# FINANCE AND ADMINISTRATION COMMITTEE

# 16

15 SEPTEMBER 2010

# PROPOSED TRUSTEE LEASE TO OPTUS MOBILE PTY LIMITED OVER PART (APPROX 7M<sup>2</sup>) OF LOT 768 ON NR6238, "BARLOW PARK", PARRAMATTA PARK – DIVISION 5

Kylie Richardson : 19/3/3-92: #2706722

#### **RECOMMENDATION:**

That Council gives in principal approval for the issue of a trustee lease to Optus Mobile Pty Limited (Optus) over an area of 7m<sup>2</sup> being part of Lot 768 on NR6238, "Barlow Park" Parramatta Park for the purpose of a telecommunication facility, subject but not limited to the following:

- Ministerial approval being obtained in accordance with Section 185(1)(e) of the Local Government (Finance, Plans and Reporting) Regulation 2010 to seek Ministerial exemption from the tendering provision in terms of Section 176 of the Local Government (Finance, Plans and Reporting) Regulation 2010
- 'in principal' approval being granted by the Minister administering the *Land Act 1994*
- Optus to obtain any necessary planning, building and engineering approvals prior to commencement of any work on the site
- Optus to provide a report confirming the expected electromagnetic energy emission levels at the site, to the satisfaction of the Chief Executive Officer
- Optus being responsible for all rates and charges
- Optus to pay rental in the sum of \$10,000 plus GST per annum with an annual increase in rental of 3%
- The term of the lease to be ten (10) years from a date to be determined, with one (1) consecutive ten (10) year term; and
- Optus being responsible for costs associated with the preparation negotiation, execution and registration of the lease

Furthermore, the Mayor and Chief Executive Officer being delegated authority pursuant to section 257 of the *Local Government Act 2009* to negotiate and finalise any and all matters associated with the proposed lease.

## **INTRODUCTION:**

Aurecon, on behalf of Optus Mobile Pty Limited ("Optus"), has requested Council's "in principle approval" to enter into a trustee lease with Optus for the purpose of installing mobile telephone antenna on the upper section of Light Tower No 1 located at Barlow Park. Aurecon are investigating several potential sites for Optus and are seeking Council's comments prior to commencing further investigations on this site.

#### **BACKGROUND:**

Lot 768 on NR6238 is a Reserve for Sport and Showgrounds purposes, Severin Street, Parramatta Park. Part of the lot (between Scott Street and Mulgrave Road) is leased to the Cairns Agricultural, Pastoral and Mining Association (Cairns Showgrounds) and the balance of the lot is the site of the Barlow Park Sporting Grounds.

Aurecon has been investigating sites within the immediate vicinity of Barlow Park to establish a telecommunications installation in order to provide an enhanced mobile phone and Broadband Internet network into the area. It is proposed that Optus install six (6) panel antennas on the upper section of Light Tower No 1 along with an equipment shelter  $(7m^2)$  at the base of the tower.

The existing light pole is approximately 180m from the boundary of the nearest residential block and approx 240m from the corner boundary of St Augustine's College.

Aurecon has provided the following information to support its application:

"The search area brief (from Optus) was very specific in covering the Cairns Agricultural Showgrounds and Barlow Park. Both land uses occupy a large footprint and they were the only two realistic candidates. All other surrounding land uses were low to medium density residential, small lot commercial concerns and schools. The placing of the antenna on the existing tall light towers offered Optus an opportunity to design the facility to be as less visually intrusive as possible and we were also able to hide the equipment shelter in bushes below. There are already large lights on the towers and the antennas would blend in well. Also Optus was mindful to keep the facility as far away as possible from the schools to the east.

The site is located within the Sport and Recreation zone under the CairnsPlan. The site is not considered to be an 'area of environmental significance' and therefore the installation can be defined as a low impact installation under the Telecommunications (Low Impact Facilities) Determination 1997 (the Determination). The proposal to install telecommunication infrastructure on the existing light pole will require full Australian Communications Industry Forum (ACIF) consultation (AICF conditions 5.4 and 5.5) as the site is not considered to be an area of environmental significance. This site provides good separation to surrounding residential uses. There are some sensitive uses (St Augustine's College, St Joseph's Primary School and an associated child care facility) within 400m of the location of the existing light pole. However it is considered that the impact upon the surrounding locality will be minimal. The before mentioned sensitive uses will be added as a Points of Interest (POI) on the electromagnetic energy (EME) report and an indicative EME reading will be determined at these locations."

It is Aurecons intention to have a EME report prepared, if Council provide its in-principal support to the proposal. Receipt by Council of a satisfactory EME report is a condition of the recommendation of this report. The Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) have benchmarks in place in terms of radiofrequency (RF) electromagnetic energy (EME) public exposure limits and the report for this site would need to demonstrate that the maximum RF EME emission levels will be within these benchmark levels.

Further, upon receipt of Council's in-principal support Aurecon will commence any necessary approvals application process.

Optus had previously proposed to enter into negotiations with Council for a mobile phone base station over the subject area. At Council's Finance and Administration Committee meeting on 21 May 2001 the following resolution was passed, though no further action was taken by Optus:

"That Council accept in principle the proposal by Optus to establish a mobile phone communications tower in Barlow Park as provided for in the Barlow Park Management & Master Plan advising the applicant to submit an application for material change of use."

#### COMMENT:

#### **Leisure Venues**

Leisure Venues has advised that it supports the approval of a trustee lease to Optus over the subject area, provided that the trustee lease provides for future works and upgrades to the lighting infrastructure at Barlow Park.

Officers are of the opinion that the installation of the proposed facility will not adversely impact on the use of Barlow Park by existing or future users. Officers believe that approval of a trustee lease to Optus would be beneficial to Council in terms of the income generated through the trustee lease which would assist in the ongoing maintenance of Barlow Park.

# **Property Services**

As Council is proposing to dispose of an interest in its land by way of a lease, it will either need to seek tenders or apply under Section 185(2)(b) of the *Local Government* (*Finance, Plans and Reporting*) *Regulation 2010* to seek Ministerial exemption from the tendering provision under Section 176 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*.

Further it should be noted that the Minister's delegate may interpret this proposal as being inconsistent with the reserve purpose i.e. "Sport and Showground" and Council will need to demonstrate the proposal will not diminish use of the reserve for its dedicated purpose. Council Officers believe that the area required is small when compared to the size of the reserve and is an area that will not negatively impact on the use of the reserve. Further, officers asked for clarification from Aurecon in relation to the methodology used in selecting this particular site. This has been provided and will be used when seeking Ministerial exemption and 'in principal' approval from the Minister administering the *Land Act 1994*.

#### **Development Assessment**

Development Assessment has advised that given the minor scale of the development (antennae is being fixed to an existing light pole and the proposed shed at the base is very small) it has no objections to the proposal. There is no requirement for a Development Application. The shed will require building approval and care should be given to ensure that the shed doesn't impede disabled or any other pedestrian access (or car parking and vehicle movements in general) to Barlow Park.

# **CONSIDERATIONS:**

#### **Corporate and Operational Plans:**

This report was prepared in accordance with Corporate Plan Goal 6 – Striving for Organisational Excellence.

#### Statutory:

The lease will be prepared in accordance with the requirements of the Land Act 1994.

In accordance with Section 185(1)(e) of the *Local Government (Finance, Plans and Reporting) Regulation 2010* Council will seek Ministerial exemption from the tendering provision in terms of Section 176 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* for the following reasons:

- To ensure that the community is receiving the required telecommunications services; and
- To obtain a financial benefit to Council and subsequently the community by the use of a portion of land surplus to Council's immediate requirements.

## Policy:

Officers have commenced work on the preparation of a General Policy for telecommunication leases of arrangement to ensure consistency and transparency with providers.

#### Financial and Risk:

Optus will be responsible for all costs associated with the preparation, negotiation, execution and registration of the lease. Optus will also be responsible for statutory charges.

The proposed lease rental is in line with similar telecommunications leases that Council holds with Optus, even though the subject lease area is considerably smaller. Optus has offered this rental as a sign of goodwill and represents a good financial outcome for Council.

#### Sustainability:

This facility will ensure mobile coverage is enhanced and maintained which is very important during emergency events.

# **CONSULTATION:**

As per the Comments section of this report.

#### **OPTIONS:**

- That Council gives in principal approval for the issue of a lease to Optus Mobile Pty Limited (Optus) over an area of 7m<sup>2</sup> being part of Lot 768 on NR6238, "Barlow Park" Parramatta Park for the purpose of a telecommunication facility, subject but not limited to the following:
  - Ministerial approval being obtained in accordance with Section 185(1)(e) of the *Local Government (Finance, Plans and Reporting) Regulation 2010* to seek Ministerial exemption from the tendering provision in terms of Section 176 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*
  - 'in principal' approval being granted by the Minister administering the Land Act 1994
  - Optus to obtain any necessary planning, building and engineering approvals prior to commencement of any work on the site
  - Optus being responsible for all rates and charges
  - Optus to pay rental in the sum of \$10,000 plus GST per annum with an annual increase in rental of 3%
  - The term of the lease to be ten (10) years from a date to be determined, with one (1) consecutive ten (10) year term; and

• Optus being responsible for costs associated with the preparation negotiation, execution and registration of the lease

Furthermore, the Mayor and Chief Executive Officer being delegated authority pursuant to section 257 of the *Local Government Act 2009* negotiate and finalise any and all matters associated with the proposed lease.

2. That Council not agree to enter into a lease to Optus Mobile Pty Limited ("Optus") over an area of 7m<sup>2</sup> being part of Lot 768 on NR6238, "Barlow Park" Parramatta Park.

# **CONCLUSION:**

That Council concur with the recommendation of this report.

# ATTACHMENTS:

Aerial Photo of Site Proposed Site Plan Elevation

L Giacomi Team Leader Property and Administration

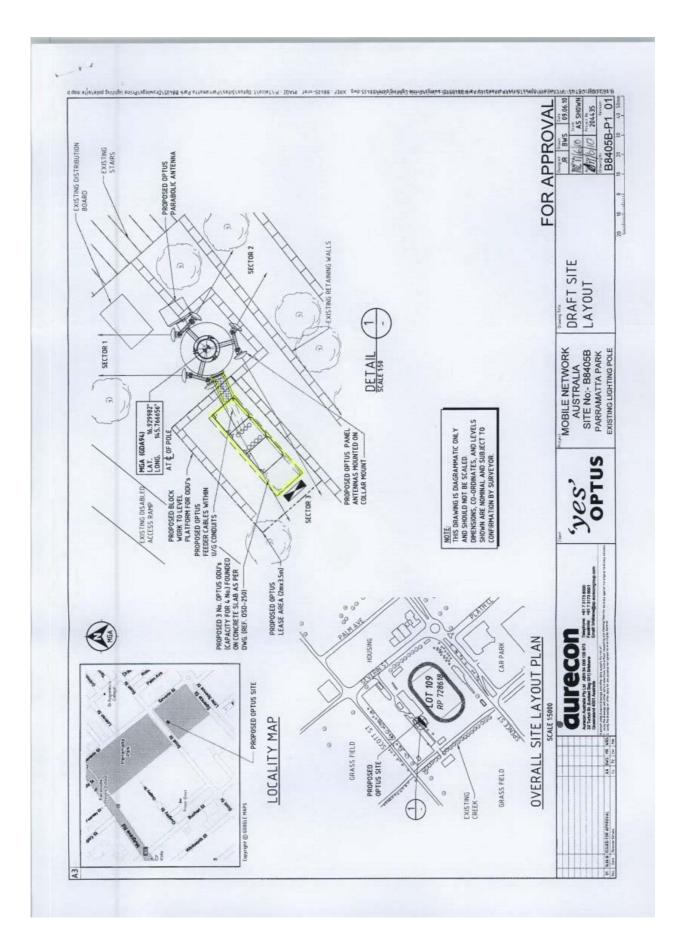
L Kirchner Manager Corporate Performance

S Philpott General Manager Corporate Services

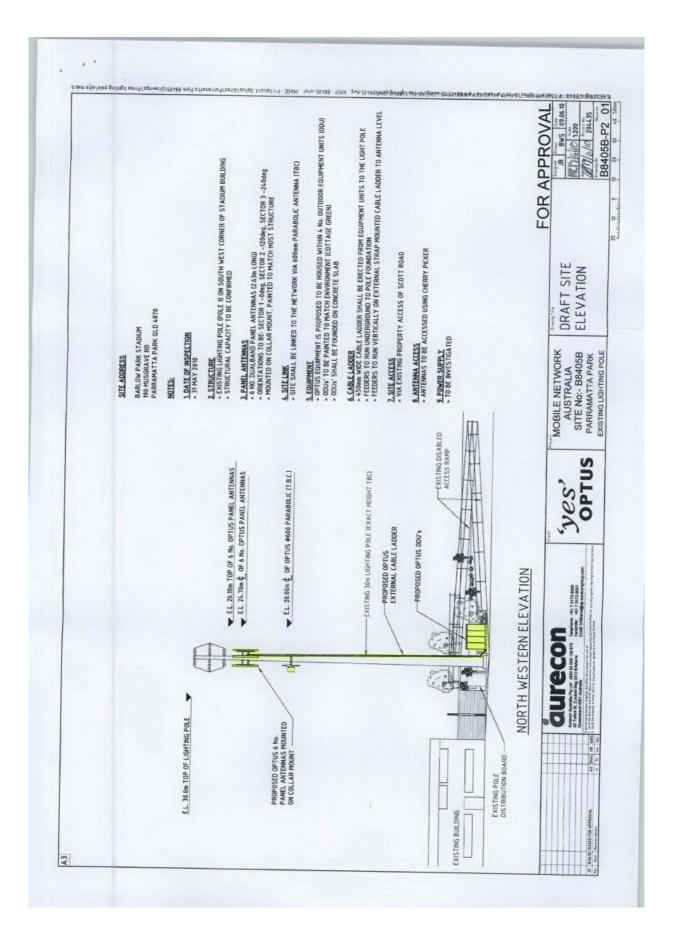
# Aerial Photo of Site



# Proposed Site Plan



# **Proposed Elevation**



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