

# AVIATION CONSULTATIVE MEETING ARCHERFIELD AIRPORT

**Time:** 15:00 Hrs **Date:** 20<sup>th</sup> November, 2009  
**Venue:** Terminal Meeting Room – Ground Floor

**Recording By:** Jessica Handley (AAC) & Duncan Bird (AAC)

**Present:**

<b>Attendee</b>	<b>Organisation</b>
Des Ross (Chair)	AAC
Duncan Bird	AAC
Don Foy	AAC
Danny Hindle	AAC
Stuart Cameron	RQAC/AAA
Nev Donald	Eagle Flying Club
Ross Steele	AACC Inc
Des Harrison	AACC Inc
Lindsay Snell	AACC Inc
Clem Grehan	AACC Inc
Buck Brooksbank	GAPAN
Bob Bosanquet	Ryan Aircraft Sales
Adam Johnson	Cirrus Aircraft
Geoff Dickie	GKD
J. Howie	GAPAN
Steve Skinner	
Lucas Tisdall	Flightone
Steve Maltby	Cirrus
Michael Solomon	Eagle Flying Group
Bill Bristow	Angel Flight
David Paynter	BAE
Robert Luxford	Archerfield Refuelling
Peter Fagan	Archerfield Refuelling

**Apologies:** Tim O'Connor (BAE Systems)

## AGENDA

- 1) Welcome
- 2) ISS Security
- 3) Landing Charges
- 4) GAAP Changes
- 5) Master Plan

Meeting commenced 15:10pm

## **Welcome**

- Copies of the new Landing Fees from 1<sup>st</sup> January 2010 and the website listing forms were given to each attendee.

## **Security**

- The contact details for ISS security (0432 462 210) were provided. No night time issues have been reported however there have been some questions concerning daytime parking due to non-aviation vehicles. Zoned parking, mainly near the terminal building, should be introduced in the next 12 months or so.

## **Landing Charges**

- AAC will split from AsA in the New Year and operators will receive separate invoices from 1st Jan 2010. The charges have changed and some operators will notice cheaper fees.
- A concern was raised regarding the 'Light Aircraft Option'. It was thought that AAC was receiving this discount from AsA and not passing onto the operators. A question was also asked as to whether or not AsA will offer the 'Light Aircraft Option' to Archerfield Operators from 1st Jan 2010. (*See note 1 for response*)

## **GAAP Changes**

- The GAAP changes do not seem to be a major issue for Archerfield Airport as it has for other Airports such as Jandakot and Bankstown.
- It is anticipated that Class D will be an improvement compared with current operating conditions.

## **Master Plan**

- The 2010 Master Plan is due in November 2010. AAC is still in the relatively early stages of discussion.
- There is no intention of closing the 10/28 runways.
- There is no intention of closing the North/South runways. One option being considered is a single sealed cross-runway.
- A slight variation in runway alignment is also being considered. This is based on a study of prevailing winds at Archerfield over the past 20 years. The slightly amended direction will be more into the wind, moving the threshold a little bit to end up with intersecting runways. However, all options are still being considered. The prevailing winds study suggests 015 magnetic to be the best option for a cross-wind direction.
- Geoff Dickie was introduced as a consultant for the MP (forty years experience as a Pilot and an Air traffic controller). Also assisting in the development of the plan is Rod Sullivan (forty years experience as an Airport Engineer and was involved in Archerfield's planning in the 70's)
- Currently in the first stage of planning - the Concept stage. Second stage is the Design stage, followed by the Public discussion stage where the proposed Master Plan goes out for public review. The Operational stage is the final stage. It is reiterated that no concept is off the agenda – all options are still being considered.

- A concern was raised over the length of 10L/28R for IFR departures. An ATSB report will clarify this matter.
- There was discussion regarding a proposed single-sealed, cross-wind runway.
- Because the grass runways are often unserviceable due to wet weather, it was considered to invest into a runway that was serviceable 100% of the time. There are airspace issues with this concept and ATC issues with single runway operations against parallel runway options.
- When / if upgrade works are performed, the existing Grandfather rights will be lost.
- A comment was made that pre-privatisation, Government documents indicate 78% of the revenue of the Airport was achieved from the truck-stop alone. The Airport had a positive EBIT the entire time except for one year leading up to privatisation. (See *note 2 for response*)
- Documents / studies regarding the Master Plan will come in the New Year for comment.
- The flight training organisations represent approx. 75% of the movements. There is a need to provide runways that work for flight training operations whilst also providing solutions to encourage growth in charter and corporate operations and possibly RPT (eg Dash 8's). The runways and taxiways would also need extensive upgrading for this to occur.
- The introduction of 'Class D' during the middle of the Master Plan process has caused a number of other issues to be considered like new runway spacing standards. The introduction is aimed for the 21st April 2010. The consultant considered the required runway spacing would be 90m for singles, 150m for twins and 210m for jets.
- A comment was made that CASA workshops indicated the current CAP on circuits should be controlled by ATC. A problem arises with language difficulties of international students. The introduction of Class D is going to add another level of complexity.
- Areas that would be preferable for helicopter, fixed-wing and maintenance operations are currently being considered. If RPT were to occur in the future, the western end of the airport may be suitable for a Terminal Building.
- A concern was raised about negative publicity being responsible for potential loss of business to operators on the airport.
- A comment was made that some operators want to move out of their 80 year old buildings into modern premises and see Archerfield as their preferred choice. This is in line with AAC's future considerations.
- A question was asked if student accommodation should be looked into. Certain operators are keen to pursue this idea whereas other organisations would prefer to concentrate on their core business, ie flight training. AAC is considering a proposal for student accommodation.
- There has been about \$1 million spent on pavements and taxiways in the past 2 years.
- During FAC days, Helicopters were entitled to a 50% discount on all landings. An R22 used to cost \$3.98 per landing. Could the current charge be reconsidered? AAC will review landing charges at the end of this financial year.
- Please provide any information regarding the Master Plan to Marcom. Their email address is [communityfeedback@bigpond.com](mailto:communityfeedback@bigpond.com) and their website is [www.marcommunication.com.au](http://www.marcommunication.com.au)

Meeting concluded 16:30

## **Responses to issues raised**

1. AAC has never received the 'Light Aircraft Option' from Airservices Australia since a combined invoice was introduced at Archerfield in 2002. Airservices Australia has confirmed that the 'Light Aircraft Option' will now be available to Archerfield operators.
2. In the '97-'98 financial year, income from the truckstop was \$71,280.00 against a total income of \$1.2 million (5.9%).

Under both the DCA and the FAC, Archerfield expenses always exceeded income by a considerable margin.

In '92-'93, the FAC changed the accounting model applied to each of the twenty-three soon to be privatized airports under its control. In the case of Archerfield, this change reduced the reported quantum of losses from over a million dollars per year to hundreds of thousands of dollars per year.

Nevertheless, losses in the vicinity of half a million dollars per year continued to be incurred up to privatization and beyond.

See attached FAC annual reports from 1991 and 1997 for details.

# AIRPORT PERFORMANCE AT A GLANCE

1990/91 (15 MONTHS ENDED 30 JUNE)

	Sydney	Melbourne	Brisbane	Adelaide
Revenue (\$000's)				
Expenditure (\$000's)				
Profit (Loss) before Interest (\$000's)				
Interest Expense (\$000's)				
Operating Profit/(Loss) (\$000's)				
Total Assets (\$000's)				
Return before Int. on Total Assets (%)				
Yield (Profit % of Revenue)				
Capital Expenditure (\$000's)				
Domestic passengers				
International passengers (exc. transit)				
Total passengers				
Total aircraft movements				
Tonnes landed				
Average staff strength				
Revenue per employee (\$)				
Area (hectares) FAC				

	Darwin	Townsville	Mount Isa	Essendon
Revenue (\$000's)				
Expenditure (\$000's)				
Profit (Loss) before Interest (\$000's)				
Interest Expense (\$000's)				
Operating Profit/(Loss) (\$000's)				
Total Assets (\$000's)				
Return before Int. on Total Assets (%)				
Yield (Profit % of Revenue)				
Capital Expenditure (\$000's)				
Domestic passengers				
International passengers (exc. transit)				
Total passengers				
Total aircraft movements				
Tonnes handled				
Average staff strength				
Revenue per employee (\$)				
Area (hectares) FAC				

(1) Hobart includes Cambridge. (2) Alice Springs includes Tennant Creek. (3) Bankstown includes Camden and Hoxton Park.  
 (\*) Total includes \$99.341 million of Head Office assets. (\*\*) Total includes \$2.263 million of Capital Expenditure at Head Office  
 (\*\*\*) Total includes 57 Head Office staff. (†) Hobart includes Cambridge (100 ha); (‡) Alice Springs includes Tennant Creek (323 ha)  
 ¶ Bankstown includes Camden (195 ha) and Hoxton Park (88 ha)

# AIRPORT PERFORMANCE AT A GLANCE

	Perth	Hobart (1)	Launceston	Coalingata	Canberra	Alice Springs (2)
Revenue (\$000's)						
Expenditure (\$000's)						
Profit (Loss) before Interest (\$000's)						
Interest Expense (\$000's)						
Operating Profit/(Loss) (\$000's)						
Total Assets (\$000's)						
Return before Int. on Total Assets (%)						
Yield (Profit % of Revenue)						
Capital Expenditure (\$000's)						
Domestic passengers						
International passengers (exc. transit)						
Total passengers						
Total aircraft movements						
Tonnes handled						
Average staff strength						
Revenue per employee (\$)						
Area (hectares) FAC						

	Bankstown (3)	Moonabbin	Archerfield	Parafield	Jandakot	TOTAL
Revenue (\$000's)			861			
Expenditure (\$000's)			1,136			
Profit (Loss) before Interest (\$000's)			(275)			
Interest Expense (\$000's)			1,092			
Operating Profit/(Loss) (\$000's)			(1,368)			
Total Assets (\$000's)			11,317			
Return before Int. on Total Assets (%)			-2.4%			
Yield (Profit % of Revenue)			-158.9%			
Capital Expenditure (\$000's)			217			
Domestic passengers			-			
International passengers (exc. transit)			-			
Total passengers			-			
Total aircraft movements			361,248			
Tonnes handled			-			
Average staff strength			8			
Revenue per employee (\$)			107,625			
Area (hectares) FAC			263			

**Airport Performance at a Glance\***  
1996/97 (12 months ended 30 June)

	SYDNEY	MELBOURNE	BRISBANE	ADELAIDE	PERTH	HOBART	LAUNCESTON	COOLANGATTA	CANBERRA	ALICE SPRINGS (g)	PARENT ENTITY (f)
	DARWIN	TOWNSVILLE	MOUNT ISA	ESSENBORO	BANKSTOWN (b)	MOORABBIN	ARCHERFIELD	PARAHFIELD	JANDAKOT		
Aeronautical revenue (\$'000's)							274				
Trading revenue (\$'000's)							5				
Other revenue (\$'000's)							862				
Total revenue (\$'000's)							1,141				
Staff costs (\$'000's)							520				
Depreciation (\$'000's)							251				
Other expenditure (\$'000's)							730				
Total expenditure (\$'000's)							1,501				
Profit/(loss) before interest (\$'000's)							(360)				
Aero. expenditure % of total expend. (including interest)							73%				
Total assets (\$'000's)							14,707				
Return on total assets							-2.6%				
Yield (profit before abnormal items % of total revenue)							-31.5%				
Capital expenditure (\$'000's)							494				
Domestic passengers							0				
International passengers (excluding transit passengers)							0				
Domestic on-carriage							0				
Total passengers							0				
Regular public transport aircraft movements							254,494				
General aviation aircraft movements							254,494				
Total aircraft movements							0				
Tonnes landed							8				
Average staff equivalents							259				
Area (hectares) FAC											

\*These financial tables should be read in conjunction with the comments in the Members' Certificate on page 94.  
 (a) Alice Springs includes Tennant Creek; (b) Bankstown includes Camden and Hoxton Park; (c) As extracted from the activity based costing exercise on 1996/97 budget results; (d) Parent Entity Total Assets will not equate to the sum of individual airports due to the inclusion of Corporate Office assets and the reclassification of negative cash balances at some airports; (e) Calculated on profit before interest and after abnormal items;  
 (f) Capital expenditure includes \$4.02 million of Corporate Office Expenditure; (g) International and domestic on-carriage passenger numbers provided by the Australian Customs Service and domestic passenger numbers provided by the airlines; (h) Total average staff equivalents includes 81 Corporate Office staff; (i) Alice Springs includes Tennant Creek (323 ha); (j) Bankstown includes Camden (195 ha) and Hoxton Park (88 ha); (k) Total area includes Sydney West Airport development (1,770 ha); (l) Includes rounding adjustment.