

Service Agreement

Between

SHIRE OF DENMARK

and

DENMARK AIRPORT ASSOCIATION INC.

for

DENMARK AERODROME

Reserve No. 41390

No. 9 (Location 8027)

Wrightson Road, Hay WA 6333

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1. Introduction

The Denmark Aerodrome is located on Reserve 41390, No. 9 (Location 8027), Wrightson Road, Hay WA 6333 (refer Appendix 1) (the **Airport Land**).

The Denmark Aerodrome Is a fully operational regional Aerodrome. It is not registered or certified by the Civil Aviation Safety Authority (**CASA**).

The Shire of Denmark is responsible for managing the Aerodrome and the land on which it is situated.

The Denmark Airport Association Inc provides services to the Shire of Denmark to assist in maintaining the Denmark Aerodrome.

This Service Agreement is to clearly define the level of service expected by both the Shire of Denmark and the Denmark Airport Association Inc. to mutually maintain an effective and efficient Aerodrome.

2. Parties

Shire of Denmark ('Shire') of 953 South Coast Highway, Denmark,
Western Australia

and

Denmark Airport Association Inc. ('DAA') of 19 Bavin Street, Denmark,
Western Australia

3. Term

Five (5) years from **XXX** to **XXX**.

4. Agreed Responsibilities

4.1 Denmark Airport Association Inc.

The DAA assumes responsibility for maintaining and servicing the Denmark Aerodrome on a day-to-day basis. Whatever common user infrastructure that sits within the security fencing on the aerodrome will be considered to be DAA's responsibility for maintaining and reporting on.

The Shire acknowledges that the DAA is a community organisation relying on unpaid volunteers and that the workload may vary seasonally as will the availability of volunteers to assist in maintaining and servicing the Denmark Aerodrome.

Should the DAA be unable to perform its responsibilities and obligations under this agreement for any reason, the DAA will communicate this to the Shire so that suitable arrangements can be made.

For the purpose of this Agreement, **maintenance** is defined as: regular works to maintain an assets' capability, safety and effectiveness, such as minor repairs, servicing, mowing, painting etc.

DAA will service and maintain the following infrastructure:

- a) The main runway, taxiways, helicopter landing area, main aircraft parking areas, fire shed and any associated airside infrastructure;
- b) Runway lighting, runway markers, fencing and security cameras; and
- c) the eastern and western windsocks together with associated lighting, and surrounding surfaces.

4.2 Shire of Denmark

The Shire is the owner and operator of the Denmark Aerodrome and is responsible for:

- a) Major repairs to any infrastructure;
- b) Maintaining the Terminal Building;
- c) Providing electricity and water to the Denmark Aerodrome;
- d) Providing and maintaining the Terminal toilets;
- e) Maintaining the water tanks and associated Water Bomber refilling areas and infrastructure;
- f) Maintaining the carpark and lighting;
- g) Storm water drainage;
- h) Renewal and/or major repairs to the airstrip pavement and seal including painted lines;
- i) The electronic gate;
- j) The replacement cost for all infrastructure when and as deemed necessary by the Shire, subject to budget constraints.
- k) Ensure that all Shire subcontractors working "airside" have the appropriate insurance cover;
- l) Responsible for enforcing the statutory regulations.

5. Agreed Obligations

5.1 Denmark Airport Association Inc.

For the purpose of this clause:

Call outs is defined as calls from pilots, intending to use the Aerodrome, requesting that a matter that requires action or resolution be attended to, such as clearing kangaroos off the runway from time to time.

Significant damage means damage that is likely to impede on the successful operation of the Aerodrome or could result in further damage or injury if left unattended.

Event is defined as an event proposed by either the Denmark Airport Association or an external party that is likely to result in activities occurring at the Denmark Aerodrome that are not day to day and are likely to be attended by members of the public.

In order to meet its responsibilities under this Agreement the DAA will:

- a) Keep a detailed record of maintenance undertaken and provide these records to the Shire, when and if requested;
- b) Ensure that the aerodrome lights are in working order and replace globes as required;
- c) Ensure that the aerodrome and runway are free from any obstruction(s);
- d) Ensuring that the windsocks are in working order;
- e) Ensure that all volunteers wear appropriate personal protective equipment at the Denmark Aerodrome;
- f) Notify the Shire immediately of:
 - i. any hazards or safety issues that may arise;
 - ii. any occurrences that make the Denmark Aerodrome unsuitable to be used safely as an Aerodrome;
 - iii. any work required to be undertaken or facilitated by the Shire;
 - iv. any major incident or accident that causes or could cause injury or illness or significant damage to property;
- i) to provide advance notice to the Shire of any event proposed to be held at the Denmark Aerodrome, a minimum of 21 days prior (in accordance with clause 5.3 of the Town Planning Policy No. 25.1 – Demark Airfield and Airpark) and assist the Shire with any event approval process, if required.
- j) Pay for the cost of equipment owned by DAA and any consumables required for DAA to meet its obligations and responsibilities under this agreement;
- k) Communicate any feedback from users regarding their satisfaction or dissatisfaction with the services and infrastructure provided at the Aerodrome;
- l) Attend meetings with the Shire, if requested;

- m) Identify requirements for new or updated services or infrastructure and notify the Shire for detailed inspection, justification and any budget requirements;
- n) Facilitate the identification and resolution of any minor maintenance issues;
- o) Control of weeds and grass;
- p) Lubricate padlocks to maintain their functionality;
- q) Monitor the water levels in the tanks on site and notify the Shire if the water is too low;
- r) Maintain weather station and CCTV.

5.2 Shire of Denmark

In order to meet its responsibilities under this agreement, the Shire will:

- a) Negotiate and determine maintenance and service level requirements with the DAA Committee for existing and new services and/or infrastructure and review the responsibilities and obligations under this agreement, as required;
- b) Assist the DAA Committee with maintenance scheduling, if requested or required;
- c) Facilitate and attend six monthly meetings with the DAA, or as required;
- d) Liaise with Air Services Australia, the Civil Aviation Safety Authority and the Australian Transport Safety Bureau, as required;
- e) Maintain public liability insurance for the Denmark Aerodrome;
- f) Review the service performance of the DAA against responsibilities and obligations agreed to in this Agreement.

6. Aerodrome Availability

The Denmark Aerodrome is to be available 24 hours a day 7 days a week excepting a major incident, accident, major maintenance or inclement weather.

Should the Denmark Aerodrome become unavailable for any reason the DAA agree to advise the Shire immediately, detailing the reasons for the unavailability, action proposed and/or request for assistance.

The Shire will provide sufficient advance public notice, and specifically to the DAA and owners or lessees of land immediately adjacent to the Aerodrome, any time the Denmark Aerodrome will be unavailable, with (as far as possible) a specified time for it being out of service.

7. Measurement Reporting & Six Monthly Meetings

The Shire and the DAA commit to attending six monthly meetings to discuss maintenance, relevant issues and review maintenance schedules, maintenance levels, record keeping, upcoming events, planned maintenance, major/minor works, upgrades and the terms of this Agreement.

These meetings will be convened by the Shire.

8. Disputes

The parties agree to try to resolve any differences internally in good faith. In the case that a dispute persists, they will submit their complaints to the Shire's Chief Executive Officer. The decision of the Shire's Chief Executive Officer will be final.

9. Associated Costs

The Shire agrees to allocate annual funds in the Shire Budget to assist the Denmark Airport Association Inc. to;

1. Comply with their responsibilities under clause 4.1;
2. Comply with their obligations under clause 5.1; and
3. Comply with their insurance requirements under clause 10.

For upgrades and major works, a separate, detailed request is required to be submitted by the DAA to the Shire for consideration in the Council's Corporate Business Plan, Long Term Financial Plan and/or Budget.

The Shire's executive officers will work with the DAA, in good faith, to determine the most beneficial solution prior to submitting any request to the Shire Council.

10. Insurance and Indemnity

9.1 Insurance

DAA will at all times maintain a policy of insurance with a reputable insurer covering the following:

- a) public liability insurance for all DAA activities on the Airport Land for all claims to a value of \$20,000,000;
- b) personal injury or death to any DAA members, volunteers or invitees while they are participating in any activities contemplated by this agreement;

and DAA will provide a Certificate of Currency of each such policy to the Shire each year;

9.2 Indemnity

DAA indemnifies the Shire and the Minister for Lands in relation to any claim loss damage costs and expenses suffered or incurred by the Shire as a result of, or arising from, DAA's activities contemplated by this Agreement, within the scope of the insurance policies.

11. Grant of Licence

In consideration of the DAA entering into this Agreement the Shire grants the DAA a non-exclusive licence to enter upon the Airport Land at all times for the purposes contemplated by this agreement.

This Licence will be in effect until this agreement is terminated.

12. Termination

Either party may elect to terminate this Agreement by giving two months written notice to the other party and the agreement will end upon the conclusion of the two month notice period.

13. Amendments to Agreement

Amendments to this Agreement can be made by mutual negotiation and consent by both parties.

14. Communication

The Shire will only communicate formally with the Committee of the DAA regarding any matters relating to this Agreement.

The DAA agree to notify the Shire of any changes to office bearers and/or Committee contact details.

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15. Signing Page

Executed by the parties as a Deed on the		day of	in the year
<p>The Common Seal of Shire of Denmark was hereunto affixed in the presence of:</p> <p style="text-align: right;">Affix Seal Here</p> <hr/> <p>Shire President</p> <hr/> <p>CR CEINWEN GEARON</p>			
		Chief Executive Officer	
		David Schober	
<p>Executed by Denmark Airport Association Incorporated in accordance with section 127 of the Corporations Act 2001:</p> <hr/> <p>President</p> <hr/> <p>Print Name</p> <p>Signed in the presence of: }</p> <hr/> <p>Witness Signature</p> <hr/> <p>Witness Name</p>			
		Secretary / Treasurer	
		Print Name	
		Witness Address	
		Witness Occupation	

Appendix 1 – Aerial Map

Denmark Aerodrome – Reserve No. 41390
No. 9 (Location 8027), Wrightson Road, Hay WA 6333

