ITEM NO: S&O 10.2

(BROUGHT OUT OF CONFIDENTIAL INTO OPEN AT MEETING)

FRASER COAST REGIONAL COUNCIL
STRATEGIC & ORGANISATIONAL SERVICES COMMITTEE MEETING NO. 4

WEDNESDAY 20 OCTOBER 2010

SUBJECT: **PROPOSED TELECOMMUNICATIONS LEASE**

DEPARTMENT: **ORGANISATIONAL SERVICES**

RESPONSIBLE OFFICER: **DIRECTOR ORGANISATIONAL SERVICES, Lisa Desmond**

AUTHOR: **PRINCIPAL OFFICER PROPERTY, Janet Campbell**

DOC NO: **#1945474**

LINK TO CORPORATE / OPERATIONAL PLAN:

1. PURPOSE

The purpose of this report is to recommend that Council invites Tenders for a commercial lease for telecommunications purposes over part of the land at the Maryborough Showgrounds and Equestrian Park, described as Lot 298 CP895405.

2. BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Council officers were approached by Aurecon, acting on behalf of Optus Pty Ltd, requesting a lease over one of the nominated areas within the Maryborough Showgrounds and Equestrian Park shown in the aerial map at *Attachment 1*. The purpose of the lease is to allow Optus, upon development approval, to construct a telecommunications tower and associated facilities as shown in the Concept Plan at *Attachment 2*. The land is a Reserve for Showground & Recreation purposes under Council's trusteeship and Optus has been advised that Council is obliged, under the Local Government Act, to call for tenders prior to negotiating a lease.

Should Council approve to call for tenders for leasing, it will be the lessee's responsibility to obtain 'in principle' support from the Department of Environment & Resource Management (DERM), and seek relevant development approvals.

Council's Development Services officers have advised that:-

- a Telecommunications Tower which is not low impact is 'other' development;
- the land is zoned Community Precinct;
- an impact assessable application is required (subject to public notification);
- the proposed location may not be preferred by nearby residents;
- generally, higher towers result in higher impacts to amenity;
- vegetation screening is preferred for telecommunication tower locations

Comments from other staff have also been sought and compiled into a list of issues that will need to be addressed by Tenderers. These include, but are not limited to, the following:-

- How will consultation be managed with the Maryborough Showgrounds and Equestrian Park Users Group;
- How will the location of the tower impact on other operations at the Showgrounds? Will it have any impact on the Scout Jamboree in 2013, which will be held in the open space areas for approximately 10,000 attendees;
- How will a new tower affect the network at the Showgrounds?

With regard to the exact location of the proposed lease, Optus has presented 2 options but have indicated it could establish its facility anywhere within the rectangular area outlined.

The 2 options proposed (shown as A & B in *Attachment 1*) each have their own advantages and disadvantages. The area marked "A" is located within a useable event area, and although it is further from the nearby residential properties, could create an impact on other operations at the Showgrounds.

The area marked "B" presents the least physical impact on existing and future operations at the site, and, while being closer to the residential properties, is the option preferred by Recreation staff and Showground operators. Option "C" was added by Council staff as it is further from the residential area, yet less of an impact on Showgrounds operations than Option "A".

In response to enquiries from staff regarding the potential to establish the facility on the Showgrounds Water Tower, Optus advised that "*Given that the surrounding area is so heavily vegetated with large trees, any facility located upon the water tower would not possess the required height to see over the height of the trees. There would therefore be no line of sight between any facility on the water tower and the those areas which Optus intends to target with the new facility; being primarily the Maryborough TAFE and the industrial area to the north and Optus' coverage objectives could therefore not be met. A new pole will also future proof coverage to the area.*"

3. PROPOSAL

That

1. Council invites Tenders from telecommunications providers for a commercial lease over part of the Maryborough Showgrounds and Equestrian Park as outlined in Attachment 1 with the location being along the western boundary and the maximum distance away from residential properties.

2. A further report be presented to Council for acceptance, rejection or approval subject to the inclusion of specific leasing conditions, of Tenders received.

4. FINANCIAL & RESOURCE IMPLICATIONS

All costs associated with the preparation of a lease will be the responsibility of the Lessee. In calling for tenders, amounts for rental fees will not be sought so as not to tie Council in to a set amount. This matter should remain open for negotiation.

5. POLICY & LEGAL IMPLICATIONS

The Department of Environment & Resource Management allows "secondary use of trust land" in certain circumstances and interested parties will be required to seek 'in principle' support from the Department prior to commencement of the lease negotiations. Optus has a previously registered Mandatory Standard Terms document with the Department, which will be a requirement of the proposed lease.

The recommendation in this report complies with the Local Government Act requirement to call for tenders when disposing of an interest in land.

6. CRITICAL DATES & IMPLEMENTATION

N/A

7. CONSULTATION

Staff from Development Services, Environment & Open Space, Recreation Services and the Maryborough Showgrounds have all been consulted in this matter. The matter has also been discussed with Council's Executive Team.

8. CONCLUSION

Council officers have raised no objection 'in principle' to the proposed lease. It will be the responsibility of the proposed lessee to gain support from the Department of Environment & Resource Management, and to address matters listed in this report as part of the Tender process. It will also be noted in the Tender Specification documents that the relevant development applications will need to be lodged, and that no guarantee regarding approval will be given. Optus is well aware of its obligations and is familiar with Local Government requirements, due to the number of similar projects it has been involved in throughout Australia, and recently with Fraser Coast Regional Council, with its leases at Point Vernon and Boonooroo. It is expected that other telecommunications providers who may wish to submit tenders would also be aware of the requirements.

Should a lease be approved, Council will include conditions to ensure the lessee must grant other telecommunication providers, including Council, a license to use the tower that is erected on the leased area, and that other providers are not prohibited from installing their own equipment on the Showgrounds land, if approved by Council. This is the case with other Council leases to telecommunications providers. Naturally there will be provisions within the conditions to ensure the lessee's operations are not adversely affected by other providers' use of the area. Other terms and conditions within the lease will be negotiated on a commercial basis with the successful tenderer.

9. OFFICER'S RECOMMENDATION

That :-

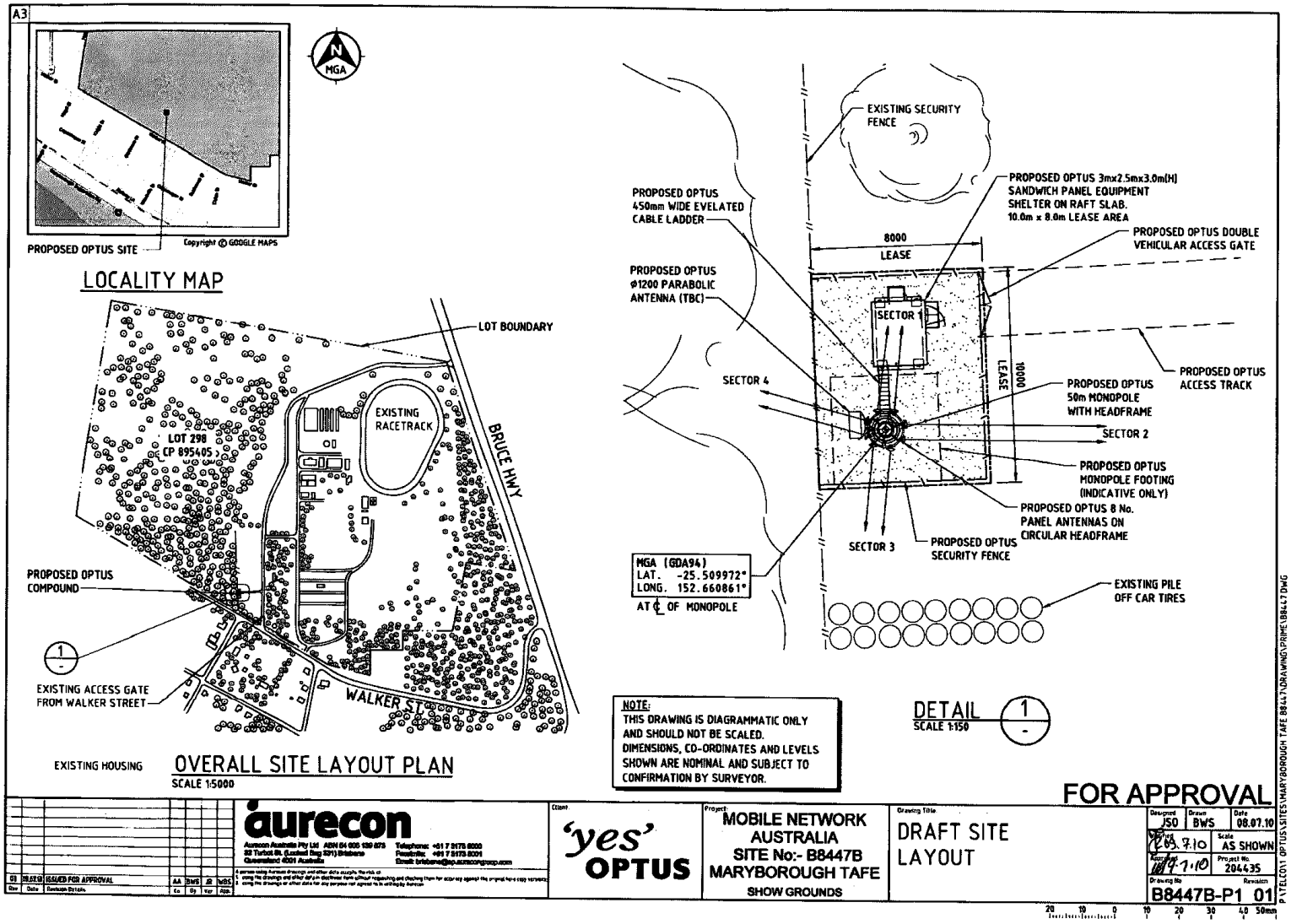
1. Council invites Tenders from telecommunications providers for a commercial lease over part of the Maryborough Showgrounds and Equestrian Park as outlined in Attachment 1 with the location being along the western boundary and the maximum distance away from residential properties.

2. A further report be presented to Council for acceptance, rejection or approval subject to the inclusion of specific leasing conditions, of Tenders received.

ATTACHMENTS:

1. **Aerial Map showing proposed Lease location**
2. **Facility proposed to be established by Optus Pty Ltd, if successful**

S&O 10.2 – ATTACHMENT 1 –

Aerial Map showing preferred Lease locations

S&O 10.2 ATTACHMENT 2 –
Facility proposed to be established