Whitsunday Coast Airport

Annual Performance Plan

2019-2020

Airports and Commercial Infrastructure

Whitsunday Coast Airport

Gateway to the Whitsundays & Coalfields

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Unit Objectives

Airport vision

The Vision for the Whitsundays Coast Airport is to provide the residents of the Whitsunday region with a world class aviation facility focused on the future. With the key priority for long term growth of the airport into a commercial aviation precinct integrated into a road, rail and air transport and logistics hub. The Airport development will be built on the pillars of safety, sustainability and security.

Airport objectives

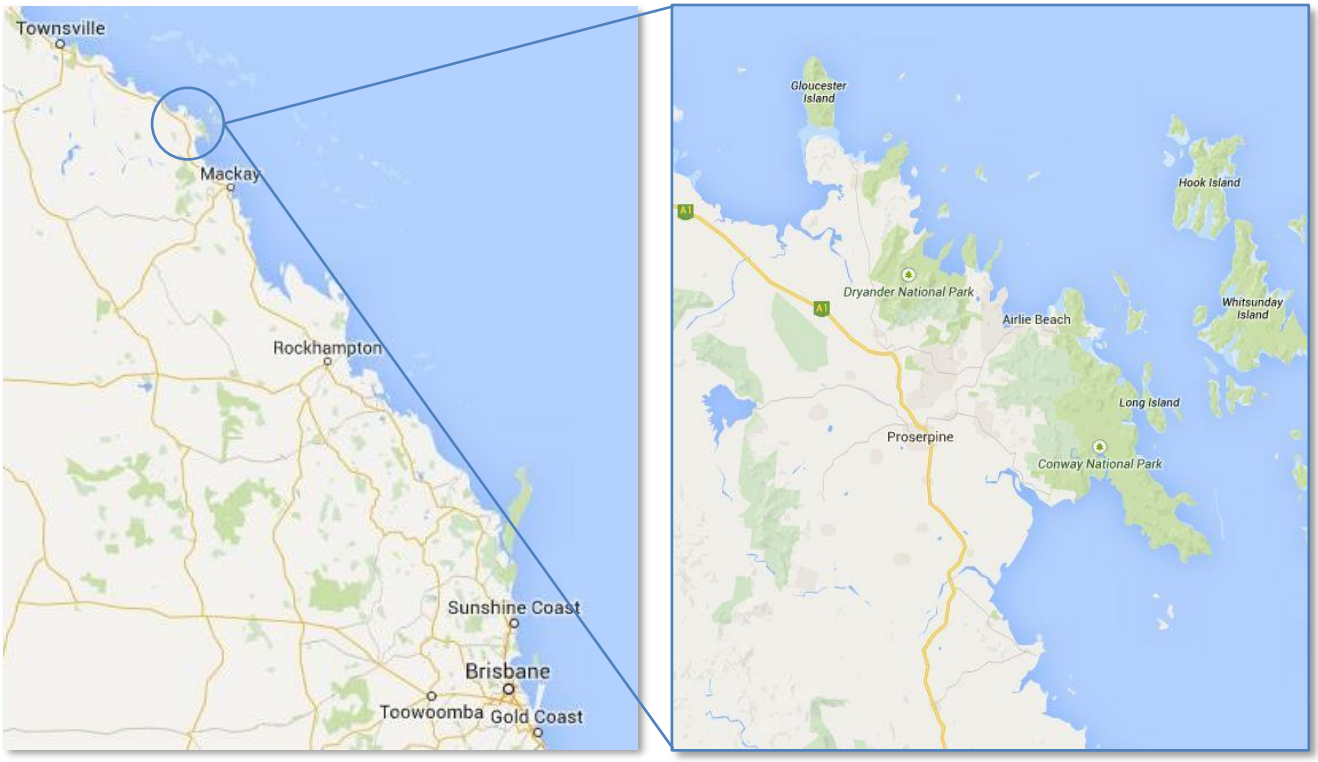
The objectives for the Whitsundays Coast Airport are to:

- Be an airport with the capacity for increased tourism;
- Have capacity to facilitate new routes for economic drivers of the area – tourism, natural resources, local business as well as accommodate the local regions needs for its own visitors;
- Implement international services to New Zealand and Asia by 2025;
- Be at the forefront of future mining projects in the region;
- Implement new freight services to increase export of local produce internationally; and
- Establish a first-class facility with a long term, sustainable future.

Business Activity

Location

The Whitsunday Coast Airport (WCA) is located within the Whitsunday Coast Region (WCR). The airport is located approximately 14km south of the Town of Proserpine and 40km south west of Airlie Beach. The WCR is approximately 1,000k north of Brisbane and 600km south of Cairns



Regional significance

The WCA is an important gateway due to its position near Airlie Beach and the Whitsundays Islands. Tourism is a driving factor in the Whitsundays region's economy and the WCA airport's location allows for it to be an integral part of boosting and maintaining this as a major economic driver. Additionally, the airport's ample supply of land not required for airfield operations and its positioning adjacent to the North-South Coastal Railway line, Bruce Highway has created an opportunity to development an integrated transport and logistics hub that would service the region. The Airports location also provides significant opportunity to provide services for mining towns in the region.

Tourism

Tourism is one of the most important industries in the WCR and the region's largest employer. The Gross Value Add of the tourism sector was estimated at $105.4 million in 2012-2013 (AEC, 2014), directly representing 3.8% of the WCR's total Gross Value Add. In terms of employment, TRA (2013) estimated the tourism sector employed 8,807 persons (both directly and indirectly) in 2012-2013.

The tourism sector is forecast to continue to grow steadily, with a number of tourism specific infrastructure and hotel developments in the works, including the potential expansion of the WCA. The WCA is inherently related

to the tourism industry. 44% of the domestic visitors and 31% of the international visitors travel to the Whitsunday Region using air transport.

Directly related to tourism is the re-opening of the Daydream Island and Hayman Island resorts. The visitors to these facilities utilise WCA as one of the main entry points to the region.

Agriculture

The WCR is a significant producer of sugar cane and one of Australia's most productive horticultural regions. Due to its tropical dry climate and fertile soil, Bowen is Australia's most significant winter growing region especially for tomatoes and capsicums. The Whitsundays horticulture industry generates more than $400 million a year in production including over $122 million in tomatoes.

The WCA can support and improve the competitiveness of the agricultural industry through the development of freight networks and facilities at the airport.

Aquaculture

There are numerous small and large scale aquaculture industries operating throughout the Whitsunday, Mackay and Issac regions, including Australia's largest marine prawn farm (200 ha of pond based production) near Bowen. Current activities are located in Bowen, Whitsunday, Mackay, Sarina and Ilbilbie areas along the coast, with prawns the dominant species produced. The value of aquaculture production for the region is approximately $10 million per annum, accounting for around 15% of Queensland's total value of aquaculture products.

As with the agricultural industry, The WCA can support the agricultural industry of the WCR through development of freight networks and facilities at the airport.

Mining

There are a number of existing mines that have been in operation for a period of time. There are four significant coal projects scheduled to begin production by 2015, including the Drake and Jax Project. In particular, coal mining investment in the Whitsundays is being driven by plans to develop huge high quality coal deposits in Galilee Basin by two Indian based mining companies – Adani and GVK Hancock. The proposed $16.5 billion Carmichael coal mine is 40km long and will produce 60 million tonnes of coal per year – twice the size of Australia's current biggest coal mine. The Galilee Basin was declared a State Development Area in June 2014 by the Queensland (QLD) Government to support the mining activity in the area.

The OESR has prepared projections for the number of FIFO workers expected to work in the Whitsundays region. The impact of FIFO workers on the forecast passengers for the airport is explored in Section **Error! Reference source not found.**.

If the Government is successful in supporting the project then it is quite probable that the projections for "Series B" will be realised but most likely the ramp up of FIFO passenger movements will be delayed a year or two. Series B indicates an additional passenger movement's fluctuating from 14,850 in 2015, up to 30,600 in 2017, before falling back to 13,950 in 2020 once the construction phase is complete (detail of these projections can be found in the TFI report).

Inherently, the WCA is significant for effective air transport for FIFO workers to and from the WCR if and when these major projects go ahead.

Relationship to other airports in the region

The WCA is located nearest to Hamilton Island airport. Mackay airport is located south of WCA. Cairns is the nearest major international airport, located to the north.

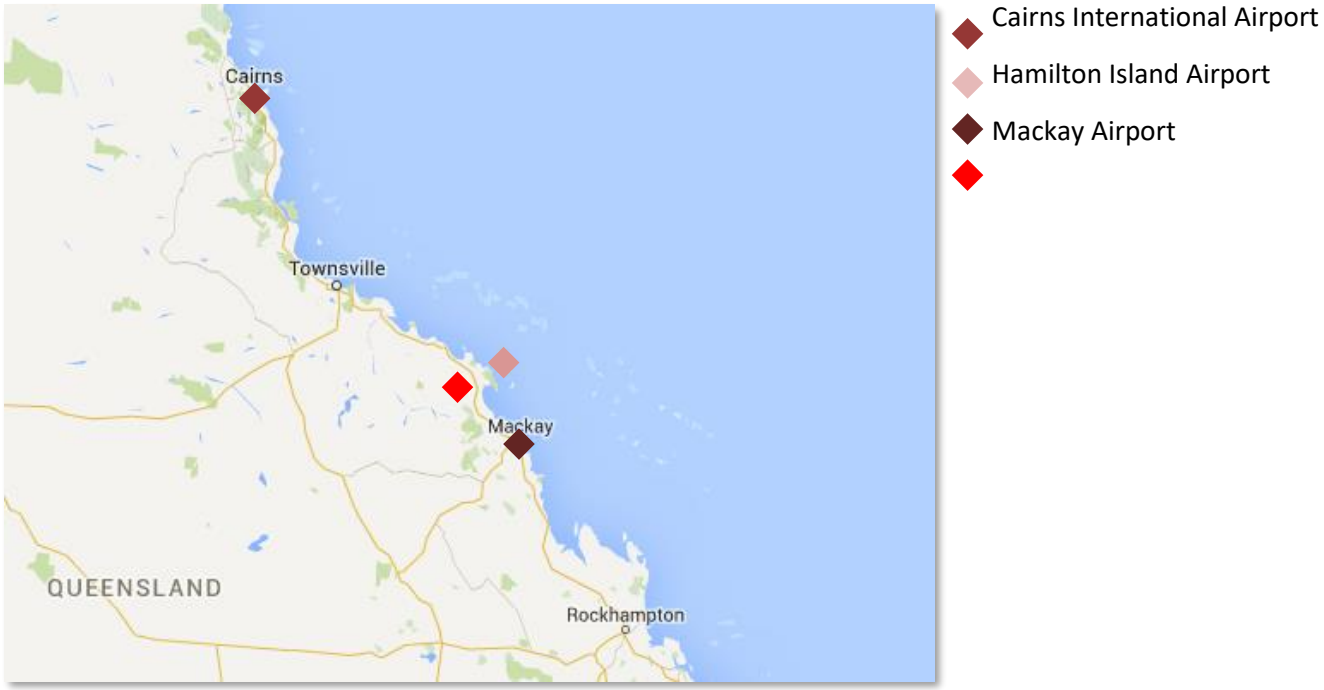


Figure 1: Relative location of other airports in the region

Ownership and management

The WAC is owned by the Whitsundays Regional Council. Additional sub-leaseholders are:

- Viva Australia;
- Virgin Australia (on behalf of Virgin Australia and Tigerair);
- Jetstar;
- Whitsunday Aero Club;
- RSE Investments;
- Heli-Engineering Pty Ltd;
- Air Whitsundays; and
- GSL Aviation.

Airport stakeholders

Table 1 below, identifies relevant airport stakeholders.

Stakeholder	Internal/External	Primary/Secondary	Description/Interest
Whitsundays Regional Council	Internal	Primary	Owner/Manager
Jetstar	External	Primary	Airline operator
Virgin	External	Primary	Airline operator
Tigerair	External	Primary	Airline operator
GSL Aviation	External	Primary	Charter operator
Air Whitsundays	External	Primary	Charter Operator
Heli Engineering	External	Primary	Aviation services
Viva Australia	External	Primary	Aviation fuel supplier
Airservices Australia	External	Primary	Air navigation services and fire fighting services.
CASA	External	Primary	Regulator (aerodromes)
Department of Home Affairs	External	Primary	Regulator (security)
Avis, Hertz, Budget, Thrifty, Europcar	External	Primary	Rental car operators
Whitsunday Moto Sports Club	External	Primary	Located in land adjacent to airport
Whitsundays Dirt Riders Club	External	Primary	Located in land adjacent to airport
Queensland Government	External	Primary	PDA
Taxi services	External	Secondary	Provide services to and from airport
Local business	External	Secondary	Affected by growth
Queensland Rail	External	Secondary	Affected by possible freight diversion to aircraft
Local residents	External	Secondary	Affected by growth; affected by noise
Local farmers	External	Secondary	Affected by freight facilities opening

Airport site

The airport site is within the jurisdiction of the Whitsunday Regional Council (WRC). The site outlined in red in *Figure 2* below, identifies the airport site boundaries.

Figure 2: Airport site
(Supplied by WRC)

Figure 3, below, identifies the airside and landside boundaries within the airport site.

Figure 3: Airport site - landside and airside
(TAG)

Site specifics are detailed in the table below.

Lot on Plan	Area (ha)	Road Details	Tenure
50 HR 808298	434.90	Lascelles Avenue	Freehold to WRC

Table 1: Site details

Site facilities

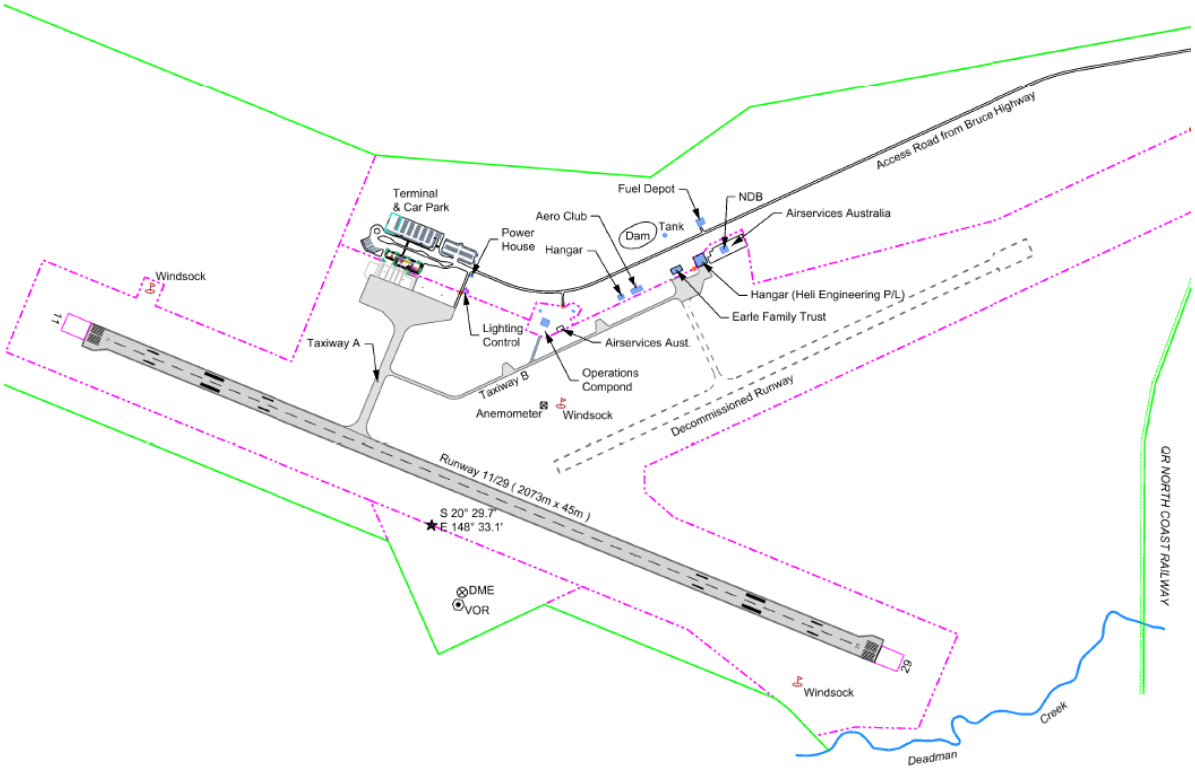


Figure 4: Existing airport site facilities

The airport site has one operating Runway (11/29) and one Decommissioned Runway. In addition, there are two Taxiways and one Apron located in front of the passenger terminal. There is a public car park located behind the passenger terminal. There are a number of hangars used for private and club use as well as facilities used by Airservices Australia for air navigation and communications, airport maintenance, utilities and aircraft fuelling facilities.

Surrounding land

The land surrounding the airport site is owned by a range of private and public stakeholders, including:

- Dray & others (private);
- Cox (private);
- Willmar Sugar (company);
- Queensland Rail;
- Whitsundays Regional Council; and
- Crown land.

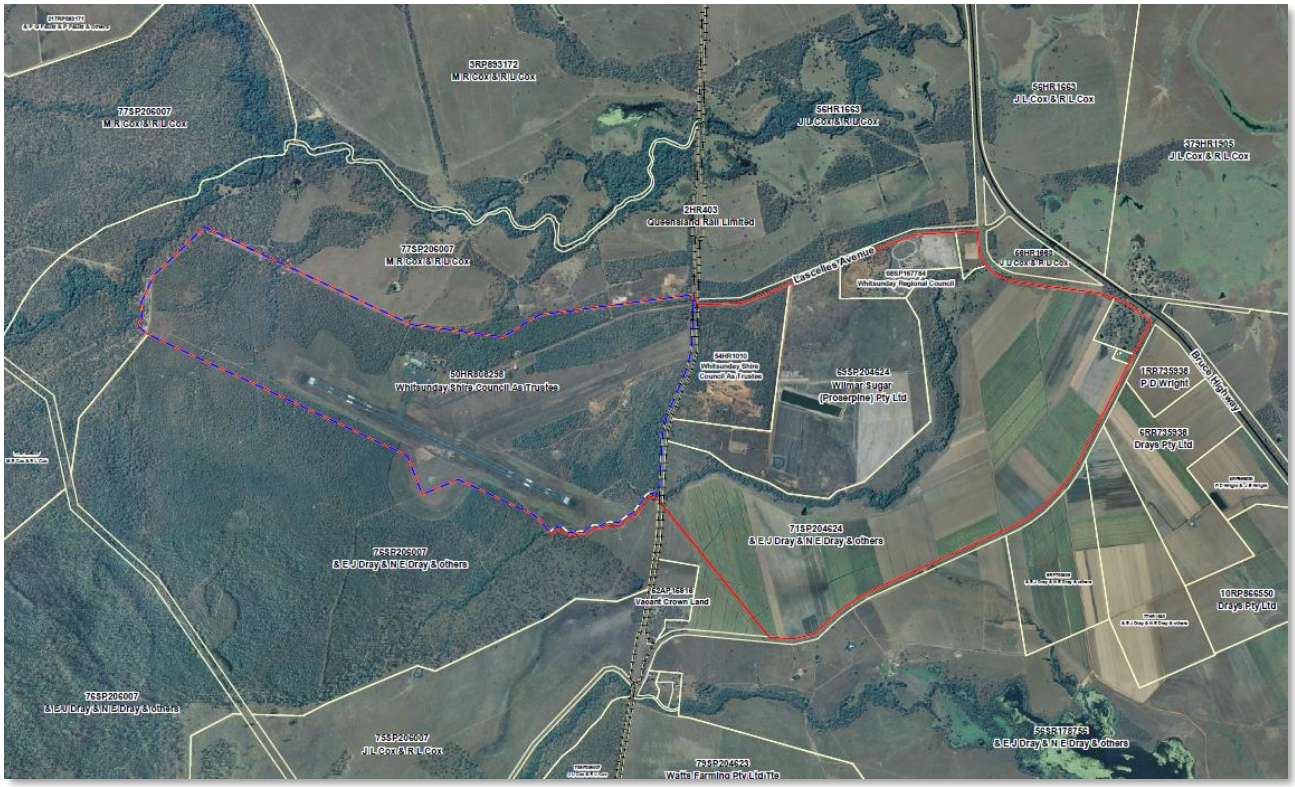


Figure 5: Airport site and surrounding land ownership (supplied by WRC)

The location of the airport provides an ideal situation for possible future development. The site is surrounded by rural land which is undeveloped. The Bruce Highway and existing railway line located on the airport boundary provide excellent connectivity possibilities.

The land on the eastern side of the airport between the airport and Bruce Highway is currently used by the Whitsunday Moto Sports Club at the Whitsunday Raceway and the Whitsundays Dirt Riders Club operating Motocross racing from Dray's Park Racetrack.

Tenure

The WCA surrounds are within a range of tenures. Figure 7 below represents these.

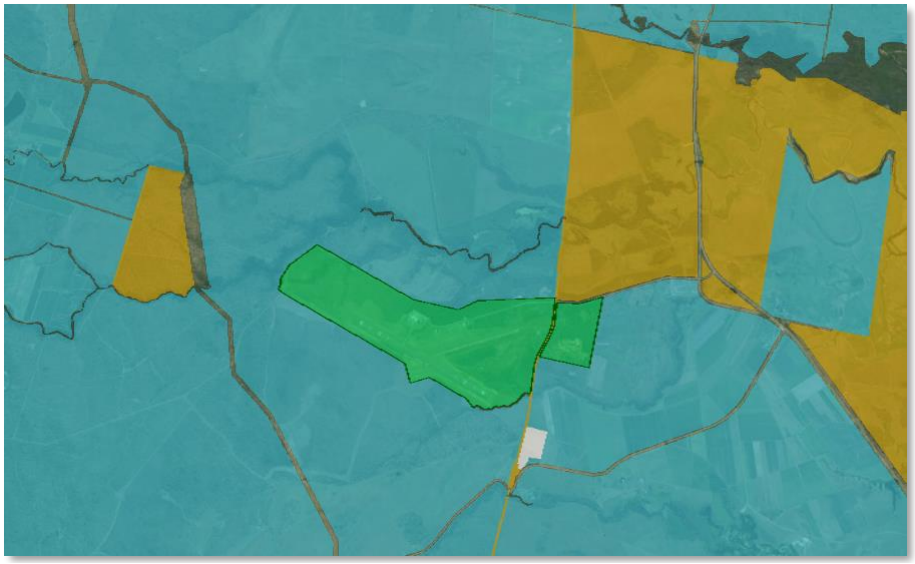


Figure 6: Land tenure

(Queensland Government)

The airport site itself and a small parcel on the east of the site is a 'reserve' tenure (green). Land to the north east and some land to the west is 'Lands lease' (orange). There is a small parcel of land which is State Government owned (white), and the predominant tenure surrounding the airport is 'freehold' (blue).

Contours and topography

The airport site is generally very flat, grading down gently towards a creek along the southeast property boundary (Deadman Creek) and another small creek crossing the airport property beyond the north end of the runway. Contours of the site can be seen in Figure 8.

Figure 7: Site contours

(Queensland Government)

There is a mountain range north west of the airport site that imposes non-standard conditions to departures to the south from the airport. This is further detailed in Section **Error! Reference source not found.**.

A topographic map and contours of mountain range to the west can be found in **Appendix B**.

Existing airside infrastructure and facilities

Runways

The airport's asphalt-paved runway is 2073m in length and 45m wide with turning bays at each end. Based on the International Civil Aviation Organisation (ICAO) classification system the main runway can be classified as code 4. It is located in the south-western part of the airport property. It is oriented in a northwest-southeast direction with a magnetic designation of RWY 11/29. The runway is in excellent condition having just been overlayed and carries a PCN 53 rating.

Runway	Length	Runway Width	Strip Width
11/29	2,073m	45m	150m

Table 2: Existing runway infrastructure

Pavements are classified in relation to the Aircraft Classification Number (ACN) to PCN ratio. The ACN expresses the effect of a specific aircraft on a nominated pavement for a specified standard sub grade

strength. The pavement Classification number expresses the bearing strength of a pavement for unrestricted movements and is determined for the CBR of the subgrade, design wheel load and pavement thickness.

Any aircraft with an ACN equal to or less than the published PCN of a runway can operate on an unrestricted basis subject to tyre pressure constraints. Any aircraft with an ACN greater than the PCN may still operate with a pavement concession issued by the airport. The airport may also issue a concession for tyre pressure.

RWY 11/29 has sufficient land beyond its ends to provide for a full Code 4 strip and runway end safety areas (RESAs). Land exists within the airport property at the north western end of the runway that would enable the runway to be extended considerably in the future (by up to 1000m).

The existing runway has the capability to accommodate all medium passenger jet aircraft (B737 and A320) as well as wide body aircraft, subject to range limitations. It is also capable of accommodating A330 aircraft types and aircraft up to B767-300 ER Standard.

In the eastern part of the airport site the remains of the pavement of a general aviation runway still exist. This was once operational at a length of 1264m; however the runway is now closed and decommissioned. The pavement has deteriorated to the extent that it would be very costly to rehabilitate. The Planning Appraisal undertaken by LEAPP in 2012 identified that the level of aviation activity at the airport is relatively low and a second runway dedicated to general aviation was not justifiable.

Taxiways

RWY 11/29 is connected by a 22.4m wide taxiway (Taxiway A) to an aircraft parking apron of 14,608m² located in front of the Passenger Terminal Building. This provides three parking positions for RPT aircraft, and one for itinerant general aviation aircraft.

A second narrow taxiway (Taxiway B) leads from Taxiway A towards the northeast to serve general aviation hangars and the Aero Club. Taxiway B is only 7m wide but this is not fully compliant with CASA standards in terms of its taxiway strip width and is limited to Code A aircraft below 5700kg gross weight.

Manoeuvring and Parking

In accordance with the Aerodrome Manual, Bays 1, 2, 3 and 4 are marked for the manoeuvring and parking of B737-800 and F100/F70 aircraft with Bay 3 and 4 having additional markings to accommodate A320 aircraft.

Parking on the RPT Main Apron is restricted to RPT aircraft only, or those aircraft that are too heavy to park elsewhere. Dispensation is given to Local Commuter Aircraft to park on Bay 1 during RPT Operations provided Bay 1 is not required for RPT Operations.

Unsealed and Sealed apron areas are available for parking of aircraft below 5,700 kg and are identified in ERSA.

Itinerant aircraft will be permitted to park on the RPT apron only with prior approval of the Operations Manager or Aerodrome Reporting Officer. Aircraft below 5700 kg will be required to park in the Light Aircraft parking area as identified in ERSA.

Aprons

Figure 9, below, shows the layout of the airport apron and terminal, with the designated taxiways and parking bays. *Figure 9* depicts the set out of line marking on the apron.

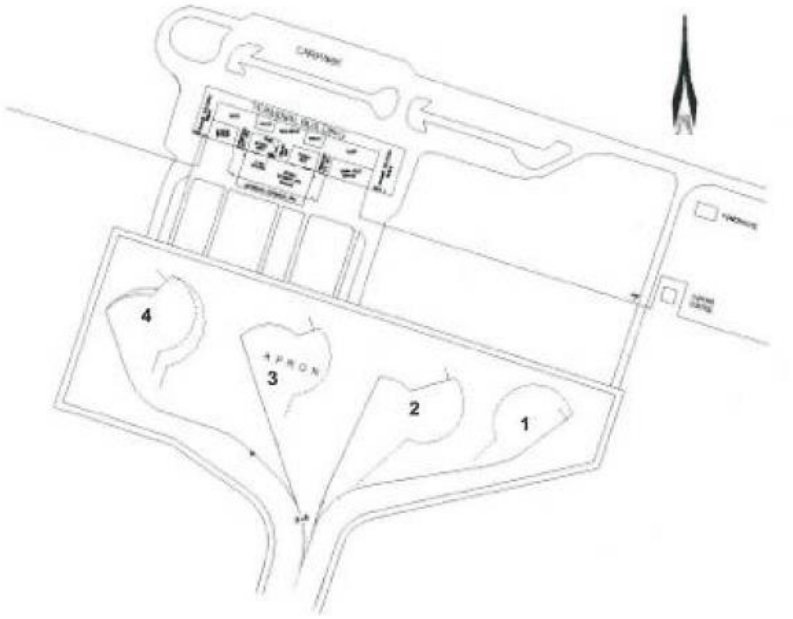


Figure 8: Apron parking layout
(WCA Aerodrome Manual)

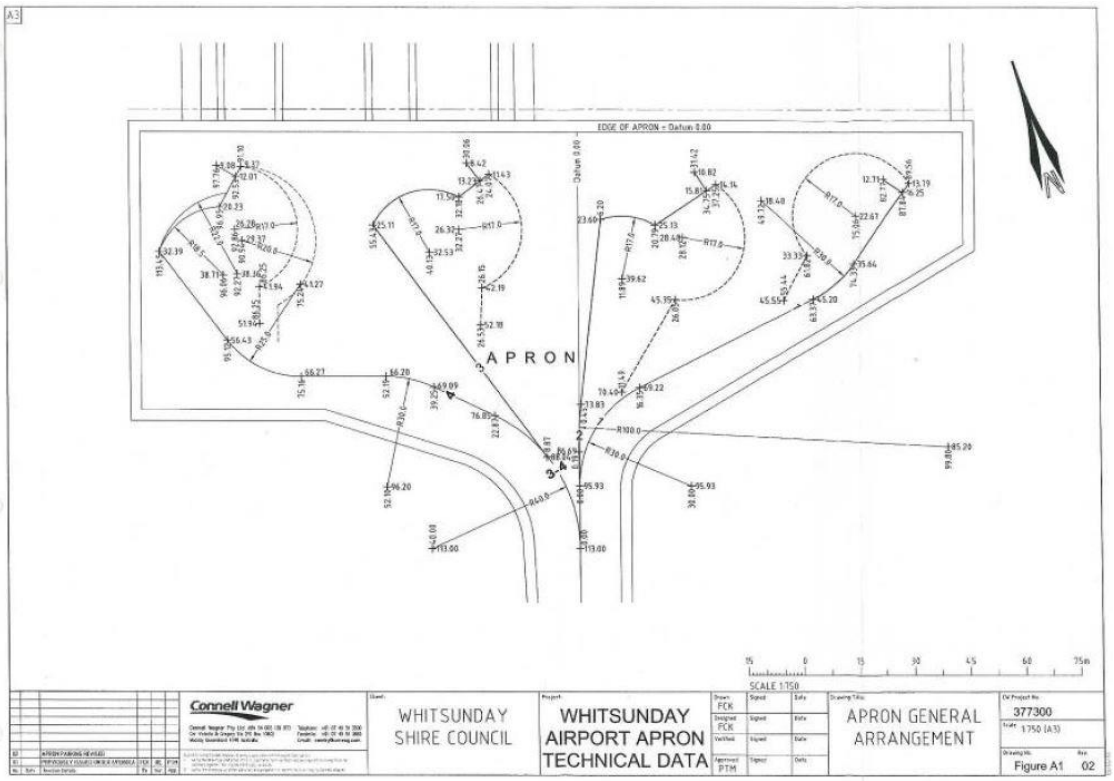


Figure 9: Apron general arrangement
(WCA Aerodrome Manual)

Table 3 depicts the parking availability and limitations of specific bays, depending on the type of aircraft.

Code	Aircraft	Bay 1	Bay 2	Bay 3	Bay 4
4C	A320	Refer Notes 1 & 2	Refer Notes 1, 2 & 3	Refer Notes 2, 3 & 4	Refer Notes 3 & 4
	B717-200	✓	✓	✓	✓
	B737-300	✓	✓	✓	✓
	B737-400	✓	✓	✓	✓
	B737-700	Refer Note 1	Refer Note 1	✓	✓
	B737-800	Refer Note 1	Refer Note 1	✓	✓
2C	Dash 8-100	✓	Refer Note 1	✓	✓
	Dash 8-300	✓	Refer Note 1	✓	✓

Table 3: Parking availability and limitations (WCA Aerodrome Manual)

Notes:

1. An A320, B737-700, B737-800, Dash8, or B717-200 must not be parked in Bay 2 during departure of A320, B737-700, or B737-800 from Bay 1.
2. Bay 2. During A320 departure, maximum size aircraft on Bays 3 and 1 is A320.
3. Bay 3. During A320 departure, maximum size aircraft on Bays 2 and 4 is A320.
4. Bay 4. During A320 departure, maximum size aircraft on Bay 3 is A320.
5. Marshalling is required on all aircraft arrivals and departures.
6. Tanker refuelling is required for all Bays.

Table 4 provides a summary of the limitations of the existing parking infrastructure, based on A320 aircraft or smaller.

	Bay 1, 2, 3, and 4 (A320 aircraft or smaller)
Limitation (all options)	Bay 1 – Bay 2 must not have A320, B737-700, B737-800, B717-200 or Dash 8 parked during A320, B737-700, or B737-800 departure
Inbound (all options)	Aircraft are marshalled into stop with nose wheel on the common stop bar
Outbound (all options)	Aircraft are to roll forward 3 metres, then turn to follow the dashed exit line Marshalling required Tanker refuelling

Table 4: Parking limitations of existing infrastructure

Airfield lighting

Runway lighting

The runway is lighted with low intensity runway edge lights, however these are spaced at a noncompliant spacing of 90m and will need to be replaced, while PAPI lights set for a 3º approach path are also provided for approach guidance.

A single sided Precision Approach Path Indicator System is provided for both directions on RWY 11/29.

Taxiway lighting
The taxiway to the apron is installed with blue edge lighting. The holding point is indicated with yellow lights.

Apron lighting
Floodlighting is provided on the RPT apron. Apron floodlighting is connected to PAL. Manual switching for Apron Lighting is provided in the lighting cubicle.

All lighting systems have a backup power system with a 15 second switchover timing.

Navigation systems

Navigational aids are supplied and maintained by Airservices Australia under the Airservices Australia Act.

The WCA has two pilot monitored navigation aids. A VHF Omni-directional Range (VOR) and Distance Measuring Equipment (DME).

The VOR operates on VHF frequency 113.7 and is positioned on S 20 29.8 (Lat) E 148 33.2 (Long). There are two existing published non-precision instrument procedures for the VOR, one over each respective ends on the runway, with holding over the aerodrome.

The DME operates on 113.5/84X and is co-located with the VOR. There is a published DME arrival divided into four sectors, providing guidance to on coming aircraft.

There are two published Global Navigation Satellite System (GNSS) approaches, one for each runway.

Airfield markings

The airport runway edge lights spaced at 90 meters and blue taxiway edge lights. It also has Pilot Activated Lighting (PAL), controlled by radio on the airport Common Traffic aerodrome frequency.

Existing aviation services and facilities

Aircraft movement

The airport currently has daily RPT flights daily servicing connections to Brisbane, Sydney and Melbourne. Aircraft movements were 1,996 in the year ending June 2014 (Note: figures are not recorded as the airport no longer has an air traffic control service).

45% of aircraft movements at WCA are movements operated by helicopters, due to the on-site helicopter maintenance, training and charter business. RPT commercial aircraft movements account for 35% of all movements with 19% of aircraft activity comprising general aviation traffic, including aircraft activity by the Royal Flying Doctor Service, the Aero Club, and private aircraft owners. Only 1% of movements at the airport are by visiting military aircraft.

The Aero Club are located to the east of the passenger terminal, as well as additional private hangars and a hangar used by Heli Engineering. These hangars utilise Taxiway B to access the Runway.

Passenger movements

The Department of Infrastructure and Regional Development reported the PAX of the WCA to be 448,600 for the calendar year ending December 2018. This is an increase of 23,000 or 5.4% over calendar year ending December 2017.

Airline operations

The table below represents the current airline flight schedule in and out of the airport (June 2019).

Figure 10: Airline flight schedule (as at June 2019)

Mon					Tue					Wed					Thu					Fri					Sat					Sun				
ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To	ARR	DEP	Bay	From	To
					Jetstar 940	1010	3	SYD	SYD						Jetstar 940	1010	3	SYD	SYD						Jetstar 940	1010	3	SYD	SYD					
																				Jetstar 1125	1155	4	MEL	MEL						Jetstar 1125	1155	4	MEL	MEL
Jetstar 1125	1155	3	MEL	MEL						Virgin 1135	1210	3	BNE	BNE	Virgin 1135	1210	3	BNE	BNE	Qantaslink 1125	1155	3	SYD	SYD	Qantaslink 1140	1210	4	SYD	SYD					
Qantaslink 1155	1225	4	SYD	SYD						Qantaslink 1220	1250	3	SYD	SYD																			
Virgin 1305	1345	4	BNE	BNE	Virgin 1305	1345	3	BNE	BNE	Virgin 1305	1345	3	BNE	BNE	Virgin 1305	1345	4	BNE	BNE															
																									Virgin 1430	1505	4	BNE	BNE					
																				Virgin 1445	1525	4	BNE	BNE						Virgin 1445	1525	4	BNE	BNE
Virgin 1525	1605	4	BNE	BNE																													
																														Qantaslink 1610	1640	3	SYD	SYD
Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE	Jetstar 1710	1740	3	BNE	BNE

Targets

The Whitsunday Coast Airport has the following targets for FY19/20:

Financial

- 10% increase in aeronautical revenue from FY 18/19.
- 10% increase in commercial revenue from FY 18/19.
- 10% increase in EBITDA from FY 18/19.
- < 5% increase in operational costs excluding depreciation and allocated overheads.

Non-Financial

- 5% increase in passengers based on BITRE FY 18/19 figures.
- Increase in available seats based on BITRE FY 18/19 figures.
- Maintain a presence in existing markets.
- Introduction of a new route between Cairns and Whitsunday Coast Airport.

Community Service Obligations

There are no community service obligations associated with this business unit.

Cost Analysis of Community Service Obligations

Not applicable.

Capital Structure and Surplus Treatment

The notional capital structure is as follows:

('000)	Est as at 30/6/19	Budget as at 30/6/20
Total Assets less Current Liabilities	89,601	105,340
Capital Structure		
Capital + Reserves	63,807	79,429
Retained Surplus	1,294	2,332
Long Term Borrowings	24,500	23,579

Major Investments

Nil planned for FY 19/20

Apron expansion circa FY 21/22	$12,000,000

Outstanding and Proposed Borrowings

The business unit will continue to repay an existing loan of $24.5 million, which was secured to fund the upgrade of the runway in 2017. There are no further loans planned at this point in time.

Service and Quality

The Whitsunday Coast Airport utilises the IATA Airport Development Reference Manual (10th Edition 2014) as the guide to service and quality standards.

A Level of Service standard of C is the minimum level used for airport planning and measurement. This is consistent with other airports within Australia. This provides an economic balance between Level of Standard A (free flow, no delays and excellent level of comfort) and Level of Standard D (cross flow, system breakdown and long delays and unacceptable level of comfort).

An Airport Service Level Agreement will be introduced which will utilise the Aerodrome Development Reference Manual as guidance. This is a recommended best practice from IATA and has the following purpose:

A Service Level Agreement (SLA) is a negotiated agreement between two parties where the level of service is formally defined. Each specific area of the service scope should be subjected to the same degree of scrutiny.

As airports are only built to serve as aviation infrastructure enabling airlines to operate, airlines are the primary users of airports and a major source of revenue for airport authorities and operators, ancillary industries and services. Airports and airlines also have a joint interest in delivering airport performance to drive efficiencies, optimise passenger experience and support competition between users that in turn benefits passengers, our common customers.

The purpose of an airport SLA is to provide the airport (typically the airport authority or operator) with a clear understanding of the levels of service and outcomes required in order to meet users' (typically the airline community) expectations, in return for the airport charges they pay.

Levels of service shall be jointly agreed between users and airports. The establishment of a best practice SLA between an airport and its users shall be based on an approach of openness, transparency and collaboration, to promote a culture of continuous improvement.

(https://www.iata.org/policy/infrastructure/Documents/airport-service-level-agreement.pdf)