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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

REPORT

relating to the

DEVELOPMENT OF ADDITIONAL DOMESTIC APRON
AT SYDNEY AIRPORT

(Twenty-fourth Report of 1989)

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TABLE OF CONTENTS

	Page
Members of the Parliamentary Standing Committee on Public Works	iv
Extract from the Votes and Proceedings of the House of Representatives	v
	Paragraph
The Reference	1
The Committee's Investigation	2
Background	7
. Federal Airports Corporation	7
. International Terminal Complex	13
. Domestic Terminal Infrastructure	16
. Proposed Third Runway	19
. Airport Plan	20
The Need	21
. Committee's Conclusion	29
The Proposal	30
. Alternative Uses	32
. Alternative Aircraft Parking Layouts	34
. Alternative Sites	35
. Committee's Conclusion	43
. Infrastructure Works	44
. Aircraft Pavements	50
. Roads	53
. Car-Parking	56
. Engineering Services	57
. Sewerage	58
. Water Supply	59
. Drainage	61

• Fuel and Oil Spillages	62
• Proposed Pollution Control Measures	67
• Gas	76
• Electrical Reticulation	77
• Telephone	79
• Street Lighting	80
• Other Works	82
• Relocation of Existing Owners and Tenants	84
 Long Term Development	86
 Environmental Considerations	91
 Financial Justification	96
 Possible Future Terminal Development	103
 Consultations	106
 Construction Program	112
 Limit of Cost	114
• Committee's Recommendation	115
 Conclusions and Recommendation	116

Appendices

- Appendix A - List of Witnesses
- Appendix B - Locality Plan
- Appendix C - Site of Proposal
- Appendix D - Site Development Plan
- Appendix E - Apron Layout - Common User Terminal Stage 1

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS

(Twenty-ninth Committee)

Mr Colin Hollis MP (Chairman)

Mr Percival Clarence Millar MP (Vice-Chairman)

Senate

House of Representatives

Senator Bryant Robert Burns

Mr George Gear MP

Senator John Robert Devereux

Mr Robert George Halverson OBE MP

Senator Dr Glenister Sheil

Mr John Graham Mountford MP

Mr William Leonard Taylor MP *

* Appointed on 29.9.88 following resignation of

Mr Maxwell Arthur Burr MP

Secretary: Mr Peter Roberts

EXTRACT FROM VOTES AND PROCEEDINGS OF
THE HOUSE OF REPRESENTATIVES

NO. 138 DATED WEDNESDAY 6 SEPTEMBER 1989

20 PUBLIC WORKS COMMITTEE - REFERENCE OF WORK - DEVELOPMENT OF
ADDITIONAL DOMESTIC APRON FACILITY, SYDNEY
(KINGSFORD-SMITH) AIRPORT: Mr West (Minister for
Administrative Services), pursuant to notice, moved -
That, in accordance with the provisions of the Public
Works Committee Act 1969, the following proposed work be
referred to the Parliamentary Standing Committee on
Public Works for consideration and report: Development
of an additional domestic apron facility at Sydney
(Kingsford Smith) Airport.

Mr West presented plans in connection with the proposed work.

Debate ensued.

Question - put and passed.

**SECTIONAL COMMITTEE ON DEVELOPMENT OF ADDITIONAL DOMESTIC APRON
FACILITY AT SYDNEY AIRPORT**

Mr Colin Hollis MP (Chairman)
Mr Percival Clarence Millar MP (Vice-Chairman)
Mr William Leonard Taylor MP

Inquiry Staff: Mrs Denise Denahy - Assistant Secretary
 Mrs Helen Fyfe - Secretarial Support

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

DEVELOPMENT OF ADDITIONAL DOMESTIC APRON FACILITY
AT SYDNEY AIRPORT

By resolution on 6 September 1989 the House of Representatives referred to the Parliamentary Standing Committee on Public Works for consideration and report the proposal for the Development of an Additional Domestic Apron Facility at Sydney Airport.

THE REFERENCE

1. There is currently a shortage of domestic apron facilities at Sydney Airport to accommodate jet aircraft ranging from small corporate jets to larger wide-bodied domestic aircraft. The situation is expected to become more critical following deregulation of the domestic aviation industry on 1 November 1990. The Federal Airports Corporation (FAC) is proposing the development of an additional apron facility to meet this need.

THE COMMITTEE'S INVESTIGATION

2. The Committee received a written submission and drawings from the FAC and took evidence at a public hearing in Sydney on Monday 23 October 1989.

3. The Committee also received submissions and took evidence from:

- Activeforce
- Airport Co-ordinating Taskforce

- Ansett Airlines of Australia
- Australian Airlines
- Botany Municipal Council
- Jointly Operated Storage Facility (JOSF)
- Mobil Oil Australia
- Residents' Airport Co-ordinating Committee.

4. Submissions and letters were also received from Qantas, the Central District Ambulance Service, Marrickville Airport Watch, Regional Airlines Association of Australia Ltd, Inner Regional Transport Group, Inner Regional Council for Social Development Co-op Ltd, Compass Holdings Pty Ltd, Civil Aviation Authority, the Department of State Development, Pacific Aviation, the Second Sydney Airport Coalition and Environmental Impact Reports Pty Ltd on behalf of Ashfield Municipal Council, Leichhardt Municipal Council and Marrickville Municipal Council.

5. Prior to the public hearing the Committee inspected the proposed site.

6. A list of witnesses who gave evidence at the hearing may be found at Appendix A.

BACKGROUND

Federal Airports Corporation

7. The FAC is a government business enterprise established by, and incorporated under the Federal Airports Corporation Act 1986. The Act was passed by the Commonwealth Parliament on 14 February 1986 and proclaimed on 13 June 1986. On 1 January 1988 the FAC assumed responsibility for ownership, management and development of seventeen of Australia's federal airports, including Sydney Airport.

8. The long term domestic terminal leases entered into by the Federal Government in December 1987, prior to the vesting of the

FAC, provide for the existing carriers, Ansett and Australian Airlines, to make limited facilities available to third party carrier entrants to domestic aviation after deregulation on 1 November 1990.

9. The procedures for allocation of these facilities begin on 1 January 1990, and are specified in the leases, together with general conditions including sub-lease terms of not less than one year (with option to renew for a period not exceeding the original term). Expiry of the sub-leases is, at the latest, 30 October 2000.

10. In addition to the lease of terminal land, the leases provide the existing airlines with expansion land for development. This expansion land is deemed to be 150% of the terminal area. As this expansion land occupies the majority of available domestic apron area, it puts pressure on apron requirements to accommodate aircraft of all types - especially jet aircraft - both during the construction of expanded terminal facilities by the existing airlines and for any potential increased activity by existing or new operators.

11. Government policy is to ensure that there is no impediment that will in any way stifle competition in the deregulated domestic aviation market, and it is open to FAC to make provision for the construction of alternative facilities as a means of providing further scope for competition from new entrants.

12. At present several major projects are currently being undertaken at Sydney Airport.

International Terminal Complex

13. The Stage 1 expansion of the international terminal complex, estimated at \$214M, has entered the construction phase with the recent appointment of a project construction manager.

14. The work comprises a major extension to the existing terminal building, a new pier to the extension and associated apron, taxiways, services and roadworks. To date, extensive geotechnical investigation has been undertaken. The anticipated completion date for Stage 1 is 1992.

15. Additionally, a new standoff apron to the north of the existing international apron is being constructed. The value of this project is \$5.84M and is due for completion in March 1990.

Domestic Terminal Infrastructure

16. In December 1987 the Commonwealth entered into lease agreement with Ansett and Australian Airlines. The intention was to provide Ansett and Australian Airlines with security of tenure to enable them to proceed with terminal development. Accordingly, the FAC under the terms of the lease, is obliged to provide engineering infrastructure, including apron and services, to meet the proposed airline development.

17. Ansett Airlines has commenced the building extension of its western pier and current FAC work includes the provision of associated apron and the relocation of several taxiways affected by the work.

18. Australian Airlines has commenced detailed design for its terminal. However, no airside construction has been undertaken to date. The FAC however, is proceeding with the relocation of taxiways and navigational aids to meet the proposed development.

Proposed Third Runway

19. Kinhill Engineers have been appointed to undertake the Environmental Impact Statement (EIS) for the third runway. The EIS is to be conducted in accordance with guidelines set by the

Department of Arts, Sport, Environment, Territories and Tourism (DASETT) and extensive consultation with local authorities and resident groups will be undertaken. This EIS will assess the totality of environmental impacts for the airport.

Airport Plan

20. Sinclair Knight and Partners has been appointed to undertake the airport plan study for Sydney Airport. The draft plan is to be provided by February 1990.

THE NEED

21. The existing domestic apron area in the north-east sector of the airport is limited and does not meet current demand. Projected growth of domestic, commuter and general aviation traffic is substantial with an estimated 25 percent growth anticipated for domestic aircraft up to 1995. The aircraft parking requirements associated with this traffic growth require the urgent provision of additional apron space.

22. While terminal facilities, runways and taxiways may lag behind with the end result being congestion and delays, if apron space is not available for aircraft parking requirements, then some potential operations will not be able to occur.

23. Deregulation of the domestic airline industry will result in various demands from new entrants. While there is still a fair degree of uncertainty involved, it is expected that there will be an immediate increase in demand for gate positions at the commencement of deregulation on 1 November 1990.

24. Whilst FAC has insufficient information, at this time, upon which to base a relatively high risk investment decision to provide additional terminal facilities, the need for additional apron area is clear. FAC has 23 applications from existing and

potential new tenants for expansion of existing facilities or for new developments where apron frontage sites are required. These are mainly from general aviation operators of aircraft types that range up to B727 and B737 corporate models.

25. Consultation by FAC with prospective new entrant airlines as part of the feasibility study for a common user terminal, indicated a likely daily peak aircraft gate demand of two widebody and four narrow body aircraft.

26. As well as providing capacity for new entrant passenger airlines following deregulation in 1990, it will be necessary to provide additional capacity to handle freighter aircraft and VIP aircraft. Possible future freight aircraft operations to be accommodated could include B707, BAE 146-200QT, re-engined DC8-70, B727-100 and 200 series, DC9-30 and Argosy freighter aircraft.

27. Any of the above freighter aircraft types or operations could be expected to require additional apron space at Sydney Airport in the future. Should freight services expand more rapidly than passenger services, the demand for new freight facilities may be greater than for a new passenger terminal.

28. Furthermore, proposals for development of general aviation Fixed Base Operations (FBOs) at Sydney Airport have been received from Pacific Aviation and Elspan International. Both of these proposals include terminal development as well as aircraft parking for up to B727-200 sized aircraft. Maximum flexibility is required to accommodate the full range of aircraft types that may require apron space. The FAC stressed that regardless of a decision on the provision of a third runway, sufficient demand exists for the provision of additional apron space.

Committee's Conclusion

29. The Committee agrees that a need exists to provide an additional domestic apron facility at Sydney Airport regardless of whether a third runway is constructed in the future.

THE PROPOSAL

30. The proposal is for the development of an apron, which will provide parking for up to two widebody A-300/B767 type aircraft and four narrow body MD82/A320 type aircraft and stand off positions for smaller aircraft. The layout of the apron will allow for various combinations of other aircraft types, either power in, push back or free moving. A taxiway linking the apron with the existing taxiway system, part of an apron edge taxiway, road access and engineering services will also be provided. A fully serviced commercial development site will be created between the apron and the landside road access. The proposed apron will utilise the largely undeveloped area in the north-east sector of the airport, which is conveniently located close to the existing domestic terminal aprons.

31. The scope of the work includes associated engineering infrastructure and the relocation of some roads and staff car-parks near the present entry to the domestic terminal complex.

Alternative Uses

32. The proposed apron development could be used for a variety of purposes such as passenger, freight or general aviation. Although a feasibility study has identified a need for a new terminal and associated apron to cater for additional carriers expected after deregulation, the apron will be designed

so that it can also be used for aircraft and purposes other than passenger services.

33. The consequence of the various applications for apron space, in addition to use by freighter and RPT aircraft, is that the apron must be designed and constructed to allow total flexibility of operation by being able to accommodate the full range of domestic aircraft types likely to visit Sydney Airport.

Alternative Aircraft Parking Layouts

34. The current proposal is based upon maximising the aircraft parking available within the area initially available. Parking layouts have been developed for a first stage passenger terminal development. Alternative free moving and power-in, push back arrangements have also been prepared.

Alternative Sites

35. Options for development of additional domestic apron and associated terminal facilities in various sectors of the airport have previously been considered in some detail. The former Department of Aviation's Planning and Development Paper No 19, dated June 1986 reports on these studies. There are significant problems with development of apron and terminal facilities in sectors other than the current domestic area in the north-east of the airport.

36. The south-east sector is under utilised. However, there would be major infrastructure works with associated lead times to develop facilities in this area. There would also be height restrictions due to the proposed parallel 16/34 runway. Historic ruins and the environmentally sensitive engine pond are also located in this sector further reducing development options. The historic ruins, dating back to the late 1820s and 1830s, are located on the western end of the engine pond, approximately 150 metres from General Holmes Drive. The area is considered

significant from an historical viewpoint, as it includes stone hand-cut walls, a sluice and spillway as well as part of the foundations of the old water pump works which were built and used in the 1850s and 1860s. Provision of a facility in this sector would involve significant cost and time because of the infrastructure and the preparation of the site to provide apron and hardstand. Development in this sector is also less preferred to the northern sectors in terms of runway operations and airline operating costs.

37. The south-west sector is not suitable for any aviation industry development because of air navigation aid requirements and sight lines from the control tower to operating areas. These sight lines limit the height and size of development possible in this sector.

38. The north-west sector is occupied by the international passenger and freight terminals and will be required for the future expansion of those facilities.

39. The north-east sector is the oldest developed sector of the airport and contains all domestic terminals, domestic freight, domestic catering facilities, domestic maintenance facilities, Qantas jet base, airport administration and maintenance, JOSF fuel storage compound and general aviation facilities.

40. The existing Ansett and Australian Airlines terminal areas are covered by long term leases. The corporate aviation area has leases which run to 1995. The area at the eastern end of this sector has height restrictions associated with the 07/25 runway. A number of low rise facilities are proposed for this area.

41. The only area within this sector readily available for the development of additional apron area is the largely undeveloped area between the existing airline hangars and oil company storage facility to the west, and the corporate aviation area to the east. The area is currently occupied by open air, ground level car-parks and several private residences.

42. Analysis of these options, including a financial analysis, resulted in a recommendation to concentrate all domestic terminals, freight and catering facilities in the north-east sector, with domestic airline maintenance and general aviation facilities being relocated to the south-east sector.

Committee's Conclusion

43. The Committee agrees that the north-east sector is the most appropriate site available to the Federal Airports Corporation for the construction of an additional domestic apron at the Sydney airport.

Infrastructure Works

44. Infrastructure works are required to provide a sufficient clear area for the initial development of the new apron area and to provide for adjacent development site area to make the project financially viable.

45. These works include:

- demolition of existing buildings, street lighting poles and fences
- road closures and fencing of airside apron works
- establishment of contractors' areas and provision of services
- traffic deviations and signage
- relocation and/or protection of existing services including Jet-A1 fuel line, radar cables, Telecom lines, electricity (underground mains, overhead reticulation and substations), water, sewerage, gas and stormwater.

46. The relocation of certain services is an essential prerequisite before undertaking the earthworks associated with the works.

47. The major services which require relocation or protection are:

- the 100mm Jet-A1 fuel line from the adjacent JOSF which will be diverted to the western side of the proposed apron
- existing stormwater on the northern and eastern sides of the site will require upgrading to cope with additional runoff concentration associated with development
- relocation of numerous minor sewer pipes required mainly on the eastern side of the proposed apron
- the existing high voltage and medium voltage electrical reticulation including two substation sites will be abandoned.

48. New high voltage and medium voltage ring mains utilising the existing substation equipment will be constructed.

49. The timely completion of these preliminary works is paramount for the completion of the airside apron works in the proposed time scale.

Aircraft Pavements

50. The aircraft pavements proposed consist of an apron and a taxiway linking the apron to the existing taxiway system.

51. The apron grading adopted allows for maximum flexibility of use by a variety of aircraft, and permits extensions to all sides to suit future developments. The grading achieves drainage away from the area designated for building development both on the airside and landside. The pavements have been designed for unrestricted use by all currently operating commercial aircraft for a period of 20 years.

52. Both rigid (concrete) and flexible pavements will be constructed. FAC advised the Committee that concrete in the aircraft parking stands has an advantage over flexible pavement in terms of maintenance and performance. Concrete will be used in the parking area while the lead-in taxiway and the manoeuvring areas will have an asphalt surface consistent with the majority of the runway and taxiway systems at the airport. FAC advised that this will provide the most economic solution.

Roads

53. To accommodate the new apron area and associated commercial site, the access roads to the domestic terminal area will be realigned at the intersection of Eleventh Street and Keith Smith Avenue. Two through traffic lanes on Tenth Street will be maintained for both entry traffic into Keith Smith Avenue and for exit traffic from Shiers Avenue. Secondary access will be maintained via Ninth Street as at present. FAC assured the tenants at the airport that it is proposed to retain access along this street for refuelling vehicles.

54. The access to the commercial site consists of a three lane one-way service road over the full frontage, with one kerbside setdown lane and two moving lanes between kerbs. The through road is proposed to be three lanes wide, the nearest for taxi setdowns at the kerb and the remaining two for traffic moving to parking and the two existing terminals. The length of the frontage is approximately 130m.

55. The project will require relocation of numerous services to new locations within a defined service corridor especially along the northern boundary of the site. These services will be accommodated within the project area and detailed design of the roadworks will ensure compatibility. In addition, roadworks will need to be undertaken to provide continued access to adjacent leases.

Car-Parking

56. The construction of the additional apron, associated infrastructure and landside development site will displace staff car-parking. As a result of a number of capital projects the FAC is presently constructing an interim staff car-park in the south-east sector until an appropriate multi-storey parking facility can be provided. Various airport tenants expressed concern over loss of staff car-parking areas. However, FAC advised that as soon as an area is nominated by the airport master plan, it will give high priority to the development of a multi-storey car-park. FAC assured the Committee that its intention is to provide adequate and secure facilities for staff parking.

Engineering Services

57. The engineering services have been sized on the current requirements plus the anticipated demand generated by a passenger terminal development, as this type of development is most demanding in terms of engineering services.

Sewerage

58. The hydraulic loads generated by the proposed commercial development have been based upon projected passenger and staff numbers established during interviews with prospective operators. The existing 300mm diameter outfall pipe from the area has sufficient capacity to carry the estimated flows generated by a terminal development to the year 2000. In the long term this outfall would be upgraded to cater for future developments.

Water Supply

59. Water supply to the north-east sector of the airport is fed from three ground level storage tanks, two 455 kl tanks adjacent

to Seventh Street and one 400 kl tank adjacent to Tenth Street. The water pressure in the reticulation system is maintained by pumps located adjacent to the Tenth Street tank.

60. The initial development will require adjustments to the reticulation system. Hydrant, sprinkler and domestic demand can be met from the existing system. However, if sprinklers are installed in both Ansett and Australian Airlines Terminals extra on-site storage will be required.

Drainage

61. The construction of the apron will only marginally increase the ten year average rainfall intensity runoff from the area. However, the existing outfall to the Botany Swamps is undersized and will need to be upgraded.

Fuel and Oil Spillages

62. The main sources of airside stormwater pollution are oil and fuel spills on the aircraft aprons. The aviation fuel used exclusively at the domestic terminals is JET A-1 (also known as AVTUR) Fuel is transferred from storage tanks and underground pipework to hydrant pits on the apron bays. Fuel service vehicles transfer the fuel from the hydrant to the aircraft. The fuelling system is a closed system with little opportunity for spillages.

63. FAC advised that fuel spill records for the existing domestic airline terminal aprons during the twelve months from March 1988 to March 1989 indicate that of the 27 recorded instances approximately 99% of spills involved a quantity of AVTUR in the range 10 to 50 litres.

64. The normal procedure followed after a fuel spill is for the airport fire staff to wash the fuel into the stormwater system via pits or grated drain. The amount of flushing water used is

at the discretion of the fire officer, but the records indicate that a quantity around 40 times the volume of fuel spilt is typical. Detergent is not carried by the airport fire service and spills are not emulsified with detergents. There would, however, be variable amounts of fuel in the stormwater system following the clean-up of a spill.

65. The airport fire service has reported that no foam emulsifiers have been used at the domestic terminals for more than five years.

66. Oil and hydraulic fluid spillages on the apron areas are small in comparison to fuel spillages and are attributable to both the aircraft and service vehicles. Minor engine servicing, general aircraft cleaning and leaking oil/hydraulic hoses on service vehicle are the main causes of oil spills. The FAC cleans up oil spills using a mobile sweeper/scrubber unit which scrubs the spill with detergent before sucking up the emulsified oil and detergent for disposal off site at approved facilities. Records are kept of all spillages so that the responsible party can be charged for this service.

Proposed Pollution Control Measures

67. The traditional flame trap design has been modified to enable it to act as an interceptor pit to provide a minimum capacity of 1000 litres, which is considered sufficient to contain fuel spills up to 150 litres from an apron in conditions other than storm flow.

68. Each modified flame trap will incorporate an internal baffle to reduce disturbance of retained fuel and a stopboard to isolate the secondary drainage from the main line during a fuel spill washdown.

69. The proposed stormwater augmentation has been designed to act as a pollution control measure with low flows from the new apron being directed to the retention pond east of the runway 25 threshold.

70. Washdown flow from the apron will be simultaneously pumped from the flame trap by a 6000 L pumpout truck, on 24 hour standby, dedicated for that purpose. A truck of this size would have capacity to remove all wastewater from spills up to 150L. Spills larger than this would require a number of trips. The FAC is providing a central treatment facility for the treatment of polluted waters generally.

71. Following pumpout of the first flush flow, remaining washdown water from the apron areas, after passing through the modified flame traps, would be directed to the eastern pond by provision of internal baffles in the main stormwater drainage pits.

72. The pond is to be used as a settlement and retention pond should pollutants be carried through the flame traps. Internal and outlet baffles and oil and fuel skimming/collection equipment will be provided at the pond for removal of any retained oil/fuel pollutants.

73. An operation and maintenance procedures manual for pumping out fuel spills, cleaning out of flame traps immediately after a fuel spill and on a regular basis is to be prepared for application on the airport generally.

74. Disposal of wastewater from fuel spills will be to an on-site waste treatment unit. A wastewater treatment unit is to be installed at the airport to treat flame trap wastewater. Wastewater will be fed to the central processing installation prior to discharge to sewer. Waste fuel will be collected in drums for off-site disposal or use in fire-fighting training exercises.

75. The pollution control ponding area immediately north-east of runway 25 will be covered with wire mesh supported on a metal frame to prevent birds using the pond.

Gas

76. Whilst airport users do not use a large volume of gas, continued supply to flight kitchens is essential. A secondary mains system reticulating gas at medium pressures will be installed during mains relocation. The additional demand for the proposed development site has been estimated to be similar to that of the existing Ansett and Australian Airlines Terminals.

Electrical Reticulation

77. Both the 11kv and 415v reticulation systems in the area of the proposed development will require considerable adjustment. Amongst other works two substations will be relocated, and at least one additional substation will be required. Alternative feed to the airport radar installations will be provided when the substations are being relocated.

78. Consideration will be given to integrating the new system in a ring main system for the HV reticulation at the airport.

Telephone

79. The existing telephone equipment in the apron/terminal area will need to be relocated by Telecom.

Street Lighting

80. Adjustments to existing street lighting systems will be made, without upgrading the existing aerial system.

81. Underground reticulation and increased lighting intensities will be provided adjacent to the new development site.

Other Works

82. The apron will be floodlit and taxiway lights provided. Hydrant fuelling will be provided.

83. In addition to the aircraft pavements, an airside road 5.0m wide will also be constructed using a flexible pavement to facilitate airside vehicular movements between the aircraft maintenance area and the executive jet area.

Relocation of Existing Owners and Tenants

84. Three residences on freehold title are still privately owned within the boundary of Sydney Airport. These houses were built when much of the current domestic area was still a residential suburb. These residences are affected to varying degrees by the proposed apron works. One residence, located at 43 Tenth Street, is wholly contained within the apron area and a second is in the path of the road re-alignment. The third property is not crucial to the immediate development, but is adjacent to the site of a future multi-storey car-park that is programmed to serve the proposed development. Its proximity is of concern given the social and environmental impact of the apron development on this property and the owner's lifestyle. It is proposed to acquire these properties under compulsory acquisition. Preliminary discussions have been held with the owners, and acquisition is proceeding using the services of the Australian Property Group.

85. In 1965, the Department of Aviation purchased a residence at 54 Eleventh Street, subject to its existing tenancy. The same tenants are still in residence and are paying minimal rent of \$16 per week. This house is located within the apron area and

will therefore need to be vacated and demolished. The Corporation is assisting the tenant in locating alternative accommodation and removal of effects.

LONG TERM DEVELOPMENT

86. The current proposal is consistent with the long term scheme for the north-east sector of the airport as recommended by the former Department of Aviation in the Planning and Development Paper No 19.

87. Long term development in accordance with this plan, would require the relocation of major existing facilities including:

- Australian Airlines and Ansett maintenance hangars
- CAA flying unit
- Oil Companies' compounds including JOSF
- Australian Airlines catering facility and
- ground level staff car-parking.

88. Re-alignment of the eastern end of taxiway "C" to provide an offset from runway 07/25 to cater for large wing span aircraft is also a component of this long term development plan.

89. FAC commissioned consultants to address the need for additional domestic facilities at Sydney Airport and to prepare a development plan. The study, including the development of a new common user domestic terminal and future expansion was generally consistent with the previously mentioned planning document.

90. FAC will not proceed with any plans for long term development of this sector, or any other sector of the airport until the outcome of the Airport Planning Study, being undertaken by Sinclair Knight and Partners, is known. A draft airport plan is anticipated by the end of February 1990.

ENVIRONMENTAL CONSIDERATIONS

91. The proposal by the FAC to construct additional domestic apron area and associated infrastructure is subject to the Commonwealth Government's Environment Protection (Impact of Proposals) Act 1974. The Act requires that environmental matters are examined and taken into account in the Commonwealth's decision making process. In this instance the FAC has taken into account environmental impacts associated with the apron as a parking area and has not considered any future developments at the airport. An Assessment of Environmental Effects prepared by the FAC, advised that there will be no significant impact on flora and fauna. Impacts on air quality arising primarily from construction traffic will be negligible. There will be a positive impact on the Botany Swamps because the proposed water pollution control measures will improve the quality of any discharge to the waterways.

92. The proposed construction transport routes have been determined to ensure that the traffic impact of the construction activities will not significantly affect the operation of the airport's road system. Impacts on traffic flow on routes to and from the airport are not considered to be significant.

93. There will be short-term disruptions to users of the airport. A program will be initiated by FAC to advise all users of the airport when disruptions will occur and of alternative routes to the domestic terminal area.

94. The FAC believes that the potential for undesirable levels of noise from site works will exist at the nearest residential areas when contract work is in progress at night. Guidelines are given to permit satisfactory control of this problem. Noise from heavy vehicles travelling to the airport is not considered to be significant, given the operating times proposed and the small proportion of total traffic on airport roads which these vehicles comprise.

95. FAC considers that on the basis of this report, the environmental effects of the proposed infrastructure works have been adequately assessed, and that the proposals are not environmentally significant in the terms set out in the Environmental Protection (Impact of Proposals) Act 1974 and the associated Administrative Procedures.

FINANCIAL JUSTIFICATION

96. The proposal has satisfied the commercial appraisal criteria as determined by the FAC Board.

97. Upon completion, the project will provide airside access to approximately 23 000m² of landside space at an approximate rental of \$45 per square metre per annum.

98. Additionally, approximately 24 000m² of dedicated aircraft parking space will be available. A rental of \$20 per square metre could be expected for this type of opportunity.

99. The project is able to demonstrate an internal rate of return in excess of the FAC's requirements, and represents an attractive investment proposition on this basis.

100. In addition the project protects the FAC's options in respect of providing terminal facilities should they become financially or operationally desirable in the future. Should the terminal development proceed, the commercial return would obviously be enhanced.

101. Some submissions queried the financial justification of the proposal. However, FAC advised that it has sufficient applications and demand for commercial space with airside access to ensure full usage of the proposed commercial area of 23 000m². This will satisfy the commercial return required by the FAC. Should the terminal development proceed, the commercial return would be enhanced.

102. FAC believes it has chosen a low risk strategy. The financial justification is based on site rental only. Opportunities exist, however, for greater returns through joint ventures and the development of business concessions.

POSSIBLE FUTURE TERMINAL DEVELOPMENT

103. Concern was expressed that approval of the apron would commit this area to the building of a third terminal building. FAC advised that although construction of a new terminal is desirable this proposal is limited to the apron construction. Even without construction of a new terminal, the demand for apron space and frontage is high and leasing the space would not be difficult.

104. Several of the companies that have expressed an interest in operating as new entrants into the domestic aviation market following deregulation, have individually and collectively discussed with the FAC the prospect of joint venture arrangements. Proposals have also been received from a general aviation/commuter company and a company without direct airline interest, which is interested in constructing and managing the facility.

105. Should the level of interest be sustained, it is a possibility that a terminal complex will be constructed. However, at this stage the FAC does not have sufficient information to make a proper investment decision. The proposal as it stands protects all possible development options.

CONSULTATIONS

106. The proposed apron works will have significant impact on the structure of the north-east sector of the airport. It has been important therefore that the FAC establish and maintain open communication channels with the tenants who will be both directly

and indirectly affected. This dialogue will be continued in the interests of facilitating a smooth transition period, and maintain cordial airport relationships.

107. The various unions with members affected by the proposed development will be kept advised through the channels of FAC's Joint Union Management Committees, especially in relation to the issue of staff car-parking.

108. The FAC has assured the Central District Ambulance Service that it will be kept informed of any changes or alterations which may affect or impede the retrieval of patients from the complex or surrounding areas.

109. During the process of the feasibility study for a new domestic terminal, all potential airline operators identified by FAC were consulted in relation to their forecast operations and the type and extent of facilities required.

110. In relation to the proposed infrastructure works, the following bodies have been consulted:

AGL	- medium and low pressure gas mains,
Telecom	- local lines and trunk mains,
Caltex	- relocation or protection of fuel lines,
Water Board	- water and sewerage services.

111. Preliminary discussions have been held with the State Pollution Control Commission, particularly in relation to discharge of stormwater from the project area to the Botany Swamps.

CONSTRUCTION PROGRAM

112. The construction program is based upon:

- the concurrent documentation of the various works conjointly with the hearing of the project by the PWC and
- the calling of tenders for the work associated with site clearing and relocation of services conjointly with the hearing on the project by the PWC.

113. If these approvals are obtained, the main contracts can be signed early in 1990. On this basis it is anticipated that the works can be completed by November 1990, in time for the operation of deregulated airline services.

LIMIT OF COST

114. The limit of cost for the proposal is \$9.6M at May 1989 prices.

Committee's Recommendation

115. The Committee recommends the development of the additional apron facility at the Sydney Airport at an estimated cost of \$9.6M at May 1989 prices.

CONCLUSIONS AND RECOMMENDATION

116. The conclusions and recommendation of the Committee are set out below with the paragraph in the report to which each refers:

	Paragraph
1. The Committee agrees that a need exists to provide an additional domestic apron facility at Sydney Airport regardless of whether a third runway is constructed in the future.	29
2. The Committee agrees that the north-east sector is the most appropriate site available to the Federal Airports Corporation for the construction of an additional domestic apron at the Sydney airport.	43
3. The Committee recommends the development of the additional apron facility at the Sydney Airport at an estimated cost of \$9.6M at May 1989 prices.	115



Colin Hollis

Chairman

23 November 1989.

List of Witnesses

ARMSTRONG, Mr Brian George, Manager, Technical Services, Federal Airports Corporation, FAC House, Cnr Keith Smith Avenue and Seventh Street, Sydney Airport, New South Wales.

ASHTON, Mr John Edward, Assistant Manager, Aviation Operations, Caltex Oil (Australia) Pty Ltd, 167 Kent Street, Sydney, New South Wales.

BAMFORD, Mr Colin Harold, Consulting Engineer, Federal Airports Corporation, 39 Regent Street, Railway Square, Sydney, New South Wales.

CARTER, Mr Gary Wayne, Airport Planning Engineer, Australian Airlines Limited, 50 Franklin Street, Melbourne, Victoria.

HILLIER, Mrs Annie Newall, President, Residents Airport Co-ordinating Committee, 3 Queen Street, Botany, New South Wales.

ISAKS, Mr Paul, Specialist (Environmental Assessment), Federal Airports Corporation, 216 Northbourne Avenue, Braddon, Australian Capital Territory.

LANGFORD, Mr John Richard, Senior Airport Development Engineer, Ansett Airlines, 501 Swanston Street, Melbourne, Victoria.

ROGERS, Mr John Desmond, Consulting Engineer, Federal Airports Corporation, 31 Buckingham Street, Surry Hills, New South Wales.

ROSS, Mr Hamish David, Manager, Aviation, Marine and Special Products, Mobil Oil Australia Ltd, 2 City Road, South Melbourne, Victoria.

SINGLETTON-TURNER Mr Clive John, Manager, Aviation Operations, Caltex Oil (Australia) Pty Ltd, 167 Kent Street, Sydney, New South Wales.

SNELLING, Mr Peter George, General Manager, Sydney Airport, Federal Airports Corporation, FAC House, Cnr Keith Smith Avenue and Seventh Street, Sydney Airport, New South Wales.

UNSWORTH, Mr Ian Houghton, Airport Development Manager, Ansett Airlines, 501 Swanston Street, Melbourne, Victoria.

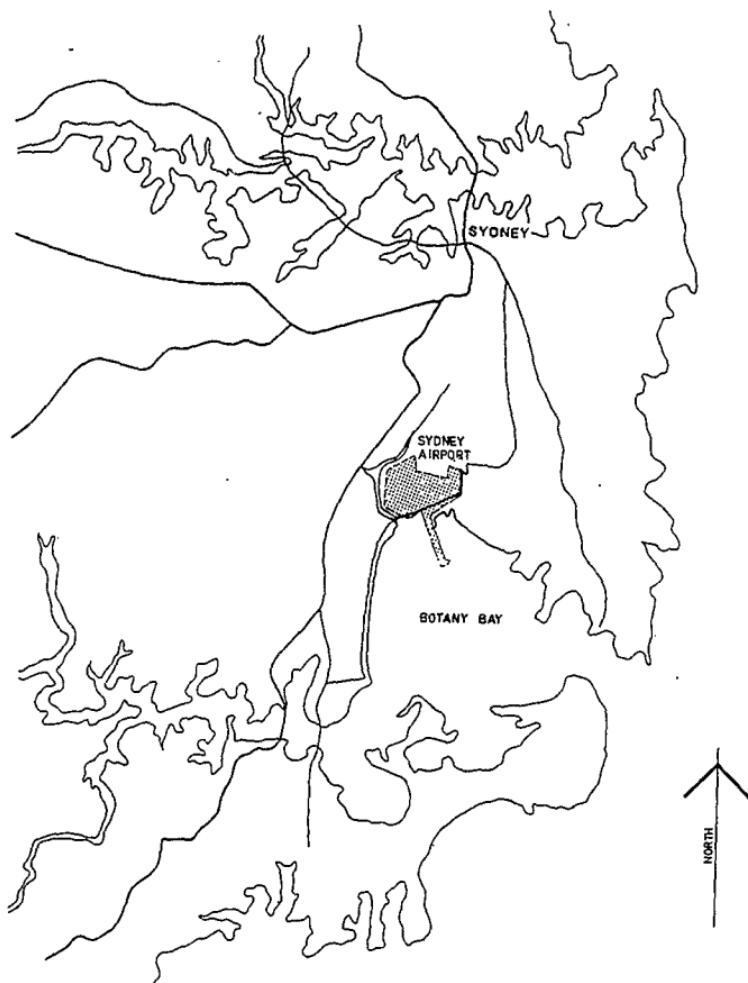
Mr Ferenc, Consulting Engineer, Federal Airports Corporation,
615 St Kilda Road, Melbourne, Victoria.

WIGGINS, Mr Joshua Clyde, Consulting Engineer and Town Planner,
Botany Municipal Council, 2 Meagher Avenue, Maroubra, New
South Wales.

WILLIAMS, Mr Anthony Glencoe, Airport Planning Engineer,
Australian Airlines Ltd, 11th Floor, 50 Franklin Street,
Melbourne, Victoria.

WITHERS, Mr Donald George, Commercial Director, Activeforce Ltd,
140 Jolimont Road, Jolimont, Victoria.

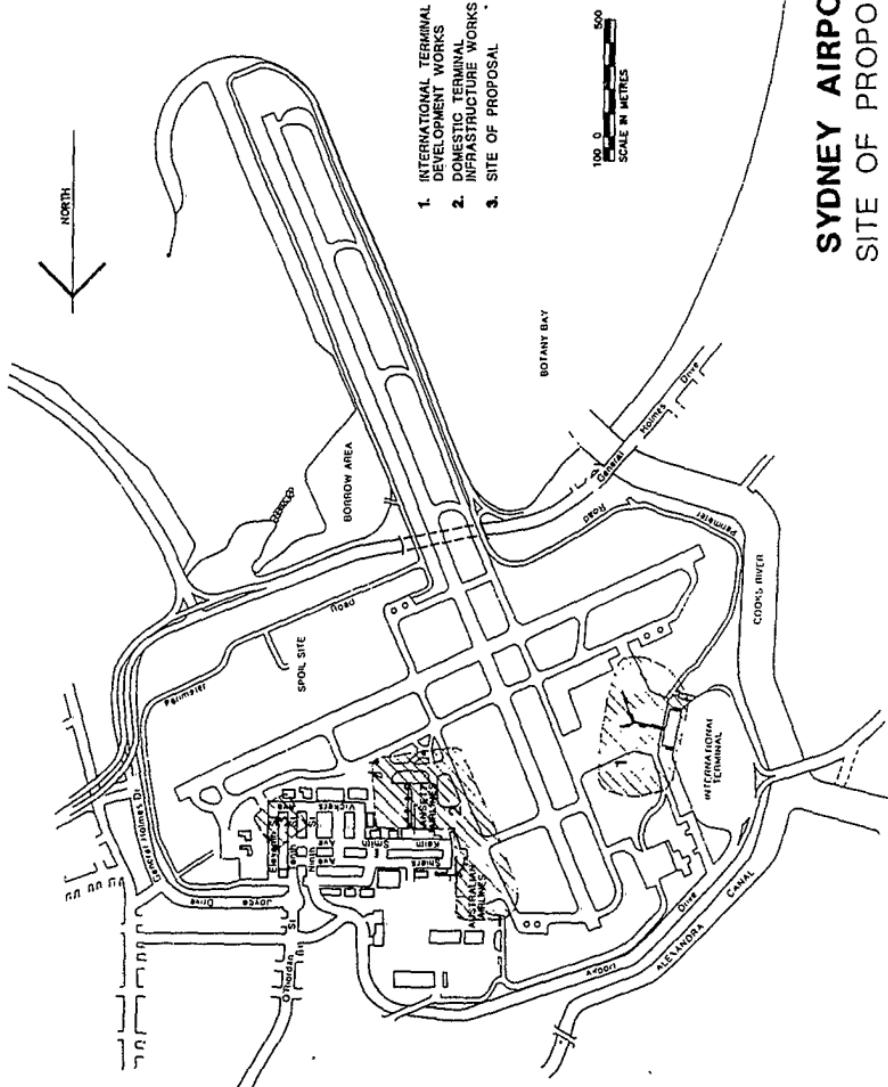
YOUNG, Mr Robert Michael, Superintendent, Mascot Airport, Mobil
Oil Australia Ltd, Seventh Street, Mascot, New South Wales.

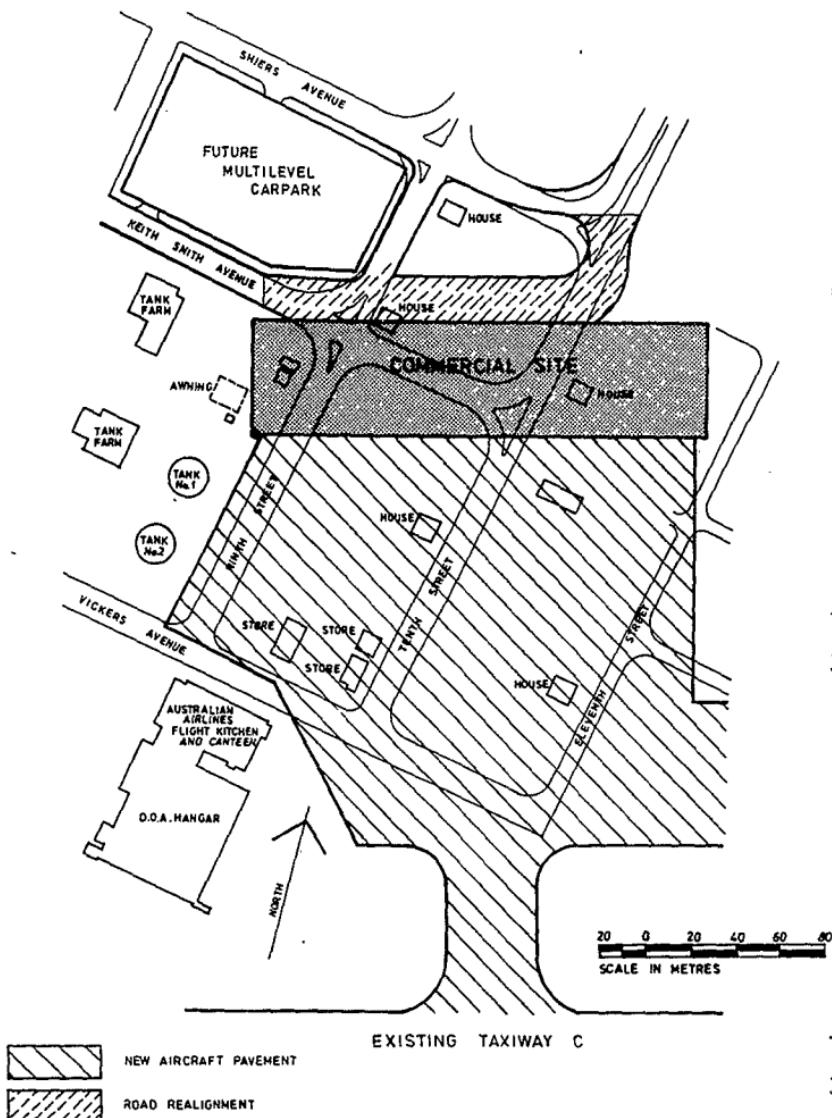


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SCALE IN KILOMETRES

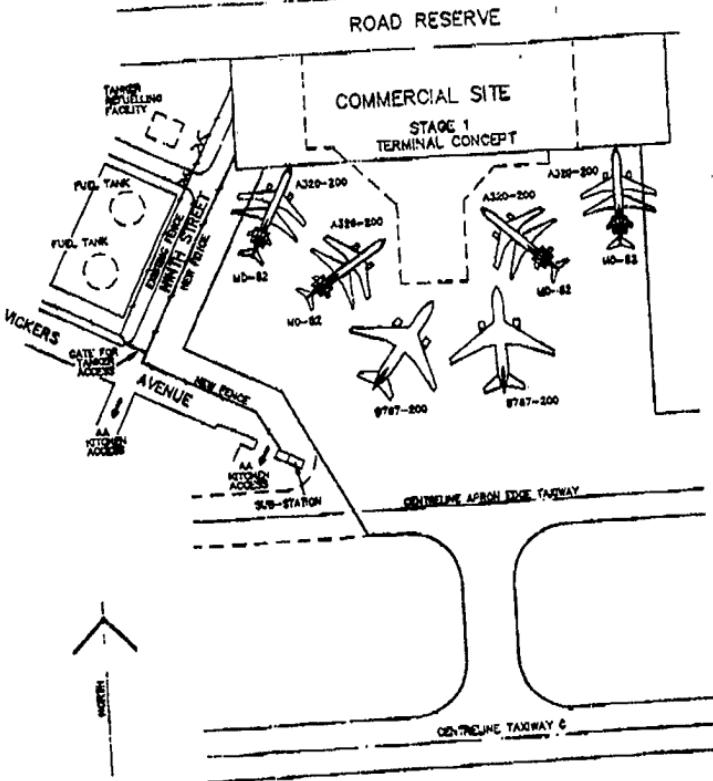
LOCALITY PLAN

SYDNEY AIRPORT SITE OF PROPOSAL





SITE DEVELOPMENT PLAN



APRON LAYOUT
COMMON USER TERMINAL
STAGE 1