

1.1.1 Telstra Lease of Flirtation Hill, Mudgee

REPORT BY THE GENERAL MANAGER TO 21 AUGUST 2013 COUNCIL MEETING

6.2.18 Telstra lease, Flirtation Hill Mudgee

A0100056, P2013611, A0070005

RECOMMENDATION

That:

1. **the report by the General Manager on the Telstra Lease of Flirtation Hill, Mudgee be received;**
2. **Council authorise the affixing of the Common Seal on the lease agreements with Telstra Corporation Limited to allow them to place a communication tower on the reservoir site on Flirtation Hill, Mudgee, and that the Mayor and General Manager be authorised to affix that Common Seal.**

Detailed report

In June of 2012, Council agreed to enter into a release agreement with Telstra Corporation Limited to allow them to locate a communications tower on Flirtation Hill, Mudgee. We have entered into a 5 year lease with Telstra, with three five-year rights of renewal. The lease amount is \$15,000 (plus GST) per annum, adjusted 3% per annum for the first five years and then the lease amount is renegotiated at the beginning of every right of renewal period.

The Department of Lands require the leases to be executed under the Common Seal of the Council. The Common Seal can only be affixed by resolution of Council. The purpose of this report is to attain the authority to place the Common Seal on these leases.

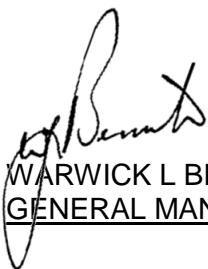
Financial implications

The lease agreement provides \$15,000 (plus GST) to Council for the first year, adjusted by 3% each subsequent year.

Strategic or policy implications

Nil at this stage.

15 August 2013



WARWICK L BENNETT
GENERAL MANAGER