estimation?

   2. What is the total area of land that would be “freed up” for airside development should a reduction in runway length be undertaken? Is it intended to provide roadside commercial blocks for general use as well?

   3. Should additional airside development space be provided, what would the projected cost be for additional aprons and taxiways to access such sites?

   4. Would the pavement strength of the eastern end of 04/22 need to be upgraded to cater for tug and taxi operations of the “large” aircraft that have been suggested by management i.e. Dash 8 and Fokker Jets?
      If so, what cost would this involve?

   5. In the past, operators of aircraft of the calibre mentioned have carried out maintenance in capital cities which are “hubs” of their networks. There is now a developing trend to outsource this maintenance overseas. How strong is the likelihood of “bucking this trend” and attracting this style of operation to a regional centre such as Rockhampton?

6. Would it be a practical and feasible to access large aircraft maintenance hangars by tugging or taxiing the type of aircraft mentioned, along 04/22 during exercises when the area is usually occupied by military helicopters?

Whilst the number of aircraft using this runway has declined in recent times, it is still of considerable value to training organisations, agricultural and firebombing operators and many other light aircraft owners during their normal operations and more particularly when wind and weather conditions do not favour use of the main runway.

3. I believe 04-22 as an established operating legal runway is an asset to Rockhampton City and Region and should remain, as is, to be used at all times by RFDS, G.A. and flying training. Yes I believe in progress if more land adjoining runways, lower flood prone ground closer to 15-33 could be filled with land fill (eg) alot of material that foes to the city dump could be redirected to lower land areas at airport.
A flood levee could b commenced in the same manner with city waste fill on some sections near the flood prone runways! Examples = rugby Park - landfill, Example -15 Bowen Street - Landfill (All good at minimum cost)

4. XXXXX is a regional jet operator that will shortly be commencing scheduled airline services in addition to our FIFO and charter operations.

   The founding shareholders are Rockhampton residents and originally planned to base the company at Rockhampton however for several reasons at the time it was not feasible.

   XXXXX currently conducts ad-hoc charter operations to and from Rockhampton numerous times a year however performance limits preclude the operation of our jets on 04/22 the majority of the time.
   The proposed shortening of the runway will not affect XXXX operations.

   XXXXX has discussed the options for construction of a hanger and maintenance facility at the airport with Council. The business case for this project has continually been strengthened as potential users have all expressed their desire for such a facility to be available as presently there are very limited options.

   Council has proposed several sites for this facility some of which would be built adjacent to the current threshold of Runway 22 and require the councils proposed runway reduction to be completed in order to maintain acceptable obstacle clearance.

5. Changing the existing arrangements to 1200m and 2B code would not adversely affect our operations. 1200mk take-off and landing on 04 and 22 would be required for safe operations.
   The use of 15/33 would be preferable for students in the early hours of solo training.

6. * Emergency landings
   * Training
   * Alternate landings
   * General aviation traffic

   The secondary runway at Rockhampton is very important for GA in the Rockhampton Area. It can also be of benefit to airline operators as a standby runway (or commuter type aircraft). As the asset is already in place (at the community's expense) we believe it should remain. It is a unique facility for the Rockhampton Area and the cost of replacement would be unachievable in today's economy.
   There are many alternate sites on the vicinity of the airfield to erect additional hangers.

7.	1/ 04/22 in its current form is valuable as an alternative runway for Dash 8 sized aircraft if the main 15/33 runway is ever damage due to a jet misadventure. However the current length would need to be retained to be suitable for this possibility. 2/ 04/22 is ideal for cross wind training when the wind is unfavourable for 15 or 33. It is also invaluable when the wind favours 04/22 and a student is having difficulty learning to fly or is about to go solo. 3/ 04/22 in its current form is ideal for students. Experienced pilots can land in a much shorter length, but students often cannot control rates of descent requiring the normal strip length. They also struggle with directional control requiring a wide runway to be considered safe. As we already have such an asset in place it would be disappointing to downgrade it "to be in line with other Regional Centres". 4/ The North East and of 04/22 is ideal for instructors to get a good look at student flying technique. This is invaluable when some students have difficulty learning how to fly. 5/ 04/22 is useful as students progress as instructions to change runways mid flights require concentration to execute well. 6/ Retention of 04/22 in its current format (i.e. same length, same width) would be invaluable in the future when aircraft movements increase significantly. For instance light and medium could line up on 04/22 and depart in between heavy aircraft on 15/33 thereby aiding traffic movement. The more 04/22 is reduced in length and width the less useful this option would become. The experience at Brisbane and Sydney airports highlights the folly of not planning well in advance for the future. 7/ If something has to go to reduce expenditure then forgo the lights on 04/22 when they become too expensive to maintain, but please maintain the length and width. Of length and width, length is the most important.
8.	The full operational length of Runway 04/22 should be retained for many safety reasons but particularly so that aircraft arriving at Rockhampton with minimum but legal fuel reserves are given every opportunity of a safe arrival particularly during adverse weather conditions. Additional it is important that the fill length of this runway remains available as an alternative should the main runway 15/33 be unusable due to operational problems or mishaps.

9. **Air Traffic Control**

Rockhampton ATC was approached by Rehbein consultancy (engaged by airport) and provided the following comments (as per the attached):
• Preference to retain RWY 04/22 in some form
• 1,200m would maintain flexibility for GA traffic and avoid increasing traffic on RWY 15/33
• Consistency of displaced thresholds would be supported (Comment: threshold is often displaced in support of military exercises to provide additional aircraft parking areas).
• Helicopter ops to current RWY 22 threshold could continue

CNS – (Communications, Navigation, Surveillance)

Engineering supports these proposals so long as the integrity of restricted areas for the Rockhampton CNS facilities is maintained.

The CNS facilities at Rockhampton Airport currently include:
• NDB,
• DVOR,
• DME,
• VHF,
• Radio links and
• SGS.

The shortening of RWY 22 threshold end for expansion purposes may impact on the NDB, DVOR/DME, VHF and SGS. Shortening of the RWY 04 threshold end could potentially impact on the DVOR/DME, VHF and the Rockhampton – Table Mountain Link.

The below area (red circle) would be of most interest to Airservices Engineering should any works be planned for this area. Any works would need to be submitted for assessment via the usual DA process.

Airservices encourages QLD airport operators to refer to the QLD SPP Guideline for Strategic Airports Aviation Facilities (released July 2014) http://www.dsdip.qld.gov.au/resources/guideline/spp/spp-guideline-strategic-airports-aviation-facilities.pdf for information on the protection of building restricted areas associated with CNS facilities.

CONTINUED OVER PAGE WITH MAP

Airservices Environment

Airservices Environment Division seek engagement on any associated changes to existing RWY15/33 procedures or any consequential redistribution of aircraft traffic/changes to flight paths if apparent from changes made to RWY 04/22.

Aviation Rescue and Fire Fighting (ARFF)

ARFF have no issue with any proposed changes to RWY 04/22.

10. The consultation process was poor in that information was not provided to stakeholders sooner.
    The Runway 04/22 should not be less than 1200m as suggested by the majority of stakeholders.
    I don't have any issues with looking at ways of generating revenue - I do have issues with of reducing an asset because the Council don't want to spend money on maintenance.
    There does not appear to be many people in the Council / Airport that know that the Secondary Runway use is generally directed the ATC (Tower) according to the wind direction. Hence your form is badly designed.
    My suggestion would be to utilize the southern end for redevelopment and the military precinct.

11. To remain unchanged until 2021 for resealing Tender for maximum fixed pricing for runway weighting. There is no requirement to be in line with other Regional Centres by retaining 04/22 Runway we are ahead of other centres. Maintain 04/22 Runway as is valuable asset to the community.
12. Rockhampton is indeed fortunate to be blessed with arguably the best regional airport in Australia in terms of runway infrastructure. The remarkable asset was bequeathed to the city by farsighted forefathers and something Rocky should be immensely proud of. It would be a travesty if the second runway's operational capacity was diminished in the interests of short term financial considerations. The present Council needs to be visionary and forward - thinking, as were those who established Connor Park Aerodrome all those years ago. Picture the city and its aviation needs 50 plus years from now. What would the Rockhampton City Council in 2070 make of a decision by their predecessors in 2014, that limited the scope and viability of this magnificent airport, which has so much potential.
13. OK to remove lighting on 04/22 but not happy with reduction in length proposal. Very useful for training and extra length gives novice / student pilots more room for error and allows multiple touch and go / crop dust runs for training. Useful to take advantage of crosswind for training or avoid crosswind due to strong SW winds. Do not shorten 04/22 OK if lighting is removed. Landing fee concessions for student pilot / training flights.

14.

RUNWAY 04/22

Runway 04/22 should be maintained in its existing form with full operational length including runway lighting for aviation use – aircraft taking off and landing.

If maintenance costs are an issue, then all airport revenue/surplus/profit should be invested back into the airport for maintenance (including runway 04/22) and capital works.

Closing or shortening the runway would reduce the capacity of the airport for air traffic and may compromise growth opportunities.

Currently there is no demand for large/heavy aircraft to access the general aviation area although they could taxi along the existing runway. However, the existing tarmac in that precinct has weight restrictions.

Structures/hangars at the eastern end along Canoona Road would compromise safety for aircraft operating off a reduced length 04/22.
There are limited opportunities for heavy maintenance with airlines increasing maintenance off shore. There would also be reluctance to invest in hangar facilities at an airport that can be affected by flooding. Any surplus revenue from the airport could be directed at flood proofing.

Retaining the runway with existing length provides an alternate runway for larger aircraft such as Dash-8/ATR when the main runway is not serviceable due to maintenance. DC9 aircraft (weight limited) used 04/22 when the main runway was undergoing maintenance.
Because there would be occasions when the cross wind component on the main runway would exceed the maximum for light aircraft, particularly with student pilots, 04/22 should be retained. Also, this runway needs to remain at its full length to enable circuits & bumps to be conducted safely for training.

As a regional airport, Rockhampton would currently have the best runway setup available and this could be enhanced by installing an ILS (Instrument Landing System) on the main runway instead of reducing operational capacity of 04/22.
The airport was under the control of the Commonwealth when both runways were established and resulted from forward planning – something that seems to be missing at present.
Rockhampton Airport has great potential and its future is assured due to its geographical position, military activity, positive future for tourism, and also its capability to accept large aircraft.

The complete airport needs a new or revised master plan – not just runway 04/22.
Comparing this runway with the lower standards of other regional airports is not a valid reason to downgrade our airport. The current standard of Rockhampton's runways should be maintained and not lowered simply to match our neighbours.
Runway 04/22 is a valuable asset and its operational length should not be reduced based on short term financial assumptions or to avoid maintenance costs. It would never be replaced.

Closing or reducing the runway is totally unacceptable.

15. I feel reducing the length of Runway 04/22 is not acceptable as a valuable asset will be destroyed and lost forever and will never be replaced.
    At a time when Council is talking up the prospect of additional business for the airport the current capacity of the airport should be maintained and not reduced.
    In the event of Runway 15/33 becoming inoperable due to maintenance or a disabled aircraft on the main runway then 04/22 should be made available for emergency use.
    I can recall when DC9 aircraft at reduced weight operated off 04/22 while 15/33 was undergoing maintenance. In fact I was a passenger on one of those flights that arrived from Mackay.
    If the cost of maintaining the pavement and lighting is a concern then this should be covered by revenue that the Council is currently taking from the Airport.
    All revenue that is raised from the airport should be spent on the airport and not used to balance Council budget.
    Reducing the length or closing the existing runway does not provide for growth in air traffic.
    To cater for access for larger aircraft to G.A. area the existing taxiway should be upgraded to higher pavement strength. Runway 04/22 should not be sacrificed simply to provide real estate for aviation support facilities that may never eventuate.

Appendix

- Touch and go training exercises – minimum distances recommendation email
- Rockhampton Airport Community Meeting Runway 04/22 Master Planning

-

Touch and go training exercises – minimum distances recommendation email

Trevor Heard

From: Iain Lobegeier
Sent: Monday, 21 July 2014 1:43 PM
To: Trevor Heard
Subject: Fwd: email
Attachments: image002.gif; ATT00001..htm; image003.jpg; ATT00002..htm; C-172N Take-Off Landing Distances.pdf; ATT00003..htm

Regards
Iain Lobegeier
Rockhampton Airport

Sent from my iPhone

Begin forwarded message:

From: Stephen Alley <stephen@peace.org.au>
Date: 21 July 2014 13:24:31 AEST
To: Iain Lobegeier <Iain.Lobegeier@rrc.qld.gov.au>
Subject: RE: email

Hi Iain,

As discussed, I've attached a couple of Take-off and Landing charts. They are quite easy to read, but keep in mind that all of the distances are in feet, not metres.

These charts are designed for the C-172N, which is a fairly common aircraft used for training. A Cessna 152 would use less distance again, and most training aircraft would be fairly comparable.

One thing to keep in mind is the with students conducting circuits, we would expect them to use quite a bit more runway than listed in these charts as they involve the aircraft continuing to roll down the runway while setting up for the next take-off. Also, students new to circuits quite often use more distance than someone would expect to with more experience. Because of so many variables, it is impossible to name an exact figure. My opinion based on the experiences I've had as an instructor would be that 900m to 1000m would be about the minimum ideal length.

If the runway in use was quite short, the instructor would by necessity help with the take-off. That would ensure that the student didn't run out of runway. This isn't ideal, but can be managed.

Finally, one other thing to take into consideration is that on a long runway, we have the ability to position our aiming point further down the runway. Rather than attempting to land at the very beginning of a runway, this creates a safer environment for the student. If the student was to suffer an engine failure on final, he would still be able to glide the aircraft safely onto the runway.

Luckily for us, we rarely use runway 04/22 for circuits. Even if it was much shorter, I'm sure we would be able to adapt even if it wasn't ideal.

Anyway, there is a number of things to take into consideration. If you have any questions, or if there is anything else that I can do, please let me know. Thanks Iain.

Stephen
Peace Aviation
0429 616 758

1

TAKEOFF DISTANCE

MAXIMUM WEIGHT 2300 LBS

SHORT FIELD

CONDITIONS:
Flaps Up
Full Throttle Prior to Brake Release
Paved, Level, Dry Runway
Zero Wind

NOTES:
1. Short field technique as specified in Section 4.
2. Prior to takeoff from fields above 3000 feet elevation, the mixture should be leaned to give maximum RPM in a full throttle, static runup.
3. Decrease distances 10% for each 9 knots headwind. For operation with tailwinds up to 10 knots, increase distances by 10% for each 2 knots.
4. For operation on a dry, grass runway, increase distances by 15% of the "ground roll" figure.

WEIGHT LBS	TAKEOFF SPEED KIAS		PRESS ALT FT	0°C		10°C		20°C		30°C		40°C	
	LIFT OFF	AT 50 FT		GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS
2300	52	59	S.L.	720	1300	775	1390	835	1490	895	1590	960	1700
			1000	790	1420	850	1525	915	1630	980	1745	1050	1865
			2000	865	1555	930	1670	1000	1790	1075	1915	1155	2055
			3000	950	1710	1025	1835	1100	1970	1185	2115	1270	2265
			4000	1045	1880	1125	2025	1210	2175	1300	2335	1400	2510
			5000	1150	2075	1240	2240	1335	2410	1435	2595	1540	2795
			6000	1265	2305	1365	2485	1475	2680	1585	2895	1705	3125
			7000	1400	2565	1510	2770	1630	3000	1755	3245	1890	3515
			8000	1550	2870	1675	3110	1805	3375	1945	3670	2095	3990

Figure 5-4. Takeoff Distance (Sheet 1 of 2)

LANDING DISTANCE

SHORT FIELD

CONDITIONS:
Flaps 40°
Power Off
Maximum Braking
Paved, Level, Dry Runway
Zero Wind

NOTES:
1. Short field technique as specified in Section 4.
2. Decrease distances 10% for each 9 knots headwind. For operation with tailwinds up to 10 knots, increase distances by 10% for each 2 knots
3. For operation on a dry, grass runway, increase distances by 45% of the "ground roll" figure.

WEIGHT LBS	SPEED AT 50 FT KIAS	PRESS ALT FT	0°C		10°C		20°C		30°C		40°C	
			GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS	GRND ROLL	TOTAL TO CLEAR 50 FT OBS
2300	60	S.L.	495	1205	510	1235	530	1265	545	1295	565	1330
		1000	510	1235	530	1265	550	1300	565	1330	585	1365
		2000	530	1265	550	1300	570	1335	590	1370	610	1405
		3000	550	1300	570	1335	590	1370	610	1405	630	1440
		4000	570	1335	590	1370	615	1410	635	1445	655	1480
		5000	590	1370	615	1415	635	1450	655	1485	680	1525
		6000	615	1415	640	1455	660	1490	685	1535	705	1570
		7000	640	1455	660	1495	685	1535	710	1575	730	1615
		8000	665	1500	690	1540	710	1580	735	1620	760	1665

Figure 5-10. Landing Distance

- Rockhampton Airport Community Meeting Runway 04/22 Master Planning

ROCKHAMPTON AIRPORT MASTER PLAN RUNWAY 04/22

Rehbein Report - Rockhampton Airport Runway 04/22 Master Planning Report

Meeting Date: 1 October 2014

Attachment No: 2

REHBEIN AIRPORT CONSULTING

DATE 16 September, 2014

CONTACT BEN HARGREAVES

Rockhampton Airport
Runway 04/22 Master Planning Report
For Rockhampton Regional Council

REHBEIN Airport Consulting

TABLE OF CONTENTS

REHBEIN Airport Consulting

Document Control Page

Revision	Date	Description	Author	Signature	Verifier	Signature	Approver	Signature
0	16/9/14	DRAFT	BJH		NB		BFW	

1.0 INTRODUCTION

REHBEIN Airport Consulting was engaged by Rockhampton Regional Council to undertake a master planning evaluation to determine the future use of the secondary runway (Runway 04/22) at Rockhampton Airport.

The secondary runway has a high degree of operational capability compared with similar regional airports but is used significantly less than the primary runway (Runway 15/33). Therefore, budget allocation needs to be justified to maintain the runway to the current standard.

The scope of the evaluation included the following:

- An evaluation of the current pavement condition and assessment of the current asset value of the runway;
- An assessment of the impact associated with various options for reduced availability of Runway 04/22;
- An assessment of any safety hazards that may result from the permanent relocation of the Runway 22 threshold in relation to helicopter operations;
- Identification of the implications of reducing the runway strip width from the current 150m;
- A practical assessment of the potential to establish instrument approach procedures to improve the utilisation of Runway 04/22 by airline operators and potential savings for RPT operators from use of Runway 04 as an alternative to Runway 15;
- Consultation with key runway users.

This report sets out the assessment undertaken by REHBEIN Airport Consulting in relation to the options for future configuration of the secondary runway and a preferred arrangement developed in response to key user requirements determined from stakeholder consultation.

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2.0 EXISTING RUNWAY STATUS

The existing runway arrangement is shown in **Figure 1** at **Appendix A**.

2.1 PHYSICAL CHARACTERISTICS

Runway 04/22 is 1,645m in length and 30m wide. Both shoulders are sealed to 7.5m wide. The runway width and shoulders are sealed with un-grooved asphalt.

The runway is located within a 150m wide runway strip of which the central 90m width is graded.

The runway and runway strip physical characteristics meet or exceed the respective requirements for a Code 3 non-instrument runway in accordance with CASA MOS Part 139 Chapter 6.

2.2 PAVEMENT STRENGTH

Runway 04/22 has a published Pavement Classification Number (PCN) of 20 /F /C /1000 (145psi)/T

This makes it adequate for unlimited operations by turbo-prop aircraft including the Dash8-300, Q400, ATR72-500 and SAAB-340, as well as all Code A and B types.

2.3 OBSTACLE LIMITATION SURFACES

The current obstacle limitation surfaces applicable to Runway 04/22 are those associated with a non-instrument Code 3 runway.

Runway 22 has a non-standard take-off climb surface length of 7,500m rather than the 15,000m required under CASA MOS Part 139. A standard 15,000m surface would be penetrated by the range of hills to the north-east.

2.4 VISUAL AIDS

2.4.1 PAVEMENT MARKINGS

Pavement markings are in accordance with CASA MOS Part 139, Chapter 8 and include runway centreline, runway side strip, threshold, aiming point and touchdown zone markings.

2.4.2 RUNWAY LIGHTING

The runway is equipped with medium intensity runway edge lights. The lighting system is old and life-expired is spaced for the original 45m runway width.

Any replacement of the system would be required by CASA to meet the latest applicable standards for the declared runway dimensions. This requirement would also be triggered by any modification to the runway dimensions from existing.

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2.5 INSTRUMENT APPROACH PROCEDURES

Runway 04/22 does not currently have published runway-aligned instrument approach procedures. Circling approaches based on DME or GNSS navigation are available.

2.6 AIRCRAFT MOVEMENTS

Accurate movement data by runway is not available on which to quantify the current use of Runway 04/22. However, the Australian Noise Exposure Forecast (ANEF), developed in 2009, assumed the following breakdown of aircraft movements in 2029/30 as shown in **Table 1**.

Table 1: Annual Aircraft Movements at ROK

Runway	RWY 15	RWY 33	RWY 04	RWY 22	Total
% of total	79.4%	16.1%	3.1%	1.4%	100.0%
Movements	32,359	6,550	1,271	593	40,773

The movements in **Table 1** were estimated based on actual movements conducted at the airport during the period August 2008 through August 2009 and forecast growth in various aviation industry sectors.

2.7 RUNWAY AVAILABILITY

An assessment of historical wind speed and direction records for a 25-year period between 1 January 1986 through 31 December 2011 was undertaken. The analysis confirms that:

- Runway 15/33 is essentially continuously available for aircraft with a crosswind limit of 20 knots or more;
- For aircraft with a crosswind limit of 10 knots, Runway 15/33 is available 94.8% of the time. This means Runway 04/22 is required only 5.2% of the time; and
- On average, over the year, Runway 04/22 is usable for aircraft for aircraft with a 10 knot crosswind limit 93.9% of the time.

A month-by-month breakdown indicating the extent to which use of Runway 04/22 is required for light aircraft and the respective preferred direction (based on a permissible tailwind limit of 0 knots) is given in **Table 2**.

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Table 2: Runway Usability Analysis

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RWY 15/33 Available	91.9%	92.9%	94.0%	96.0%	97.4%	97.4%	96.8%	96.7%	95.3%	94.1%	92.9%	92.5%	**94.8%**
RWY 04/22 Required	8.1%	7.1%	6.0%	4.0%	2.6%	2.6%	3.2%	3.3%	4.7%	5.9%	7.1%	7.5%	**5.2%**
RWY 04/22 Available	92.5%	90.5%	88.3%	91.8%	94.9%	95.7%	96.9%	96.0%	96.2%	95.5%	94.5%	93.9%	**93.9%**
RWY 22 Available	20.2%	20.8%	24.9%	29.3%	43.4%	53.4%	55.8%	47.4%	39.6%	29.4%	25.0%	23.0%	**34.4%**
RWY 04 Required	79.8%	79.2%	75.1%	70.7%	56.6%	46.6%	44.2%	52.6%	60.4%	70.6%	75.0%	77.0%	**65.6%**

3.0 PAVEMENT EVALUATION

An assessment of the current pavement condition and evaluation of the remaining asset life was undertaken. This consisted of a desktop assessment based on the information provided in the Invitation to Quote documentation, and a site walkover inspection.

3.1 DESKTOP ASSESSMENT

Originally constructed circa World War II, the pavement was reconstructed in 2004-05. This involved cement stabilisation and an overlay of road base material to improve the pre-existing moderate gravel pavement.

Council advised that for the purposes of the pavement assessment, Runway 04/22 consists of a granular pavement depth of 380mm with a 50mm thick dense-graded asphalt surface to airport specifications.

The runway currently has a published pavement classification number (PCN) of 20 /F /C /1000 (145PSI) /T which indicates that, based on a technical evaluation, the pavement is considered strong enough for use by aeroplanes up to Q400 or ATR72 in size without the issue of a pavement concession.

Analysis of the pavement structure using computer software[1] confirms that the PCN is consistent with the pavement construction. Use of the pavement since completion by aircraft larger than Beech King Air 300 is reportedly negligible. Analysis also confirms that trafficking of the pavement at an assumed rate of 1,804 annual departures for 10 years since completion in 2004 would not have caused any measurable fatigue of the pavement structure.

3.2 VISUAL INSPECTION

A visual inspection of the current runway surface condition was undertaken on 5 March 2014 by Ben Hargreaves. The inspection identified that:

- Overall, the pavement appears to be in relatively good condition, with no signs of load-related distress;
- Some cracking and loss of stone is evident within the 30m runway width. The extent and nature of these are generally consistent with the age of the surfacing which was placed in 2004-05 and result from oxidisation and embrittlement of the bituminous binder;
- A greater extent of cracking within the runway shoulders;
- Cracks appear to be regularly sealed and other defects identified through regular pavement inspections by airport operations personnel;

[1] COMFAA 3.0 developed by the US Federal Aviation Administration and accepted by CASA as a suitable method for airfield pavement strength evaluation in accordance with Advisory Circular AC139-25(0).

- Several asphalt patches have been undertaken. These are in good condition, flush with the adjacent pavement and with neat, sealed edges;
- Minor damage due to water inundation during recent flooding in 2011 and 2012(?) has resulted in a greater prevalence of these minor defects towards the 04 threshold.

In conclusion, the pavement appears to be in sound condition. Whilst it would benefit from a surface treatment in the next 2-3 years, the need for a full asphalt resurfacing is questionable and would only be considered necessary if the pavement was expected to receive an increase in heavier aircraft traffic.

3.3 RESIDUAL LIFE

The life of the underlying pavement, given the PCN and the extent of traffic received since re-construction, is considered to remain at 15 years, subject to an appropriate surfacing restorative treatment.

A preliminary analysis suggests that based on the pavement construction indicated above, the pavement structure should be able to accommodate at least 2,184 movements at full aircraft weight by SAAB 340 aircraft. This equates to 8 movements per day on average over a 15-year life.

Although the surfacing will always require periodic renewal due to environmental aging, provided this occurs to ensure the surface remains effectively sealed against water ingress the life of the granular pavement structure in terms of lighter aircraft such as the Beech King Air is effectively unlimited, due to the low relative damage caused by this aircraft compared with the PCN.

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4.0 RUNWAY OPTIONS ASSESSMENT

4.1 RUNWAY LENGTH AND WIDTH OPTIONS

A range of possible alternative runway length and width options were identified, based on the requirements of the brief. The options are indicated in **Table 3**, which identifies the length, pavement width, Aerodrome Reference Code (ARC), and total pavement area.

Table 3: Runway Options

Option	Length	Pavement Width	ARC	Pavement Area	Lighting
Current	1,645m	30m	3C	49,350m²	Yes*
1200_3C	1,200m	30m	3C	36,000m²	Yes + No
1200_2B	1,200m	23m	2B	27,600m²	Yes + No
900_2B	900m	23m	2B	20,700m²	Yes + No
900_1A	900m	18m	1B	16,200m²	Yes + No
750_1B	750m	18m	1B	13,500m²	No
Closure					

4.2 KEY USER REQUIREMENTS

Consultation on the possible options was undertaken with key users during March – April 2014. A summary of the consultations is included at **Appendix A**. Based on this feedback, a set of key user requirements was identified against which to evaluate the possible options. The requirements are set out in **Table 4**.

Table 4: Key User Requirements

Key User	Consultation Feedback	Minimum Requirements
Airlines (QantasLink and Virgin)	▪ Limited use of 04/22 due to marginal length and preferred ATC sequencing to 15/33 ▪ Any reduction in length would prevent use ▪ Not seen as critical to operations at ROK	No requirement for Runway 04/22
Freight Operators	▪ Occasional users of 04/22 but 15/33 preferred due night operations which require instrument approach ▪ Minimum 1,400m length needed for use ▪ Not seen as critical to operations at ROK	No requirement for Runway 04/22

Key User	Consultation Feedback	Minimum Requirements
Royal Flying Doctor Service	▪ Regular use (25–30%) for movements to/from Emerald ▪ 15/33 could always be used but 04/22 more convenient ▪ Minimum 1,200m required for take-off to/landing from west ▪ Rarely used for movements to/from east ▪ Helpful to operations at ROK but not essential	Code 2B Non-instrument 1,200m TODA RWY 22 1,200m LDA RWY 04
Capricorn Helicopter Rescue Service	▪ No Fixed-wing operations ▪ No impact as long as helicopter aiming point provided at existing RWY 22 threshold location and access to CHRS base maintained	No requirement for Runway 04/22 Helicopter aiming point
Rockhampton Aero Club	▪ 04/22 provides direct access to training area ▪ Charter aircraft require minimum 1,000m TODA ▪ Closure would be unacceptable	Code 2B non-instrument 1,000m TODA
Airservices ATC	▪ Preference to retain 04/22 in some form ▪ 1,200m would maintain flexibility for GA traffic and avoid increasing traffic on 15/33 ▪ Consistency of displaced thresholds would be supported ▪ Helicopter ops to current 22 threshold could continue	Code 2B non-instrument

Consideration of the options presented in Table 3 with reference to the key user requirements in **Table 4** indicates that only two (2) arrangements for Runway 04/22 have any possible merit. These are:

- Maintain the current runway length and width; or
- A reduction in length to 1,200m as a Code 2B non-instrument runway without edge lighting.

Whilst several users expressed a preference for runway edge lighting to be maintained to enable use of Runway 04/22 during the hours of darkness or reduced visibility, this is not a requirement for any of the operators given the high availability of Runway 15/33 under such conditions.

4.3 POSSIBLE UPGRADE OF EXISTING RUNWAY

One of the options to be considered by the brief involves the possible upgrade of Runway 04/22 to a Code 3C non-precision instrument runway together with the provision of visual approach slope guidance through the installation of Precision Approach Path Indicator (PAPI).

On face value this option has the potential to improve the usefulness of the cross runway for airlines and freight operators by providing a safer facility which may be more convenient for arrivals from the south. However on further consideration in light of the stakeholder feedback the practical benefit is considered to be negligible. The reasons for this include:

- For airline operators, the runway length is already marginal Due to its greater available length and width the primary Runway 15/33 is likely to be preferred by larger aircraft whenever available;

- Upgrade of the runway would trigger a CASA requirement to re-space the runway edge lights at a compliant width for the 30m wide runway. This would come at a significant cost;
- Upgrade to a new runway category would also trigger a CASA requirement to implement standard OLS. Currently the Runway 04 take-off climb surface does not extend the full distance stipulated in CASA Manual of Standards Part 139. Given the presence of the terrain to the north and east of the runway, which restricts circling beyond 4 nautical miles from the aerodrome, a standard OLS is unlikely to be achievable;
- While it appears (on a first inspection without conducting any analysis) that it may be possible to design GNSS non-precision instrument approaches to each end of the runway, the main beneficiaries of such procedures would be the airlines and freight operators. All of these users have confirmed they can operate quite satisfactorily without the use of Runway 04/22;
- Even if Runway 04/22 were available as an alternative for airline and freight operators, for reasons of ATC sequencing in practical terms it is likely to be offered only outside busy periods and so would offer no benefit in terms of capacity; and
- The runway would still be subject to closure during military operations where helicopters are based on the eastern section.

Accordingly, a reduction in runway length to 1,200m appears to impose the least practical impact on the operational capability of Runway 04/22 along with significant cost benefits.

The proposed arrangement is outlined in **Section 5.0**.

5.0 PREFERRED ARRANGEMENT

Based on the stakeholder feedback received to date, an arrangement for a preferred option has been identified. This is illustrated in **Figure 2** at **Appendix A**. The key features are:

- Suitable for Code 2B, non-instrument, daylight only operations with a marked runway width of 23m, graded strip width of 90m and no fly-over areas;
- Provision of 1,200m take-off distance available for Runway 22 direction and for landing in Runway 04 direction. This provides for larger GA aircraft such as RFDS and the Aero Club charter operations to conveniently serve destinations to the west by straight out/straight-in take-off and landing wherever wind conditions permit;
- A permanently displaced Runway 22 threshold location to avoid continual changes to the runway arrangement during regular military operations. The threshold location allows 800m landing distance in the Runway 22 direction. This is similar to the current arrangement which is imposed during military operations.
- Runway 04 operations can be permitted at all times, even though these are currently not available during military operations. The effective take-off distance for Runway 04 would also be 800m;
- The disused runway length converted to a taxiway suitable for accommodating Code C aeroplane access to the GA precinct and facilitating development of maintenance and storage facilities in this area for larger aircraft than currently served. This includes the SAAB 340 and Dash 8 aircraft; and
- A helicopter aiming point provided at the existing Runway 22 threshold and air taxi route from here to the CHRS site.

The proposed arrangement was presented to a public meeting at Rockhampton Aero Club on Monday 21 July 2014.

Pending feedback from the public comment period, the proposal as outlined above is considered to represent the optimum master planning outcome in relation to Runway 04/22.

REHBEIN Airport Consulting

APPENDIX A

KEY STAKEHOLDER CONSULTATION SUMMARY

REHBEIN Airport Consulting

Stakeholder Consultation Summary

17 April 2014

QantasLink:

- Runway 15/33 is generally always used as ATC sequence all RPT traffic for this runway.
- QantasLink's operations manual restricts the use of runway 04/22 at Rockhampton. Use of this runway is at the captain's discretion and is probably only used a few times a year. This is usually due to cross wind.
- Runway 04/22 current length is considered marginal for DHC-8-400 series aircraft. As a result only Qantaslink's 200 and 300 series DHC-8 aircraft would be eligible to consider operations to runway 04/22. Any reduction in runway length in the future would prevent the 200 / 300 series aircraft from considering this runway.
- Qantaslink operates a fleet of 51 DHC-8 aircraft. The fleet is made up of;
  - 5 x DHC-8-200
  - 16 x DHC-8-300
  - 30 x DHC-8-400
- The maximum permitted crosswind is 36kts. Maximum tailwind component is 10Kts however this is dependent on runway length available. 04 /22 would not be considered with a downwind component.
- QantasLink's preference is to operate to runways that are serviced by runway aligned instrument approach procedures. Since 04/22 is operationally questionable at present the design and publishing of instrument approaches to 04/22 would be of little advantage to this operator.

Virgin Australia Regional Airlines:

- Discussion with ATC personnel indicated that Virgin Australia operated in a similar fashion to QantasLink. Runway 04/22 was only used on odd occasions.
- Based on the manufacturers specification operations of Virgin's jet fleet (B737 & ERJ-190) would not be able to operate from / to runway 04/22.
- Virgin's ATR-72 fleet has similar operating characteristics to DHC-8 aircraft. It is therefore assumed that 04/22 would be the least preferred runway however could be used for when operationally required and in appropriate conditions.
- A reduction in runway length would potentially reduce the viability of this runway for ATR-72 operations in the future.
- Subsequent confirmation was received from Virgin Australia that the above is correct. Runway length is marginal for ATR-72 use and that company operating procedures do not include use of Runway 04/22.

Royal Flying Doctor Service (RFDS):

- RFDS use all runways at Rockhampton Airport.
- Runway 04/22 is often used when arriving from or departing to the West.
- Approximately 25 – 30% of arrivals are to runway 04 as the aircraft does regular flights to Emerald QLD. Runway 04 permits a straight in approach from the west increasing efficiencies in medical flights.
- Maximum crosswind component is 25Kts. Maximum downwind component is 10Kts.
- RFDS could continue to conduct its operations on a reduced strip length however; the 1200m option with support of night operations would be the only alternative acceptable.
- The closure of runway 04/22 would remove flexibility for the RFDS to operate into and out of Rockhampton. Due to the priority given to medical flights the RFDS would not be impacted should all traffic be processed to runway 15/33.
- GNSS RNAV or VOR procedures should they be developed for runway 04/22 would be advantageous to the RFDS operation.

Capricorn Helicopter Rescue Service:

- CHRS operate Bell 412 rotary wing aircraft. The operation has no fixed wing operations.
- Arrivals and departures vary depending on demand for the service and crew training requirements. Flights take place most days.
- A reduction in the length of runway 04/22 would have little impact on CHRS operations provided appropriate clear areas where maintained to protect the helicopter during the phases of flight associated with final approach and the initial take-off.
- A permanently displaced threshold (22) would not impact CHRS operation provided the previous dot point is observed.

Toll Aviation:

- Toll Aviation was contacted for consultation however failed to respond.
- Toll is a night freight operator and therefore generally operates outside of tower hours.
- Discussion with other operators and ATC staff indicated that Toll aircraft on occasion use runway 04/22.
- Based on published performance data a reduction in runway length would eliminate runway 04/22 as an operational option. Published data indicates a required take-off distance of 1311m at sea level in ISA conditions and at maximum take-off weight. Landing distance at sea level at maximum landing weight can be achieved in 732m.
- Due to the nature of Toll's operation runways would need to support night operations.

Airservices (Rockhampton ATC):

- Rockhampton ATC preference would be for retention of runway 04/22.
- A reduced length of 1200m would provide flexibility in processing GA traffic without increasing traffic levels on runway 15/33.
- A reduced length of 1200m would maintain consistency in displaced thresholds as a result of annual military operations.
- Helicopter operations could continue to be accommodated with this configuration along with GA arrivals and departures.

Rockhampton Aero Club:

- Rockhampton Aero Club operates 7 days a week.
- Runway 04/22 provides direct access to the flight training area to the west of the aerodrome without imposing extended taxi time and impacting on other airport movements.
- The RAC fleet would be able to operate with a reduced strip length however there primary charter aircraft (B58) requires at least 1000m. Therefore, the 1200m option would be supported without impacting on current operations.
- Appropriate lighting to support night operations would be desirable.
- Closure of the runway would impact on the current operations due to the nature of flight training and a lower tolerance for crosswinds.

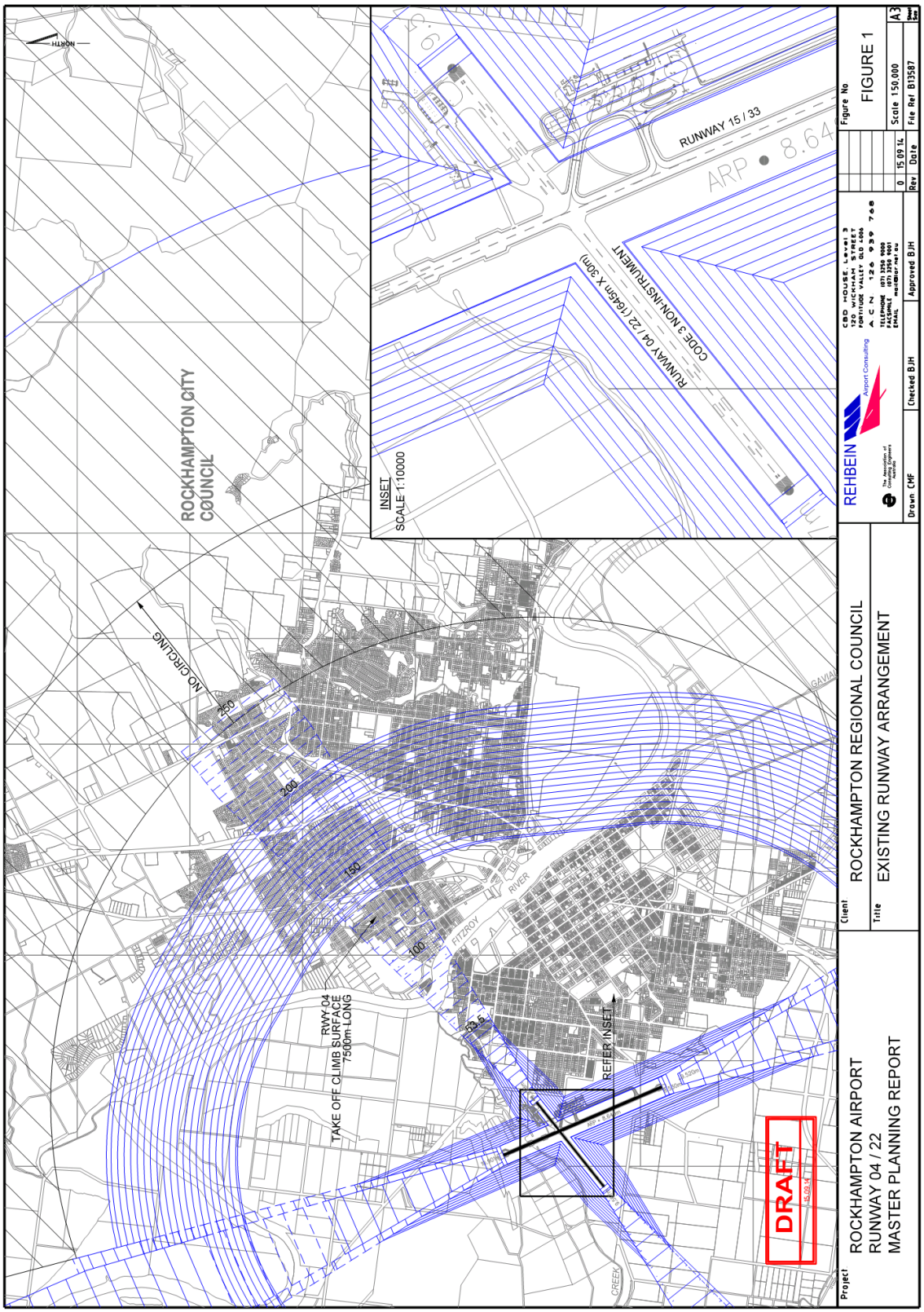
Pel-Air:

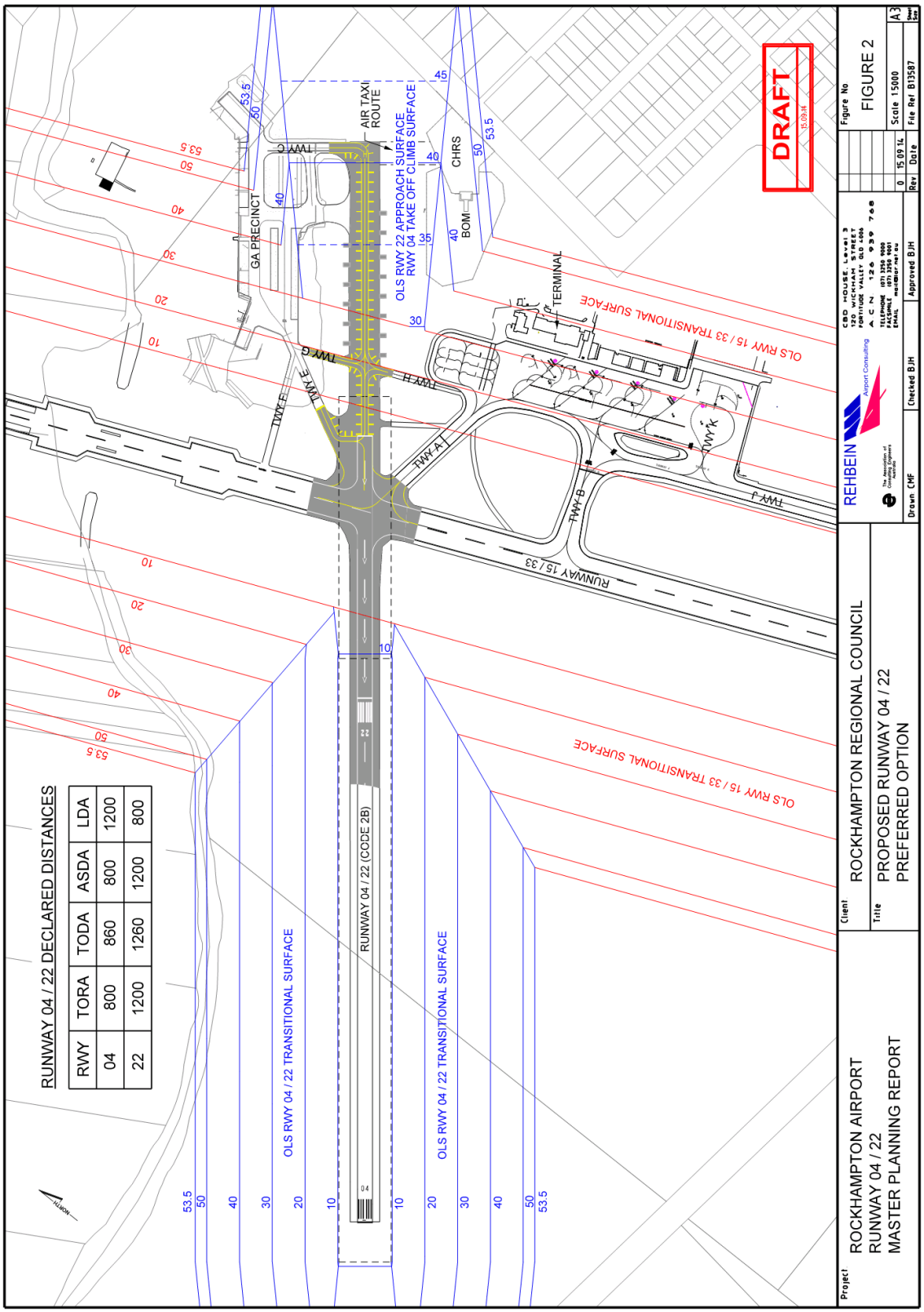
- Pel-Air operate SAAB 340A freighter configuration aircraft.
- Pel-Air operations take place outside of tower hours four (4) nights a week.
- Company policy is a minimum strip length of 1400m.
- Since operations are night based, runways serviced by an instrument approach procedures are used as they provide safe descent instructions.
- Runway 15/33 is the preferred runway however 04/22 is occasionally used.
- Any reduction in the length of 04/22 below 1400m would remove the runway from operational consideration.

REHBEIN Airport Consulting

APPENDIX B

FIGURES


ROCKHAMPTON CITY COUNCIL
NO CIRCLING
RWY 04 TAKE OFF CLIMB SURFACE 7500m LONG
REFER INSET
INSET SCALE 1:10000
RUNWAY 15 / 33
ARP 8.64
RUNWAY 04 / 22 (1645m X 30m)
CODE 3 NON-INSTRUMENT
DRAFT
REHBEIN Airport Consulting
CBD HOUSE, Level 3
209 ALMA STREET
ROCKHAMPTON VALLEY QLD 4701
A C N 126 939 768
TELEPHONE (07) 3250 9000
FACSIMILE (07) 3250 9001
EMAIL mail@rehbein.com.au
Drawn CMF
Checked BJH
Approved BJH
Rev 0
Date 15.09.14
Figure No FIGURE 1
Scale 1:50,000
A3
File Ref B13587
Client ROCKHAMPTON REGIONAL COUNCIL
Title EXISTING RUNWAY ARRANGEMENT
Project ROCKHAMPTON AIRPORT
RUNWAY 04 / 22
MASTER PLANNING REPORT


DRAFT
15.09.14
RUNWAY 04 / 22 DECLARED DISTANCES
RWY | TORA | TODA | ASDA | LDA
04 | 800 | 860 | 800 | 1200
22 | 1200 | 1260 | 1200 | 800
RUNWAY 04 / 22 (CODE 2B)
RUNWAY 15 / 33
OLS RWY 04 / 22 TRANSITIONAL SURFACE
OLS RWY 15 / 33 TRANSITIONAL SURFACE
OLS RWY 22 APPROACH SURFACE
RWY 04 TAKE OFF CLIMB SURFACE
AIR TAXI ROUTE
GA PRECINCT
TERMINAL
CHRS
BOM
TWY A
TWY B
TWY C
TWY E
TWY F
TWY G
TWY H
TWY J
TWY K
Project: ROCKHAMPTON AIRPORT
RUNWAY 04 / 22
MASTER PLANNING REPORT
Client: ROCKHAMPTON REGIONAL COUNCIL
Title: PROPOSED RUNWAY 04 / 22
PREFERRED OPTION
REHBEIN
Airport Consulting
Drawn CMF
Checked BJH
Approved BJH
Rev 0
Date 15.09.14
Scale 1:5000
File Ref B13587
Figure No FIGURE 2
A3

10 NOTICES OF MOTION

Nil

11 URGENT BUSINESS/QUESTIONS

Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting

12 CLOSURE OF MEETING