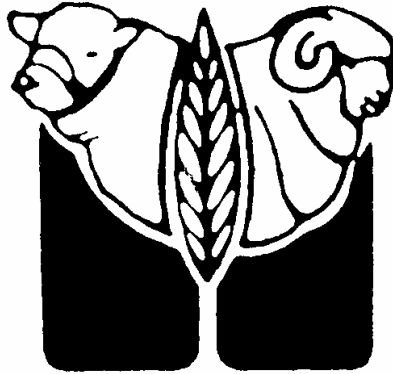


MINUTES



SPECIAL MEETING
HELD

THURSDAY, 1 JULY 2010
COMMENCED AT 9.20PM

AT

SHIRE OF BOYUP BROOK
ABEL STREET – BOYUP BROOK

TABLE OF CONTENTS

1.	RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE PREVIOUSLY APPROVED.....	3
2.	PUBLIC QUESTION TIME	3
3.	APPLICATIONS FOR LEAVE OF ABSENCE	3
4.	MATTERS REQUIRING A DECISION	3
4.1	Regional Airports Development Scheme Grant Funding 2010-11	

1. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE PREVIOUSLY APPROVED

1.1 Attendance

Cr T Ginnane – Shire President
Cr T Doust – Deputy Shire President
Cr E Biddle
Cr M Giles
Cr E Muncey
Cr B O’Hare

STAFF: Mr Alan Lamb (Chief Executive Officer)
Mr John Eddy (Manager of Works and Services)

1.2 Apologies

Cr R Downing
Cr P Marshall
Cr T Oversby

1.3 Leave of Absence

Nil

2. PUBLIC QUESTION TIME

2.1 Response to Previous Public Questions Taken on Notice

Nil

2.2 Public Question Time

Nil

3. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

4. MATTERS REQUIRING A DECISION

4.1 Regional Airports Development Scheme Grant Funding 2010-11

Location:	<i>N/A</i>
Applicant:	<i>N/A</i>
File:	<i>AS9676</i>
Disclosure of Officer Interest:	<i>None</i>
Date:	<i>28 June 2010</i>
Author:	<i>Alan lamb – Chief Executive Officer</i>
Authorizing Officer:	<i>Not applicable</i>
Attachments:	<i>letter from RADS, Engineers report on airfields</i>

SUMMARY

Council's RADS grant application was successful and Council is now asked to agree to accept the grant.

BACKGROUND

At its February 2010 Meeting Council resolved as follows:

That Council approve the Chief Executive Officer making application for funding under the Regional Airports Development Scheme 2010-2011 funding round and for a funding under the Commonwealth Government's airport funding scheme's 2010-2011 funding round to up grade the Boyup Brook Airfield to cater for Royal Flying Doctors Services and FESA water bombers.

As noted to Council at a subsequent briefing session, Boyup Brook it was found that Boyup Brook was not classified as a remote area for the purposes of Commonwealth funding for remote air strips and so application was lodged. When passing the above resolution members of Council gave an indication that the RADS application should be for a 1200m extension (option 1 in the Engineers report).

The RADS application was lodged and was successful. Council is now being asked if it is prepared to accept the grant of \$224,044. Council is required to accept, or reject, the grant within 14 days of the date on the Department's letter (22 June so the deadline is 6 July).

COMMENT

The RADS grant application was based on the engineers report. In the report the cost of extending the strip to 1200 m (from 830m) and improving it was \$167,900. In conversation with the engineer who did the site inspection and cost estimates he suggested a contingency of 30% be allowed as no testing had been done on the rocky ridge that runs across the runway. The contingency was needed to cover the cost of testing and any work that might arise out of its results. It was noted after the application was lodged that engineers estimate included \$9,900 for fencing and that this should have been taken out when the decision was made to show fencing as a separate aspect of the project (see the next section on fencing). No adjustment has been made for this because we were not allowed to allow for cost escalation in the grant application process and this provided a handy buffer against cost increases etc.

The application therefore included airstrip extension and improvements \$218,270.

As noted the engineer's estimates included a \$9,900 provision for fencing. However this did not provide for fencing the whole of the strip, it allowed for 660 m of stock fencing at \$15/m. Fencing was then looked at as a separate facet of the development (on the basis that extending and improving the runway were the main components and other aspects might need to be put off if the full grant (i.e. 50% of the estimated cost) was not offered). Also, the grant application called for a breakdown of the project). In looking at the fencing it was estimated that around 3.5k was required (that is 1200m for the length of the strip plus 200m at each end – 1600m in total times 2 for both sides plus 100m across each end and 100m for entrances etc). Estimates were obtained for fencing and these indicated the cost would be in the order of \$45/m or around \$160,000 in total. A quotation for budget purposes was obtained for 1830x50x2.5 chainmesh fence with barbed wire, gates etc \$40,167.76/k (includes GST) indicating that a fence of this type would cost in the order of \$140,578.16. The cost net of GST (as we would claim this back and so GST is not included in the grant) is \$127,806.52. This area also include new gable markers to replace the 44 gallon drums etc and the engineer indicated \$5,000 should be allowed for this. So the fence and gable markers were estimated to cost \$134,000, (allowing for additional costs for the gable markers). No price was obtained for a windsock but it was thought that there would be sufficient funds in this or the runway areas to cover this.

Another aspect of the project was runway lighting and the engineer suggested solar lighting and suggested that \$40,000 be allowed for this.

The second last aspect is multi purpose shed type construction that would be sectioned off for RFDS patient transfers, fire brigades and general usage. There would be a need for toilet and washing facilities for all airfield users and lighting. Experience tells that the local St John or the RFDS seeks to have these facilities as they are needed for their services and it was thought that providing for them up front would be better than fitting them in later in response to a request. It was expected that the shed plus solar power, a rainwater tank system and ablution facilities would cost \$43,000.

The final aspect includes the purchase of land and in-kind costs. It was estimated that 3ha of land might be needed, that this including the cost of subdivision etc would cost in the order of \$10,000 and \$5,000 was allowed for Council staff and plant.

As noted to Councillors in a separate note to Councillors, estimated costs of the various aspect of the project were revised a couple of times when the Department of Transport (DOT) RADS people came back and sought more clarification. One adjustment was removal of the \$10,000 that Council had already spent on the project (i.e. the engineering study) and allowances for costs escalation. The latter was questioned at length as it makes no sense to make no allowance for cost increases where grant and Council budgetary processes create a long lead time between project development and execution. It is noted though that there is the opportunity to go back and ask for more funding where it can be clearly demonstrated that the cost at the time of implementation varies significantly from estimates, but there are no guarantees that the additional funding will be provided.

It is expected that the project costs could be reduced by deleting or down grading aspects of it but it is suggested that now that 50% funding is available the project should go ahead as is. Fencing is a prime candidate for adjustment in that a stock fence might be seen as sufficient and no doubt would cost less. But it is suggested that it would not be too many years before we would be looking at an up grade. The panel assessing RADS grant applications is known to include RFDS's Chief Pilot and understood to include experienced people from DOT so all aspects of the application have been scrutinized. Council's application is known to have been seen as strong in terms of credibility (mainly due to the engineering study that provided a lot of information and alternative improvement options).

Options open to Council include:

- Not accept the grant on offer – it is suggested that this option not be taken as it would result in the airstrip not being upgraded, it may impair future chances gaining RADS grants.
- Modify the project to reduce costs - aspects of the project could be deferred or modified however this would merely put off what is needed and the opportunity for grant funding may not present itself again.
- Accept the grant and commence the project.

It is recommended that Council accept the grant and commence the project.

CONSULTATION

The author has spoken with Council, other members of staff, and DOT, St John and RFDS representatives.

STATUTORY OBLIGATIONS

Nil

POLICY IMPLICATIONS

Nil

BUDGET/FINANCIAL IMPLICATIONS

It is recommended that this project be included in the 2010/11 budget. As previously advised to Council, whilst it is possible to apply other grants (CLGF etc) to this project DOT will reduce its grant if this is done. Essentially, DOT provides 50% of the cost of the project on the basis that Council provides the remainder. If Council say applies \$50,000 of grant funding to the project then the total project cost is reduced by this amount and DOT's grant is then 50% of the remainder. It is therefore unwise to look to alternative funding.

It is recommended that Council look to the Commercial Reserve Fund to fund its portion of this project. Draft budget papers show a balance in this Reserve at the start of 2010/11 of \$457,978. Based on the cost estimates used for the grant application and amount of \$226,226 would be required from the Fund leaving a balance of \$231,752.

STRATEGIC IMPLICATIONS

Action 603 calls for "Airport Upgrade" but gives no details or target date.

SUSTAINABILITY IMPLICATIONS

- **Environmental**
There are no known significant environmental issues.
- **Economic**
There are no known significant economic issues however the improved strip would allow fully laden water bombers to take off and so be a positive thing in terms of fire management in the region.
- **Social**
There are no known significant social issues other than the improved opportunity for RFDS in the region which may make a difference in some emergency cases.

VOTING REQUIREMENTS

Absolute majority

COUNCIL DECISION AND OFFICER RECOMMENDATION – ITEM 4.1

That Council accepts the Department for Transport's offer of a Regional Airports Development Scheme grant of \$224,044, that the upgrading project be included in the 2010/11 budget and that Council's matching funding come from the commercial Reserve Fund.

Moved: Cr Doust

Seconded: Cr Muncey

Carried 6/-

Res 120/10

5 CLOSURE OF MEETING

There being no further business the Presiding Officer declared the meeting closed at 9.50PM