



Shire of
Narrogin

**MINUTES
NARROGIN AIRPORT COMMITTEE MEETING**

11 February 2019

Commencing at 5:30 pm

Administration Meeting Room
Shire of Narrogin
89 Earl Street
Narrogin WA 6312

The Chief Executive Officer recommends the endorsement of these minutes at the next Narrogin Airport Committee Meeting.

Signed:
(CEO)

Date 15 February 2019

These minutes were confirmed at the Narrogin Airport Committee Meeting held on

Signed:
(Presiding Person at the meeting at which minutes were confirmed)

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NARROGIN AIRPORT COMMITTEE MEETING

11 FEBRUARY 2019

1 OFFICIAL OPENING/ANNOUNCEMENT OF VISITORS

Presiding Person President L Ballard welcomed the committee and declared the meeting open at 5:35 pm.

2 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

Committee Members

Mr L Ballard – Shire President (Presiding Person)

Cr T Wiese – Deputy Shire President

Cr C Ward

Mr D Harrington – Narrogin Gliding Club

Mr G Hansen – St John

Staff

Mr D Stewart – Chief Executive Officer

Mr T Evans – Executive Manager Technical & Rural Services

Mrs W Russell – Executive Support Officer (Minutes)

Apologies

Cr M Fisher

Mr H Leach – Narrogin Flying Club

Guests

3 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Officers' Recommendation & Committee Resolution

Moved Cr Ward

Seconded Cr Wiese

That the minutes of the Airport Committee Meeting held on 23 October 2018 be confirmed as an accurate record of proceedings.

CARRIED 5/0

4 DECLARATION OF INTEREST BY COMMITTEE MEMBERS IN MATTERS INCLUDED IN THE MEETING AGENDA

Name	Item No	Interest	Nature
Doug Harrington	5.1	Financial & Impartiality	Mr Harrington is representing both the Narrogin Gliding Club and the Narrogin Flying Club in respect to the new leases
Grant Hansen	5.1	Impartiality	Mr Hansen as a representative of St Johns uses the facilities

CEO advised that his view was that as Mr Hansen's interest was not of a financial nature, that it would be acceptable for him to remain in the meeting and that he should be entitled to participate in discussion and the vote.

5 MATTERS WHICH REQUIRE DISCUSSION

<p>Committee Resolution</p> <p>Moved Cr Wiese Seconded Cr Ward</p> <p>That Mr Harrington be permitted to remain in the meeting during discussion of item 5.1 but that he not be permitted to discuss the aspect of rent or take part in the vote.</p> <p style="text-align: right;">CARRIED 4/0</p>
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5.1 RENEWAL OF NARROGIN GLIDING CLUB & NARROGIN FLYING CLUB LEASES

Attachments

1. Narrogin Gliding Club Proposed New Lease
2. Narrogin Flying Club Proposed New Lease

Summary

The Airport Committee is being asked to consider endorsing the draft proposed leases for both Clubs as presented at Attachments 1 & 2 such that the administration can prepare a report to Council to consider them.

Background

Narrogin Gliding and Flying Clubs both have 21 year leases in place for areas of the Narrogin Airport. The Flying Club lease is past due for renewal and the Gliding Club lease expires on 30 September 2019, hence the necessity to renew the leases between both clubs and the Shire.

At the Airport Committee meeting held 23 October 2018, on the subject of lease renewal, the following was minuted:

“4.3 RENEWAL OF LEASES

The 21 year lease for the Narrogin Flying Club, at \$12 per year, expires on 31 December 2018.

The 21 year lease for the Narrogin Gliding Club at \$12 per year, expires on 30 September 2019.

Discussion is required regarding negotiating the above leases.

Council resolved at its meeting of 22 August 2018:

“That, with respect to the Application for Planning Consent for an Outbuilding (Aircraft Hangar) at Lot 1 (No. 2194-2202) Clayton Road, Minigin, Council request the Chief Executive Officer to commence negotiating the renewal of the lease of the Narrogin Airstrip for a further term of up to 21 years, with the final document subject to Council approval.

EMCCS spoke about the modernisation of the leases, including sub leasing, rent, rental reviews and insurance. It was suggested that the new leases be 10 years with option on a further 10 years and then a further 10 years.

Both clubs wished to remind the committee that they are not for profit sporting groups and do not have funds readily available to cover a large rent increase.

EMCCS to send a modern lease template to the Narrogin Flying Club and the Narrogin Gliding Club, so that the clubs can discuss the leases with their respective committees and then be prepared to negotiate the new leases.

EMCCS advised that after the leases have been negotiated they may need to go through an advertising period (in accordance with the Local Government Act 1995) before they can be adopted by Council.”

Comment

On 30 November 2018, the Executive Manager Technical & Rural Services (EMTRS) forwarded via email new proposed draft leases to Airport Committee Club Representatives Mr Doug Harrington and Mr Humphrey Leach, asking them to take the new draft leases back to their respective committees for review and comment.

Mr Trevor Sweeting, the President of the Narrogin Gliding Club, emailed the EMTRS a list of points of contention/clarification from the draft leases. The EMTRS responded to Mr Sweeting with clarification to all 17 points however there were still five points of contention that needed to be addressed.

The EMTRS initiated a meeting at the request of Mr Sweeting with the Shire President, CEO, EMTRS and representatives of the Gliding and Flying Clubs on 31 January 2019, to discuss any aspects of the draft leases.

The meeting was successful and informative with all items raise by either Club addressed.

The main points of contention and discussion were:

- Additional 70 metres of land for the Gliding Club adjoining the Western boundary, see Annexure 1 in Attachment 1.

- The amount of annual rent. The Shire requested annual rent of \$8,000.00 from the Gliding Club and \$4,000.00 from Flying Club. Both Clubs explained that these figures were far too high and that if these amounts were charged, the Clubs would not be able to operate out of the Narrogin Airport and would either close or relocate. The Gliding Club put forward that they were prepared to pay \$700.00 per annum inclusive of the additional 70 metres of land adjoining the Western Boundary. The Flying Club advised that they would pay half of this amount \$350.00.
- Rent review period. Both Clubs objected to an annual rent review based on Perth CPI however if a 21 year lease term and lower rents were to be considered that the Clubs could agree to this.
- Public Liability. Both Clubs advised that they had Public Liability Insurance of \$10 million. After further investigation from the EMTRS with the Shire's insurer LGIS, they advised that \$10 million would be acceptable as the minimum amount of coverage recommended.
- The term of the lease. The initial draft lease and Shires position was a ten year lease and ten year lessor option. Both Clubs objected to this and said that they would like a 21 year lease so that both clubs could have stability and were able to plan into the future.

The draft leases as per Attachments 1 & 2 have the annual rent shown as \$700.00 for the Gliding Club and \$350.00 for the Flying Club.

Both Clubs argued that the reduced rent was the maximum they could afford to be sustainable.

OFFICERS' RECOMMENDATION

Moved: Cr Ward

Seconded: T Wiese

That with respect to the proposed renewal of leases to the Narrogin Gliding Club and Narrogin Flying Club, the Airport Committee recommend to Council the proposed leases as presented at Attachments 1 & 2.

CARRIED: 4/0

Attachment 1. Narrogin Gliding Club Proposed
New Lease

Attachment 2 Narrogin Flying Club Proposed
New Lease

6 GENERAL BUSINESS

6.1 OUTCOMES/ACTIONS FROM THE PREVIOUS MEETING

As discussed at the last meeting of the Airport Committee the following works have been completed at the Narrogin Airport:

1. white line marking of the runway has been completed at a cost of \$4620.00; and
2. two (2) warning signs have been installed at a cost of \$158.40.

Mr Harrington commented that the warning signs were excellent.

6.2 REPORT ON THE PROGRESS OF MEDICAL FLYING TRANSFER FACILITY

Mr Hansen reported that he had been advised that St Johns head office had denied the Narrogin sub-centre the approval to spend money on a new flying transfer station at the Narrogin Airport. The sub-centre committee will discuss this and may decide to appeal the decision.

Some other funding options were discussed including applying to our local MP, Mr Rick Wilson, in the lead up to the federal election.

7 CLOSURE OF MEETING

There being no further business to discuss, the Presiding Member thanked the committee and declared the meeting closed at 6:00 pm.