



COUNCIL MEETING AGENDA

Tuesday

25 July

6pm

Community Room 1, Community Hub, Maryborough
and livestreamed on the internet.

Contents

Page

1. Commencement of Meeting and preliminaries	1
2. Apologies	1
3. Leave of absence	1
4. Conflicts of interest	2
5. Confirmation of Minutes from previous Council Meetings	4
5.1 Draft Minutes of the Council meeting dated 27 June 2023	4
6. Minutes of Delegated and Advisory Committees	16
7. Petitions	16
8. Officer Reports	17
8.1 Growing Regions Fund Part One	17
8.2 Maryborough Aerodrome Business Case Report	25
8.3 Contract Payments Delegations Update	85
9. Notices of Motion	89
10. Urgent Business	90
11. Confidential Business	90
12. Meeting Closure	91

1. Commencement of Meeting and Welcome

Councils must, in the performance of its role, give effect to the overarching governance principles in the *Local Government Act 2020*.¹

These are included below to guide Councillor consideration of issues and Council decision making.

- a. Council decisions are to be made and actions taken in accordance with the relevant law;
- b. priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- c. the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
- d. the municipal community is to be engaged in strategic planning and strategic decision making;
- e. innovation and continuous improvement is to be pursued;
- f. collaboration with other Councils and Governments and statutory bodies is to be sought;
- g. the ongoing financial viability of the Council is to be ensured;
- h. regional, state and national plans and policies are to be taken into account in strategic planning and decision making;
- i. the transparency of Council decisions, actions and information is to be ensured.

2. Apologies

Council's Governance Rules require that the minutes of Council meetings record the names of Councillors present and the names of any Councillors who apologised in advance for their non-attendance.²

The annual report will list councillor attendance at Council meetings. Councillor attendance at Councillor briefings is also recorded.

3. Leave of absence

One reason that a Councillor ceases to hold the office of Councillor (and that office becomes vacant) is if a Councillor is absent from Council meetings for a period of 4 consecutive months without leave obtained from the Council. (There are some exceptions to this – see section 35 for more information.)

A Councillor can request a leave of absence. Any reasonable request for leave must be granted.³ Leave of absence is approved by Council.

Any request will be dealt with in this item which is a standing item on the agenda. The approvals of leave of absence will be noted in the minutes of Council in which it is granted. It will also be noted in the minutes of any Council meeting held during the period of the leave of absence.

¹ Section 9.

² Chapter 2, rule 62.

³ See Local Government Act 2020 s 35 (4) and s 35 (1) (e).

4. Conflicts of interest

Conflicts of Interest must be disclosed at the commencement of a Council meeting or Councillor briefing, or as soon as a Councillor recognises that they have a conflict of interest.

The relevant provisions in the *Local Government Act 2020* include those in Part 6, Division 2 (from section 126). Failing to disclose a conflict of interest and excluding themselves from the decision making process is an offence.

Disclosures at Council meetings

Under the Governance Rules:¹

A Councillor who has a conflict of interest in a matter being considered at a Council meeting at which he or she:

1 is present must disclose that conflict of interest by explaining the nature of the conflict of interest to those present at the Council meeting immediately before the matter is considered; or

2 intends to be present must disclose that conflict of interest by providing to the Chief Executive Officer before the Council meeting commences a written notice:

2.1 advising of the conflict of interest;

2.2 explaining the nature of the conflict of interest; and

2.3 detailing, if the nature of the conflict of interest involves a Councillor's relationship with or a gift from another person, the:

(a) name of the other person;

(b) nature of the relationship with that other person or the date of receipt, value and type of gift received from the other person; and

(c) nature of that other person's interest in the matter, and then immediately before the matter is considered at the meeting announcing to those present that he or she has a conflict of interest and that a written notice has been given to the Chief Executive Officer under this sub-Rule.

The Councillor must, in either event, leave the Council meeting immediately after giving the explanation or making the announcement (as the case may be) and not return to the meeting until after the matter has been disposed of.

Disclosures at councillor briefings (and other meetings)

Also under the Governance Rules,² a Councillor who has a conflict of interest in a matter being considered by a meeting held under the auspices of Council at which he or she is present must:

1. disclose that conflict of interest by explaining the nature of the conflict of interest to those present at the meeting immediately before the matter is considered;
2. absent himself or herself from any discussion of the matter; and
3. as soon as practicable after the meeting concludes provide to the Chief Executive Officer a written notice recording that the disclosure was made and accurately summarising the explanation given to those present at the meeting.

¹ Chapter 5, Rule 3

² Chapter 5, Rule .

Councillor form to disclose conflicts of interest

Name: _____

Date: _____

Meeting type:

- Briefing
- Meeting
- Other _____

Nature of the conflict of interest (describe):

If the nature of the conflict of interest involves a Councillor's relationship with or a gift from another person:

- name of the other person (gift giver): _____
- nature of the relationship with that other person or the date of receipt, value and type of gift received from the other person: _____
- nature of that other person's interest in the matter: _____

5. Confirmation of Minutes from Previous Council Meetings

5.1 Confirmation of Minutes from Previous Council Meetings dated 27 June 2023



DRAFT COUNCIL MEETING MINUTES

Meeting Date

6:00pm

Meeting held in person

Community Room 1, Community Hub, Maryborough
and livestreamed on the internet.

MEMBERSHIP

Councillors:

Grace La Vella (Mayor)

Liesbeth Long

Geoff Lovett

Chris Meddows-Taylor

Gerard Murphy

Wayne Sproull

Anna de Villiers

To be confirmed at the Council Meeting
scheduled for 25 July 2023

1. COMMENCEMENT OF MEETING AND WELCOME

The Mayor commenced the meeting at 6pm, welcoming all present, with an acknowledgement of country and the Council Prayer.

PRESENT:

Councillors

Grace La Vella (Mayor)
Anna De Villiers
Liesbeth Long
Geoff Lovett
Chris Meddows-Taylor
Wayne Sproull
Gerard Murphy

Officers

Chief Executive Officer Lucy Roffey
General Manager Assets Infrastructure and Planning Matthew Irving
General Manager Community Wellbeing Emma Little
Acting General Manager Corporate Performance Philippa Spurling

2. APOLOGIES

Nil.

3. LEAVE OF ABSENCE

Nil

4. DISCLOSURES OF CONFLICTS OF INTEREST

Nil

5. CONFIRMATION OF THE MINUTES OF PREVIOUS COUNCIL MEETINGS

To present for confirmation the following:

- Minutes of the Council Meeting 2 May 2023
- Minutes of the Special Council Meeting 16 May 2023

The Minutes were confirmed.

6. REPORTS FROM COMMITTEES

Nil.

7. PETITIONS

Nil.

8. OFFICER REPORTS

8.1 CENTRAL GOLDFIELDS SHIRE COUNCIL BUDGET 2023/24

The purpose of this report is to provide Council with the 2023/24 Budget for adoption. The Budget was made available for community feedback May /June. This report outlines some changes made to the Budget as a result of community feedback and to adjust for updated information on the Financial Assistance Grant. The impact on the net result, cash expenditure and capital works program is minimal as any changes made have been offset by either increased revenue or reduction in other expenditure.

MOTION

That Council:

1. thanks all submitters for providing feedback on the draft 2023/24 budget;
2. notes that the 2023/24 Budget has been prepared in accordance with Section 94 of the *Local Government Act 2020*;

3. having considered all the submissions received on the draft 2023/24 Budget, pursuant to Section 94 of the *Local Government Act 2020* adopts the 2023/24 Budget in Attachment 1; and
4. continues the 50% discount to sporting clubs as agreed at the 24 May 2022 ordinary Council meeting until 31 December 2023, in recognition of the work still outstanding to determine and agree an equitable fee structure for clubs across the Shire.

Moved: Cr Lovett

Seconded: Cr Sproull

Carried

Crs Lovett, Sproull and Murphy spoke on the motion.

8.2 DRAFT PROCUREMENT POLICY – 2023 REVIEW

The purpose of this report is to present to Council the Draft Procurement Policy as part of the 2023 Review, for endorsement of the draft policy to be made available for community feedback.

MOTION

That Council:

1. endorse the Draft Procurement Policy 2023 as attached for public consultation;
2. note that the feedback period will close at 5pm 26 July 2023; and
3. note that a final Procurement Policy 2023, taking into consideration public feedback, will be presented for adoption at the Council Meeting scheduled for 29 August 2023.

Moved: Cr Sproull

Seconded: Cr Long

Carried

Cr Sproull spoke on the motion.

8.3 AUDIT AND RISK COMMITTEE'S BIENNIAL REPORT TO COUNCIL

As required section 54(5) of the *Local Government Act 2020*, an Audit and Risk Committee (ARC) report must be prepared and presented to Council on the outcomes of the Audit and Risk Committee meetings on a biennial basis.

This report from the Committee covers the six months to 31 May 2023.

MOTION

That Council receives the Biennial Report of the Audit and Risk Committee for the period to 31 May 2023.

Moved: Cr Lovett

Seconded: Cr Murphy

Carried

Crs Lovett and Murphy spoke on the motion and acknowledged the work of Linda O'Neil, independent member of the ARC who resigned from the position at the Committee's June meeting.

8.4 G1746-23 PANEL OF APPROVED SUPPLIERS – SPECILIAST PROJECT SERVICES

MOTION

That Council award contract G1746-23 to the following contractors across the listed service categories and authorise the CEO to execute these contracts under delegation:

- Creo Consulting Pty Ltd for the provision of aquatic engineering and drafting and building design services
- Lacus Consulting Pty Ltd for the provision of aquatic engineering services
- Fahrenheit Fire Engineers Pty Ltd for the provision of fire engineering services
- JJ Ryan Consulting Pty Ltd for the provision of electrical engineering and drafting and building design services
- Harris Kmon Solutions Pty Ltd for the provision of electrical engineering services
- Wrap Engineering Pty Ltd for the provision of electrical engineering services
- Currie and Brown (Australia) Pty Ltd for the provision of quantity surveying and project management services
- Plancost Australia Pty Ltd for the provision of quantity surveying services

- Mitbrand Vic Pty Ltd for the provision of quantity surveying services
- N2SH Pty Ltd for the provision of building surveying and bushfire management consulting services
- McGregor Project Services Pty Ltd for the provision of building surveying services
- United Building Consultants Pty Ltd for the provision of quantity surveying services
- Practical Ecology Pty Ltd for the provision of bushfire management consulting services
- Spiire Australia Pty Ltd for the provision of bushfire management consulting, strategy and masterplan development and open space and recreation planning services
- DWP Australia Pty Ltd for the provision of drafting and building design and architectural services
- Avro Architecture Pty Ltd for the provision of drafting and building design services
- Content Studio for the provision of architectural services
- K20.AU Pty Ltd for the provision of architectural services
- Mode Design Corp Pty Ltd for the provision of architectural services
- Dja Dja Wurrung Enterprises Pty Ltd for the provision of communications and engagement, digital, graphic and interpretive design and cultural heritage consultancy services
- L.A McCoy & R.A Williams t/as Local Logic Place for the provision of communications and engagement services
- Conservation Corporation Pty Ltd for the provision of communications and engagement services
- Paoli Smith Pty Ltd for the provision of digital, graphic and interpretive design services
- Sandpit Media Pty Ltd for the provision of digital, graphic and interpretive design services
- Denise Lane and Hayden Goodall t/as Sardine Design for the provision of digital, graphic and interpretive design services
- Extent Heritage Pty Limited for the provision of cultural heritage consultancy, heritage conservation consultancy and heritage consultancy services
- Conservation Studio Australia Pty Ltd for the provision heritage architecture, heritage conservation consultancy and heritage consultancy services
- Lovell Chen Pty Ltd for the provision heritage architecture and heritage consultancy services

- NBRS & Partners Pty Ltd for the provision heritage architecture services
- The Trustee for Gard'ner Jarmin Martin Trust t/as GJM Heritage for the provision heritage conservation consultancy services
- Urban Initiative Pty Ltd for the provision of strategy and masterplan development services
- Beveridge Williams and Co Pty Ltd for the provision of strategy and masterplan development, landscape architecture and urban planning service
- Leisure Planners Pty Ltd for the provision of open space and recreation planning services
- Michael Edward Smith t/as Michael Smith and Associates for the provision of open space and recreation planning, and landscape architecture services
- Ethos Urban Pty Ltd for the provision of urban planning and urban design Services
- Hansen Partnership Pty Ltd for the provision of landscape architecture, urban planning and urban design services
- Mesh Livable Urban Communities Pty Ltd for the provision of urban planning and urban design services
- Touch Projects Limited for the provision of project management services
- Accuraco Pty Ltd for the provision of project management services
- Ontoit Global Pty Ltd for the provision of project management services
- Ranbury Management Group Pty Ltd for the provision of project management services
- CT Management Group Pty Ltd for the provision of project management services
- JF Studio Pty Ltd for the provision of landscape architecture services

Moved: Cr Sproull

Seconded: Cr de Villiers

Carried

Crs Sproull and de Villiers spoke on the motion.

8.5 WELCOME TO CENTRAL GOLDFIELDS EVALUATION REPORT

The report provides an evaluation of the Welcome to Central Goldfield Project including recommendations and next steps.

MOTION

That the item be deferred for consideration at a future date.

Moved: Cr de Villiers

Seconded: Nil

LAPSED

MOTION

That Council:

1. note the evaluation report;
2. endorse the recommendations in the report; and
3. thank the members of the Community Reference Group, businesses and the volunteers who provided support to the project and the participants involved.

Moved: Cr Meddows-Taylor

Seconded: Cr Sproull

CARRIED

Division:

In favour: Crs Sproull, Long, Meddows-Taylor, Lovett, Murphy

Against – Crs de Villiers, La Vella

Crs Meddows-Taylor, Sproull, Murphy, de Villiers and La Vella spoke on the motion.

Cr Meddows-Taylor exercised his right of reply.

8.6 GOODS SHED ADVOCACY

The report provides Council with the response from the State Government to the request that the goods shed at the Maryborough Railway Station be made available for community use.

MOTION

That Council note:

1. note the response from the Minister for Public Transport, the Hon Ben Carroll MP; and
2. request that the member for Rippon Martha Haylett MP make further representation to the Minister to enable the Maryborough Goods Shed to remain available for community use.

Moved: Cr Meddows-Taylor

Seconded: Cr Murphy

CARRIED

Crs Meddows-Taylor and Murphy spoke on the motion.

8.7 2023 COMMUNITY SATISFACTION SURVEY RESULTS

The purpose of this report is to provide an analysis of the Community Satisfaction Survey results for Council for 2022.

For this year's results council moved to a quarterly data collection in line with best practice and to alleviate risks associated with seasonality factors which can skew satisfaction results.

MOTION

That Council:

1. note the results for the Community Satisfaction Survey 2023 Central Goldfields Shire Council and receives the report at the June Council meeting; and
2. make the Community Satisfaction Survey available on Council's website.

Moved: Cr Meddows-Taylor

Seconded: Cr de Villiers

CARRIED

Crs Meddows-Taylor, de Villiers, Sproull and Murphy spoke on the motion.

8.8 TALBOT FUTURES PROJECT AND DRAFT STRUCTURE PLAN

The purpose of this report is to consider endorsing the Talbot Draft Structure Plan and supporting documents for the purpose of undertaking public consultation.

MOTION

That Council endorse the Talbot Draft Structure Plan and supporting documents for the purposes of undertaking public consultation.

Moved: Cr Meddows-Taylor

Seconded: Cr Long

CARRIED

Crs Meddows-Taylor, Long and Murphy spoke on the motion.

8.9 EXTENSION TO WASTE SERVICE – WASTE COLLECTION CONTRACT G1019-15

The purpose of this report is to consider an extension of the Contract G1019-15 Waste Service (Waste Collection Component) from the current expiry date of 4 October 2023 to 4 February 2024.

MOTION

That Council extend Contract G1019-15 Waste Service (Waste Collection Component) from current expiry date of 4 October 2023 to 4 February 2024 and authorise the CEO to execute this extension under delegation.

Moved: Cr Murphy

Seconded: Cr Lovett

CARRIED

Crs Lovett and Murphy spoke on the motion.

8.10 COMMUNITY PLANNING REVIEW PROJECT

The purpose of this report is to provide recommendations for next steps for the Community Planning Review Project and an update on the outcomes of the recent Community Plan Workshop at Maryborough Golf Club.

MOTION

That Council:

1. note the key findings from the Community Planning Review Project;
2. endorse the small wins outlined in this report for implementation; and
3. endorse the development of a partnership model to progress community planning.

Moved: Cr Long

Seconded: Cr Meddows-Taylor

CARRIED

Crs Meddows-Taylor and Long spoke on the motion.

9. NOTICES OF MOTION

Nil

10. URGENT BUSINESS

Nil

11. CONFIDENTIAL BUSINESS

11.1 Consideration of Confidential Matters relating to the Maryborough Aerodrome

The report is confidential under sections 3(a) and (g) of the Local Government Act as it contains:

(a) Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

This section applies because the matter is not finalised and releasing the information prior to decision could prejudice the Council's commercial position in negotiations.

(g) private commercial information, being information provided by a business, commercial or financial undertaking that— (i) relates to trade secrets; or (ii) if

released, would unreasonably expose the business, commercial or financial undertaking to disadvantage

This section applies because it contains detailed submission information that could provide an unreasonable commercial advantage to competitors.

MOTION:

That Council close the meeting to the public in accordance with section n66 and 3(a) and (g) of the Local government Act 2020 to consider item 11.1 – consideration of Confidential Matters relating to the Maryborough Aerodrome.

Moved: Cr Murphy

Seconded: Cr Meddows-Taylor

CARRIED

12. MEETING CLOSURE

The meeting closed at 7.19pm.

6. Minutes of Delegated and Advisory Committees

7. Petitions

8. Officer Reports

8.1 GROWING REGIONS PROGRAM – ROUND ONE

Author: Manager Project Management Office

Responsible Officer: General Manager Infrastructure Assets and Planning

The Officer presenting this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

SUMMARY/PURPOSE

The purpose of this report is to brief Council on the Federal Government's Growing Regions Program – Round One (GRP1) and the proposed approach being put forward to capitalise on funding within this program.

RECOMMENDATION

That Council Supports an expression of interest application to the Federal Governments' Growing Regions Program – Round One for the Maryborough Olympic Pool Complex Project with a commitment of maximum \$4,000,000 of future borrowings as contribution required under the grant guidelines.

LEGISLATION AND POLICY CONTEXT

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Spaces and Places

The Community's vision 3. Engaging places and spaces for people to live, work, play and connect and Protection, and Preservation of Heritage.

Initiative: Regional Development Australia (RDA) Loddon Campaspe Economic Growth Strategy
Community Vision 2031
Central Goldfields Shire Council Plan 2021-2025
Priority Projects Plan 2022
Municipal Public Health and Wellbeing Plan 2021
Maryborough Major Reserves Masterplans 2021
Active Central Goldfields: Central Goldfields Recreation and Open Space Strategy 2020-2029
Goldfields World Heritage Tourism Masterplan
Maryborough Municipal Olympic Swimming Complex Conservation Management Plan

BACKGROUND INFORMATION

The GRP1 is a Federal Government Grant Program (previously known as Building Better Regions Fund under the Coalition government).

The Program aims to deliver grants between \$500K to \$15M and covers up to 50% of the eligible expenditure.

The program value across round one and two is \$300M and applications from Local Government Authorities and other non-profit organisations Australia-wide in regional locations are accepted.

The objectives of the program are to:

- construct or upgrade community infrastructure that fills an identified gap or addresses community needs;
- contribute to achieving a wide range of community socio-economic outcomes; and
- support projects which strategically align with regional priorities.

Application Process

GRP1 will be delivered through a two-stage selection process.

Applicants must submit an Expression of Interest at Stage 1 and if successful, applicants will be invited to submit a full application at Stage 2.

Stage 1 applications (EOI) opened on Wednesday 5 July 9am, and will close on Tuesday 1 August 5pm, with Stage 2 applications (full application) open in November 2023.

Expressions of interest will be assessed based on:

- how advanced the project designs are,
- how far Council have progressed the tender process,
- the extent to which the Councils project fills an identified gap or need for community infrastructure, and
- the extent to which the project will contribute to achieving a wide range of community socio-economic outcomes.

It is expected that the outcome of applications will be announced in early 2024, with funded projects needing to commence by 15 May 2024 and be completed by 31 December 2025.

REPORT

Officers have collaborated across departments internally, externally with consultants, and KPMG (who are supporting the administration of the fund on behalf of the Federal Government) to consider several of Councils priority projects which could be considered under GRP1.

In the preparation of the proposed approach detailed in this report, following factors have been considered:

- Alignment with grant funding assessment guidelines:

- how advanced the project designs are;
 - how far Council have progressed the tender process;
 - the extent to which the Councils project fills an identified gap or need for community infrastructure; and
 - the extent to which the project will contribute to achieving a wide range of community socio-economic outcomes.
- Alignment with Priority Projects Plan and other strategic goals of the Council.
 - Links to other Local, State and Federal Priorities.
 - Current asset condition / criticality or risk if project is not funded in the near future.

The priority projects officers considered were:

- Maryborough Olympic Pool Complex
- Princes Park Grandstand
- Deledio Recreation Reserve Pavilion
- Maryborough Tennis Complex Court Redevelopment

Comparatively, each priority project varied regarding their alignment to the GRP1 assessment criteria. All projects are identified as priorities for the Central Goldfields Shire community and included in the current Priority Projects Plan.

Officers met with KPMG on several occasions to discuss all projects and were provided with feedback on which projects align with the assessment criteria of the fund and whether they would be competitive, given the fund is likely to be over-subscribed.

Of the options discussed with KPMG, the Maryborough Olympic Pool Complex and Princes Park Grandstand were identified as the most competitive.

This is based on the alignment to the GRP1 assessment criteria, given the community-wide impact investment in these assets would yield.

Of these two, the Maryborough Olympic Pool has the highest level of project readiness due to considerable work on the project with planning and design now in advanced stages.

Project planning and design has only commenced on the Princes Park Grandstand in recent times, with Council committing \$200K to scoping and design for the Princes Park Grandstand in its' 2023/2024 Annual Budget.

Proposed approach

The Maryborough Olympic Pool Complex is the project that most significantly aligns with the funding guidelines.

The Complex holds large recreational and historic significance to the Central Goldfields community, as well as at a State and national level.

It is the only heritage listed outdoor Olympic sized pool in regional Victoria, with the only other heritage listed outdoor swimming pool operating in the State being the Harold Holt Swim Centre in metropolitan Melbourne.

The Maryborough Olympic Pool complex aligns with the RDA Loddon Campaspe Economic Growth Strategy which has been endorsed by the Federal Government, and is identified as a priority in the following strategic plans of Council:

- Priority Projects Plan
- Maryborough Major Reserves Master Plan
- Central Goldfields Shire Recreation and Open Space Strategy
- Commonwealth Games Expression of Interest

The State Government is currently supporting the upgrade to the Octagonal Pool and minor conservation works at the Pavillion within the Complex through the Living Heritage Grant program, which was originally to include upgrades to the Olympic pool as well.

However, in early 2022, further technical assessment of the pool yielded the determination that the asset reached the end of its life and would require a full rebuild which was beyond the financial capacity of the State Government grant and Councils budget.

In July of the same year, Council resolved to close the pool indefinitely until appropriate funding could be secured to demolish and re-build the pool and address other declining elements within the broader facility.

In the same resolution, Council committed to prioritise advocacy to State and Federal governments to assist in funding this project.

While the complex remains closed, there is no Olympic sized pool servicing the Central Goldfields Shire community, and several existing patrons and user groups have been displaced or are having to travel elsewhere to access the services required to meet their needs.

A wide range of community groups and community members as well as visitors to the Shire use the pool, including but not limited to:

- Swimming Club
- Triathlon Club
- Primary and Secondary Schools
- Organised Sporting Clubs (Football, Netball training)
- Energy Breakthrough, and other community events attendees, and
- The Central Goldfields Shire community.

In July 2022 Council endorsed a range of initiatives which support the community while the pool is closed.

The cost of implementation across the 2022/2033 swimming season was \$17,426. These measures will continue until the pool is re-opened.

Since mid-2022, the PMO has been working with external consultants and Heritage Victoria to understand the extent of the work required to enable the pool to be opened to the public again.

On that basis, a project scope and supporting documentation has been developed in readiness for an appropriate fund to become available which offers significant external investment.

Based on recently revised cost-planning (which has considered the required preservation of heritage, meeting the requirements under the Building Code Australia, Public Health and Wellbeing Act, and Disability Discrimination Act) the proposed budget and funding strategy is detailed below:

Project Budget \$8M	
Growing Regions Round One	\$4M
Council Contribution (borrowings)	\$4M

While this funding strategy highlights the need for Council to access borrowings in the short term to provide its' required co-contribution, the overarching strategy is for officers to continue to actively seek alternative funding programs at State level (Heritage Victoria, and Sport and Recreation Victoria) to help reduce borrowings overall.

This project is considered to have the highest likelihood of success under the GRP1 based on the following reasons:

- Alignment with GRP1 assessment criteria
- Alignment with RDA Loddon Campaspe Economic Growth Strategy
- Alignment with Councils strategies and priority plans
- Shire-wide community need
- Advice from KPMG (who are administering the fund on behalf of the Federal Government) regarding its' alignment to the aims of the fund and its competitiveness overall in what will be an oversubscribed grant program
- The likelihood that a fund offering grants at the value required will not be available via other funding agencies in the near future
- The asset is currently unable to be used, and therefore Council is no longer able to provide this specific service to the community
- There is a requirement under the Heritage Act 2017 to maintain this asset to the extent that its conservation is not threatened (s153) and ensuring that it does not fall into a state of disrepair (s152)
- Council's commitment to the community to advocate for appropriate funding to re-open the facility

To that end, officers are recommending that Council supports an Expression of Interest application to GRP1 for the Maryborough Olympic Pool Complex project.

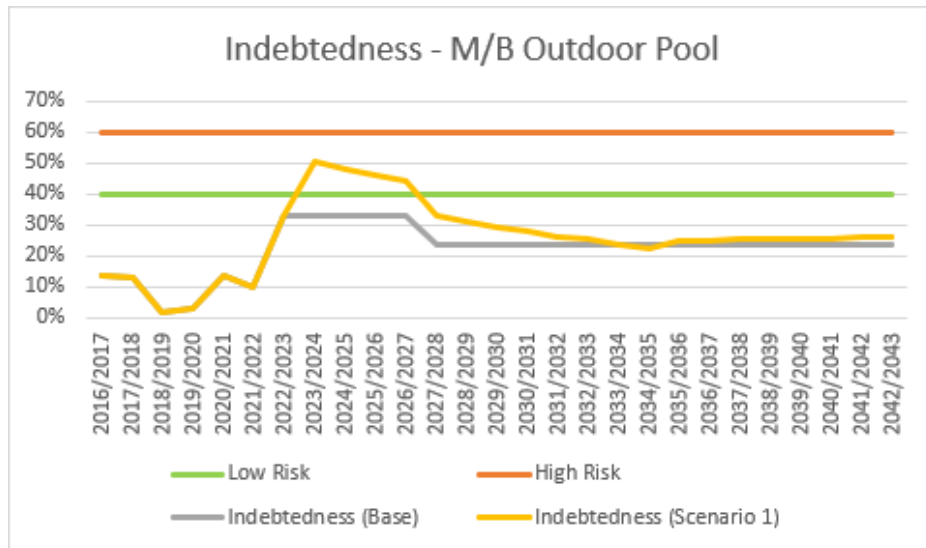
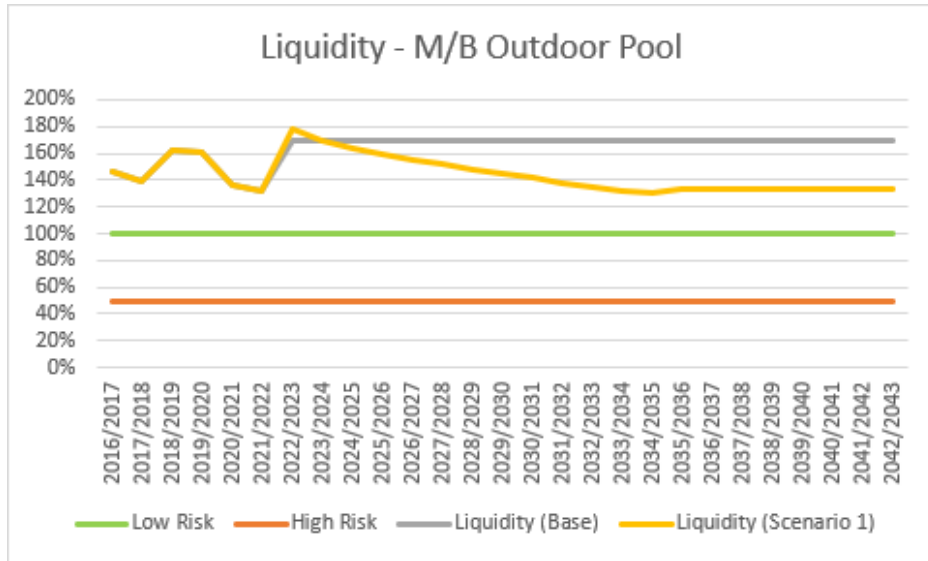
Impact to financial sustainability

Financial modelling has been completed to understand the impact the proposed funding strategy to support an EOI submission for the Maryborough Olympic Pool Complex will have on Council's long term financial viability.

Council has the capacity to finance the proposed approach to the GRP1 outlined in this report. However, Council does not have the capacity of a number of at any given time through borrowings due to the compounding effect on liquidity and indebtedness.

Based on borrowings of \$4M, liquidity would remain within the low-risk category.

The recommendation is to extend the loan to 15 or 20 years to ensure this remains well above 100%. Indebtedness again is similar, remaining in the medium risk space for around 4 years.



Future funding approach for other priority projects

Council recognises that the Princes Park Grandstand, Deledio Recreation Reserve Pavilion and Maryborough Tennis Complex are, and will continue to be priorities.

While consideration was given to submitting multiple EOI's, it is not recommended to commit to multiple large projects within the same time frame from a resourcing and financial sustainability standpoint.

Council is already committed to deliver a large capital program in the 2023/24 financial year which includes several major construction projects, flood recovery works, planning and design for priority projects and a commitment to the implementation of a formal project management framework to uplift internal capability in project delivery.

Additionally, increased borrowings would be required to apply for multiple projects under this fund, which would progress the Councils liquidity and indebtedness into a higher risk category.

Over the next 12 months, Council is committed to its strategy to progress projects discussed in this report to more advanced stages of project readiness.

Council will also continue to advocate for and seek out more appropriate future funding opportunities to allow these projects to progress in the future.

CONSULTATION/COMMUNICATION

Officers attended an information session on 20 June hosted by KPMG on behalf of the Federal Government and followed up with a meeting on 27 June with KPMG representatives to discuss potential CGSC projects.

Additionally, officers attended an information session arranged by the RDA Loddon Mallee Regional Partnership at the start of July.

This consultation reinforced that successful applications to the fund must demonstrate how the project will meet the assessment criteria.

Officers consulted with the Community Partnerships and Finance departments, external consultants, as well as the Executive Management Team in the preparation of this report.

The Community Partnerships team have consulted with the community and key stakeholders through the development of various strategic plans which identify all projects presented as priorities for the Central Goldfields Shire community.

There is no single piece of strategic work which considers all four projects in the context of this fund, and the community perspective on which project is preferred.

Therefore, officers have had to consider their approach based on the funds' assessment criteria to develop the recommendation to Council.

FINANCIAL & RESOURCE IMPLICATIONS

Applications to the Growing Regions Program will require a minimum 50% cash co-contribution from Council.

Officers propose the initial funding strategy include Council funding its co-contribution through borrowings, whilst appropriate State funding streams are also pursued (Heritage Victoria, and Sport and Recreation Victoria).

Any successful additional funding could then be used to reduce the value of borrowings required to underwrite a successful funding application.

Officers have modelled the impact each option would have on the Council's liquidity and indebtedness over the life of a loan which has been detailed in this report.

In July 2022, the Council established a Project Management Office which has four staff dedicated to the delivery of major projects.

Through the addition of sufficient project delivery staff, the establishment of an approved supplier panel for specialist project services, and the recent development of a project management framework, the Council have the required resources in place to deliver the project recommended in this report.

RISK MANAGEMENT

This report addresses Council's strategic risk Property and Assets - Failure to maintain, renew and expand our assets in a timely and robust way, that considers service and delivery needs by seeking external grant assistance to fund the upgrade and renewal of significant community assets.

Officers in preparing this report have collaborated with the Finance team on the impact to Council's Long Term Financial Plan which also influences the delivery of the Council's Long Term Capital Works Plan and overarching Asset Plan.

CONCLUSION

The Growing Regions Fund – Round One is an opportunity for Council to seek funding for priority projects which require large scale external investment to be realised.

Of the four high priority projects that were reviewed for potential consideration to submit as an EOI under this funding program, the Maryborough Olympic Pool Complex was deemed the most suitable when considering against the funding guidelines.

Officers are recommending that Council supports an expression of interest application to the Growing Regions Fund – Round One for the Maryborough Olympic Pool Complex.

ATTACHMENTS

NIL

8.2 MARYBOROUGH AERODROME BUSINESS CASE

Author: Economic Development Officer

Responsible Officer: General Manager Infrastructure Assets and Planning

The Officer presenting this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

SUMMARY/PURPOSE

The purpose of this report is to consider approval of the Maryborough Aerodrome Business Case (The Business Case) that was commissioned following the resolution of support from Council in April 2021.

This report also recommends formation and implementation of an ongoing advisory group to provide expert advice and guidance to the Council and its Executive on matters pertaining to the management, development, operation, and maintenance of the Maryborough Aerodrome (MA), upon completion of the current term of the Maryborough Aerodrome Taskforce (The Taskforce).

RECOMMENDATION

That Council:

1. approves the Maryborough Aerodrome Business Case;
2. thanks the Maryborough Aerodrome Taskforce Chair and group for their work over the past two years;
3. approves the Maryborough Aerodrome Advisory Group Terms of Reference and commences the process to establish the group; and
4. nominate a Councillor to be the Chair of the Maryborough Aerodrome Advisory Group.

LEGISLATION AND POLICY CONTEXT

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Growing Economy

The Community's vision 2. A vibrant and thriving economy with a growing population

Initiative: 2020-2025 Economic Development Strategy

BACKGROUND INFORMATION

At its meeting of 1 December 2020 Council raised the future of the Aerodrome as urgent business.

Following this on the 27 April 2021 Council resolved to allocate funding for a business plan and approved the Terms of Reference and EOI membership process for The Taskforce.

The Taskforce has been meeting since 27 September 2021.

Covid 19 pandemic lockdowns resulted in delays in commencing various taskforce actions. The early identification of safety and potential risk factors also further delayed the ability of the Taskforce to provide input into the development of the business case as proposed.

A safety issue concerning pilot landing was identified by the Taskforce resulting in the need to undertake an Obstacle Limitation Surfaces (OLS) survey.

The OLS report highlighted some safety matters that were subsequently used as part of briefings in January 2022 and again in March 2022 by the Taskforce to Councillors on potential risks and safety matters existing at the aerodrome.

Consequently, priority was diverted to addressing the safety and risks issues over the development of the scoping documentation for the business case.

Due to Covid 19 interruptions to the role of the Taskforce the period of the appointment for the six Taskforce members was extended by Councillors in July 2022 for a further 12 months to August 2023.

The Taskforce provided input into the preparation of the scope of works document to outline the requirements for a business case to explore the future of the Maryborough Aerodrome. Members were also invited to participate in the agreed RFQ assessment panel.

Following the detailed evaluation process, Dench McClean Carlson was appointed to undertake this work.

REPORT

The Business Case was developed iteratively from December 2022 through to June 2023. This has taken into consideration several factors and incorporated insights and advice from The Taskforce.

Key outcomes from the Business Case:

There are eight major headings that encapsulates the key outcomes identified in the consulting exercise conducted over the past months. These are summarised as follows.

Land Use:

- Existing Design and Development Overlay (DD02) may need updating should the MA experience a sustained increase in aircraft landings.
- Native vegetation on the site (and adjoining the MA) is protected under the Planning Scheme. It requires approval from DEECA to remove it.

It will be a significant undertaking for Council to gain approval to remove this vegetation.

- There are two options for potential purchase of land the current MA is sited on including:
 - Restricted title purchase with specifics around continued use as an aerodrome or some other specified purpose and in “free simple” where the future of the

site would be governed by the planning scheme and any other associated statutory requirements; or

- Land purchase without restriction which would be at a higher price reflecting the unencumbered nature of the property.

General Aviation (GA) Trends in Victoria:

- The report has utilised the Australian Aircraft Activity 2021 report compiled by the Bureau of Infrastructure and Transport Research Economics (BITRE) to understand trends in GA activity in Victoria.

The report identified that Victoria has not experienced a significant increase in overall GA activity – other than in private flying instruction and the use of Sport Aircraft.

This trend suggests that no significant demand for GA activity is driving a need for additional aerodrome capacity in Victoria.

- There may be sports aircraft operators looking to operate their aircraft from a location that is reasonably accessible from Greater Melbourne and not subject to air traffic controls and see MA as a low-cost option.

Review of Other Aerodromes:

- This involved mapping ALAs and Certified Aerodromes (CA) within 150 Km of Melbourne's CBD (as MA is within that distance from the CBD).

There are 44 facilities including major airports – including Melbourne Airport, 4 CAs in addition to the major airports of which 3 are in regional cities and 36 ALAs (of which 33 are privately owned) including MA.

- This review also involved consultation with the operators of several Council operated Certified Aerodromes. This consultation identified that operators:
 - Used an extension of time (Grandfather clauses) to achieve certification required by CASA that was unavailable to MA. Grandfathering option simply deferred implementation –funding is still required to meet CASA obligations.
 - Noted that increased operating costs of maintaining certification were challenging for their Council.
 - Identified that certification did not generate any significant increase in facility usage.

Maryborough Aerodrome (MA) current capability:

- MA is a serviceable facility that enables a reliable facility for transferring people for medical transport via its dedicated rotary wing landing area and MATS facility.
- The operation of fixed-wing aircraft may be impacted by native vegetation on the site (and adjoining the MA), as well as risks from kangaroos and birdlife. These significant issues will require addressing by CGSC based on its policy of reasonable care.
- A combination of grant and CGSC funding is seeking to address kangaroo fencing issue.
- A drainage solution is required to address birdlife risks.
- There is also a need to address native vegetation, which will be a significant undertaking that is yet to be budgeted for.

MA Operating Budget:

- Council has budgeted approximately \$45,000 operational loss for the 2022/2023 financial year.
- Council has budgeted to receive \$2,020 in the 2022/2023 financial year and receives no other form of income from the operation of the MA.
- At this level of income, there is no opportunity for a positive cost-benefit for the Council from the the operation of the MA.
- Work being undertaken internally to resolve historical rental and rates matters for hangar operators will see an improved income level - but still well below the current and future expected operating costs.

MA Lease Holdings:

- There are several lease holdings at the MA from which leaseholders operate aircraft. Council is working through the varying arrangements for operating leases at MA.
- MA has the capacity for additional leaseholders, including for GA-related businesses.
- This capacity will benefit from a Lease Hold Development Plan that identifies the location of additional leases and the need for any additional shared infrastructure, such as hardstand areas and taxiways.

Usage of the MA:

- Based on available data, this Report estimates that some 35% of the landings at MA are associated with local usage.
This local usage includes flying instruction by a Bendigo based provider operating from the MA.
- This local usage also includes approximately 35 ambulance flights from 2020 to 2022, which had one fixed-wing flight with all others being rotary-wing flights.
Ambulance Victoria will be operating larger aircraft from late in 2024 and will be unlikely to operate these aircraft into/from MA.
- In late 2022 MA accommodated significant usage by aerial crop-dusting operators who could not operate from their client's farming properties due to substantial rain events.
- The balance of the landings experienced at MA is associated with sports aircraft and flying instructions.

Obstacle Limitation Surfaces (OLS) Survey:

- Council undertook an OLS survey in early 2022, which identified that up to several hundred trees (within and adjoining the MA) need to be lopped or removed for MA to meet standards associated with non-precision approach standards.
- As a designated Airplane Landing Area (ALA), it is the pilot's responsibility to determine the facility's suitability for use.
- Council has identified that under its policy of reasonable care, an appropriate risk management strategy will be required to address this issue.
- Consultation with DEECA has identified that a 10 Year Planning Permit will need to be established, including a Vegetation Management Plan, an Ecological Assessment, and the establishment of vegetation offsets.

- This process will be a significant undertaking for Council that is yet to be budgeted for.

Emergency Management:

- The Council's *Health and Wellbeing Plan 2021–2025* does not note the MA and medivac services.
- The *Northern Victorian Integrated Municipal Emergency Management Plan: Central Goldfields Shire* does not note the MA.
- Advice was specifically sought from DEECA on whether the MA would be an option for firefighting aircraft in emergency situations. The advice received stated:
“there are no current plans to use Maryborough Airport for anything other than *ad hoc* purposes. That is, if, during an extended attack, Maryborough is the closest site, we might set up temporary operations there. This has happened previously but is a rare occurrence.”
- The Bendigo Airport has a dedicated DEECA Airbase facility.
- Ambulance Victoria (AV) will continue to use MA for helicopter operations.
- Fixed wing aircraft landings at MA are highly unlikely to feature when the new AV fleet comes into operation.

Options:

MA Lease Holdings and Future MA Revenue

From a financial and economic perspective, the ability of the MA to generate revenue will improve its cost benefit.

The most immediate opportunity for the MA to generate additional revenue relates to the resolution, reconciliation, and review of the operation of leases and rates at the MA.

Completing the above is expected to grow the revenue generated by the MA.

The extent of this growth is however yet to be determined but it will not generate a positive financial cost benefit.

Re Fuelling Facility

At present, there are no aircraft refuelling services available at the MA. The introduction of such a service:

- Would add value to leaseholders operating their aircraft from MA (at present, these operators must fly to another location to take on fuel and return to MA, meaning that they cannot depart MA with "full tanks." •
- May attract other aircraft operators not based at MA to use MA.

Council has held discussions with a potential aircraft refuelling service provider and the commercial arrangements that would apply to a provider operating from the MA.

Recent and Pending Investment in the MA

The MA is benefiting from the establishment of the MATS – this has been an investment of \$120,000 made by the local community through fundraising activities.

The MA will also benefit from \$220,000 of investment over the next 24 months.

This funding is a combination of \$110,000 from Council's successful application to the Federal Government's Regional Airports Program matched by \$110,000 from Council.

This \$220,000 investment will be made in projects that will improve the safety of operations at the MA and its emergency services capability and include projects relating to kangaroo fencing, backup power and mains water.

The total of this investment is \$340,000.

Rather than delivering a financial/economic benefit, the level of investment in the MA is predicated on Council's commitment to:

- Ensuring that the MA continues to operate as a critical link for the local community,
- Growing the MA's capacity to support Ambulance Victoria emergency services.
- Improving the safety of the MA's operations

While these are not financial or economic benefits, they are believed to be essential for the community.

They are consistent with Council's policy of reasonable care for the operation and capability of its assets.

Ongoing Management and Implementation of Investment Plan

The taskforce that has been instrumental in providing guidance and expert advice on the MA will reach the end of its term in August 2023.

To ensure the legacy this group has created, facilitate ongoing improvements to the operation and management of MA and increase the effectiveness of delivery of the investment activities, it is proposed to introduce an ongoing advisory group.

This advisory group would be established in accordance with attached term of reference.

CONSULTATION/COMMUNICATION

Consultation by either or both the lead Consultant and the Economic Development Officer has been carried out.

External sessions were held with other Councils within a 150-kilometre radius of Melbourne to discuss their respective Airports/Aerodrome that included usage; operating costs (run at a financial loss); value to emergency services and particularly (Air) Ambulance Victoria; environment issues including trees and vegetation; and plans around continued certification with CASA against ALA status.

Specific advice was also obtained from various discussions and email exchanges with Government Agencies.

These included the Department of Energy, Environment and Climate Change (DEECA) around planning clarification; potential sale of the Aerodrome in part or whole to the CGSC including two options; tree and vegetation management process for tree removal; and planning approvals using ecological analysis for a ten-year plan.

Emergency Services covering fires and other natural disasters were also raised in these discussions.

Ambulance Victoria provided data on their aircraft interactions at the Aerodrome over the past number of years which highlighted the value of the new helicopter landing pad as being the key asset.

Discussions were also held to understand the impact of the new fixed wing aircraft, to commence service with AV soon, and its ability to land on the runway due to increased weight that could cause damage to the pavement structure.

Ballarat and Bendigo City Councils provided information and advice on this project from the time of the Council approval to commence this initiative in early 2021.

The City of Greater Bendigo staff were consulted on several occasions on their operations around Leases, Planning, animal control, vegetation and tree removal and associated costings.

Gippsland Councils also assisted with operational costs on tree and vegetation management due to similarities to the Maryborough Aerodrome's size and location within a forested area.

The Taskforce was the key local stakeholder engaged throughout the work. The Taskforce provide insights and advice throughout the entire process.

It is also proposed to develop and implement an advisory group that would provide expert advice and guidance to the Council and its Executive on matters pertaining to the management, development, operation, and maintenance of the MA.

FINANCIAL & RESOURCE IMPLICATIONS

Resource implications are extensive given the nature of the Aerodrome particularly given its location within a forested area.

These include:

- the management of the operations around risk/safety issues;
- annual or bi-annual OLS investigations to determine tree and vegetation obstructions requiring removal;
- management of existing hangar leasing arrangements;
- responding to new investments in addition hangar operations including provision of appropriate infrastructure to enable construction;
- project managing of ecological analysis;
- ensuring compliance by trained Aerodrome Reporting Officer/s; overseeing the approved grant project's infrastructure implementation over the next two years;
- and assessing and updating the structural integrity of the runway to meet safety and operational standards.

A combination of internal discussions, communications with State Government agencies and other Aerodrome operators enable the development of the potential investment needed for the continuation of the Maryborough Aerodrome to meet social dividends whilst recognising the (negative) financial impacts on Council's financial resources over the next three years.

Potential Future Investment in the MA

It is recommended a further investment totalling around \$400,000 in the MA. That will further add to the MA's capability and the safety of operations at the MA and bolster Council's ability to act with reasonable care concerning its assets.

This investment will be subject to a combination of successful grant applications and inclusion in future Council budgets (i.e., post the 2023/2024 Council Budget)

RISK MANAGEMENT

This report addresses Council's strategic risk Property and Assets - Failure to maintain, renew and expand our assets in a timely and robust way, that considers service and delivery needs

CONCLUSION

The Business case highlights challenges around the existing ALA and provides an investment plan to improve the ongoing management of the facility.

It is also recommended that an advisory group is established to provide expert advice and guidance to the Council and its Executive on matters pertaining to the management, development, operation, and maintenance of the MA.

ATTACHMENTS

- 8.2.1 Maryborough Aerodrome Business Case Report
- 8.2.2 Maryborough Aerodrome Advisory Group Terms of Reference

8.2.1



Maryborough Aerodrome Business Case



Executive Summary

The Report aims to establish a Business Case for investment in the Maryborough Aerodrome (MA).

Report Process

The development of the Report has involved:

- Analysis of General Aviation (GA) trends
- Analysis of land use policies and plans
- Analysis of other aviation facilities
- Consultation with Managers of Council operated aerodromes and airports, Council Officers, and the Maryborough Aerodrome Taskforce.

Status of Maryborough Aerodrome

The Civil Aviation Safety Authority (CASA) categorises the MA as an Airplane Landing Area (ALA). An ALA is an unregulated facility; an operator's or the pilot's responsibility is to determine the facility's suitability for use. While not required by CASA, the MA has an Operating Manual, is inspected by trained Aerodrome Reporting Officers (AROs) and reports its details in the En Route Supplement Australia (ERSA) a publication that provides information for flight planning.

General Aviation Trends in Victoria

The Bureau of Infrastructure and Transport Research Economics (BITRE) compiled the Australian Aircraft Activity 2021 (the most up-to-date report available). The report draws upon a compulsory survey for aircraft owners. The report indicates that there has been a downward trend in General Aviation (GA) activity in Victoria over the last seven years other than in private flying instruction and the use of Sport Aircraft.

Private flying instruction and Sports Aircraft account for most non-local users of the MA.

Other Airports and Aerodromes

There are many alternatives to the MA. The MA is located some 150 km from Melbourne's CBD. Within the area of a 150 km radius of Melbourne's CBD, there are 44 airports and aerodromes of varying size and scale, including:

- Thirty-six Aircraft Landing Areas (ALAs), including:
 - The MA which is owned by DEECA and managed by Central Goldfields Council
 - Three owned by Councils with two managed by a Committee of Management and one by an Aero Club
 - Thirty-two privately owned operations.

Private aircraft owners, businesses, including flight training, aircraft maintenance and scenic flight tours, operate from many of the 36 ALAs. Other facilities host clubs relating to gliding and parachuting.

- Four Certified Aerodromes, with two of these being located nearby at Bendigo and Ballarat. Bendigo has a daily return passenger service to Sydney. Ballarat has recently completed an extension of its main runway. Certified Aerodromes offer a higher degree of capability, including instrument landings. They are also subject to a more stringent inspection and reporting regime than an ALA and have a higher operating cost.
- Melbourne, Avalon, Essendon, and Moorabbin Airports; these major facilities provide domestic and international passenger services, logistics and a range of other aviation related businesses.

Feedback from other Council Operated Airports and Aerodromes

This report has sought input from several Councils regarding the operation and investment in the aviation facilities that they operate – the key themes of this consultation were:

- The facility is a critical link for the community for aeromedical flights and emergency services.
- The facilities operate at a financial loss of varying degrees.
- Visitors do not use the facilities in any discernible manner. Bendigo Airport receives passenger flights which form a small percentage of the region's visitation.

Most facilities were or are going to review lease holdings and have lease payments reflect an appropriate market rate.

Usage of the MA

Tracking of usage at the MA for three months in 2022 identified some 900 landings over this period. Crop dusting operations accounted for 300 of these landings when wet weather meant these operators could not land on farms they were servicing.

In a more typical scenario, around 42% of landings at the MA are associated with local use, including aircraft operating from the MA, flying training conducted from the MA (much of this is by a Bendigo-based business) and aeromedical flights.

Ambulance Victoria advised this Report that in the three years 2020 to 2022, there were 35 aeromedical flights from MA, with all but one flight undertaken by a rotary wing aircraft.

There are some lease holdings at the MA from which leaseholders operate privately owned aircraft. There is some capacity for additional lease holdings. Council is seeking to address various issues regarding the current lease holdings.

Operating Budget

Council's current operating budget for the MA is \$47,000, with an operating balance of \$45,000 after receiving some \$2,000 in lease revenue (the only source of income gained by operating the MA). Council estimates that, by 2027, the lease holdings will generate almost \$15,000 in rental and rate income combined. Council has advised the Report that it proposes to increase the MA's operating budget by \$20,000.

This Report has explored generating revenue associated with the charging of landing fees and has found this unfeasible.

Recent and Pending Investment in the MA

The Maryborough Aerodrome will have received \$340,000 of investment in the MA by the end of the 2024/2025 FY. This investment is a combination of community contributions, government funding and Council expenditure. The investment includes \$220,000 to improve the safety of operations at the MA and its emergency services capability, including projects relating to kangaroo fencing, backup power and mains water. It also includes establishing the Maryborough Aeromedical Transfer Station (MATS) in late 2022 through \$120,000 of local community funding.

The above investment will proceed irrespective of the findings of a Business Case.

Proposed Future Investment in the MA

Additional projects are proposed, including:

- Addressing drainage issues associated with collection dams that attract birdlife which is a hazard for aircraft and birdlife alike – Council is seeking a grant of \$30,000 for this project.
- The geotechnical assessment of the runways and the resealing of the main runway.
- Establishing a refuelling facility at the aerodrome – this would be at no cost to Council.

A review of land use overlays nearby the MA

Establishment of a Lease Development Plan

These projects are estimated to require \$150,000 in Council expenditure.

Tree Management

Several hundred trees impacting the aircraft's approach to the northern end of the MA represent a potential risk to aircraft operations. Council has advised this Report that this issue requires appropriate risk management and address concerning Council's policy of reasonable care for its assets.

The report has sought advice from DEECA (as the trees are on Crown Land) and from aerodrome operators that manage a similar issue. Addressing the issue will require the development of a "Tree Management Plan", including a 10-year planning permit for tree lopping or removal. The estimated costs associated with this process are \$230,000.

Summary of Recent, Pending and Proposed Investment

The following projects run from the 2022/23 FY to the 2026/27 FY

Investments	Description	Amount	Source
Recent Investment	MATS	\$120,000	Community
Pending Investment (i.e., funding is secured)	Upgrades of fencing, water supply, and power	\$220,000	\$110K in Grants \$110K from Council
Proposed Investment (i.e., funding is yet to be secured)	Runway Assessment	\$180,000*	\$30K in Grants
	Runway reseal/line marking.		\$150K from Council
	Drainage improvement		
	Establishment of a refuelling facility		
	Land Use Planning Review		
	Lease Development Plan		
	Tree Management Plan	\$230,000*	\$230K from Council
*Note estimated		total \$750,000	\$490 from Council

CASA Certification

Some MA stakeholders have advocated for the MA to become a CASA Certified aerodrome. Based on Councils operating Certified Aerodrome feedback, this is estimated to cost \$95,000. Becoming a Certified aerodrome would significantly impact MA's operating costs. It is unlikely to generate any additional operating revenue unless it attracts more leaseholders and aircraft landings, with landing fees being introduced.

Cost Benefit

Typically, a Business Case seeks to establish if the level of investment under consideration will generate a positive cost-benefit for an entity such as Council or the local economy – i.e., the level of financial and economic benefit will be greater than the level of investment.

In strictly financial and economic terms, the level of investment in the MA does not generate a positive cost benefit. It will not generate additional revenue or create any ongoing employment in the local economy (other than any employment generated by the pending or proposed projects during the "construction" phase)

Other Benefits

Rather than delivering a financial or economic benefit, the level of investment in the MA is predicated on Council's commitment to:

- Ensuring that the MA continues to operate as a critical link for the local community,
- Growing the MA's capacity to support emergency services.
- Improving the safety of the MA's operations

While these are not financial or economic benefits, they are essential for the community's wellbeing. They are also consistent with Council's policy of reasonable care for its assets and risk management processes.

Contents

1.	Introduction and Overview	1
1.1.	Recent and Pending Investment in the MA	1
1.2.	Inputs to this Report	1
2.	Land Use	2
2.1.	Introduction	2
2.2.	Local context	3
2.3.	Existing Zone Provisions	4
2.4.	Existing Overlay Provisions	5
2.4.1.	Vegetation Protection Overlay (VPO1)	5
2.4.2.	Design and Development Overlay (DDO2)	5
2.4.3.	Erosion Management Overlay (EMO)	5
2.4.4.	Bushfire Management Overlay (BMO)	5
2.4.5.	Native vegetation	5
2.5.	Surrounding Land Uses	7
2.5.1.	Public Conservation and Resource Zone	7
2.5.2.	Bowenvale Rural Living Area	7
2.5.3.	Franklin Park Road & Phelan Road Rural Living Area	7
2.5.4.	Logan Road Farming Zone	7
2.5.5.	Tiperary Lane Farming Zone	7
2.6.	Policy context	7
2.6.1.	Noise	8
2.6.2.	Physical and Environmental Risks	8
2.7.	Strategic and Settlement Context	8
2.7.1.	Municipal Planning Strategy	8
2.7.2.	Central Goldfields Population, Housing & Residential Strategy	8
3.	Trends in General Aviation Statistics	9
3.1.	Australian Aircraft Activity 2021	9
3.2.	Number of Active GA Aircraft - Victoria	10
	Figure 3-1 - Number of Active GA Aircraft - Victoria	10
3.3.	All GA Aircraft Landings - Victoria	10
3.3.1.	Landings by Broad Activity Type	11
3.4.	Non-Scheduled Commercial Activity (Charter)	12
3.4.1.	Use of Charters	12
3.5.	Sports Aircraft	12
3.5.1.	CASA Registered	12
3.5.2.	Self-Administered Organisation (SAO) registered.	12
3.5.3.	3 Axis Aircraft	13
3.5.4.	3 Axis Aircraft in Victoria	14
4.	A Review of Other Aerodromes	15
4.1.	Aerodrome Facilities within 150 Km of Melbourne CBD	15
4.1.1.	Bendigo and Ballarat Airports	16
4.1.2.	Council Aerodromes	17
4.2.	Certified Airports and Aerodromes	18
4.2.1.	Feedback from Operators of Certified Aerodromes	19
5.	Maryborough Aerodrome	21
5.1.	Aerodrome Management	22
5.2.	Existing Aerodrome Facilities	22
5.2.1.	Runways	22
5.2.2.	Helipad- MATS Facility	22
5.2.3.	Refuelling Services	23
5.3.	Maryborough Aerodrome Operating Budget and Investment	23
5.3.1.	Increases to the Operating Budget	23
5.3.2.	Recent and Pending Investment in the Maryborough Aerodrome	23
5.3.3.	Proposed Investments	24
5.3.4.	Cost Benefit	24
5.4.	Aerodrome Usage	25
5.4.1.	AVDATA - All Aircraft Landings	25
5.4.2.	A More Typical Usage Scenario?	26
5.4.3.	Ambulance Victoria Usage	27
5.5.	Lease Holdings at the Maryborough Aerodrome	27
5.5.1.	Lease Revenue and Status of Current Leases	27
5.5.2.	Capacity for Additional Lease Holdings	28
5.5.3.	GA Related Business Operations	28
5.5.4.	A Process for Managing Investment at the Maryborough Aerodrome	29

25 JULY 2023 COUNCIL MEETING AGENDA

5.6.	Obstacle Limitation Surfaces	29
5.6.1.	Removal of Vegetation	30
5.6.2.	Wildlife	30
5.6.3.	Council Duty of Care	30
5.7.	Other Potential Revenue Streams	31
5.7.1.	Landing Fees	31
5.7.2.	Base Line Scenario	31
5.7.3.	Exemption Scenario	32
5.7.4.	Leasing for Non-Aviation Activities	33
5.8.	Other MA Management Models	33
5.8.1.	Purchase of Aerodrome	33
5.8.2.	Appointment of a Third-Party Manager	34
5.8.3.	Committee of Management	35
5.9.	CASA Status	36
5.9.1.	Council Duty of Care	36
5.9.2.	Previous CASA Status	36
5.9.3.	Achieving Certified Aerodrome Status	37
6.	Alignment of the Maryborough Aerodrome with Strategic Priorities	38
6.1.	Health and Wellbeing	38
6.2.	Emergency Response Management	38
6.3.	Impact on Tourism and Visitation	38
6.4.	Central Goldfields Population	38
6.5.	A Look to the Future – Advanced Air Mobility	38
7.	Future Investment in the Maryborough Aerodrome	39
7.1.	Recent and Pending Investment in the MA	39
7.2.	Proposed Future Investment in the MA	39
7.3.	Forward Investment in the Maryborough Aerodrome	40
7.3.1.	CASA Certification	41
7.4.	Cost Benefit	41
7.5.	Current and Future Revenue	42
7.6.	Other Benefits	42
7.7.	Protection of the Investment in the MA	42
Appendix I – Central Goldfields Planning Scheme – Airports and Airfields		43

1. Introduction and Overview

The Maryborough Aerodrome (designated YMBU) is some 2.8 km northwest of the town of Maryborough. It is operated and managed by the Central Goldfields Shire Council as an Airplane Landing Area (ALA).

Central Goldfields Shire Council (CGSC) determined to undertake the development of a Business Case relating to future investment in the Maryborough Aerodrome (MA).

This process commenced in late 2022, and this document provides the outcomes of this process.

1.1. Recent and Pending Investment in the MA

Over the next three years, the MA will benefit from up to \$480,000 in investment. This investment has come from a range of sources, including:

- \$120,000 from the community that enabled the development and opening of the MATS facility in late 2022.
- \$220,000 - \$110,000 from the Commonwealth Government's Regional Airports Program matched with \$110,000 from the CGSC will be used to undertake projects relating to kangaroo fencing, backup power and main pressure water supply.
- Up to \$150,000 from the CGSC to reseal the MA's sealed runway and undertake line-making will occur subject to Council's budgeting process sometime in the next two years.

1.2. Inputs to this Report

The development of this Report has considered the following inputs:

<i>Inputs</i>	<i>Description</i>
Land Use Policies	A review of land use strategies and policies relevant to MA's operation
General Aviation (GA) Trends in Victoria	An analysis of data provided by Australian Aircraft Activity 2021 report compiled by the Bureau of Infrastructure and Transport Research Economics (BITRE) to understand trends in GA activity in Victoria. The report is based on a compulsory survey for all aircraft owners.
Review of Other Aerodromes	This involved mapping ALAs and Certified Aerodromes (CA) within 150 Km of Melbourne's CBD (as MA is this is the distance from the CBD). This review also involved consultation with the managers of several Council operated Certified Aerodromes.
Review of Maryborough Aerodrome	This involved a review of : <ul style="list-style-type: none"> • Existing facilities • Operating budget • Recent and pending investment. • Current usage • Lease holdings • Obstacle Limitation Surfaces (OLS) Survey • Potential investment • Potential revenue sources • Potential management models
Alignment with Strategic Priorities	This involved a review of the key strategies relating to health and wellbeing, emergency management and tourism and MA's role regarding the strategic priorities in these plans

2. Land Use

Key Findings

- 1) The existing Public Use Zone that applies to the Maryborough Aerodrome is likely to be appropriate if there is little change to the ownership and management arrangements of the site and the activities and development conducted on the site.
- 2) The native vegetation on the site is protected under the Planning Scheme, and approval from DEECA to remove it is likely to be challenging and require significant compensation in the form of offsets.
- 3) There is potential for up to 30 new dwellings to be developed on vacant lots in the Rural Living zones to the northeast and south of the Maryborough Aerodrome, most of which are not covered by the existing Design and Development Overlay (DDO2), which is Council's primary tool for discouraging sensitive uses around the Maryborough Aerodrome. This development represents some risk to the Maryborough Aerodrome, which may need to be managed through the Planning Scheme if the Maryborough Aerodrome is likely to experience increased landings in the future.
- 4) The PPF provides high-level protections for aerodromes, and the Maryborough Aerodrome is adequately identified in the local sections of the Planning Scheme. However, the Planning Scheme could benefit from policy directions and strategies that more explicitly seek to manage and protect the Aerodrome.
- 5) The existing Design and Development Overlay (DDO2) that applies to the Maryborough Aerodrome's approaches provides some level of protection for the Aerodrome. However, its content and application should be reviewed to ensure it reflects the desired Obstacle Limitation Surfaces and other policy objectives.

2.1. Introduction

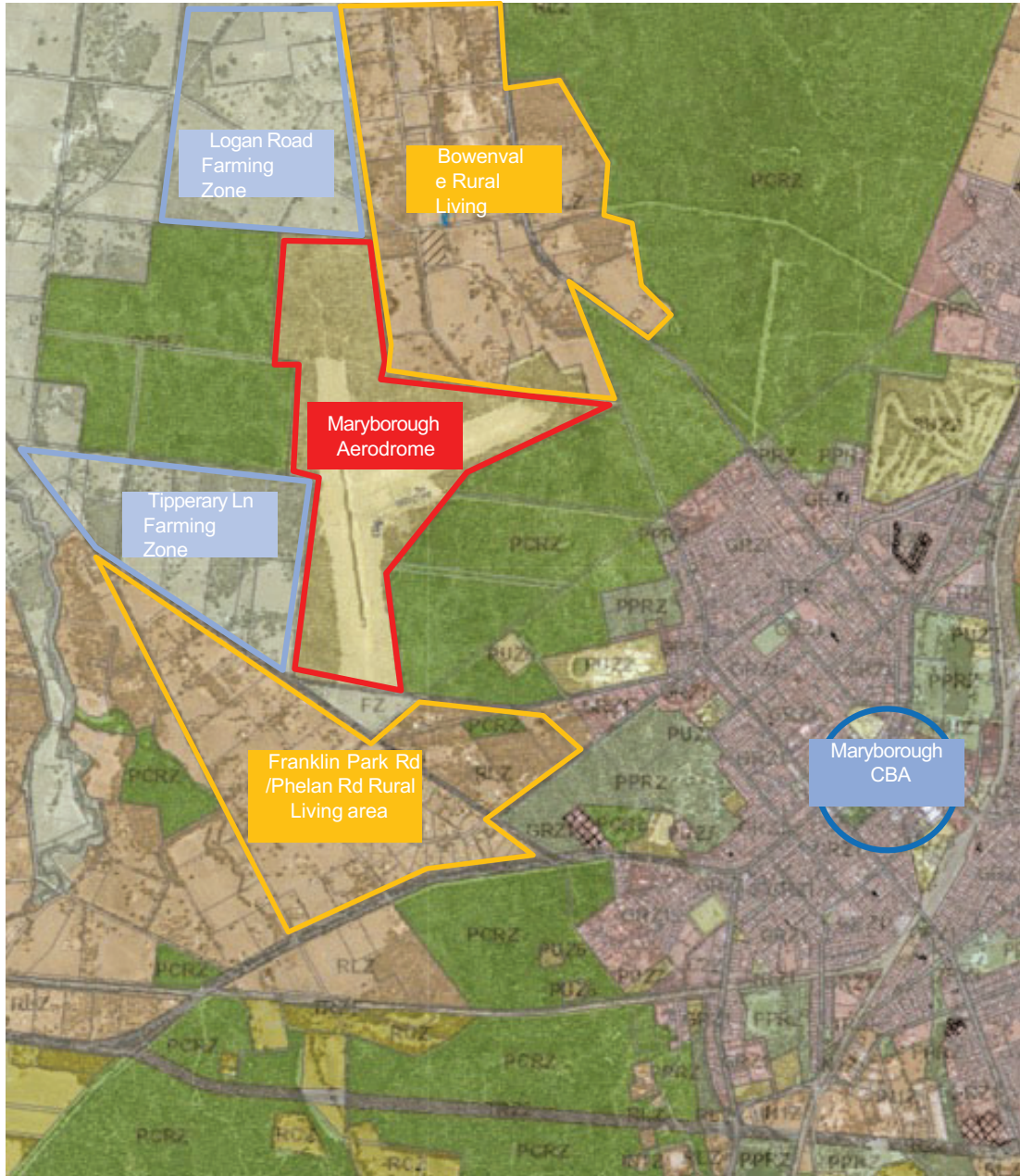
This analysis provides an overview of the existing planning provisions that apply to Maryborough Aerodrome ('the Aerodrome') and the land around the Aerodrome. It then summarises the planning policy context for airfields in the Central Goldfields Planning Scheme and the strategic vision in the Planning Scheme for land around the Aerodrome.

The analysis focuses on the implications of the planning framework for the current and potential operations of the Aerodrome itself and potential opportunities and risks presented by potential land use change in the surrounding area.

2.2. Local context

Maryborough Aerodrome is located on crown land, approximately 2.5 kilometres northwest of the Maryborough Central Business Area and approximately 600 metres from the edge of the urban area – see **Figure 2-1**

Figure 2-1 – Local Context



2.3. Existing Zone Provisions

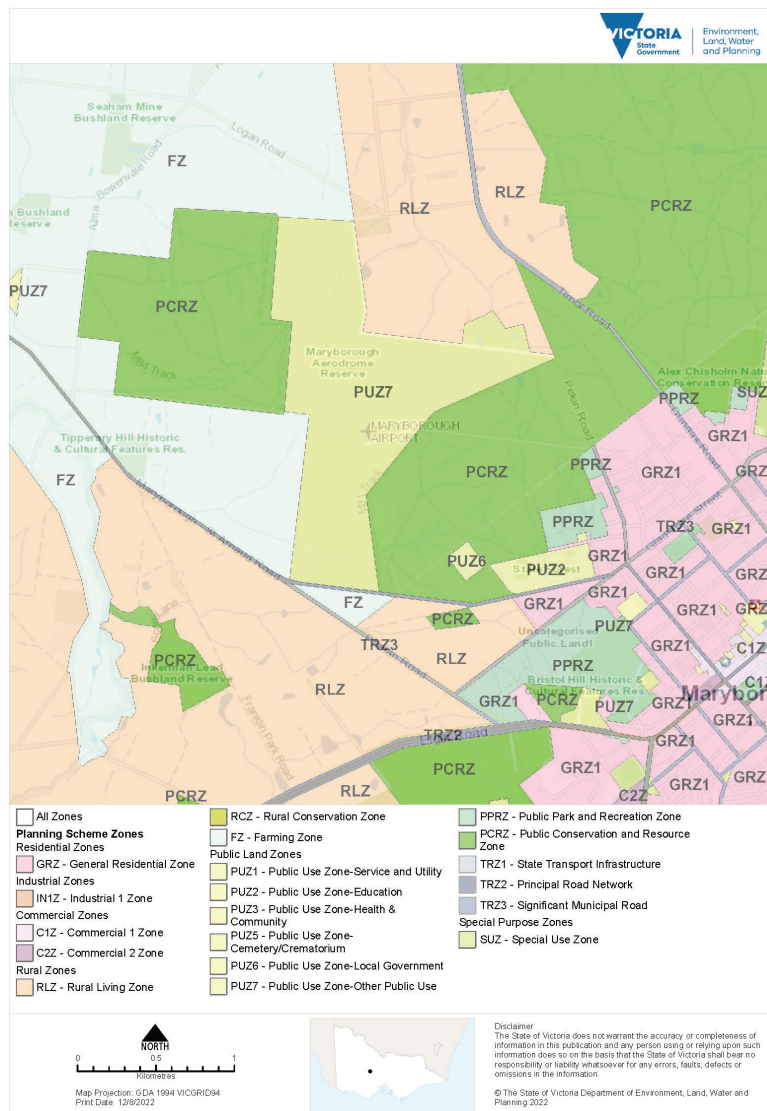
The entire Aerodrome site is zoned Public Use Zone (Schedule 7 – Other Public Use) – see **Figure 2-2** This zone recognises public utility and community services and supporting uses.

The zone specifies that, for a use to be as-of-right, it must be associated with the specified purpose of the zone and must be carried out by or on behalf of the public land manager. Other uses can be considered, subject to permit, however, the written consent of the public land manager is required when an application is lodged.

The zone's purpose is to allow for public utility and community services, meaning that any use and development of land should be associated with Aerodrome uses only. Whilst technically Council could consider an application for non-aerodrome related uses (e.g., retail, industry, warehouse) and issue a permit, this is unlikely to represent good planning and is likely to, over time, undermine the intent of the zone.

If a broader range of private uses were intended for all or part of the site. Or, if there were an intention to sell any of the site, alternative zone provisions such as the Special Use, Industrial or Commercial zones would need to be considered for the site.

Figure 2-2 - Existing Zone Provisions



2.4. Existing Overlay Provisions

2.4.1. Vegetation Protection Overlay (VPO1)

This overlay applies to a small section of vegetated land along the southwestern boundary of the Aerodrome. It aims to protect remnant native vegetation by requiring a permit to remove, destroy or lop any native vegetation.

2.4.2. Design and Development Overlay (DDO2)

This overlay applies to land adjacent to the Aerodrome on the north, south, east, and west approaches to the two runways. The design objectives of the overlay are to ensure that any buildings or works do not affect the operation of the Aerodrome, particularly take-off and landing. It also has an objective to ensure buildings and works are not affected by aircraft noise. It requires a planning permit for all buildings and works unless they are associated with an existing non-residential building and is 8.0 m or less above natural ground level.

This overlay provides reasonable level of protection for the Aerodrome. It provides an opportunity for Council to consider buildings and works that may not otherwise trigger the need for a planning permit. The areas affected by the overlay require further investigation to verify that they accurately reflect an appropriate Obstacle Surfaces Limitation and an area that should be protected from aircraft noise. For example, the areas to the north and south do not appear to match the OLS boundaries identified by Airport Surveys Pty Ltd in 2022.

2.4.3. Erosion Management Overlay (EMO)

This overlay applies to the northern, vegetated part of the Aerodrome Reserve. It aims to protect areas from erosion and landslip by requiring a permit for all buildings, works, and vegetation removal. The overlay would come into consideration if the removal of trees were to be undertaken in this area, and an engineering assessment of slope and land stability would be required.

2.4.4. Bushfire Management Overlay (BMO)

This overlay applies to the entire Aerodrome site. The purpose of the overlay is to ensure that the development of land prioritises the protection of human life and strengthens community resilience to bushfire. It identifies high-hazard bushfire areas and requires a planning permit for development associated with a broad range of uses, including accommodation, retail, or industry. The overlay would trigger the need for approval and bushfire assessments for all forms of new development associated with office, place of assembly, warehouse, industry, or retail uses.

Works associated with airports would not trigger the need for approval under the BMO. However, if the works result in people congregating in large numbers, bushfire risk would still need to be considered under Clause 13.02 of the PPF.

2.4.5. Native vegetation

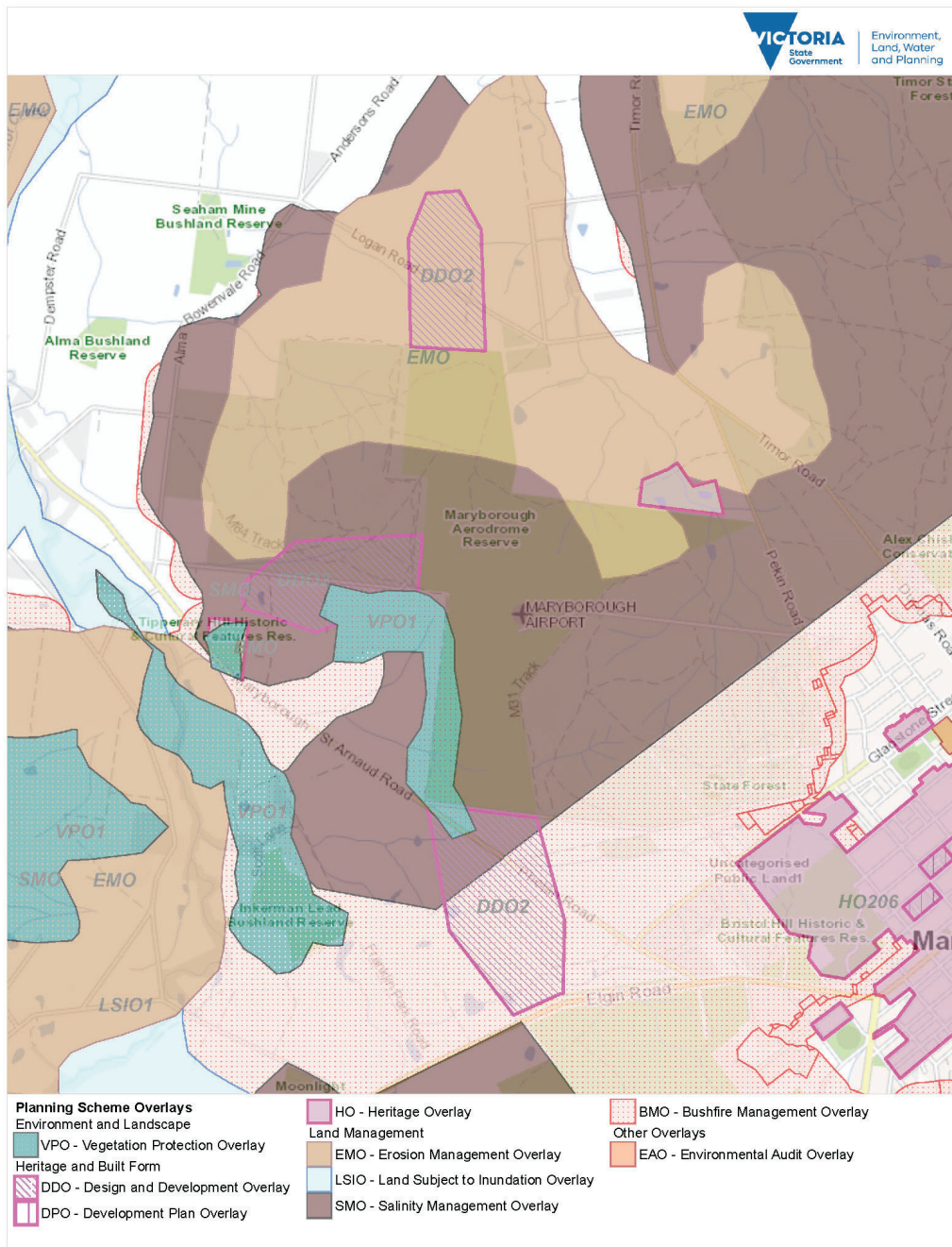
The site contains substantial areas of native vegetation, as shown in Attachment 1. Assessment work carried out by Central Goldfields Shire Council and the Maryborough Aerodrome Taskforce has identified the need for "significant tree lopping" (33 groups of trees which tallies to some hundreds of trees) to achieve a 4% approach to satisfy CASA standards for clearance. Lesser clearance would be required to achieve a 3.3% gradient – see also Section 5.6.1

Under the Planning Scheme, the removal of native vegetation should be avoided and minimised. This vegetation has inherent protection in the Planning Scheme under Clause 12.01 of the PPF and Clause 52.17 (Native Vegetation), and a permit from DEECA will be required to undertake reduction or removal of the vegetation. To assess the impacts properly, a detailed vegetation assessment would need to be prepared in close consultation with DEECA. There is a likelihood that approval from DEECA as the site owner, will require substantial¹ vegetation offsets (e.g., trees planted elsewhere) to compensate for the biodiversity impacts of the native vegetation.

¹ The OLS survey commissioned by CGSC identifies that several hundred trees impact the transition surface for the approach to the sealed runway at MA – see Section 5.6

It is also noted that native vegetation appears to be regrowing on the site, based on a comparison of aerial photographs from 2019 to 2022. Under Clause 52.17, the removal of regrowth native vegetation that is less than ten years old on land that has been lawfully cleared does not require a planning permit. Therefore, at some point in the future, this vegetation will require planning approval to remove if it continues to grow.

Figure 2-3 - Existing Overlay Provisions



2.5. Surrounding Land Uses

2.5.1. Public Conservation and Resource Zone

The surrounding land to the west and southeast is vegetated crown land zoned Public Conservation and Resource Zone, as shown in Figure 1. This land is reserved for conservation purposes and does not have any realistic potential for land use change or development.

2.5.2. Bowenvale Rural Living Area

The Rural Living zoned land to the northeast of the Aerodrome in Bowenvale has at least 20 vacant lots that could be developed for dwellings. This area is identified in Figure 1.

Some of these lots would not require planning approval for a new dwelling under the zone. However, it is likely that land management overlays, such as the Bushfire Management Overlay and Erosion Management Overlay, would trigger the need for a planning permit. Under the fairly narrow decision guidelines of these overlays, Council may not have the ability to refuse an application relating to impacts on the Aerodrome.

A small number of the lots in this area have mathematical potential for further subdivision, most likely into two lots only. Unlike a dwelling application, Council may have the ability to refuse an application for a subdivision based on impacts to the Aerodrome as the scope of considerations under the zone is broader.

It is noted that development in this area appears to have occurred at a relatively slow rate in the past, and some lots are not well configured or sited to allow for development.

2.5.3. Franklin Park Road & Phelan Road Rural Living Area

The Rural Living Zone to the south of the Aerodrome generally between Franklin Park Road and Phelan Road, is substantially developed. There appear to be fewer than ten vacant lots across this area. A small number of lots in the vicinity of Franklin Park Road have the mathematical potential for further subdivisions into up to 10 total. Again, unlike a dwelling application, Council may have the ability to refuse an application for a subdivision based on impacts to the Aerodrome as the scope of considerations under the zone is broader. This land may require further investigation as a more strategic or policy-based approach to managing or restricting subdivision may be required.

2.5.4. Logan Road Farming Zone

This area features several existing vacant lots on which an application for a dwelling could be made. There is substantial policy support for discouraging dwellings in the Farming Zone and retaining the land for agriculture, although permits can be issued. Council may have the ability to refuse an application for a subdivision based on impacts to the Aerodrome as the scope of considerations under the zone is relatively broad. There is no potential for further subdivision in this area.

2.5.5. Tipperary Lane Farming Zone

Nearly all the existing lots in this area have been developed with dwellings, and so there is little risk of additional sensitive uses. The land has no potential for further subdivision. The lot closest to the Aerodrome at 106 Tipperary Lane, Alma, is vacant. A planning permit would be required to develop a dwelling on this land. Council may have the ability to refuse an application for a subdivision based on impacts to the Aerodrome as the scope of considerations under the zone is relatively broad.

2.6. Policy context

At the state level, planning policies for aerodromes have been strengthened over time and now provide a clear framework for protecting and planning for aerodromes. The overall Planning Policy Framework (PPF) objective in Clause 18.02-7S (Airports and airfields) is to:

"strengthen the role of Victoria's airports and airfields within the state's economic and transport infrastructure, guide their siting and expansion, and safeguard their ongoing, safe and efficient operation".

Key strategies in this clause relate to the prevention of activities, and land uses that pose a risk to airfields and planning to preserve their role and value to the community. For Maryborough Aerodrome, the PPF raises three key considerations: noise, physical and environmental risks, and settlement planning, which are addressed below, and settlement planning, which is addressed in the following section of this analysis.

2.6.1. Noise

The PPF at Clause 18.02-7S now provides guidance for noise impacts and movements above which noise sensitive land uses should be avoided in rural and regional areas (refer to Attachment 4). It is understood that the minimal trip volumes at the Maryborough Aerodrome would not reach anywhere near these thresholds. These thresholds would normally introduce consideration of planning provisions such as the Airport Environs Overlay, which specifically manage land uses in the noise contour areas. For example, the Airport Environs Overlay (AEO1 & AEO2) were applied to land around the Bendigo Airport to reflect the introduction of regular passenger services on small jet aircraft. At this point in time, the existing DDO2 provisions are likely to be sufficient to manage noise related issues in the areas affected most by noise.

2.6.2. Physical and Environmental Risks

The PPF Clause 18.02-7S states that councils should protect the physical approaches to airfields commensurate with the status of the airfield. Based on the status of the Aerodrome as an Aircraft Landing Area (ALA), major new planning protections or strategies may not be necessary at this point in time, particularly given the Design and Development Overlay (DDO2) offers some protection against noise-sensitive uses in the areas that will be most affected.

Nevertheless, the status of the Aerodrome is a matter for Central Goldfields Shire Council to evaluate based upon a broad range of planning and non-planning considerations.

2.7. Strategic and Settlement Context

2.7.1. Municipal Planning Strategy

At the local level, the Aerodrome is identified as a "major infrastructure facility" in the Maryborough Structure Plan in Clause 02.04 of the Municipal Planning Strategy (MPS). The MPS states that the role of the Aerodrome is to provide "recreational and commercial opportunities" and aims to support its "viable operation".

In support of this recognition, the PPF at Clause 18.02-7L contains a strategy to "support tourism, recreational and commercial use and development at the Maryborough aerodrome". There are no other specific supporting policies or directions that relate to the Aerodrome itself or the surrounding land. As mentioned previously, it may be beneficial to strengthen the policy statements in the MPS and Local Planning Policies to support decision-making under the Design and Development Overlay (DDO2).

2.7.2. Central Goldfields Population, Housing & Residential Strategy

The Central Goldfields Population, Housing & Residential Strategy (2020) does not identify any potential new areas for residential expansion or rezoning in the vicinity of the Aerodrome or on the north-western side of Maryborough. Instead, it recommends that Council pursue a policy of urban consolidation, with further investigation of one greenfield development area on Maryborough-Dunolly Road, to the northeast of the town (Spatial Economics, 2020, 41). It recommends shifting the primary focus of broad-hectare development to Carisbrook (Spatial Economics, 2020, 46). The Strategy identifies three parcels of zoned but undeveloped land with infill development potential within 1.5 kilometres of the Aerodrome, as identified in Figure 2 below.

This Strategy has not yet been incorporated into the Central Goldfields Planning Scheme, so at this point in time has little weight in planning decision-making. It has, however, been adopted by Central Goldfields Shire Council, so must be given some consideration in planning decision-making. In summary, the risk to the Aerodrome presented by Council's emerging planning vision for settlement in Maryborough is considered to be low.

3. Trends in General Aviation Statistics

Victoria has not experienced a significant increase in overall GA activity other than in private flying instruction and the use of Sport Aircraft. This rate of GA activity suggests that there is no significant demand for GA activity that is driving a need for additional aerodrome capacity in Victoria.

There may be sports aircraft operators that are looking to operate their aircraft from a location that is reasonably accessible from Greater Melbourne and not subject to air traffic controls and see MA as a low-cost option at which to store their aircraft.

This Report reviews trends in General Aviation and their implications for the Maryborough Aerodrome. This Report has not considered trends in Commercial Aviation, as there is as has been no commercial aviation activity at the Maryborough Aerodrome; General Aviation* (GA) consists of five different sectors of flying:

- Aerial work – including agricultural spreading/spraying.
- Own use business
- Instructional flying
- Sport and pleasure flying
- Other flying

*Note – as defined by the Bureau of Infrastructure and Transport Research Economics (BITRE)

3.1. Australian Aircraft Activity 2021

This Report has utilised information from the Australian Aircraft Activity 2021 report compiled by the Bureau of Infrastructure and Transport Research Economics (BITRE)

BITRE compile the Australian Aircraft Activity 2021 report using data from a range of sources, including the

- Civil Aircraft Register maintained by the Civil Aviation Safety Authority (CASA)
 - Sports and recreation registered aircraft as registered with one of the four associations:
 - Recreational Aviation Australia (RA-Aus),
 - Gliding Federation of Australia (GFA),
 - Hang Gliding Federation of Australia (HGFA)
 - Australian Sport Rotorcraft Association (ASRA)
 - General Aviation Activity Survey – an annual survey undertaken by BITRE.
- BITRE statistical surveys are conducted under the authority of Air Navigation Regulation 2016 Part 2. The survey is compulsory, with penalties for non-compliance.

The Australian Aircraft Activity 2021 report provides trends in GA over the last seven years.

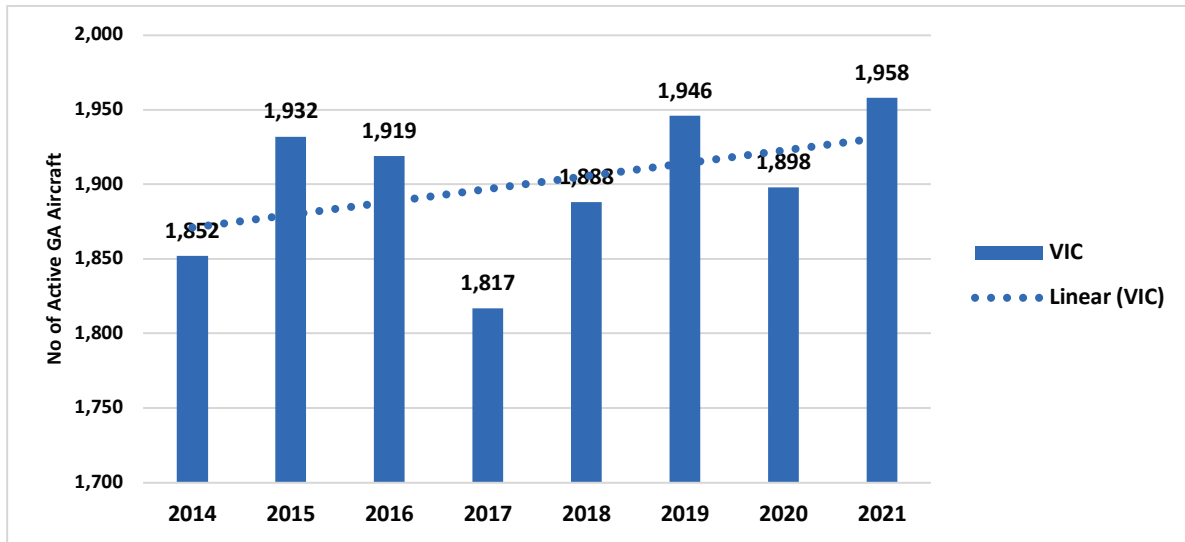
This Report has reviewed information relating to trends in Victoria relating to

- Number of Active Aircraft
- Aircraft Hours Flown
- Landings by Aircraft Type
- Hours flown in Ultralight operations.

3.2. Number of Active GA Aircraft - Victoria

Over the past seven years, there has been an overall increase in the total number of active GA aircraft in Victoria, as depicted in Figure 3-1. The number of active aircraft has varied each year, with the overall positive trend representing a change of 5.7% for this period. Over the same period, Australia experienced an increase of 6.7% in active GA aircraft.

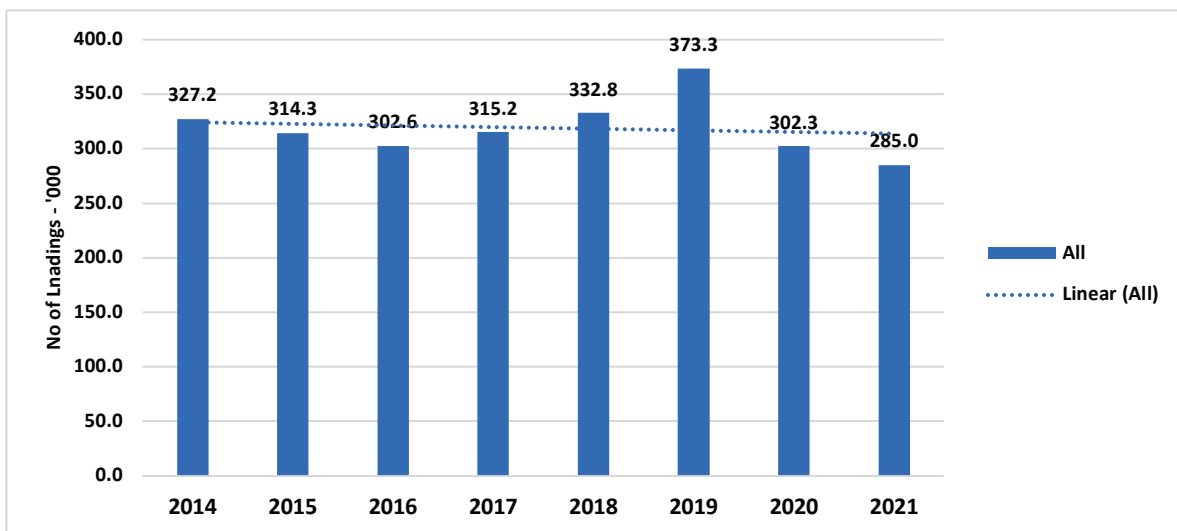
Figure 3-1 - Number of Active GA Aircraft - Victoria



3.3. All GA Aircraft Landings - Victoria

As noted in **Figure 3-2**, there has been a downward trend in GA aircraft landings in Victoria from 2014 to 2021. There was a peak in 2019, followed by a substantial reduction in landings in 2020 and 2021. This Report assumes that GA aircraft activity was impacted by the COVID-related "lockdowns" in Victoria through 2020 and 2021. Indicates that prior to 2019 the trend was flat with an average of 318,400 landing per year over this time.

Figure 3-2 - - All GA Aircraft Landings ('000) - Victoria - 2014 to 2021



3.3.1. Landings by Broad Activity Type

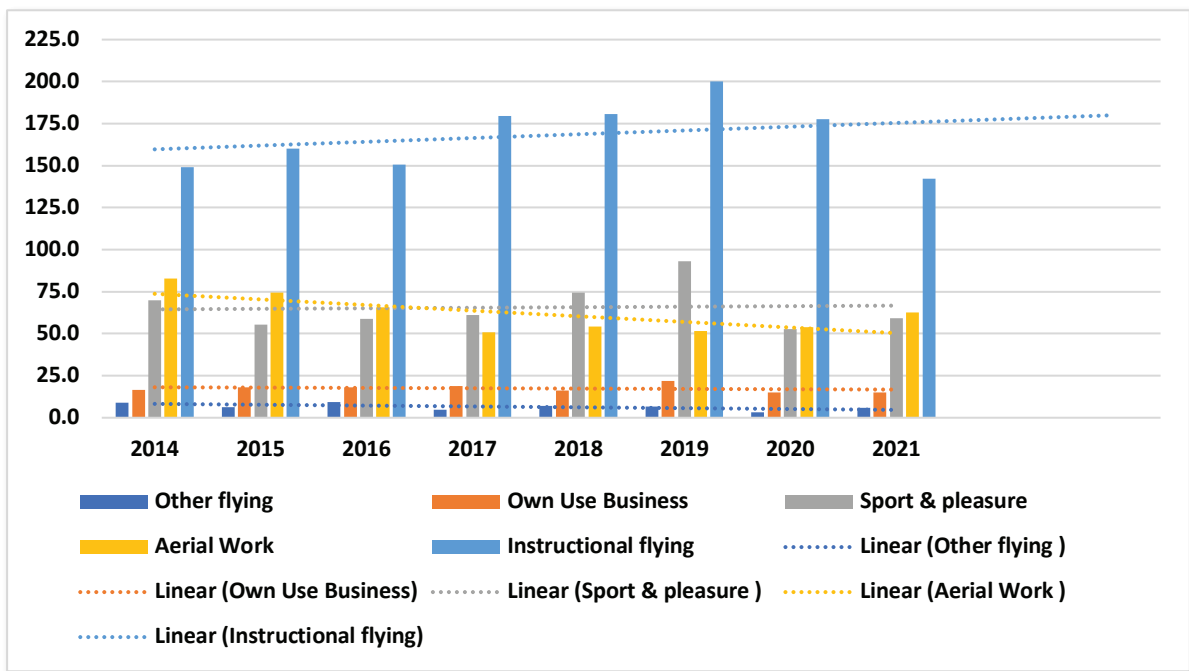
Landings by Aircraft Type provides an insight into the differences in the level of GA aircraft activity – i.e., the greater the number of landings, the greater the activity level. BITRE reports landings for acknowledged GA activities - i.e.

- Aerial work
- Own use business
- Instructional flying
- Sport and pleasure flying
- Other flying

Figure 3-3 provides an insight into the mix and trends of usage of GA aircraft across these types of activities.

The “instructional flying” and “sport & leisure” activities experienced an upward trend in landings albeit a very slight increase for “sport & leisure”. Both "instructional flying" and "sport & leisure" did experience a drop in the level of activity in 2020 and 2021 from their peak in 2019.

Figure 3-3 - Landings by Broad Activity Type (000s)– Victoria



All other activity types experienced flatlines or negative trends from 2014 to 2021. These trends were apparent well before the 2020 and 2021 "lockdowns" experienced in Victoria. With that said

- “Aerial work” activity experienced a 16% increase in landings in 2021 from 2020, with 62,800 landings.
- “Other flying” activity experienced an 89% increase in landings in 2021 from 2020, with 5,800 landings.

The BITRE report notes that across Australia, the:

- Largest increase in the type of GA flying activity was in the following categories:
 - Aerial work
 - Own business travel
 - Pleasure and personal transport
- Largest decreases in the type of GA flying activity were in
 - Instructional flying - commercial
 - Community service flights
 - Parachute dropping

This information is not available for Victoria.

3.4. Non-Scheduled Commercial Activity (Charter)

BITRE has also reported on Non-scheduled commercial activity, which refers to commercial air transport that operates without fixed or published flying schedules (often called charter).

"Charter" has experienced a negative trend over the period noted in the BITRE report. That said, "Charter" activity experienced a 9% increase in landings in 2021 from 2020, with 41,400 landings. This growth is consistent with all of Australia, which experienced a 10% increase.

3.4.1. Use of Charters

Charter can be used for several reasons. In Victoria, it is primarily work related when a business or emergency service organisation needs to move several people to a location quickly.

Charter is also used in tourism. The National Visitor Survey (NVS) is undertaken quarterly by Tourism Research Australia (TRA). The NVS provides insight into the number of visitors in a region, their purpose for visiting, and how they travelled to a destination.

A review of NVS data for Victoria notes that the only destinations to which visitors travelled by air were those that provided commercial services or Regular Public Transport (RPT) services.

A range of operators provides charters to highly visited destinations in Victoria, such as the 12 Apostles, popular wine-producing areas, or major events (e.g., the Motor GP at Philip Island). Many charter providers service golf destinations on King Island or Northern Tasmania.

3.5. Sports Aircraft

Sports and recreational aircraft refer to a wide range of privately owned and operated aircraft. As noted in this Report, many of the aircraft landings received by the MA are sports aircraft – see also Section 5.4.1

3.5.1. CASA Registered

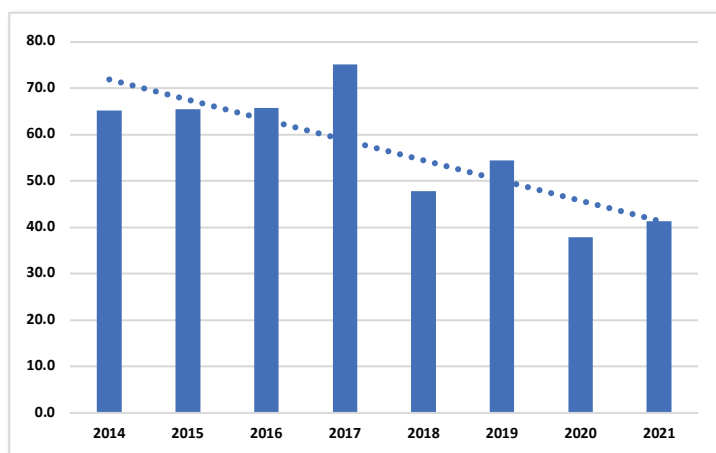
Many sports aircraft are VH-registered and are on CASA's civil aircraft register. These aircraft are factory produced or can come as a kit that is built privately. The activity of these aircraft is captured as part of the overall GA activity in the General Aviation Activity Survey.

3.5.2. Self-Administered Organisation (SAO) registered.

Other sport and recreational aircraft are called Light Sport Aircraft (LSA). LSA are small, simple-to-operate aircraft that are factory produced or can come as an LSA kit built privately. LSA must meet an agreed acceptable standard, and the manufacturer must certify that the aircraft meets the standard. These aircraft have many forms, including gliders, gyroplanes, hang gliders and ultralight aircraft.

These aircraft are not certified by CASA. Australian sport aviation operates under a self-administration scheme. CASA sets the regulations and works with self-administering organisations (SAO) to apply and enforce them.

Figure 3-4 Number of Charter Landings - Victoria (000s)



Maryborough Aerodrome Business Case

Sport aviation participants wanting to undertake these activities must:

- be members of a self-administering organisation
- operate in accordance with the organisation's rule set.

These organisations are noted in Section 3.13.1, the largest of which is Recreational Aviation Australia (RA-Aus), the peak body in Australia responsible for administering ultralight, recreational and Light Sport Aircraft (LSA) operations.

3.5.3. 3 Axis Aircraft

This Report has focused on "3 Axis Aircraft", as depicted in **Figure 3-5**, as these types of aircraft need access to facilities such as aerodromes (as opposed to "weight shift" powered aircraft, including powered paragliders and trikes).

As noted in Section 5.4.1, these aircraft account for a significant percentage of the use of the MA.

This Report engaged with RA-Aus regarding trends in the use of 3 Axis Aircraft – RA-Aus made the following observations:

- There was an upswing in the purchase or construction of 3 Axis Aircraft during 2020 and 2021. Much of this activity was due to people investing in purchasing or constructing 3 Axis Aircraft using funds that they would have typically used for travel that was not possible due to COVID-related restrictions.
- 3 Axis Aircraft owners generally need an aerodrome facility to store their aircraft as they need a runway for takeoff.
- Typically, these aerodromes are unavailable in capital cities or large urban areas, and the cost of establishing a storage facility at a larger aerodrome is prohibitive.
- Aerodromes in larger urban areas are typically subject to Air Traffic Control requirements which place many more conditions on the operators of 3 Axis Aircraft.

Considering the above 3 Axis Aircraft operators (who reside in capital cities/large urban areas) want access to aerodromes that:

- Don't involve significant travel time from their residence to where their aircraft is stored.
- Have available and affordable storage facilities or space to establish storage facilities.

Maryborough Aerodrome (MA) is located some 150 km from Melbourne's CBD. As noted in Section 4.1, there are 44 airport or aerodrome facilities within 150 km of Melbourne – including the MA. Many of these aerodromes:

- are outside of the Air Traffic Control requirements.
- offer opportunities for aircraft owners to locate their aircraft at the facility.

Figure 3-5 - Example of a "3-Axis Aircraft"

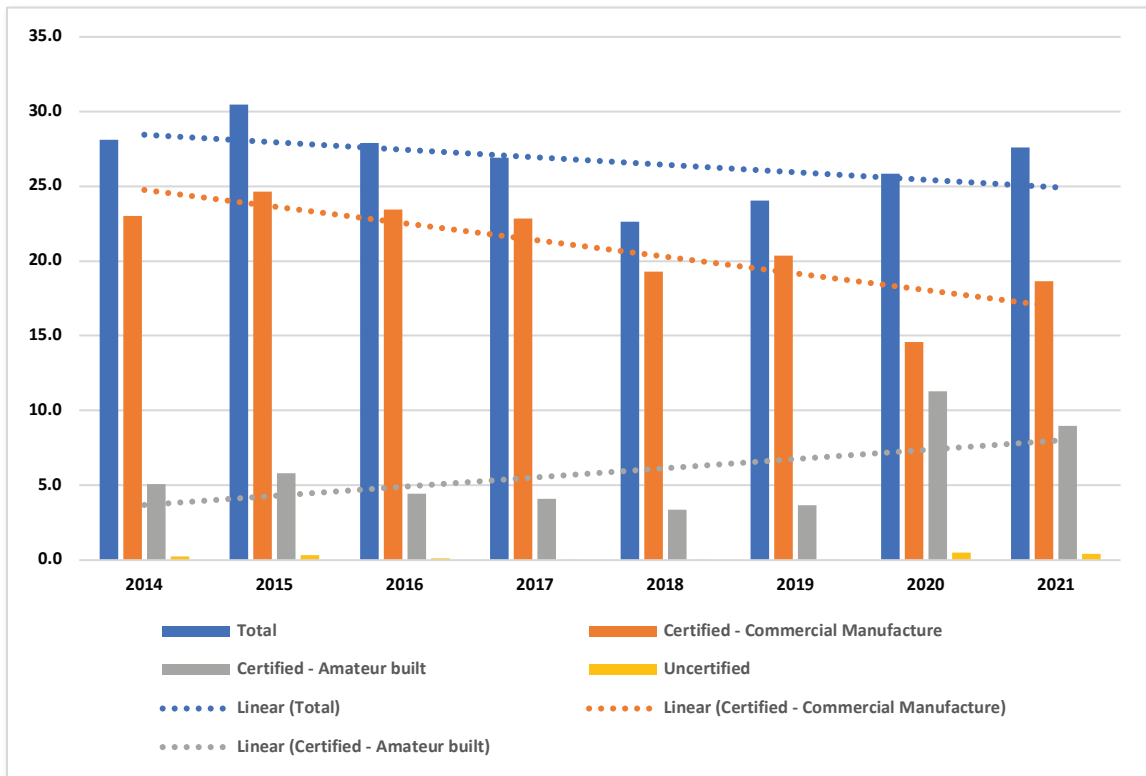


3.5.4. 3 Axis Aircraft in Victoria

Aircraft owners registered with RA-Aus can respond to the General Aviation Activity Survey. However, BITRE recommends caution when using these statistics due to the low response rate for Recreational Aviation Australia aircraft in their second year of being included in the General Aviation Activity Survey.

As noted in **Figure 3-6**, the trend for the number of 3 Axis Aircraft over the period 2014 to 2021 was negative. However, there was a significant upswing in certified amateur-built aircraft over this period, particularly in 2020 and 2021.

Figure 3-6 – Number of 3 Axis Aircraft in Victoria (000s)



4. A Review of Other Aerodromes

This process has involved mapping Aircraft Landing Areas (ALAs) and Certified Aerodromes (CA) within 150 Km of Melbourne's CBD (as MA is this distance from the CBD). There are 44 facilities, including:

- Four major airports – Melbourne, Avalon, Essendon, and Moorabbin.
- Four Certified Aerodromes (CAs) - three of which are in regional cities, including the nearby Bendigo and Ballarat Airports; and
- Thirty-six Aircraft Landing Areas (ALAs); three are Council owned, and the MA, which is owned by DEECA (or the State) and managed by Central Goldfields Shire Council and thirty-three privately owned facilities.

The major airports, the four CAs, and the thirty-six ALAs all accommodate varying numbers of GA and recreational aircraft.

This review also involved consultation with the operators of several Council operated Certified Aerodromes that noted :

- The use of the extension of time provided by CASA to formerly Registered Aerodromes to achieve CASA Certification.
- The increased operating costs of maintaining Certification is challenging for their respective Councils.
- Identified that Certification did not generate any significant increase in facility usage.

This Report has undertaken an analysis of other aerodrome or airport facilities to gather insight regarding opportunities or challenges for any possible future development of the Maryborough Aerodrome.

4.1. Aerodrome Facilities within 150 Km of Melbourne CBD

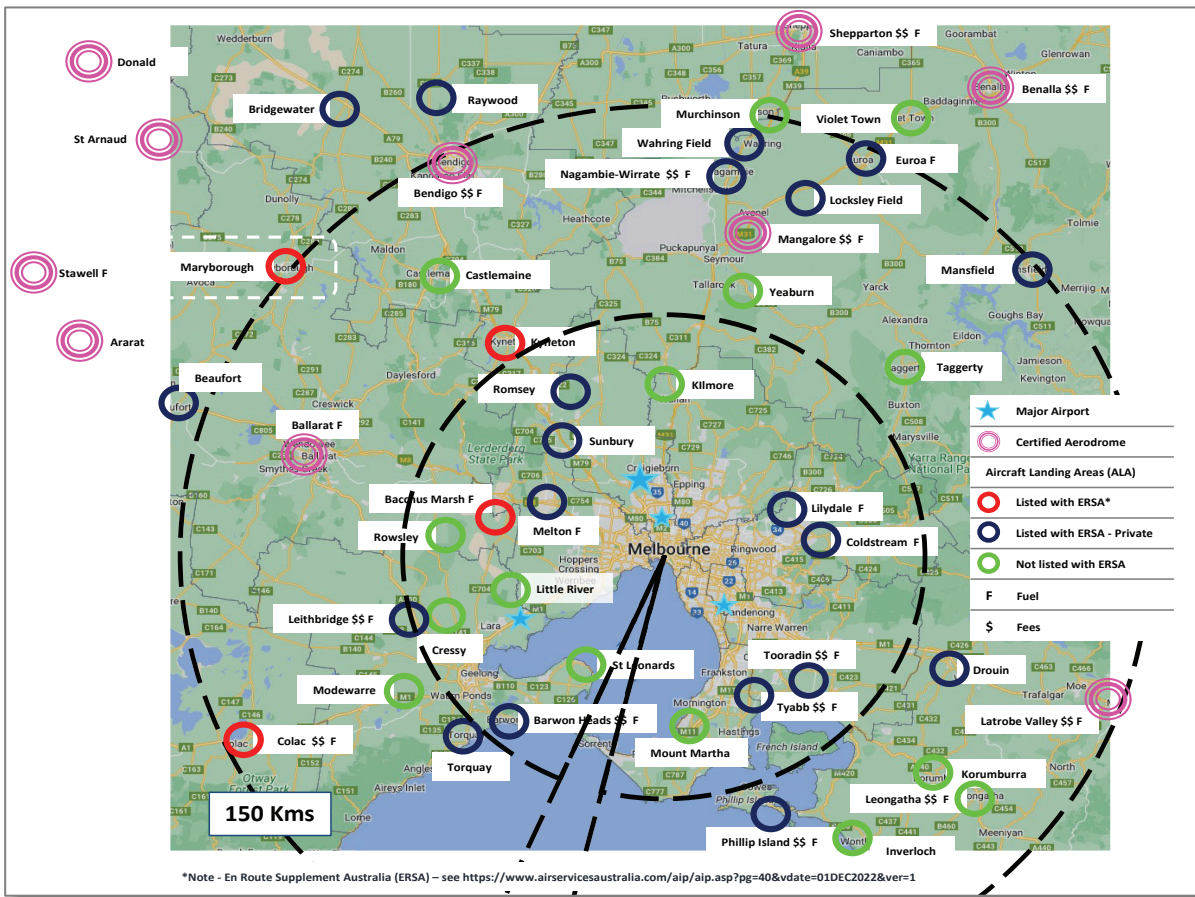
Maryborough Aerodrome is located approximately 150 km from the Melbourne CBD. As depicted in **Figure 4-1**, there are 44 airport and aerodrome facilities within or nearby the area bounded by the 150 km radius (note this does include defence aviation facilities); these include:

- Major airports – i.e., Melbourne, Avalon, Essendon, and Moorabbin - Low-cost, small GA operations and private aircraft owners struggle to operate sustainably at these facilities due to leasing fees.
- Four Certified Aerodromes (other than the Major Airports) – three of these are in regional cities – i.e., Ballarat, Bendigo, and Latrobe Valley
- Thirty-six ALAs, including the MA – of these:
 - thirty-two are located outside of Greater Metropolitan Melbourne
 - twenty-three are listed with ERSA (including the MA)
 - Thirty-three are privately owned – many have a specific functionality - i.e., flying training, parachuting, gliding and require the operator's permission before landing.
 - Some of these facilities have GA related businesses operating from them, including:
 - Lethbridge Airport
 - Barwon Heads Airport
 - Leongatha Aerodrome
 - Tooradin Aerodrome

Many of the thirty-six ALAs, including MA, accommodate private aircraft operators, both aircraft on the CASA civil register and the RA-Aus register, as well as GA related businesses – see Section 5.5.3. This Report has not been able to undertake a census of the operators based at the ALAs.

There may be opportunities for MA to attract private operators/small GA businesses impacted by rising costs associated with facilities closer to Melbourne – see also Section 3.5.4.

Figure 4-1 Aviation Facilities within 150 km of Melbourne CBD



4.1.1. Bendigo and Ballarat Airports

MA sits relatively equidistant between the Bendigo and Ballarat Airports, these Certified airports.

- can have larger aircraft land than MA can accommodate (Bendigo receives an RPT service – see Table 4-1 – Ballarat is extending the length of its main runway)
- service a regional city with a population of more than 110,000 people.
- have greater access to other services – i.e., transport – than is available at/nearby MA – Ballarat adjoins the Western Freeway
- GA-related businesses are operating from the facility.
- Adjoining industrial land makes access from a business in these areas to the aerodrome very direct.

Both operators have flagged that they are reviewing lease holdings to increase lease payments.

4.1.2. Council Aerodromes

Four of the thirty-six ALAs are Council assets, those being:

- Council manages MA with the aerodrome owned by DEECA; the Council has responsibility for the operation and maintenance of the MA.
- Bacchus Marsh, Colac and Kyneton facilities are owned by Councils and operated by a Committee of Management (Com); the Councils have a representative on the CoMs.
 - The Colac Otway Shire Council owns Colac Airfield; the Council's website advises that:
 - The Council takes no responsibility for the safety of people on board or for damage incurred to aircraft. The onus is on pilots to ensure these airfields are suitable for landing.
 - Colac Otway Shire Council advises pilots to check local weather conditions with the Australian Bureau of Meteorology and conduct a precautionary air search of the airfield before landing.
 - AVDATA Australia collects landing fees on behalf of Colac Airfield. The airfield's CoM uses fees for ongoing maintenance and upgrades.
 - The Moorabool Shire Council owns the Bacchus Marsh Aerodrome, which is operated by the Bacchus Marsh Aerodrome Management (a CoM) or the BMAM – the BMAM website notes that:

Usage of Bacchus Marsh Aerodrome is permitted on the explicit understanding that it is the responsibility of the aircraft operator/pilot-in-command to ascertain by every reasonable means available that the aerodrome dimensions, facilities, and operating practices are appropriate and proportionate for the intended operations. Prior permission must be obtained by the aircraft operator before operation.

The Bacchus Marsh Aerodrome accommodates a

- A Flying Training School for commercial pilots, which includes onsite accommodation.
- A Gliding Club, which has onsite accommodation.
- A range of private operators

Both the BMAM and the Moorabool Shire Council successfully attained grants from the Regional Airport Program in 2021 – the total funding received was \$400,000.

- The Macedon Ranges Shire Council owns Kyneton Aerodrome, which has 35 leaseholders, including the Kyneton Aero Club. The club manages the aerodrome under an agreement with the Council. Prior permission is required ahead of using the facility, and parking fees apply to aircraft.

The Kyneton Aeroclub:

- Receives all lease payments made by aerodrome leaseholders (estimated at \$15,000)
- Provides all labour on a voluntary basis; the club has over 170 members.
- Undertakes all maintenance and repairs, including the sealed runway, fencing and all signage; leaseholders are responsible for maintaining their leasehold.
- Has purchased plant and equipment to undertake this maintenance, including tractors and mowers, and its members volunteer their labour.
- Operates a flying instruction school for civil registered and sports aircraft and employs relevant instructors.

4.2. Certified Airports and Aerodromes

Table 4-1 lists all CASA Certified Aerodromes (CA) operating in Victoria, the aerodrome operators, and the relative distance from Melbourne's CBD. Certified Aerodromes (formerly Registered Aerodromes) provide a greater level of

By way of comparison, **Table 4-1** also includes Maryborough Aerodrome; this Report makes the following observations:

1. The CAs closer to Melbourne than MA are major facilities of which some:
 - Provide Regular Public Transport (RPT) services – i.e., scheduled commercial passenger flights.
 - Are privately owned and operated.
 - Have a substantial presence of aviation-related business operations.
 - Have a significant presence of non-aviation related business operations.
 - are in Victoria's three largest regional cities – i.e., Geelong, Ballarat, and Bendigo
2. The only CA further from Melbourne than MA that provides RPT is Mildura
3. A few CAs receive "regular" charters, mainly for the transport of workers or medical specialists– i.e.
 - Swan Hill – medical specialists from Bendigo
 - West Sale – regular ESSO company flights² personnel
 - Portland – ALCOA company personnel
4. Stawell, Peterborough, and Mount Hotham operate frequent tourist charters associated with nearby attractions – i.e., Grampians, 12 Apostles, and Mt Hotham/alpine areas.

Table 4-1 - Victorian Certified Aerodromes

<i>Facility</i>	<i>Operator</i>	<i>Road Distance from Melbourne CBD</i>	<i>Facility</i>	<i>Operator</i>	<i>Road Distance from Melbourne CBD</i>
Essendon Fields	Private	15	Donald	Buloke SC	280
Melbourne	Private	22	Wycheproof	Buloke SC	280
Moorabbin	Private	25	Bairnsdale	East Gippsland SC	280
Avalon	Private	55	Kerang	Gannawarra SC	280
Ballarat	Ballarat CC	125	Yarrawonga	Moira SC	280
Mangalore	Private	130	Hamilton	Southern Grampians SC	300
Bendigo	Greater Bendigo CC	160	Birchip	Buloke SC	310
Latrobe Valley	Council/Committee	160	Horsham	Horsham RCC	310
Maryborough	Central Goldfields SC	175	Swan Hill	Swan Hill RCC	340
Shepparton	Greater Shepparton CC	185	Warracknabeal	Yarriambiack SC	340
Ararat	Ararat RCC	200	Portland	Glenelg SC	360
West Sale	Wellington SC	210	Nhill	Hindmarsh SC	380
Benalla	Benalla RCC	215	Hopetoun	Yarriambiack SC	390
Echuca	Campaspe SC	220	Orbost	East Gippsland SC	395
Yarram	Wellington SC	225	Mount Hotham	Private	400
St Arnaud	Northern Grampians SC	240	Corryong	Towong SC	450
Stawell	Northern Grampians SC	240	Robinvale	Swan Hill RCC	460
Peterborough	Private	240	Mallacoota	East Gippsland SC	520
Wangaratta	Wangaratta RCC	250	Mildura	Council/Committee	545
Warrnambool	Warrnambool CC	270			

 = RPT services available

² ESSO separately operates the Longford heliport to transport workers to Bass Strait platforms.

4.2.1. Feedback from Operators of Certified Aerodromes

This Report has sought feedback from operators (all are Councils) of the following Certified Aerodromes.

	Fees?		Fees?		Fees?		Fees?		Fees?
Ballarat	N	Stawell	N	Echuca	Y	Ararat	N	West Sale	Y
Bendigo	Y	St Arnaud	N	Benalla	Y	Shepparton	Y	Mallacoota	N

The key messages from the operators were:

- Councils operate the aerodromes to ensure that the provision of a link to emergency services, including the transfer of patients, is maintained.
 - Echuca noted that the aerodrome proved a vital link during the flood emergencies in late 2022.
- All facilities operate at a loss to the Council's annual budget, and all operators are seeking to reduce the operating loss. There are higher overheads associated with maintaining a Certified Aerodrome.
 - Operators that have introduced fees have reported no substantial change to the usage of the facility.
- The decision to become CASA Certified was facilitated by transitioning arrangements associated with MOS 139 – see Section 5.9.2. The cost of gaining Certification varied based on circumstances, CASA requirements and the availability and capability of resources to prepare the documentation required by CASA.
 - Operators that used external expertise to prepare the documentation required by CASA resulted in an expenditure of between \$25K and \$70K.
 - Operators that complete the documentation used CASA, which did involve fees and advice from the Australian Airport Association (AAA), which requires an annual membership fee - AAA estimate that the annual fee for Council to be a member of the AAA is \$1,500/year.
 - East Gippsland Shire Council had ceased the Mallacoota Aerodrome being a Registered Aerodrome prior to the transitioning arrangements associated with MOS 139. However, after the bushfire events in early 2020, there was a desire to have the aerodrome become Certified, and negotiation with CASA resulted in the aerodrome being able to enter the transitioning arrangements.
- Councils reported that achieving Certified Aerodrome status does not facilitate or attract any significant increase in usage – it does provide the ability for aircraft, including those used by the emergency services, to make instrument approaches in unfavourable weather conditions.
- Certified Aerodrome status does not facilitate the arrival of tourists; tourism forms a significant component of Echuca's and Mallacoota's local economy – visitors do not use the airport:
 - Bendigo has an RPT service to Sydney via QANTAS (with a daily 50-seat flight) and does experience a mix of business and Visiting Friends & Relatives (VFR) based visitors; this is a function of having an RPT service (which requires an aerodrome having to be CASA Certified). The Destination Management Plan for the Bendigo Region (which includes Central Goldfields) flags leveraging this service for tourism – see Section 6.34.1
 - Mallacoota does receive a few charter flights each year associated with chartered fishing tours.
 - Stawell does have an operator that offers scenic flights over the Grampians and receives flights associated with the Stawell Gift event.
- The Councils operating Bendigo Airport (Greater Bendigo City Council) and Mallacoota Aerodrome (East Gippsland Shire Council) manage issues with trees impacting the OLS for these facilities and have in place a 10-year permit with DEECA to address this issue. This process has required up to some \$80,000 of expenditure for ecological assessment – see also Section 0

- The prevailing view amongst operators was that aerodrome lease holdings do not reflect the asset's market value. To this end, Ballarat, Bendigo, and Echuca are undertaking a process to revalue leases and the annual lease payments³. These operators understand that this may see some leaseholders discontinue or not renew their leases; the loss of revenue from the current lease would be a small percentage of the facility's overall operating costs.
- Operators seeking to grow the revenue generated from the use of the facility are seeking to, or have introduced, means to generate revenue to offset losses – e.g., the introduction of landing fees, aircraft refuelling facilities, leasing of land within the aerodrome for agricultural production – see also Section 5.7.1

³ Central Goldfields Shire Council has undertaken work to estimate the future income that may be generated by rental fees and rates associated with lease holding at MA – see Section 5.5.1

5. Maryborough Aerodrome

The MA has and will benefit from up to \$340,000 of community, federal Government and Council funding over the next 3 to 4 years. This funding has delivered the MATS and will see improvements in safety through kangaroo fencing, reliability of power, mains water pressure and the resealing and line marking of the sealed runway.

There is still a need to remove collection dams which attract birdlife; this will require an alternate drainage solution that will require a budget. Council is also looking to reseal the runway sometime in the next three years.

Council has budgeted the MA to operate at a loss of around \$43,000 – Council believes the total operating budget needs to be \$67,000.

The MA is budgeted to generate around \$2,000 in leasehold rentals. Central Goldfields Shire Council estimates the future income generated by rental fees and rates associated with lease holdings at the MA will be almost \$15,000 by 2027.

Around 42% of landings at the MA are typically associated with local usage. This usage includes planes housed at MA and flying instruction conducted from MA. The balance is sports aircraft and flight instruction landings.

Over the three years 2020 to 2022, the MA received 35 ambulance-related flights. Rotary wing aircraft conducted all bar one of the ambulance flights. As of late 2024, AV will unlikely operate its larger fixed-wing aircraft from MA.

There is the capacity for additional lease holdings at the MA. The MA would benefit from a straightforward process regarding the management and granting of leases and a "Site Development Plan" that identifies the location of additional lease holdings and shared infrastructure such as taxiways and hardstand areas.

Other than rental and rate payments associated with lease holdings, there are no other viable avenues to generate revenue through the operation of the MA.

Even allowing for anticipated increases in revenue from lease holdings, the MA cannot achieve a positive cost benefit in financial and economic terms.

There are no viable alternate management models to the existing management regime of the MA at this time. The current management regime could be strengthened through a Lease Development Plan.

An OLS survey initiated by Council has identified that up to several hundred trees in the MA impact the Non-Precision Approach Standards for a lit runway. Council has determined that it has a duty of care policy, which will require a risk management strategy to address the impact of the trees. Consultation with DEECA has identified the need to establish a 10-Year Planning Permit. Developing the Permit and removing trees will likely take at least two years, with an estimated cost of \$230,000.

There have been calls from the MA Taskforce regarding the MA becoming a CASA Certified Aerodrome. This process would require addressing the current obstacles, investment in developing and maintaining a range of manuals, systems and plans required by CASA as well as annual surveys and inspections, and additional staff hours for Council Officers acting as Aerodrome Reporting Officers (AROs) to undertake daily inspections and be on-call 24/7. Consultation with some other Councils that operate Certified Aerodromes indicates that Certification has had little impact on usage, has not generated additional economic benefit and that the cost of operating and maintaining Certification is challenging and under question.

5.1. Aerodrome Management

The Maryborough Aerodrome (designated YMBU) is some 2.8 km northwest of the town of Maryborough. It is operated and managed by the Central Goldfields Shire Council as an Airplane Landing Area (ALA) as designated by CASA. The Maryborough Aerodrome formerly operated as a CASA Registered Aerodrome until October 2019.

The Maryborough Aerodrome (MA) is located on Crown Land. The Council is the land manager of the MA, with the State Department of Energy, Environment and Climate Action (DEECA) as the owner on behalf of the Victorian Government. The Council does not incur any lease payments for operating the MA; under this arrangement, Council is responsible for the upkeep of the MA.

5.2. Existing Aerodrome Facilities

The Maryborough Aerodrome has the following facilities:

Runways	Sealed strip (runway 17/35), 1,040 m long with a Maximum Take-Off Weight (MTOW) of 5,700 Kg - has pilot-activated lighting. Gravel strip (runway 06/24) 640 m in length with an MTOW of 5,700 Kg
Helipad	Dedicated helipad and associated MATS facility
Services Building	A permanent building that offers toilets and an internal seating area; the building is next to (and outside of) the aircraft movement area with an adjacent hardstand area
Utilities	There is a town water supply and access to power and phone services. Sewer is by way of a septic system that services the toilets in the services building.
Refuelling	None

5.2.1. Runways

Currently, the Council has assessed the condition of the sealed runway (17/35) as reasonable, scoring 3 out of 5 on Council's Condition Scoring. The sealed runway has pilot-activated lighting.

Council anticipates that the runway will require basic resealing and line marking within the next few years and that these works would cost \$100,000 to \$150,000.

Council is considering the completion of an extensive structural assessment of the sealed runway (17/35) in the 23/24 Financial Year. This assessment would provide a detailed evaluation of

- i) any required repairs or upgrades
- ii) and when they must be undertaken.

Council has undertaken a program to slash undergrowth that has encroached onto the verges and run-off of the runways.

5.2.2. Helipad- MATS Facility

Ambulance Victoria has established a rotary wing landing area at the Maryborough Aerodrome. This area is serviced by the MATS facility, which provides shelter to paramedics and patients in the transfer between ambulance vehicles and rotary wing aircraft – see also Section 5.4.3

The MATS was established with \$120,000 of funds raised by the Maryborough community.

5.2.3. Refuelling Services

At present, there are no aircraft refuelling services available at the MA. The introduction of such a service

- Would add value to leaseholders operating their aircraft from MA (at present, these operators must fly to another location to take on fuel and return to MA, meaning that they cannot depart MA with "full tanks.")
- May attract other aircraft operators not based at MA to use MA.

Council has held discussions with a potential aircraft refuelling service provider and the commercial arrangements that would apply to a provider operating from the MA.

Such a service is not likely to generate a high level of revenue. This assessment is based on (i) the current number of aircraft landings that MA receives and (ii) that many aircraft originating their flight closer to Melbourne may not need fuel at MA to return to Melbourne. A provider would likely be looking to provide this service on the basis that it retains most, if not all, of the revenue that the service generates. It could also be expected that in such a circumstance that this service would be provided at no cost to the Council.

The location of refuelling infrastructure and the safety and operation requirements associated with such a service are yet to be determined. Some costs for these requirements may need to be factored into the commercial arrangements with a service provider.

5.3. Maryborough Aerodrome Operating Budget and Investment

Council has advised this Report that it has budgeted for the Maryborough Aerodrome to have an operational loss of some \$45,000 for the 2022/2023 financial year. The Council has budgeted to:

Receive \$2,020 in lease income	Have outgoings of \$47, 156 including:
	– \$39,000 for asset depreciation
	– \$4,000 for contractors and service providers, and
	– \$3,361 for associated wages and salaries

Leaseholders' rental and rate payments are the only income the MA generates.

5.3.1. Increases to the Operating Budget

Council has advised this Report that the MA's operating Budget will require an additional \$15,000 in contractor works and \$5,000 in salaries to implement the MA's current Operating Manual. These costs would increase the Operating Budget to over \$67,000.

5.3.2. Recent and Pending Investment in the Maryborough Aerodrome

The Maryborough Aerodrome has and will benefit from \$340,000 of investment from various sources. This investment is to be implemented by mid-2025. **Table 5-1** over the page notes the range of investments, including:

- The MATS facility – see Section 5.2.2
- A Federal Government Grant of \$110,000, which will be matched by Councils funds (i.e., \$220,000 in total) and used to undertake the following projects over the next two years:
 - Kangaroo fencing – to reduce the incidence of kangaroos entering the MA.
 - Back-up power – this will support lighting systems.
 - Water mains pressure: this will enable firefighting aircraft and vehicles to fill from a point nearby the helipad and increase the MA's emergency service capability.

Table 5-1 - Recent and Pending Investment in the Maryborough Aerodrome

Investments	2022/23	2023/24	2024/25	Cost (\$K)	Funding Source
MATS Facility	●			\$120	Community
Kangaroo Fencing		●	●		
Power Back-up		●	●	\$220	Federal Grant (50%) CGSC (50%)
Mains Pressure Water		●	●		
			Total	\$340	

5.3.3. Proposed Investments

In addition to the recent and pending projects, the following projects are proposed. The rationale for this investment is discussed in other sections of this Report.

Investment & Description	Estimated Investment (\$K)	Source	Timeframe
<p>Tree Management Plan</p> <p>Council will seek to commence the process of gaining a 10-Year Planning Permit from DEECA to remove trees that are impeding the MA's OLS in late 2023. This permit will form part of Council's risk management strategy. – see also Section 5.6.1 Removal of Vegetation</p>	\$230	Council	2024 to 2026
<p>Drainage Improvements</p> <p>Council is seeking to develop a drainage solution that will not require the current collection dams and reduce risk to aircraft and wildlife - see also Section 5.6.2</p>	\$30	Grant	2025/26
<p>Detailed Runway Assessment</p> <p>Undertake a detailed assessment of the structural integrity of the MA's runways to identify any need for significant repairs – See also Section 5.2.1</p>	\$5	Council	2025/26
<p>Land Use Review</p> <p>Review and update the existing Design and Development Overlay (DDO2) that applies to the MA's approaches which provide some protection for the Aerodrome's operations – see also Section 2.4.2</p>	\$10	Council	2025
<p>Lease Development Plan</p> <p>Development of a plan to identify future sites for additional leases – see also Section 5.5.4</p>	\$10	Council	2025/26
<p>Reseal of Runway</p> <p>Undertake a reseal and line marking of the sealed runway – see also Section 5.2.1</p>	\$125	Council	2026/27
	Total Investment	\$410	\$380K from Council

5.3.4. Cost Benefit

In economic and financial terms, the MA cannot generate a positive cost-benefit – i.e., revenue and economic impact that exceeds the level of investment.

Council decisions to invest in the MA are based on maintaining the MA as a critical link for the community and exercising its policy of reasonable care about the operation of the assets for which it is responsible.

5.4. Aerodrome Usage

During 2022 the Council subscribed to a three-month trial AVDATA service to gain a record of the usage of the Maryborough Aerodrome. The trial period was for July to September 2022.

AVDATA⁴ provide a commercial service that many airport/aerodrome operators use to charge a fee for using their facility. The AVDATA system captures radio calls from aircraft operators as they approach the aerodrome. This practice is highly encouraged by CASA in areas not subject to Air Traffic Control.

Council used the AVDATA service from late June 2022 to early November 2022 on a trial basis.

Note This Report is aware that some local aircraft operators chose not to make radio calls at various times to skew the results collected by the AVDATA service.

This Report also assumes that all non-local MA users continued making radio calls when approaching the MA while the AVDATA service was operating.

This Report has also been advised that the AVDATA service was turned off for some time during the trial.

The reasons for such actions are not fully known to this Report.

Accordingly, the data collected through the AVDATA service may not reflect the full use of the aerodrome during the period the AVDATA service was operating.

5.4.1. AVDATA - All Aircraft Landings

The total number of landings recorded for each month of the AVDATA systems being in operation is noted in the adjoining table.

	Jul	Aug	Sep
# of Landings	158	276	466

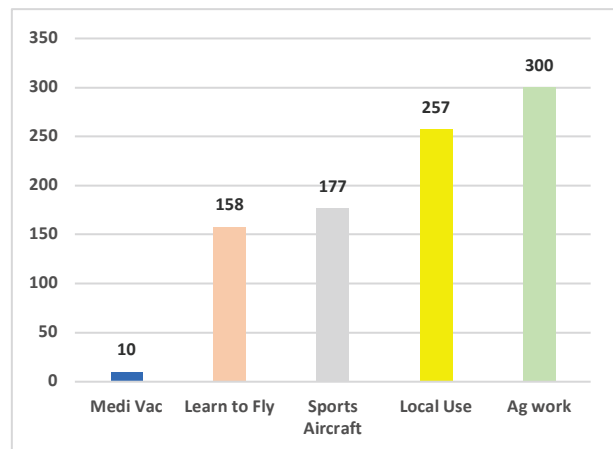
The AVDATA data was analysed to identify the likely type of aircraft usage. As noted in **Figure 5-1**, most landings during the collection period were by crop dusting operators.

Using the aerodrome is not the regular practice of crop-dusting operators. Normally they would be operating from the farm properties they are servicing. However, the rain events experienced during the data collection period rendered these properties unusable by the operators. In this circumstance, they relocated their operations to the aerodrome.

The next highest usage was by local users, including:

- Aircraft based at the MA.
- A Bendigo-based flight training provider that regularly operates from the MA with a sports aircraft.
 - Given that this operation includes some residents, this Report has deemed this "local use."
 - This operator is seeking to establish a lease at the MA from which it can conduct its operations.

Figure 5-1 - Number of Landings by Aircraft Activity



⁴ See - <https://avdata.com.au/airports/>

The next highest usage was by "sports aircraft" – see also Section 3.5 – based outside of the Shire (and therefore not "local").

- The origin of these aircraft cannot be determined. However, this Report has assumed that many originate from a facility within the 150 km radius of Melbourne's CBD, as noted earlier in this Report.
- To access ownership information about these aircraft, an aerodrome operator must be a member of the Australian Airports Association. ⁵(AAA) – Council is not a Member of the AAA

The learn-to-fly landings were mainly "touch and go's" by flying instruction operators outside the Shire.

The aeromedical operations during this period were all conducted by rotary wing aircraft, with 6 of the 12 landings occurring in one month.

Figure 5-2 provides a percentage share of the landings.

This Report has assumed that:

- The crop-dusting operators and sports aircraft are not locally based (although the crop-dusting operators may be supporting farming business in the Shire)
- The "touch-and-go" landings are associated with flying instruction for people not from the local community.
- All medivac landings were to transport people from the local community.

Based on the above assumptions, around 29% of the landings were associated with using the aerodrome by the local community. (i.e., 28% of local use + 1% of medivac)

5.4.2. A More Typical Usage Scenario?

Under normal circumstances, the crop-dusting operators would not be using the aerodrome. Their typical operation would be to use the farm property they are servicing to reduce the time spent flying between where the plane loads with crop-dusting material and where the material is spread.

On this basis, this Report has represented the AVDATA data to understand a more typical scenario of usage of the aerodrome.

Figure 5-3 provides a percentage breakdown of all landings when the crop-dusting operator landings are discounted.

In this scenario, Local Use grows to 44% - (i.e., 42% of local use + 2% of medivac); the local use includes flying instruction from MA.

55% of the use of the MA is by non-local aircraft operators (i.e., 29% Sports Aircraft + 26% Learn to Fly).

Figure 5-2 – Percentages of All Landings

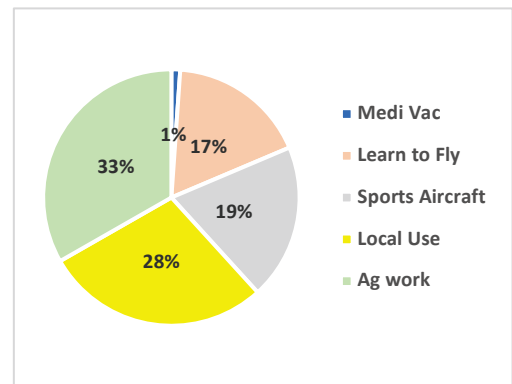
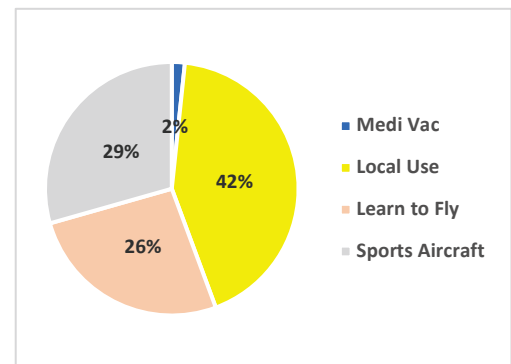


Figure 5-3 - A More Typical Usage Scenario



⁵ See - <https://airports.asn.au/>

5.4.3. Ambulance Victoria Usage

Like most aerodromes, the Maryborough Aerodrome provides an essential link for the local community regarding access to medical services.

Data supplied by Ambulance Victoria shows that over the years 2020 to 2022, there were 35 medivac flights from Maryborough Aerodrome, with all but one undertaken by rotary wing aircraft.

Ambulance Victoria also noted that there were also an additional nine *unfilled* requests for an air ambulance to attend Maryborough Hospital during this time – e.g., cancelled, case downgraded, aircraft unable to fly due to weather etc.

For 2023, there has been one medivac undertaken by rotary wing aircraft.

Ambulance Victoria advised this Report that these numbers will be primarily requests to attend Maryborough Hospital but may include ambulance work unrelated to the hospital. So, there is a margin of error in the above data due to some cases in the vicinity of Maryborough, e.g., in a town nearby. However, the aircraft landed at Maryborough Airport and met the ambulance.

Ambulance Victoria also advised that its new fixed-wing fleet (commencing operation in 2024) will comprise larger aircraft exceeding the current MTOW 5700kg at MA.

	Rotary Wing	Fixed Wing	totals
2020	13	0	13
2021	12	1	13
2022	9	0	9
totals	34	1	35

5.5. Lease Holdings at the Maryborough Aerodrome

There are several lease holdings at the Maryborough Aerodrome, as depicted in **Figure 5-4**. Leaseholders pay rent and rates to Council based on the size of the lease holding.

In the main, the leaseholders have a shed on their lease holding used to store aircraft owned and operated by the leaseholders. Leaseholders also include the Maryborough Aero Club and the Maryborough Rotary Club.

The leaseholders access the runways via sealed taxiways and hardstand areas. There are also aircraft stored in the tiedown area that are not subject to fees or charges.

5.5.1. Lease Revenue and Status of Current Leases

As noted in Section 5.3, the Council has budgeted \$2,020 for leaseholders' rental payments in 2022/23. Council has advised this Report that it is undertaking a process of resolving issues relating to some lease renewals and reconciling the non-issue of invoices to leaseholders.

Council has also undertaken modelling of the estimated rental and rates income to be collected from leaseholders as noted in **Table 5-2**.

Table 5-2 – Estimated Rental and Rate Income for the Maryborough Aerodrome

	2023	2024	2025	2026	2027
Rental Income Estimate	\$7,779.45	\$8,051.73	\$8,337.51	\$8,629.32	\$8,931.35
Rates Income Estimate	\$5,224.02	\$5,406.86	\$5,596.10	\$5,791.97	\$5,994.68
total	\$13,003.47	\$13,458.59	\$13,933.61	\$14,421.29	\$14,926.03

Note This Business Case has employed the modelling with respect to rental income when considering the financial operation of the MA. The Business Case has not included rate related income as it assumes that these form part of Council consolidated revenue.

Figure 5-4 Maryborough Aerodrome Lease Holdings



5.5.2. Capacity for Additional Lease Holdings

There is space at the MA for additional lease holdings. The number of additional lease holdings will be a function of the area the potential leaseholders require. There is no plan for the location of additional leases relative to existing taxiways or other aerodrome infrastructure.

Should additional space be required for lease holdings and associated taxiways or hardstand areas, there may be a need to create extra space by clearing trees. As such, it may be appropriate to incorporate this into the planning permit, as noted in Section 5.6.1

There will likely be a turnover of some existing leases that will create vacant lease holdings.

5.5.3. GA Related Business Operations

This Report determines GA businesses as those relating to the following:

- construction of GA aircraft – including sports aircraft
- repair and maintenance of GA aircraft
- charter flight operations
- flying instruction

At present, there is no GA-related business located at the MA. There is a Bendigo based flying instruction business that provides training from the MA – see Section 5.4.1

A GA business' decision to relocate to MA (or any other location) would also consider if their current customer base (and their aircraft) would use MA. The absence of a refuelling facility may inhibit customers' willingness to fly to MA.

A GA business may also require a hardstand area to be constructed adjacent to its facility to accommodate its customers' aircraft.

Should a GA business establish or relocate to the MA, it would likely be a micro-business (i.e., employ five or fewer people). It would have minimal impact on ⁶This would be due to a business seeking lower operating costs for lease holdings associated with many larger facilities. Larger GA businesses tend to operate from larger aviation facilities where significantly more aircraft use the facility.

5.5.4. A Process for Managing Investment at the Maryborough Aerodrome

At present, there are multiple areas of Council involved in the management of the MA – this includes:

- Strategic Asset Management – oversight of asset development at the MA
- Governance Property & Risk – administration of lease holdings at the MA
- Economic Development – leadership of investment attraction at the MA

Investment at the MA would benefit from a coordinated approach across these areas with a Business Plan that incorporates the following:

- 1) Site Development – i.e., via a "Lease Development Plan" that would identify the location of additional lease holdings (for private operators or GA businesses) should they be required and any works necessary to enable such leases (e.g., additional taxiways or hardstand areas)
- 2) Infrastructure project management – and the development of grant applications or budget bids for future improvement to infrastructure
- 3) Coordination of the process required to gain a 10-year planning permit for the management of trees – see Section 0
- 4) Management of investment enquiries, including additional leaseholds.
- 5) Regular consultation with MA stakeholders

5.6. Obstacle Limitation Surfaces

Council instigated the conduct of a survey of the Take-Off, Approach and Transitional Surfaces (forming part of the Obstacle Limitation Surfaces (OLS)⁷) at the Maryborough Aeroplane Landing Area (ALA) on 27 January 2022. An overview of the survey findings is tabled below, the survey.

<i>Assessed against the:</i>	<i>Identified approximately:</i>	<i>Assumes this would equate to</i>
<i>Current Code 1 Non-Precision Approach Standards for a lit runway</i>	66 groups of trees identified that require lopping or removal to comply with the current OLS standards	several hundreds of individual trees needing attention
<i>previous Code 1 Non-Precision Approach Standards</i>	approximately 40 groups of trees identified that require lopping or removal to comply with the previous OLS standards	hundreds of individual trees needing attention

The identified trees are both within the ALA boundary and outside the ALA boundary; in either circumstance, the trees are on Crown Land.

⁶local employment.

⁷ Obstacle Limitation Surfaces A series of planes associated with each runway at an aerodrome that defines the desirable limits to which objects or structures may penetrate the airspace around the aerodrome so that aircraft operations at the aerodrome may be conducted safely.

5.6.1. Removal of Vegetation

The Report sought advice from the Department of Energy, Environment and Climate Action (DEECA) regarding addressing lopping or removing trees located at MA that impact the OLS.

Native vegetation removal requires planning permission and vegetation offsets. Given that trees and other vegetation are subject to regrowth, there is a need to establish a 10-year planning permit which enables ongoing tree management, including reduction and removal. It is not practical to apply for planning permits every year to remove native vegetation obstacles. The granting of a 10-year planning permit represents a significant body of work and includes the following:

- A precise calculation of the vegetation to be removed to have a clear OLS –
 - Greater Bendigo City Council and East Gippsland Shire used a 3D modelling process to establish the amount of vegetation to remove at the Bendigo Airport and Mallacoota Aerodromes.
 - The cost of the vegetation offsets cannot be completely understood until the amount and location of vegetation removal is determined.
 - It should be noted that the removal of a large amount of vegetation may trigger the requirement of an Environmental Effects Statement (EES)
- A detailed ecological assessment for the impact on biodiversity due to the reduction or removal of native vegetation. This assessment will also include a calculation of the rate of regrowth.
- Preparation of a Vegetation Management Plan (VMP) outlining how much vegetation will be removed over the ten years. This plan will also specify how DEECA will be notified of the yearly removals and show the evidence of vegetation offset credits obtained.

The overall cost of the VMP process somewhat depends on the area of vegetation to be impacted; for Greater Bendigo City Council, the cost was \$40,000 and \$80,000 for the East Gippsland Shire Council.

Finally, there will be a cost to undertake the initial removal of trees and vegetation. Feedback from a logging contractor suggests that if there are several hundred trees (as indicated by the OLS survey), tree removal may exceed \$100,000 (depending on the value of the timber to the logging contractor).

The ongoing maintenance of the tree canopy as per the 10-year planning permit will add to the annual operating costs of the MA; this cost is a function of the area to be managed and the regrowth rate.

5.6.2. Wildlife

The ERSA notice for Maryborough Aerodrome notes that kangaroos and birdlife are potential hazards.

Council was required to address water run-off issues raised by an adjoining property owner and constructed two holding dams within the aerodrome to arrest the run-off. These dams have netting installed to hinder birdlife using the dams. Birdlife and kangaroos are attracted to these holding dams. Some birds are being caught in the netting and drowning in the dams.

5.6.3. Council Duty of Care

Council has advised this Report that, under tort law, Council has a duty of care and that Council's policy requires reasonable care for the operation and maintenance of its assets.

In addition to the above, Council has advised this Report that Council having conducted the OLS and being aware of them confers a responsibility on Council to manage them reasonably. Council has advised this Report that there is a need for a risk assessment undertaken now to assess and manage those risks identified by the OLS survey.

This Report assumes that the risk management process will be reflected in the development and implementation of the 10-Year Planning Permit for removing vegetation and other projects that seek to minimise the impact of wildlife.

5.7. Other Potential Revenue Streams

This report has considered other revenue opportunities that could further offset Council's investment and operating costs.

5.7.1. Landing Fees

Many aerodromes charge a fee for use of the facility. These fees are usually charged for landing and may vary according to the aircraft size, type of usage, and frequency of use. The feedback from aerodrome operators that have introduced landing fees is that there has been no significant change to the use of their respective facilities post the introduction of fees – See Section 4.2.1

AVDATA provide a service that identifies and invoices users of aerodromes and airports; this service identifies aircraft movements, identifies aircraft operators, and generates an invoice to the aircraft operator. AVDATA charges a service fee (based on the number of movements identified/invoices generated) deducted from the invoice payment, with the balance returned to the aerodrome operator. The aerodrome operator needs to rent AVDATA equipment and be a member of the AAA so that AVADATA can track ownership of “sports aircraft” through RA-Aus. AAA estimate that the annual fee for Council to be a member of the AAA is \$1,500/year.

For this Report, AVDATA was engaged to model the revenue that usage of the MA may generate and the potential returns to Council. The data is based on the aircraft usage recorded during the 3-month trial – see Section 5.4. A fee of \$10/landing was used in the following scenarios.

5.7.2. Base Line Scenario

In this scenario, all types of usages have been determined as being subject to a landing fee.

<i>Usage Types</i>	Jul		Aug		Sep	
	Billable usages	Billed value (ex GST)	Billable usages	Billed value (Ex GST)	Billable usages	Billed value (ex GST)
Agricultural	0	\$0	46	\$1,669	95	\$4,282
Out-of-area flying schools	15	\$175	18	\$210	20	\$243
RA flying school / potential lessee	10	\$100	8	\$80	23	\$230
Aeromedical	0	\$0	2	\$136	3	\$204
All other aircraft	10	\$115	11	\$130	9	\$110
RAs visiting only once or twice	11	\$110	6	\$6	6	\$60
Possible locals	2	\$27	4	\$47	3	\$37
RA possible out of area flying school	2	\$20	1	\$10	1	\$10
Total	50	\$546	96	\$2,342	160	\$5,176
Collection Costs						
Service Fees		\$128		\$269		\$424
Equipment Rental		\$200		\$200		\$200
AAA Fee		\$125		\$125		\$125
Total		\$453		\$594		\$749
Balance		\$93		\$1,748		\$4,427

The revenue generated in August and September is highly elevated through the atypical use of the MA by crop dusting operators – see Section 5.4.1. The only month during the AVDATA trial that did not experience agricultural usage generated a balance of \$93.

5.7.3. Exemption Scenario

In this scenario, some usage types have been exempted, including:

- Locally based users/leaseholders – many aerodrome operators charge local users an annual fee that reflects their use of the aerodrome's infrastructure – i.e., landing strips, taxiways, hardstand etc. – this charge may be a component of the annual lease payment.
- Aeromedical – this scenario has assumed that Council would not wish to impose a fee on this type of usage as it is the core purpose of the MA's operation. Much of the aeromedical use relates to the helipad, and it is unlikely that AV will deploy its larger fixed-wing aircraft to MA from late 2024. AV pay an annual lease for access to the MATS.
- Agricultural – this is an atypical use of the MA and has been excluded from this scenario. It should be noted that the MA enables this activity to continue when crop dusting operators cannot operate from their client's property.

<i>Usage Types</i>	Jul		Aug		Sep	
	Billable usages	Billed value (ex GST)	Billable usages	Billed value (Ex GST)	Billable usages	Billed value (ex GST)
Out-of-area flying schools	15	\$174	18	\$210	20	\$243
All other aircraft	10	\$115	11	\$130	9	\$110
RA possible out of area flying school	2	\$20	1	\$10	1	\$10
Agricultural	0	\$0	0	\$0	0	\$0
Aeromedical	0	\$0	0	\$0	0	\$0
Possible locals	0	\$0	0	\$0	0	\$0
RA flying school / potential lessee	0	\$0	0	\$0	0	\$0
RAs visiting only once or twice	0	\$0	0	\$0	0	\$0
Total	25	\$309	29	\$350	29	\$363
Collection Costs						
Service Fees		\$77		\$101		\$96
Equipment Rental		\$200		\$200		\$200
AAA Fee		\$125		\$125		\$125
Total		\$402		\$426		\$421
Balance		(\$93)		(\$76)		(\$58)

This scenario returns a negative balance to Council. After two years, the cost of the system would reduce by \$200/month as Council would own the equipment used to record aircraft movements. Based on the above, it is estimated that Council would experience a negative balance of \$1,800 over this time, after which it would experience a positive balance of \$1,500 per annum in landing fee revenues. It would take a further 15 months to return the initial \$1,800 loss.

It is conceivable that if landing fees were introduced, the "out of area" flying schools may reduce or cease their MA use, resulting in a greater negative balance. Council could conceivably introduce a temporary charge for the use of the MA by crop dusting operators that is independent of the introduction of the AVDATA system. This charge could be a daily/weekly fee separate from the number of operators' landings. This fee would require Council resources to develop, establish, and manage a system needed every few years.

Based on the above scenarios, this Report contends that introducing landing fees does not provide an attractive cost-benefit proposition for Council.

5.7.4. Leasing for Non-Aviation Activities

An area outside of the aircraft operating area (i.e., adjacent to the car parking area) may be available for lease; the rental from any lease holds created in this area would need to be determined through Council's review of lease rentals.

The Aerodrome is zoned for Public Use – see **Figure 2-2** – and as such, it requires that the use of the land is consistent with the intended public use of the space – i.e., aviation-related activity. Awarding a lease for non-aviation use would be inconsistent with the intent of the Public Use zoning of the land.

In addition to the zoning requirements, some of this land would require vegetation removal to create space for a potential lease; This would invoke the needs associated with meeting the OLS requirements – see Section 0.

Given that the Shire has an adequate supply of industrial-zoned land, creating additional space within the MA property is unnecessary.

5.8. Other MA Management Models

The Council is the manager and operator of the MA; as noted in Section 5.3, the MA operates at a budgeted loss for Council. Council continues to operate the MA as it provides a critical link for the community, particularly regarding air ambulance services.

This Report has considered other management models.

5.8.1. Purchase of Aerodrome

At present, the Council acts as the land manager of the MA on behalf of the State and does not incur any lease payments for operating the MA; under this arrangement, Council is responsible for the upkeep of the MA.

Council made previous enquiries to DEECA regarding the purchase of the MA in 2017 to resolve several issues relating to leases. DEECA were consulted regarding an update on an opportunity for Council's acquisition of the MA and shared the advice provided to Council in July 2017 that is:

- The valuation was \$270,000 for the entire MA reserve and \$130,000 for the “hangar area” adjoining the runways – the valuation was valid for six months (and is therefore no longer valid)
- Any sale process would be contingent on
 - protection of native vegetation on the MA and fencing issues
 - agreement from the Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC)
 - approval from the Minister for Finance

DEECA also requires that land would remain zoned for Public Use

A sale process would likely take a few years as there is a process for disbursement of the proceeds of the sale of Crown Land to the DDWCAC that is yet to be finalised.

As noted in Section 5.5.1 Council is progressing with issues relating to leases and reviewing the lease rental regime.

This process is being achieved without Council needing to purchase the MA from the State as was intended in 2017.

At this point, there appears to be no clear rationale for Council taking ownership of the MA.

5.8.2. Appointment of a Third-Party Manager

The model would see the installation of a third party to operate the MA on a commercial basis; this may include the following models:

1 *Council pays the third party a fee to operate and maintain the MA as per the current MA Operating Manual*

Council, as the land manager, would still be responsible for the condition of the MA.

Under its policy of reasonable care, the Council would need to oversee the proper operation of the MA; this would require some form of supervisory resource from Council.

Council holds the leases and would remain responsible for their administration.

This model may have potential merit if the fee paid to the third party is less than Council's current MA operating costs. Based on the current Council budget, this would seem to:

- Offer Council little, if any, cost savings.
- Not be attractive to a third party based on the likely fee that would be less than Council's current operating budget.

2 *Council engages with a third party to operate the MA as per the current MA Operating Manual, which can collect revenue based on the use of the operation of the MA.*

Council, as the land manager, would still be responsible for the condition of the MA.

Under its policy of reasonable care, the Council would need to oversee the proper operation of the MA. This oversight would require some form of supervisory resource from Council.

The third-party may generate revenue from lease rental and landing fees; this model would be problematic given that:

- Council holds leases, and the relationship with leaseholders would remain with Council.
- There is no system to collect landing fees, and the cost of introducing and maintaining landing fees is likely to be less than the fees collected – see Section 5.7.3 - the introduction of landing fees would be problematic ahead of Council's finalising issues relating to leases.
- Council would lose access to revenue that offsets Council's investment in the MA.

Given that either of the above models offers little if any benefit to Council or is likely to improve the operation of the MA, this Report recommends the retention of the current management arrangements.

Note Kyneton Aerodrome operates under a service agreement with the Kyneton Aero Club – see Section 4.1.2. In this arrangement, the:

- Council owns the Kyneton Aerodrome
- Council provides the service provider with funds equivalent to total lease payments - there are more than 35 leaseholders.
- The Kyneton Aero Club is responsible for the maintenance and repair of all aspects of the aerodrome – including runways, fencing and signage.
- "Third-party" (i.e., Kyneton Aeroclub) provides:
 - volunteer labour – the club has over 170 members.
 - maintenance equipment including tractor and grass mower.
- The Kyneton Aeroclub operates its own GA business (i.e., a flying instruction operation) from which it draws an income.

5.8.3. Committee of Management

Some Councils have established a Committee of Management (CoM) – i.e., Colac and Bacchus Marsh Aerodromes; these Committees consist of a Council representative plus some leaseholders – see Section 4.1.2

This report sees that, at least for the present, a Committee of Management will not add value to the operation of the MA based on the following:

1) Current and Potential Infrastructure Projects

There is a significant level of infrastructure work that will be undertaken in the next two years, and further works under consideration – i.e.

- Committed projects to be completed through the grant funding and Council contribution - see Section 5.3.2
- Proposed works – see Section 5.3.3 - including:
 - Gaining a 10-year planning permit for vegetation management
 - Redesign and construction of drainage to enable removal of current collection dams.
 - Reseal and line making of the sealed runway.

There will be several processes associated with these projects that this Report believes are best managed by Council that a Committee of Management would not add value to as each of these needs Council to be the responsible entity – these processes include:

- Tendering for committed projects.
- Grant application for proposed works
- Council budget bids
- Working with DEECA to gain a 10-year planning permit for vegetation management.

2) Leases

The current state of flux regarding leases at the MA and a review of leases - see Section 5.5.1 - makes the inclusion of current “leaseholders” problematic as there will likely be conflicts of interest with a Committee of Management addressing the issue of leases which would impact the governance capability of a CoM.

Given the above, this Report does not recommend the establishment of a CoM for the MA; instead, it refers to the recommendation noted in Section 5.5.4

5.9. CASA Status

Maryborough Aerodrome is a designated Aircraft Landing Area (ALA). As defined by CASA, an ALA is an unregulated facility – it is an operator's or the pilot's responsibility to determine the facility's suitability for use. As noted by CASA⁸ there is no requirement for an ALA to:

- Have an aerodrome manual.
- Have a safety management system.
- Undertake an aerodrome technical inspection - however, regular inspection by a suitably qualified person(s) is recommended.
- Have a Trained Reporting Officer (TRO) - however, it is recommended.
- ALA operator to monitor obstacles - it is the responsibility of the pilot (and some operators) to determine the suitability of the facility.
- Have the aerodrome details published in ERSA.⁹/NOTAM - however, an aerodrome owner could elect to do so.

Private aircraft owners and GA-related businesses do operate from some ALA facilities. Often this is more of a function of the facility's proximity to other assets and circumstances not related to the functionality or status of the ALA facility. (e.g., Torquay Aerodrome is a privately operated ALA – its proximity to the Great Ocean Road underpins the scenic flights that operate from this facility)

5.9.1. Council Duty of Care

While CASA has minimal requirements for the operation of an ALA, Council has advised this Report that under its policy of reasonable care that it:

- Conducts regular aerodrome inspections by CASA-certified Airport Reporting Officers (ARO), who use an Operating Manual for the MA to guide their inspections.
- Provides MA's details to ERSA.

5.9.2. Previous CASA Status

Maryborough Aerodrome had previously been a Registered Aerodrome with CASA. While under Administration, Council resolved to change that classification to an Aircraft Landing Area (ALA), which came into effect on 30 October 2019.

CASA changed its requirements for Registered Aerodromes to become Certified Aerodromes by the Civil Aviation Safety Regulation (CASR) Part 139 Amendment, which came into effect on 13 August 2020. CASA had given notice of its intention to change these regulations for some years before they came into effect.

Aerodromes Registered at that point (i.e., August 2020) were deemed eligible by CASA to hold a 'transitional aerodrome certificate' at the commencement of the revised Part 139 regulations. The 'transitional aerodrome certificate' deeming process and associated "grandfathering arrangements" remained in place until 13 May 2022. Through the grandfathering provision, aerodromes were given additional time to undertake the preparations necessary to achieve CASA Certification. As the Maryborough Aerodrome ceased to be a "Registered" aerodrome in October 2019, the aerodrome was ineligible to be included in the "grandfathering" transitional arrangements.

The grandfathering arrangements did not provide a "shortcut" to achieving CASA Certification. Instead, it offered an extension of time under which aerodromes could operate as Certified aerodromes while they prepared the necessary documentation and upgraded infrastructure (if required) to meet CASA's new requirements for Certified Aerodromes.

The cost of achieving CASA Certification varied based on the circumstances of each facility that made use of the "grandfathering arrangements" – see Section 5.9.3

⁸ See - <https://www.casa.gov.au/operations-safety-and-travel/aerodromes/aerodrome-register/aerodrome-categories>

⁹ ERSA is a publication that contains information vital for planning a flight and for the pilot. It includes pictorial presentations of all licenced aerodromes and is amended every 12 weeks.

5.9.3. Achieving Certified Aerodrome Status

There have been calls from some MA users for MA to become a Credited Aerodrome. Achieving Certified Aerodrome status

- will enable instrument landing, which:
 - Offers local users more opportunity to use the MA – particularly in weather conditions that require instrument landings.
 - May increase the usage of MA – this usage will include an increase in flying instruction from other locations.

Under MA's current operating regime, additional usage does not generate additional revenue for Council.
- will not change the limit on the size of aircraft that can use the sealed (and unsealed) strip – see Section 5.2.10
- will require compliance with OLS standards.
- It is not a prerequisite for a GA-related business to operate from MA.

The cost of becoming a Certified Aerodrome is difficult to cost accurately. The process involves an initial meeting with CASA, which will then provide an estimate of their fee for Council to apply for Certification of the Aerodrome and confirm its requirements for MA to become a Credited Aerodrome.

In addition to the CASA fee, there is a need to prepare (maintain and update) CASA's required standards.

- an Aerodrome Operating Manual
- a Safety Management System
- an Emergency Plan

Developing these manuals and plans would likely require the engagement of several days of appropriate expertise to support Council's efforts. CASA's requirements will dictate the length of engagement. The costs associated with this work cannot be accurately determined without clear requirements from CASA. The operators/managers of the Certified Aerodromes consulted as part of developing this Report noted expenditures of between \$25,000 to \$60,000 for the engagement of appropriate expertise.

Certification will also require regular aerodrome inspections by a CASA-certified Aerodrome Reporting Officer (ARO) and having an ARO on call. The use and training of ARO(s) will be at a cost to Council's payroll.

Finally, besides the above, there will be a need to improve some infrastructure at MA, including runway lighting and removing obstacles. To this end, the following projects will address the removal of obstacles.

- Development and implementation of a 10-Year Planning Permit would be a key element.
- Kangaroo proof fencing – this will be undertaken through the grant funding received by Council.
- The attraction of birdlife can be addressed by removing the collection dams via an alternate drainage solution.

Aerodrome operators can apply for exemptions to CASA's requirements. Application for any exemption will require the preparation of appropriate documentation, and CASA will determine the length of time an exemption will apply.

6. Alignment of the Maryborough Aerodrome with Strategic Priorities

This Report has sought to identify the alignment of the MA with relevant strategic priorities.

6.1. Health and Wellbeing

The MA provides a critical link in health services through its ability to enable the transfer of people to an air ambulance.

The Council's *Health and Wellbeing Plan 2021–2025* does not note the MA and medivac services.

6.2. Emergency Response Management

The Maryborough Aerodrome can also provide a platform for emergency services, including firefighting and flood relief. The connection to the mains pressure water supply will directly fill firefighting aircraft and vehicles.

The *Northern Victorian Integrated Municipal Emergency Management Plan: Central Goldfields Shire* does not note the MA. The Bendigo Airport has a dedicated DEECA Airbase facility.

6.3. Impact on Tourism and Visitation

Some MA stakeholders have flagged that MA has the potential to be an important asset for tourism. A review of the:

- Destination Management Plan for the Bendigo Region has no mention of the Maryborough Aerodrome, it does mention:
 - Leveraging Bendigo Airport (and its RPT service)
 - improving bus and rail connections to Maryborough
- Central Goldfields Shire Council Tourism & Events Strategy 2020 – 2025 finds no mention of the Maryborough Aerodrome

Feedback from both Bendigo and Ballarat Regional Tourism Organisations (RTOs) indicates that should the Goldfields receive a World Heritage Listing, any related visitation will focus on drive-related touring. Central Goldfields Shire Council is a member of the Bendigo RTO.

At present, the Maryborough Aerodrome people landing at the MA would need to call a taxi to visit Maryborough. Feedback from the flying instruction provider indicates that they have made their private car available to people who have landed at the MA to visit Maryborough.

6.4. Central Goldfields Population

The Central Goldfields Shire's population is forecast to grow from 13,337 in 2021 to 14,263 by 2026. The population increase will generate demand for local goods and services and the use of facilities, including potentially the MA.

6.5. A Look to the Future – Advanced Air Mobility

The Victorian Government seeks to attract investment in Advanced Air Mobility (AAM). The Investment Victoria investment prospectus for AAM – see **Figure 6-1** - notes that *“The use of AAM in Victoria has the potential to revolutionise logistics, service delivery, emergency services, regional connectivity and passenger transport.”*

The development of AAM technology will broadly impact aerodrome facilities in the longer term with not having a need for runways. This Report conceives that AAM developers will need access to a combination of non-controlled airspace for testing their technology and nearby land on which to base their testing and development operations. This development may provide opportunities for the Maryborough Aerodrome and the local economy. The use of an aerodrome for this technology would likely require dispensation from CASA.

Figure 6-1 AAM Investment Prospectus



7. Future Investment in the Maryborough Aerodrome

When preparing this Report Council has already determined to invest in the MA. This decision is associated with the matching \$110,000 of funding from the Regional Airports Fund.

The total value of the Council's recent, pending, and potential investments may be up to \$480,000 over the next four financial years. This investment exceeds the sale value of the MA of \$270,000, as advised by DEECA (then DWELP) in 2017.

7.1. Recent and Pending Investment in the MA

The MA will have received \$340,000 of investment in the MA by the end of the 2024/2025 FY. This investment will be a combination of community contributions, government funding and Council expenditure. This investment includes establishing the MATS in late 2022 through \$120,000 of local community funding.

The MA will also undergo a \$220,000 investment to improve the safety of operations at the MA and its emergency services capability, including projects relating to kangaroo fencing, backup power and mains water. This funding is a combination of \$110,000 from Council's successful application to the Federal Government's Regional Airports Program matched by \$110,000 from Council.

7.2. Proposed Future Investment in the MA

Council is considering a further investment totalling around \$370,000 in the MA. This investment will be subject to a combination of successful grant applications and inclusion in future Council budgets (i.e., post the 2023/2024 Council Budget)

<i>Tree Management</i>	<p>Council will seek to commence the process of gaining a 10-Year Planning Permit from DEECA to remove trees that are impeding the MA's OLS in late 2023. This permit will form part of Council's risk management strategy. The initial ecological assessment in this process will better inform the scale of the works needed, the likely costs and the timeframe required to gain the permit.</p> <p>Completing this work will likely take over two years and require bids to successive Council Budgets totalling an estimated \$230,000.</p>
<i>Improved Drainage</i>	<p>Council is seeking to develop an improved drainage solution for the MA that will enable the removal of existing collection dams and nets. These dams attract kangaroos and birdlife, a safety hazard for aircraft. Birdlife gets caught in the nets over the dams and drowns.</p> <p>Council will seek \$30,000 in grant funding and want to complete this project in the 2024/2025 FY.</p>
<i>Refuelling Service</i>	<p>Council is in discussion with a refuelling service provider. Should this service proceed, it will be at no cost to the Council and will likely not generate revenue for Council. The availability of a refuelling service:</p> <ul style="list-style-type: none"> • Will benefit aircraft operators based at the MA, adding value to having a lease at the MA and may attract additional lease holdings at the MA, including by a GA-related business which would generate additional lease revenue (and local employment) • May attract additional usage of the MA by other aircraft operators. • Will not generate revenue for Council as it is likely that all fuel sales revenue will go to the provider. <p>Council is seeking to finalise these arrangements by 2025.</p>
<i>Land Use Review</i>	<p>Council is seeking to engage external expertise to undertake a review of the Design and Development Overlay (DDO2) as it applies to the MA – this will be subject to a \$10,000 bid for the 2024/2025 Council budget.</p>
<i>Runway Assessment</i>	<p>This investment will be subject to a \$5,000 bid for the 2024/2025 Council budget to undertake a detailed assessment of the structural integrity of the MA's runways.</p>
<i>Runway Reseal</i>	<p>This investment will be subject to a \$125,000 bid for the 2025/2026 Council budget to undertake a reseal and line marking of the sealed runway.</p>

7.3. Forward Investment in the Maryborough Aerodrome

Table 7-1 provides an overview of the estimated recent, pending, and proposed investment in the MA. Should all proposed MA Projects and the Tree Management Plan be proceeded with, and grant funding is received, the total investment by Council through to the 2026/27 FY is estimated to be \$490,000.

Table 7-1 Forward Investment in MA - Estimated

Project Expenditure	2022/23 (\$K)	2023/24 (\$K)	2024/25 (\$K)	2025/26 (\$K)	2026/27 (\$K)	Totals (\$K)
Recent/Pending MA Projects (Actual)						
MATS Facility	\$ 120.00					\$ 120.00
Kangaroo Fencing		\$ 30.00	\$ 30.00	\$ 20.00		\$ 80.00
Power Back-up		\$ 30.00	\$ 30.00	\$ 10.00		\$ 70.00
Mains Pressure Water		\$ 30.00	\$ 30.00	\$ 10.00		\$ 70.00
<i>Totals Recent/Pending MA Projects (RRMAP)</i>	\$ 120.00	\$ 90.00	\$ 90.00	\$ 40.00		\$ 340.00
External Funding – Received (FR)	\$ 120.00 ¹	\$ 45.00 ²	\$ 45.00 ²	\$ 20.00 ²		\$ 230.00
<i>Balance (RRMAP – FR) from Council</i>	\$ -	\$ 45.00	\$ 45.00	\$ 20.00		\$ 110.00
Proposed MA Projects (Estimated) ³						
Refuelling Facility				\$ -		\$ -
Drainage Solution				\$ 30.00		\$ 30.00
Runway Assessment				\$ 5.00		\$ 5.00
Runway Reseal & Line Marking					\$ 125.00	\$ 125.00
Land Use Planning Review			\$ 10.00			
Lease Development Plan				\$ 10.00		\$ 10.00
<i>Sub Totals Proposed MA Projects (PMAP)</i>			\$ 10.00	\$ 45.00	\$ 125.00	\$ 180.00
External Funding Sought (FS)				\$ 30.00		\$ 30.00
<i>Balance (PMAP – FS) from Council</i>			\$ 10.00	\$ 15.00	\$ 125.00	\$ 150.00
Tree Management Plan (Estimated) ³						
Ecological Assessment			\$ 75.00			\$ 75.00
Identification of Offsets			\$ 10.00			\$ 10.00
10-Year Permit Development/VMP			\$ 10.00	\$ 10.00		\$ 20.00
Tree Removal				\$ 125.00		\$ 125.00
<i>Sub Totals (TMP)</i>	\$ -	\$ -	\$ 95.00	\$ 135.00	\$ -	\$ 230.00
<i>(Balances + TMP) from Council</i>	\$ -	\$ 45.00	\$ 150.00	\$ 170.00	\$ 125.00	\$ 490.00
Council Expenditure						
Operating Budget						
Operating Costs ⁴	\$ 47.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 315.00
Operating Revenue ⁵	\$ 2.00	\$ 7.92	\$ 8.19	\$ 8.48	\$ 8.78	\$ 35.37
<i>Totals – Operating Balance (OB)</i>	\$ 45.00	\$ 59.08	\$ 58.81	\$ 58.52	\$ 58.22	\$ 279.63
<i>Totals Project Expenditure + OB</i>	\$ 45.00	\$ 104.08	\$ 208.81	\$ 228.52	\$ 183.22	\$ 769.63

Notes 1 - Community funding of MAT.

2 - Regional Airports Funding

3 – MA Projects and MA Tree Management Plan are subject to Council budget bids

4 – Assumes that Operating Budget will increase – See Section 5.3.2

5 – Council estimates that the leaseholds will generate rental incomes as noted in Section 5.5.1 – rate income is not included

7.3.1. CASA Certification

There have been calls from some MA stakeholders for the MA to become CASA Certified. **Table 7-2** provides an estimate of CASA Certification based on the experiences of other Council operated Certified Aerodromes – see Section 4.2.1

Any effort to become CASA Certified would best follow the construction of the kangaroo fencing, drainage that reduces the presence of birdlife and the establishment of the Tree Management Plan (including removing trees imposing on the OLS). Hence, should it be determined to undertake CASA Certification, the process would commence no earlier than the 2025/2026 FY.

This Report notes that:

- The recent, pending, and proposed projects are a substantive investment in the MA that will improve its functionality and the safety of its operations.
- Achieving CASA Certification
- May see an increased use of MA by non-local users- and in particular, flying training, for which the Council receives no revenue- it would be prudent to revisit the feasibility of introducing landing fees.
- Will add to the MA’s annual operating costs through the increased costs associated with
 - additional reporting to CASA
 - increased use and availability of AROs – see Section 5.9.3

As noted in **Table 7-2**, the pursuit of CASA Certification will add an estimated \$95,000 to the investment in the MA, and the increased Operating Costs would follow in the 2027/28 FY. This expenditure would be subject to a bid to the Council budgets over this period.

Table 7-2 - Estimated Cost of CASA Certification

	2022/23	2023/24	2024/25	2025/26	2026/27	Totals
	(\$K)	(\$K)	(\$K)	(\$K)	(\$K)	(\$K)
CASA Certification (Estimated)						
<i>CASA Advice</i>				\$ 10.00	\$ 10.00	\$ 20.00
<i>Preparation of CASA Documentation</i>					\$ 50.00	\$ 50.00
<i>Infrastructure Upgrades</i>					\$ 25.00	\$ 25.00
<i>Sub Totals</i>				\$ 10.00	\$ 85.00	\$ 95.00
<i>Totals Project Expenditure + OB</i>	\$ 45.00	\$ 104.08	\$ 208.81	\$ 228.52	\$ 183.22	\$ 769.63
<i>Total</i>	\$ 45.00	\$ 104.08	\$ 208.81	\$ 238.52	\$ 268.22	\$ 864.63

7.4. Cost Benefit

Typically, a Business Case seeks to establish if the level of investment under consideration will generate a positive cost-benefit for an entity such as Council or the local economy – i.e., the level of financial and economic benefit will be greater than the level of investment.

In strictly financial and economic terms, the level of investment in the MA does not generate a positive cost benefit.

The total expenditure far exceeds the revenues received. The investments being made and proposed will not generate additional revenue for Council or employment in the local economy.

7.5. Current and Future Revenue

As noted in Section 5.3, the current level of annual revenue budgeted to be generated by the MA – i.e., \$2,020 - is substantially less than:

- Council's operating budget for the MA – this will increase to \$67,000 by 2023/24
- The capital investment that Council has already committed to the MA.
- The further capital investment that Council is seeking to make in the MA.

The pending and proposed investments in the MA will not generate additional revenue (although the improvements associated with the projects may attract some additional leaseholders). Council has estimated that increased income from rents and rates from existing lease holdings at the MA will be almost \$15,000 by 2027. This increase will not generate a positive cost benefit.

Should the improvements to the MA facilitate additional usage of the MA, and in particular "non-local usage – see Section 5.4 – there may be value in revisiting the merit of introducing "landing fees" to generate additional operating revenue – see Section 5.7.3.

7.6. Other Benefits

Rather than delivering a financial or economic benefit, the level of investment in the MA is predicated on Council's commitment to:

- Ensuring that the MA continues to operate as a critical link for the local community,
- Growing the MA's capacity to support emergency services.
- Improving the safety of the MA's operations

While these benefits are not financial or economic, they are essential for the community's wellbeing. These benefits are also consistent with Council's policy of reasonable care for its assets and risk management processes.

7.7. Protection of the Investment in the MA

As noted in Section 2, the existing Design and Development Overlay (DDO2) that applies to the MA's approaches provide some protection for the Aerodrome. However, its content and application should be reviewed to reflect the desired Obstacle Limitation Surfaces and other policy objectives.

Given the level of investment in the MA, it would be pertinent to undertake this review and ensure that appropriate protection is in place to enable the MA to experience the full benefit of these investments.

Appendix I – Central Goldfields Planning Scheme – Airports and Airfields

18.02-7S 18/05/2022 VC218	<p>Objective</p> <p>To strengthen the role of Victoria’s airports and airfields within the State’s economic and transport infrastructure, guide their siting and expansion, and safeguard their ongoing, safe, and efficient operation.</p> <p>Strategies</p> <p>Protect airports and airfields from incompatible land use and development.</p> <p>Prevent land use or development that poses risks to the safety or efficiency of an airport or airfield, including any of the following risks:</p> <ul style="list-style-type: none"> • Building-generated windshear and turbulence. • Increased risk of wildlife strike. • Pilot distraction from lighting. • Intrusion into protected airspace. • Interference with communication, navigation, and surveillance facilities. • Increased risk to public safety at the end of runways. <p>Minimise the detrimental effects of aircraft noise when planning for areas around airports and airfields.</p> <p>Limit the intensification of noise-sensitive land uses and avoid zoning or overlay changes that allow noise-sensitive land use and development, where ultimate capacity or long-range noise modelling indicates an area is within a 20 Australian Noise Exposure Forecast (ANEF) contour or higher.</p> <p>Avoid zoning or overlay changes that allow noise-sensitive land uses outside the Urban Growth Boundary, and encourage measures to reduce the impact of aircraft noise in planning for areas within the Urban Growth Boundary, where ultimate capacity or long-range noise modelling indicates an area is within ‘number above’ contours (N Contours) representing:</p> <ul style="list-style-type: none"> • 20 or more daily events greater than 70 dB(A). • 50 or more daily events of greater than 65 dB(A). • 100 or more daily events greater than 60 dB(A). • 6 events or more between the hours of 11pm to 6am greater than 60 dB(A). <p>Ensure land use and development at airports and airfields contributes to the aviation needs of the State and the efficient and functional operation of the airport or airfield.</p> <p>Ensure land use and development at airports complements the role of the airport including as listed below:</p> <ul style="list-style-type: none"> • Melbourne Airport – major domestic and international airport with no curfew, 24-hour access, freight capability and an adjoining employment precinct. • Avalon Airport – domestic and international airport with no curfew, 24-hour access, freight capability and an adjoining employment precinct. • Essendon Fields Airport – a general aviation airport that is an important regional and State aviation asset with specialised functions, including executive charter, emergency aviation services, freight, logistics and an adjoining employment precinct. • Moorabbin Airport – a general aviation airport that is an important regional and State aviation asset supporting the State’s aviation industry and access to regional Victoria. • Point Cook Airfield – an operating airport complementary to Moorabbin Airport. <p>Plan for areas around airports and airfields so that land use or development does not prejudice future airport or airfield operations or expansions in accordance with an approved strategy or master plan for that airport or airfield.</p> <p>Preserve long-term options for a new general aviation airport southeast of metropolitan Melbourne by ensuring urban land use and development does not infringe on possible sites, buffer zones or flight paths.</p> <p>Avoid the location of new airports and airfields in areas that have greater long-term value to the community for other purposes.</p> <p>Ensure that in the planning of airports and airfields, land use decisions are integrated, appropriate land use buffers are in place and provision is made for associated businesses that service airports.</p> <p>Plan the location of airports and airfields, nearby existing and potential development, and the land-based transport system required to serve them, as an integrated operation.</p>
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	<p>Plan the visual amenity and impact of any land use or development on the approaches to an airport or airfield to be consistent with the status of the airport or airfield.</p> <p>Policy documents</p> <p>Consider as relevant:</p> <ul style="list-style-type: none"> • <i>National Airports Safeguarding Framework</i> (as agreed by Commonwealth, State and Territory Ministers at the meeting of the Standing Council on Transport and Infrastructure on 18 May 2012) • <i>Avalon Airport Master Plan</i> (Avalon Airport Australia Pty Ltd, 2015) • <i>Avalon Airport Strategy</i> (Department of Business and Employment/Aerospace Technologies of Australia, 1993) and its associated Aircraft Noise Exposure Concepts • <i>Melbourne Airport Strategy</i> (Government of Victoria/Federal Airports Corporation, approved 1990) and its associated <i>Final Environmental Impact Statement</i>
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Maryborough Aerodrome Advisory Group Terms of Reference



1. Purpose

The purpose of this advisory group is to provide expert advice and guidance to the Council and its Executive on matters pertaining to the management, development, operation, and maintenance of the Maryborough Aerodrome.

2. Membership

The Group will comprise:

The group shall consist of a Councillor (Chairperson), maximum of two Council Staff, and maximum of five community and stakeholder members.

The two Council staff shall be the relevant General Manager accountable for the strategic management of aerodrome and relevant staff member responsible for the maintenance and management of the aerodrome.

The five community and stakeholder membership will be skills based with the following capabilities demonstrated:

- Knowledge of aerodrome operations;
- Business acumen;
- Community development; and
- Community asset management.

The members will be selected by calling for nominations. An advertisement will be placed in the local media and on Council's website. Interested representatives must submit an Expression of Interest. Appointment will be for an initial period of 24 months and will be reviewed one month prior to the expiry of the term.

Should the need arise other stakeholders can be invited to the advisory group meetings to provide information or contribute to the discussion for increased benefit to the Maryborough Aerodrome.

3. Meetings

The advisory group shall meet quarterly, or as deemed necessary by the Chairperson or Council. Meeting dates, times, and venues shall be determined in consultation with the advisory group members. The relevant General Manager shall prepare meeting agendas, circulate relevant materials in advance, and ensure that notes of each meeting are documented and distributed to the advisory members before the next meeting.

Maryborough Aerodrome Advisory Group Terms of Reference



4. Advisory Function

Responsibilities of advisory group members:

- Provide advice and guidance to the Council and its Executive on matters related to aerodrome management, including planning, infrastructure development, safety measures, environmental impact, noise management, and community engagement.
- Review and provide feedback on proposed policies, guidelines, and initiatives related to the aerodrome.
- Act as a liaison between the Council, aerodrome operators, local community, and other stakeholders, facilitating effective communication and engagement.

5. Insurance

Members of the advisory group are covered by the Council's voluntary workers and fidelity guarantee policy.

6. Position Particulars

A person who is, or has been, a member of the advisory group must not misuse their position:

- to gain or attempt to gain, directly or indirectly, an advantage for themselves or for any other person; or
- to cause, or attempt to cause, detriment to the Council, or another person.

A person who is, or has been, a member of the advisory group, must not disclose information that the person knows, or should reasonably know, as confidential information.

7. Review Period

These Terms of Reference shall remain in effect until amended or revoked by the Council. The Council shall periodically review the Committee's performance and effectiveness, making necessary adjustments or reconstitution if deemed appropriate.

8.3 CONTRACT PAYMENTS DELEGATIONS UPDATE

Author: **MANAGER PROJECT MANAGEMENT OFFICE**

Responsible Officer: **General Manager Infrastructure Assets and Planning**

The Officer presenting this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

SUMMARY/PURPOSE

The report presents a proposed action on two contracts and associated variations that will require Council to consider due to exceeding Chief Executive Officer (CEO) delegation.

RECOMMENDATION

That Council:

1. note the variations to the value of \$84,546.72 including GST approved to date under contract G1698-2022 Central Goldfields Swimming Pool Upgrade – Works;
2. authorise the Chief Executive Officer under delegation to approve final variations to contract G1698-2022 Central Goldfields Swimming Pool Upgrade - Works up to 5% of the total contract value of \$22,782.80 including GST; and
3. Authorise the Chief Executive Officer under delegation to approve variations to contract G1722-2022 Maryborough Octagonal Pool Replacement up to 20% of the total contract value of \$275,282.13 including GST.

LEGISLATION AND POLICY CONTEXT

Central Goldfields Shire Council's Council Plan 2021-2025 – Our Spaces and Places and Leading Change

The Community's vision 4. Transparent decision making; and good planning, governance and service delivery.

Initiative: Priority Projects Plan

Local Government Act, s108 and s109

Central Goldfields Shire Council Procurement Policy 2021

BACKGROUND INFORMATION

It has been identified that recent contracts which have been executed do not have the appropriate mechanisms in place to facilitate the efficient management of contract variations due to the cumulative spend exceeding the CEO delegation.

Earlier this year, contract G1698-22 was awarded under CEO delegation (<500K including GST).

Given the value of the contract (\$455K including GST), officers did not present this contract to Council for award.

However, the total contract sum did not allow for contingency and variations.

As this additional spend will exceed the amount the CEO can authorise under delegation, officers will require Council approval to proceed with further works.

More recently, contract G1722-22 was awarded at the May Council meeting due the contract value exceeding CEO delegation (\$1,376,410.64 including GST).

To align with the treatment of contract variations in the revised procurement policy (which is currently on exhibition for public comment), officers are proposing that an additional amount above the contract sum awarded is approved by Council to enable the efficient management of the contract.

To align with best practice and in accordance with the imminent review of Councils Procurement Policy, the draft report proposes appropriate action that is in line with revised procurement policy.

REPORT

In approaching the end of the financial year, the PMO has been undertaking a review of its' contracts. Presently there are two key contracts which have variations that require approval above the prescribed limit which the CEO is authorised to approve.

G1698-2022 Central Goldfields Swimming Pool Upgrade – Works

Earlier this year, contract G1698-22 was awarded under CEO delegation (<500K inc GST). At the time of award, the recommendation did not include a value for variations.

To enable efficient management of the contract and any related variations, officers should have presented this contract to Council for consideration and recommended that Council authorise the CEO to execute the contract and approve variations up to a specified percentage value of the total contract sum.

Total value of contract (inc GST)	\$455,665.90
Variations to date (inc GST)	\$84,546.72
Percentage value of variations to date	18%
Anticipated final variations (inc GST)	\$20,000
Percentage value of anticipated final variations	5%
Total percentage of contract	23%

This project has been particularly challenging in terms of number of variations required to achieve the intent of the works.

This is due to the age of the assets being renewed and/or upgraded, and in particular, the contractor uncovering related issues to those that are being addressed in the works package which could not have been identified at the time of scoping.

It is anticipated that additional variations to the value of 5% of the total contract sum will be required to achieve practical completion.

The variation percentage is in alignment with overall sector trends and within current project budget. It is recommended that Council note the variations approved to date and authorises the CEO to approve final variations to the value of 5% of the total contract sum.

G1722-2022 Maryborough Octagonal Pool Replacement

A disconnect between the roles and responsibilities of a Contract Superintendent and financial delegations in the Instrument of Delegation was identified in the recent review of Council's Procurement Policy.

In response to this, the revised draft Procurement Policy which is currently on exhibition for public comment has been amended to better articulate how Council officers process contract variations to ensure correct alignment with financial delegation.

In May, Council awarded contract G1722-2022 Maryborough Octagonal Pool Replacement for the total value of \$1,376,410.64 including GST.

Considering the information presented in this report, it would have been prudent for officers to recommend for Council to authorise the CEO under delegation to approve variations to the contract as part of the original recommendation.

To resolve this administration issue and retain compliance with revised procurement policy, officers are recommending that Council authorise the CEO to approve variations to G1722-2022 Maryborough Octagon Pool Replacement up to 20% of the total contract value.

CONSULTATION/COMMUNICATION

Officers have consulted Councils Governance, Procurement and Finance departments, and the Executive Management Team in the preparation of this report.

FINANCIAL & RESOURCE IMPLICATIONS

The contracts in this report are allowed for within Councils overall budgeted position in relation to capital spend.

RISK MANAGEMENT

This report addresses Council's strategic risk Governance - Failure to transparently govern and embrace good governance practices by ensuring ongoing compliance with the Procurement Policy.

The issues outlined in this report are related to variations to contracts under the engagements moving above the prescribed procurement threshold requirements within Council's Procurement Policy.

To mitigate any further instances of the issues outlined in this report, Council has:

- Undertaken a review of its' Procurement Policy which further clarifies the treatment of contract variations in line with financial delegations;
- Responded to Audit and Risk Committee action items in having developed a project management framework which will streamline PMO processes and uplift internal project management capability; and

- Begun a formal review of contract payment claim and variation processes which will include appropriate mechanism in all future contracts to allow for efficient management of these contracts.

As several major projects reach practical completion and the PMO matures with the recent addition of new staff, officers will continue to review legacy and current contracts to ensure alignment with the revised procurement policy and best practice guidelines.

CONCLUSION

The proposed action ensures transparency in officers' efforts to align the treatment of contract variations in recently executed contracts with the Draft revised Procurement Policy

The report recommends that Council authorise the CEO to approve variations to recently awarded contracts as detailed in this report.

ATTACHMENTS

NIL

9. Notices of Motion

The Governance Rules provides that Councillors May Propose Notices Of Motion, Chapter 2, Division 4:

Councillors may ensure that an issue is listed on an agenda by lodging a Notice of Motion.

22. Notice Of Motion

22.1 A notice of motion must be in writing signed by a Councillor, and be lodged with or sent to the Chief Executive Officer at least one week before the Council meeting to allow sufficient time for him or her to include the notice of motion in agenda papers for a Council meeting and to give each Councillor at least 48 hours notice of such notice of motion.

22.2 The Chief Executive Officer may reject any notice of motion which:

22.2.1 is vague or unclear in intention

22.2.2 it is beyond Council's power to

pass; or

22.2.3 if passed would result in Council otherwise acting invalidly but must:

22.2.4 give the Councillor who lodged it an opportunity to amend it prior to rejection, if it is practicable to do so; and

22.2.5 notify in writing the Councillor who lodged it of the rejection and reasons for the rejection.

22.3 The full text of any notice of motion accepted by the Chief Executive Officer must be included in the agenda.

22.4 The Chief Executive Officer must cause all notices of motion to be numbered, dated and entered in the notice of motion register in the order in which they were received.

22.5 Except by leave of Council, each notice of motion before any meeting must be considered in the order in which they were entered in the notice of motion register.

22.6 If a Councillor who has given a notice of motion is absent from the meeting or fails to move the motion when called upon by the Chair, any other Councillor may move the motion.

22.7 If a notice of motion is not moved at the Council meeting at which it is listed, it lapses.

- **Nil Notices of Motion have been received for this meeting.**

10. Urgent Business

The Governance Rules provide for urgent business as follows:¹

If the agenda for a Council meeting makes provision for urgent business, business cannot be admitted as urgent business other than by resolution of Council and only then if it:

1. 1 relates to or arises out of a matter which has arisen since distribution of the agenda; and
2. 2 cannot safely or conveniently be deferred until the next Council meeting.

11. Confidential Business

The public transparency principles include that Council decision making processes be transparent except when the Council is dealing with information that is confidential by virtue an Act.¹

Except in specified circumstances, Council meetings must be kept open to the public.² One circumstance is that the meeting is to consider confidential information.³

If a Council determines that a meeting is to be closed to the public to consider confidential information, the Council or delegated committee must record in the minutes of the meeting that are available for public inspection:⁴

- (a) the ground or grounds for determining to close the meeting to the public by reference to the grounds specified in Act's definition of confidential information;⁵
- (b) an explanation of why the specified ground or grounds applied.

Confidential information, as defined by the *Local Government Act 2020*,⁶ is:

- (a) Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released;
 - (b) security information, being information that if released is likely to endanger the security of Council property or the safety of any person;
 - (c) land use planning information, being information that if prematurely released is likely to encourage speculation in land values;
 - (d) law enforcement information, being information which if released would be reasonably likely to prejudice the investigation into an alleged breach of the law or the fair trial or hearing of any person;
 - (e) legal privileged information, being information to which legal professional privilege or client legal privilege applies;
 - (f) personal information, being information which if released would result in the unreasonable disclosure of information affairs;
- (a) private commercial information, being information provided by a business, commercial or financial undertaking that—
- (i) relates to trade secrets; or
 - (ii) if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage;
- (b) confidential meeting information, being the records of meetings closed to the public under section 66(2)(a);

¹ Chapter 2, Rule 20.

¹ *Local Government Act 2020*, s 58 (a). ² *LGA 2020* s 66 (1).

³ *LGA 2020* s 66 (2) a).

⁴ *LGA 2020* s 66 (5).

⁵ Section 3 (1).

⁶ Section 3 (1).

- (i) internal arbitration information, being information specified in section 145;
- (j) Councillor Conduct Panel confidential information, being information specified in section 169;
- (k) information prescribed by the regulations to be confidential information for the purposes of this definition;
- (l) information that was confidential information for the purposes of section 77 of the Local Government Act 1989;

The Governance Rules provide for information relating to a meeting to be confidential:⁷

- If the Chief Executive Officer is of the opinion that information relating to a meeting is confidential information within the meaning of the *Local Government Act 2020*, he or she may designate the information as confidential and advise Councillors and/or members of Council staff in writing accordingly.
- Information which has been designated by the Chief Executive Officer as confidential information within the meaning of the Act, and in respect of which advice has been given to Councillors and/or members of Council staff in writing accordingly, will be presumed to be confidential information.

12. Meeting Closure