



4 JUNE 2014

ATTACHMENT

6.2.3

Monthly Budget Review
– April 2014



*Good
Government*

MONTHLY BUDGET REVIEW

OPERATIONAL PLAN/ DELIVERY
PROGRAM – 2013/14

APRIL 2014

MID-WESTERN REGIONAL COUNCIL

FINANCE AND ADMINISTRATION

 TOWARDS 2030



\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
Looking after our Community							
RURAL FIRE SERVICE - MULLAMUDDY FIRE STATION EXTENSIONS	0	23	0	23	2	8%	Complete
RURAL FIRE SERVICE - CUDGEGONG HERITAGE BUILDING	0	150	(135)	15	1	9%	Preliminary design works underway, \$135k deferred to 2014/15.
HM&M VEHICLE PURCHASE	27	27	(27)	0	0	0%	No Vehicle replacement required this year.
COMM. TRANSPORT- VEHICLE PURCHASE	48	48	(48)	0	0	0%	No Vehicle replacement required this year.
AGED CARE UNITS - CAP -COOYAL/ANDERSON ST GULGONG	0	0	5	5	0	0%	Installation of solar hot water units as part of LGEEP grant. Project has commenced and will be completed by June 2014.
LG HOUSING - CAP -DENISON STREET UNITS	0	0	18	18	0	0%	Installation of solar hot water units as part of LGEEP grant. Project has commenced and will be completed by June 2014.
MUDGEES CEMETERY CAP IMPV	70	70	0	70	3	5%	Works to complete additional rows in the lawn cemetery at Mudgee and Gulgong commenced with concreting completed at Mudgee. Concreting will be completed at Gulgong during May with all irrigation, turf and gardens completed by mid June.
CEMETERY LANDSCAPING - ROADSIDE	0	40	0	40	41	103%	Planting of hedging in front of Mudgee and Gulgong cemeteries complete.
PUBLIC TOILETS - CAPITAL UPGRADES	4	1	0	1	1	104%	Painting and repairs complete.
PUBLIC TOILETS - RYLSTONE DISABLED TOILETS	0	2	0	2	0	9%	Painting and repairs complete, awaiting final invoice.
PUBLIC TOILETS - MUDGEES CEMETERY	50	0	0	0	0	0%	This budget has been transferred to the Public Toilets at Percy Nott Park
PUBLIC TOILETS - PERCY NOTT PARK	100	125	(110)	15	8	56%	The quotes received have been above the budgeted amount and this project has been deferred to 2014/15 to complete inhouse.
PUBLIC TOILETS - RYLSTONE SHOWGROUND	0	1	0	1	2	184%	Rylstone disabled toilets complete.
PUBLIC TOILETS - ROTARY PARK KANDOS	4	4	0	4	2	46%	Painting and repairs complete.

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PUBLIC TOILETS - APEX PARK GULGONG	3	3	0	3	3	90%	Painting and repairs complete.
PUBLIC TOILETS - BILLY DUNN PARK GULGONG	2	2	0	2	2	101%	Painting and repairs complete.
PUBLIC TOILETS - VICTORIA PARK GULGONG	2	2	0	2	2	101%	Painting and repairs complete.
PUBLIC TOILETS - WHITE CRES KANDOS	15	12	0	12	8	69%	Painting, tiling and repairs complete, awaiting final invoices.
LIBRARY BOOKS	80	80	0	80	57	71%	Ongoing program to purchasing library books and resources continues throughout the financial year.
MUDGEES LIBRARY BUILDING IMPROVEMENTS	0	53	16	69	70	101%	Complete.
LIBRARY EQUIPMENT	26	26	0	26	17	66%	Vision impaired reading device purchased and e-book items have been ordered. Awaiting eBook technical set up.
KANDOS MUSEUM - CAPITAL	20	182	(116)	66	31	47%	Works commenced, new DA being submitted to May Council meeting. \$116k deferred to 2014/15.
CULTURAL CENTRE INVESTIGATION	20	20	0	20	1	6%	Councillor workshop held on 16 April 2014 and the investigation into options has commenced.
CAPITAL UPGRADE - GULGONG MEMORIAL	0	45	(17)	28	28	99%	Acquisition of new stage curtains and sound system complete. \$17k savings.
CAPITAL UPGRADE - RYLSTONE HALL	0	12	0	12	9	78%	Accessible path complete.
CAPITAL UPGRADE - KANDOS HALL	4	3	0	3	2	96%	Lighting complete.
CAP UPGRD-CLANDULLA FACILITIES	5	5	0	5	5	95%	Painting, repairs and new absorption trench complete.
CAPITAL UPGRADE - HARGRAVES COURTHOUSE	0	5	0	5	5	94%	Complete.
CAPITAL UPGRADE - BYLONG COMMUNITY HALL	0	2	4	6	0	8%	Complete, awaiting final invoices.
CAP UPGRD-COMMUNITY BLD-BUDGET ONLY	9	3	0	3	0	0%	Complete, remaining budget for unplanned works.
MUDGEES POOL - WADING POOL HEATING	0	10	0	10	10	103%	Complete.
MUDGEES POOL TRICLUB SHED	0	17	0	17	16	92%	Complete.

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MUDGEES SHOWGROUNDS - REDEVELOPMENT	0	38	0	38	34	90%	Insurance claim works to be completed on the Showground Cottage, the remaining \$4K budget is insufficient to upgrade the pavilion electricity that has been quoted at \$18K.
GLENWILLOW SPORTS GROUND UPGRADES	20	20	0	20	20	102%	Completion of drainage works, grandstand safety items and change room screens.
KANDOS WARATAH PARK - CAPITAL	45	56	(10)	46	47	100%	Upgrade to canteen complete.
BILLY DUNN OVAL UPGRADE	15	0	0	0	0	0%	Budget corrected to Victoria Park Gulgong.
RYLSTONE SHOWGROUND UPGRADE	280	280	(200)	80	34	43%	New canteen is under construction and due for completion mid June. New bar to be constructed, new fence around parade ring, further fencing, mobile grandstands and storage shed to be completed. \$200k deferred to 2014/15.
SAMMY'S FLAT SYNTHETIC CRICKET PITCH	6	8	0	8	8	106%	New cricket pitch complete.
GLEN WILLOW SOCCER AMENITIES REBUILD	0	935	(235)	700	366	52%	Construction underway, completion expected in August 2014. \$235k deferred to 2014/15.
GULGONG SHOWGROUND UPGRADE	50	50	0	50	51	101%	Complete.
MUDGEES SKATE PARK	0	55	0	55	47	86%	Additional shade structure to be completed by end May.
MUDGEES SHOWGROUNDS - AMENITIES	20	10	0	10	5	51%	Complete, awaiting final invoices.
VICTORIA PARK GULGONG STORAGE SHED	0	15	0	15	12	83%	Slab poured and shed to be completed by middle of May.
VICTORIA PARK - TENNIS COURTS	0	40	0	40	41	101%	Complete.
PASSIVE PARKS - LANDSCAPING IMPROVEMENTS	5	5	0	5	5	106%	Various landscaping works complete.
RED HILL RESERVE - TOURISM DEVELOPMENT INVESTIGATION	50	100	0	100	1	1%	Box culverts ordered and expected on site late May.
LAWSON PARK LANDSCAPING	0	60	0	60	14	24%	Irrigation works to extend the irrigation network through Lawson Park complete. Awaiting final invoices.

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PLAYGROUND EQUIPMENT - SHADE SAILS	0	15	0	15	15	98%	Shade sails installed, project complete.
SCULPTURES ACROSS THE REGION	30	5	0	5	5	94%	One sculpture installed. Other to be installed in May.
AVISFORD RESERVE - CAPITAL	40	40	(35)	5	3	68%	Project underway through mountain bike club, bulk of works to be completed 2014/15.
PLAYGROUND EQUIPMENT - REDBANK PARK MUDGEE	30	30	0	30	29	97%	New playground installed and complete.
PLAYGROUND EQUIPMENT - APEX PARK MUDGEE	20	20	0	20	19	95%	New playground installed and complete.
PLAYGROUND EQUIPMENT - PEARL PARK GULGONG	20	24	0	24	23	100%	New playground installed and complete.
PLAYGROUND EQUIPMENT - VICTORIA PARK MUDGEE	10	7	0	7	2	32%	Old play equipment removed near grandstand, project complete.
LAWSON PARK BBQ SHELTER - RE-BUILD	0	118	0	118	118	100%	Complete.
BELLEVUE PLAYGROUND REPLACEMENT	0	40	0	40	40	99%	Complete.
SAM BATEMAN RESERVE LANDSCAPING UPGRADE	0	10	0	10	11	110%	Complete.
PASSIVE PARKS - LAND MATTERS	0	185	(180)	5	4	91%	Fairydale Lane Railway Line buffer zone - acquisition. Survey completed & area to be acquired as per approved plan, matter with Solicitor to progress to contract then DA for subdivision etc. \$180k deferred to 2014/15.
STREET SCAPE CAPITAL IMPROVEMENTS	15	10	0	10	9	88%	Various tree removals and replacements throughout the year complete.
STREETSCAPE IMPROVEMENTS - BELLEVUE ESTATE	10	19	0	19	19	101%	New street trees planted, project complete.
STREETSCAPE - BIN REPLACEMENT PROGRAM	13	13	0	13	10	79%	Bin replacement program complete.
STREETSCAPE - RECYCLING BIN PROGRAM	10	19	0	19	10	50%	Installed recycling bins in Mudgee. Bins ordered and to be installed in Rylstone and Kandos. Gulgong to be installed next financial year.
Total	1,177	3,196	(1,069)	2,127	1,330	63%	

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Protecting our Natural Environment							
RURAL WASTE DEPOT UPGRADES	53	13	(9)	5	0	0%	Budget only item, remaining budget for urgent unplanned works if required.
MUDGEES WASTE DEPOT UPGRADES	30	30	0	30	16	53%	Bin Lifter installed, weather station ordered and litter fencing installed.
WASTE - LAND MATTERS	5	5	(5)	0	0	106%	Acquisition matter of Queens Pinch Waste Transfer Facility complete. Budget variation processed for unspent funds.
WASTE SITES REHABILITATION	100	0	0	0	0	0%	Budget only item.
RWTS COLLECTION FACILITIES UPGRADE	0	0	2	2	1	96%	Budget only item, remaining budget for urgent unplanned works if required.
WTS - LUE UPGRADE	0	10	0	10	0	0%	Upgrade fencing to separate bulk area from rest of the facility. Works commenced in April.
WTS - WOLLAR UPGRADE	0	20	0	20	0	0%	Fencing works that will reduce the size of the facility to make a more effective space which is easier to maintain.
WASTE SITE REHAB - BIRRIWA	0	20	0	20	0	0%	New fencing being provided to allow locking of the facility like Council has done in Bylong. Community consultation completed and fencing works to commence in May.
WTS - GOOLMA UPGRADES	0	10	7	17	2	14%	Fencing repairs and additional fencing to reduce the rear area to prevent illegal dumping.
WASTE SITE REHAB - MUDGEES	0	60	0	60	27	44%	Site survey works, new waste strategic plan, and ground water investigation as required by the EPA. All works to be complete by end of June.
WASTE SITE REHAB - GOOLMA	0	20	0	20	0	0%	Capping of old landfill area. Works commenced in April.

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DRAINAGE CAPITAL IMPROVEMENTS	555	672	0	672	611	91%	Detention Basins Catchment A complete, all invoices received. Some minor revegetation works by Council remaining.
CULVERT INSTALLATIONS	53	53	0	53	22	41%	Continuing throughout the year
CAUSEWAY IMPROVEMENTS	60	0	0	0	0	0%	Budget only item, fully allocated to separate projects.
CAUSEWAY IMPROVEMENT - IRON BARKS ROAD	0	20	0	20	20	100%	Complete.
CAUSEWAY IMPROVEMENT - NORLEMBAH ROAD	0	21	0	21	21	100%	Complete.
CULVERT GUARD RAIL - BOCOBLE ROAD	0	26	0	26	24	91%	Complete.
CAUSEWAY IMPROVEMENT - UPPER TURON ROAD	0	10	(4)	6	6	102%	Complete.
DRAINAGE WORKS - LAND MATTERS	0	4	0	4	0	0%	Preliminary negotiations for formalisation of Right of Carriageway over land in Short Street commenced.
ENV - PUTTA BUCCA WETLANDS CAPITAL	15	15	0	15	11	75%	Provision of water line complete.
WATER NEW CONNECTIONS	128	128	(41)	87	59	69%	Provision of new connections to subdivisions and other new developments as required.
WATER AUGMENTATION - MUDGEES	3,510	1,170	(1,120)	50	8	16%	Upgrades required for Mudgee WTP associated with Caerleon growth. Design consultant has not yet identified works to increase capacity above the original design intent. Budget deferred in December QBR, to be rescheduled following Designer review.
WATER AUGMENTATION - RYLSTONE & KANDOS	0	5	(5)	0	0	0%	Works complete. Budget and expenditure transferred to Water Security of Rylstone Water Supply Project in March QBR.
WATER REDBANK DAM UPGRADE	750	771	0	771	599	78%	Works Complete, awaiting final costs.

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WATER SECURITY OF RYLSTONE SUPPLY	0	11	5	16	10	61%	Remaining grant funding allocated to construction of lids for the valve chamber that house control equipment originally funded by the grant (2010). Lids have been fabricated, however cannot be installed until flow over the dam wall ceases.
WATER TELEMETRY - BUDGET ONLY	20	0	0	0	0	0%	Budget only item has been reallocated as per below.
WATER TELEMETRY - MUDGEE LINK	0	20	0	20	11	53%	Upgrade of analogue telemetry system to digital in Mudgee. Equipment has been procured and installation will be complete in May 2014.
WATER LOSS MANAGEMENT WORKS	26	26	0	26	0	0%	Installation of flow meters and associated data logging equipment within the water distribution system. Review of required works currently being undertaken with Consultants. Installation works have been delayed due to incomplete consultancy. Installation works re-scheduled to May-June 2014.
WATER MAINS - CAPITAL BUDGET ONLY	280	4	0	4	0	0%	Budget only item has been reallocated as per below.
WATER MAINS - LAWSON STREET	0	40	(40)	0	0	0%	Water main extension project replaced with higher priority works. Council advised of recommendation in February 2014.
WATER MAINS - DECOMMISSION	0	18	33	51	5	10%	Decommissioning of water mains that are no longer required in East Mudgee area. Multiple decommissions have been scheduled progressively throughout the year. Budget increased in March QBR to allow for decommissioning of further mains identified during Church Street upgrade works.

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WATER MAINS - CHURCH ST	0	188	(17)	171	143	83%	Water main replacement in conjunction with road works. The scope of works for this project has increased post budgeting. The current budget to replace the two water mains between Gladstone and Denison Streets is \$188,000. Work to be completed in May 2014. Budget adjusted in March QBR due to savings made.
WATER MAINS - GLADSTONE ST	0	10	0	10	9	92%	Works completed in July 2013.
WATER MAINS - LOVEJOY ST	0	26	0	26	26	101%	Works completed in November 2013
WATER MAINS - PERRY ST (GLADSTONE TO DENISON)	0	54	0	54	57	106%	Works completed in January 2014.
WATER MAINS - LOUEE ST	0	6	0	6	5	95%	Water main replacement completed in November 2013.
WATER MAINS - DABEE ST	0	6	0	6	6	102%	Water main replacement completed in October 2013.
WATER MAINS - HERBERT ST	0	22	0	22	19	87%	Old water mains replaced in association with asphaltting. Works completed in March 2014.
WATER MAINS - BAWDEN RD	0	20	7	27	29	109%	Replacement of mains due to frequent water main breaks along Bawden Rd brought forward from 2015 program. Works completed in April 2014.
WATER PUMP STATION - CAPITAL BUDGET ONLY	62	17	(9)	8	1	9%	Budget only.
WATER PUMP STATION - RYLSTONE CLEARWATER	0	35	0	35	27	77%	Refurbishment of pump at Clear Water Pump Station, Rylstone Water Treatment Plant. Final installation delayed due to bushfires in Blue Mountains. Works completed in November 2013

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WATER RESERVOIR - FLIRTATION HILL MUDGEE	70	54	0	54	0	0%	Reservoir refurbishment. Diving works to assess condition of reservoirs have been undertaken in January 2014. Quotations have been assessed for roof and access modification to mitigate contamination risks. Works scheduled to be undertaken in May - June 2014.
RESERVOIRS - PALERMO RD MUDGEE	50	34	0	34	2	6%	Reservoir refurbishment. Diving works to assess condition of reservoirs have been undertaken in January 2014. Quotations have been assessed for access and roof modification to mitigate contamination risks. Works scheduled to be undertaken in May - June 2014.
WATER TREATMENT PLANT - GULGONG	0	0	9	9	9	101%	Pump repairs complete.
WATER METERS - BULK	90	90	0	90	51	56%	Program to replace water meters greater than 15 years old.
VALVE INSTALLATION - MEARES ST	0	5	0	5	3	69%	Valve installation to secure Hospital water supply completed in November 2013
MAG FLOW METER INSTALLATION - MUDGEE BORE	0	10	0	10	0	0%	Works are scheduled to be completed in June 2014.
SEWER NEW CONNECTIONS	45	45	(16)	29	20	69%	Provision of new connections associated with new development.
SLUDGE DEWATERING MOBILE UNIT	350	50	0	50	1	2%	Purchase of mobile sludge dewatering unit to process STP sludge. Recommendation for Tender acceptance reported to 7 May Council Meeting. Delivery of the preferred unit will now not be taken until late 2014, requiring \$300,000 of the budget to be transferred to 2014/15 budget in December QBR.

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SEWER AUGMENTATION - RYLSTONE & KANDOS	500	560	(530)	30	10	33%	Power supply design and land matters are currently on-hold until further investigation of staging options are prepared for consideration by council in May 2014. \$530k deferred to 2014/15
SEWER AUGMENTATION - MUDGEE	1,950	2,344	0	2,344	2,132	91%	STP and Pump Station have been successfully commissioned. The Pump Station contract was completed on 29 November 2013. The STP Contract was completed on 13 December 2013. Minor works are now being undertaken, including purchase of lab equipment and preparation of operation and maintenance manuals. Operation and Maintenance manuals approximately 50% complete.
SEWER TELEMETRY	20	20	0	20	12	62%	Upgrade of analogue telemetry system to digital in Mudgee. Equipment will be installed in May 2014
SEWER MAINS - CAPITAL BUDGET ONLY	350	85	(85)	0	0	0%	Budget Only, fully allocated to separate projects.
SEWER MAINS - BURRUNDULLA AVE	0	25	(10)	15	15	102%	Main realignment works completed in November 2013.
SEWER MAINS RELINING	12	250	85	335	128	38%	Sewer Main Relining 3 year Contract has been awarded to Interflow Pty Ltd. Scheduled works in East Mudgee for have been completed in March 2014. Additional budget allocated in March QBR for works to be undertaken in June 2014.

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SEWER MAINS - MUDGEE INDUSTRIAL AREA	0	42	0	42	41	96%	Construction of new sewer gravity main and rising main to service South Mudgee area. 2013 remaining project budget revoked due to wet weather preventing project completion in June. Remaining work was delayed to allow industrial area property owners to clear easements to allow connections to proceed. Work completed in November 2013. Final invoice will be paid on submission of final work-as-executed plans.
SEWER MAINS - BELLEVUE TO RIFLE RANGE ROAD	0	47	0	47	1	2%	Work is being completed by developer, with funding contribution by Council. Scheduling is not within Council's control.
SEWER MAINS - RISING MAIN CAERLEON	0	850	0	850	8	1%	Construction of new rising main from Caerleon to new STP. Contract for design work has commenced and draft documentation submitted to Council for review in April 2014. Construction works will be scheduled in association with Developer's subdivision works.
SEWER MAINS - REALIGNMENT INDUSTRIAL AVE MUDGEE	0	15	0	15	15	99%	Realignment of inaccessible sewer main. Work completed in November 2013
SEWER MAINS - REPLACEMENT OF CHAMBER LIDS HERBERT ST	0	5	0	5	4	90%	New works to coincide with asphaltting of Herbert St, replacement of sewer main chamber lids. Works completed in March 2014.
SEWER PUMP STATION - CAPITAL BUDGET ONLY	417	2	(2)	0	0	0%	Budget only.
SEWER PUMP STATION - INDUSTRIAL	0	52	0	52	32	62%	Final connection of new pump station completed in November 2013.
SEWER PUMP STATION - FLOW METERING	50	50	0	50	0	0%	Installations of flow meters at Mudgee sewer pump stations to better monitor and control sewerage system. Quotations sought, with technologies identified for installation in May-June 2014.

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SEWER PUMP STATION - CAERLEON	0	350	0	350	8	2%	Construction of a new pump station within Caerleon. Timing will be in association with approval timing of Caerleon Construction Certificate. Contract for design work has commenced and has been submitted for Council review in April. Construction works will be scheduled in association with Developer's subdivision works.
DECOMMISSION OLD MUDGEES INDUSTRIAL SPS	0	15	0	15	0	0%	Electrical equipment has been removed and civil works will recommence in April 2014. Scheduled for completion in May 2014.
SEWER PUMP STATION - MELLON ST	0	0	10	10	9	88%	Pump replaced, works complete.
SEWER TREATMENT WORKS - MUDGEES	45	45	(21)	24	0	0%	Budget for emergency works only.
DECOMMISSION MUDGEES STP PUTTA BUCCA	150	150	0	150	0	0%	Decommissioning works to be scheduled once existing lagoons have sufficiently dried to allow machine access.
SEWER TREATMENT WORKS - RYLSTONE	0	0	3	3	3	102%	Works to improve STP discharge quality. Permanent bunding for chemical storage to be installed May-June 2014.
SEWER TREATMENT WORKS - KANDOS	0	0	10	10	3	29%	Works to improve STP discharge quality. Investigation for chemical treatment trial to continue in May-June 2014.
SEWER EASEMENT & LAND MATTERS	5	5	(5)	0	0	0%	Budget reallocated in March QBR.
Total	9,750	8,785	(1,748)	7,037	4,285	61%	

Building a Strong Local Economy

RIVERSIDE CARAVAN PARK - POWER POLES	0	10	0	10	0	0%	Order placed for the replacement of the poles.
RYLSTONE CARAVAN PARK - CAPITAL	15	11	0	11	11	99%	New shower partitions, tiles and repairs to disabled toilet are complete.

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KANDOS TOURIST BAY - BVW	0	0	0	0	2	0%	Completed 2012/13. Costs associated with additional signage requested by the Kandos Business Community.
TECHNOLOGY PARK	5	5	0	5	0	0%	Investigations ongoing with no related expenses to date. Identifying suitable parks for visit Jun/Jul.
SALEYARDS - CAPITAL BUDGET ONLY	20	0	0	0	0	0%	This budget transferred to electrical switchboard, posts and rails replacements.
SALEYARDS - DAY YARD FENCING	0	5	0	5	5	104%	Complete.
SALEYARDS - ELECTRICAL SWITCH UPGRADE	0	7	0	7	7	99%	Complete.
SALEYARDS - POST AND RAIL REPLACEMENT	0	8	0	8	8	97%	Complete.
PROPERTY - MUDGEE AIRPORT SUBDIVISION	0	180	8	188	190	101%	Settlement occurred 30/9/2013 - Purchase complete. Budget variation processed for shortfall.
PROPERTY - KANDOS SURPLUS LAND BLOCKS	6	6	(3)	3	3	84%	Matter with LPI for change of ownership from Rylstone Shire to MWRC in order sell land. Next step - to place property on the market. Income will not be realised until 14/15 - budget variation processed to recognise this situation.
PROPERTY - EX SALEYARDS STAGE I	50	50	0	50	23	45%	Waiting for DA to be approved at first council meeting in May to determine if more funds will be spent.
Total	96	282	5	287	248	86%	

Connecting our Region

URBAN RESEALS - BUDGET ONLY	366	0	0	0	0	0%	Budget Only Item.
URBAN RESEALS - DENISON STREET	0	11	12	23	23	101%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - CHURCH ST	0	115	(105)	10	9	94%	Complete, works rolled to 2015 in March QBR.

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URBAN RESEALS - HENBURY AVE	0	10	(7)	3	3	91%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - BURRUNDULLA AVENUE	0	46	(14)	32	32	100%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - GLADSTONE STREET	0	36	0	36	34	97%	Complete.
URBAN RESEALS - LITTLE BAYLY STREET	0	4	0	4	2	62%	Complete.
URBAN RESEALS - MADEIRA ROAD	0	42	(21)	21	20	99%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - MAYNE STREET	0	16	(10)	6	6	104%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - MULGOA WAY	0	4	0	4	2	43%	Complete.
URBAN RESEALS - ROBERTSON STREET	0	36	(9)	27	27	100%	Complete - budget adjustment requested in March QBR.
URBAN RESEALS - HENRY BAILEY DRV	0	19	0	19	17	86%	Complete.
URBAN RESEALS - PUTTA BUCCA	0	29	5	34	34	100%	Complete - budget adjustment requested in March QBR.
URBAN ROADS KERB & GUTTER CAPITAL	22	22	0	22	15	69%	Works ongoing, kerb and gutter repairs will be the focus in June.
REHAB - CHURCH ST (GLADSTONE TO MORTIMER)	0	0	0	0	4	0%	No budget, costs have been miscoded and will be adjusted.
REHAB - PERRY ST MUDGEE (MORTIMER TO GLADSTONE)	350	350	(14)	336	238	71%	Complete - budget adjustment requested in March QBR.
REHAB - MORTIMER ST MUDGEE (CHURCH TO LEWIS)	550	550	(50)	500	483	97%	Complete - budget adjustment requested in March QBR.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
REHAB - CHURCH ST MUDGEES (GLADSTONE TO DENISON)	750	761	70	830	559	67%	The midblock stormwater and road pavement rehabilitation works have been completed and bitumen sealed prior to asphalt. The footpaths and kerb replacements are 95% complete. During the replacement of the water main an unexpected additional earthenware stormwater main was discovered and this was replaced prior to rehabilitating the roundabout. The rehabilitation works at the roundabout at Gladstone Street and the intersection at Denison Street will commence in early May and the asphalt surfacing will be laid in mid May.
REHAB - HERBERT ST (ROBINSON TO QUEEN)	0	120	0	120	95	79%	Complete, awaiting final invoices.
REHAB - DENGAR AVE (PARTIAL)	0	50	(10)	40	28	70%	Complete.
RESHEETING - URBAN ROADS	13	13	0	13	11	81%	Complete.
URBAN ROADS LAND MATTERS CAPITAL	14	19	(6)	13	0	2%	Library Lane matter almost complete - Certificate of Title received - will be finalised with report to Council for Operational classification. Unformed part Richards Street - Application sent to Crown requesting closure. Crown is taking 2 years to process an application - matter won't be finalised in 13/14 - budget variation processed to recognise this situation.
RURAL SEALED ROADS RESEALS BUDGET	749	0	0	0	0	0%	Budget only Item
RURAL RESEAL - HENRY LAWSON DR FROM DREWS LANE	0	65	(23)	42	42	99%	Complete.
RURAL RESEAL - CRUDINE ROAD	0	68	(11)	57	56	100%	Complete.
RURAL RESEALS - LUE ROAD (EX RYLSTONE)	0	64	0	64	64	100%	Complete.
RURAL RESEAL - KAINS FLAT RD	0	24	0	24	18	78%	Complete.
RURAL RESEAL - GLEN ALICE RD	0	71	(6)	65	64	100%	Complete.
RURAL RESEAL - WINDEYER RD	0	63	(8)	55	54	99%	Complete.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
RURAL RESEAL - QUEENS PINCH RD	0	53	(14)	39	38	99%	Complete.
RURAL RESEAL - PYRAMUL RD	0	66	0	66	65	99%	Complete.
RURAL RESEALS - BOCOBLE ROAD	0	96	(17)	79	79	100%	Complete.
RURAL RESEALS - COOPER DRIVE	0	42	0	42	42	100%	Complete.
RURAL RESEALS - HENBURY AVENUE	0	15	(15)	0	0	0%	Completed in urban reseals.
RURAL RESEALS - MCMURRAYS LANE	0	3	0	3	2	93%	Complete.
RURAL RESEALS - UPPER BYLONG ROAD	0	31	0	31	28	89%	Complete.
RURAL REHAB - LUE RD (OLIVE FARM)	254	293	0	293	294	100%	Complete.
LAHEYS CK INTERSECTION UPGRADE (COBBORA)	0	49	0	49	15	30%	Complete.
REHAB - ROBERTSON RD	200	200	0	200	168	84%	Complete.
REHAB - BROGANS CREEK	200	198	0	198	198	100%	Complete.
HEAVY PATCHING BUDGET	150	150	0	150	32	22%	It is unlikely that this budget will be spent due to the competing priorities of grading works.
BLACKSPOT YARRAWONGA RD SHOULDER WIDENING	0	580	0	580	121	21%	The bridge widening works have commenced following delays by the contractor. The widening works are due to commence in early May with completion planned for the end of June.
FUTURE YRS REFS - BUDGET ONLY	5	5	0	5	4	87%	Expended as required for planned road works.
RURAL SEALED ROAD LAND MATTERS	11	11	0	11	9	83%	Lue Road (Havilah) documents lodged for legal registration with LPI. Cox's Crown Road - Complete.
RURAL SEALED REGIONAL ROAD RESEALS	623	0	0	0	0	0%	Budget only item, fully allocated to separate projects.
RURAL SEALED REGIONAL ROAD REPAIR PROGRAM	800	0	0	0	0	0%	Budget only item, fully allocated to separate projects.
BLACKSPOT BYLONG VALLEY WAY - GROWEE GULPH	0	73	0	73	64	87%	Complete.
BLACKSPOT COPE RD SHOULDER WIDENING	550	550	0	550	524	95%	Complete.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
BLACKSPOT COPE RD SHOULDER WIDENING	430	830	0	830	658	79%	1.2km of this project has been completed and the remaining 1km will be completed in June.
BLACKSPOT YARRAWONGA RD SHOULDER WIDENING	580	0	0	0	0	0%	Project moved to Rural Local Sealed function
BLACKSPOT ULAN RD - MUDHUT CREEK ROAD	880	600	0	600	432	72%	Complete.
BLACKSPOT ULAN RD - RIDGE ROAD INTERSECTION	0	220	0	220	203	92%	Complete.
REPAIR - ULAN RD MR214	0	644	0	644	499	78%	1km of this project is completed and the remaining 350m at the intersection with Lagoons Road will be completed in May.
ULAN WOLLAR ROAD UPGRADES	72	72	(72)	0	1	0%	This budget will not be expended this year due to other works taking priority and resources being diverted accordingly. Rolled to 2015.
REHAB - WOLLAR RD CUMBO CREEK	0	30	0	30	33	110%	Complete.
REHAB - ROUSE STREET MR598	0	118	(118)	0	0	0%	It is proposed that the budget be transferred to Heavy Patching on the Bylong Valley Way as this project is included in the Cope Road Upgrade project. - March QBR.
WOLLAR ROAD HEAVY PATCHING	0	152	0	152	151	100%	Complete.
REG RESEAL - WOLLAR RD MR208	0	32	0	32	34	107%	Complete.
REG RESEAL - HILL END RD	0	24	0	24	25	103%	Complete.
REG RESEAL - GOLLAN RD	0	167	0	167	158	95%	Complete.
REG RESEALS & HP - COX STREET- RYLSTONE	0	39	(21)	18	18	100%	Complete.
REG RESEALS - BYLONG VALLEY WAY MR215	0	122	(34)	88	87	99%	Complete.
RURAL SEALED REGIONAL ROAD LAND MATTERS CAPITAL	4	4	0	4	0	0%	Black Spot Program - Ulan Road, Budgee Budgee - progressing as planned - need to obtain landowners signatures on Plan.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
SEAL EXTENSION - ULAN-WOLLAR RD	0	169	0	169	152	90%	This budget was left over from the seal extension in 2013/14. The budget was used for resheeting of the next section of road as there was insufficient funds remaining to carry out a full seal extension and widening project.
SEAL EXTENSION - BERAGOO ROAD	16	16	2	18	19	103%	Complete - budget adjustment requested in March QBR
RESHEETING - BUDGET ONLY	921	1,352	0	1,352	803	59%	Resheeting and Grading is continuing through the June quarter, however as a result of the temporary halt in resheeting due to the dry conditions, It is proposed that any remaining budget and outstanding works be revoted to next years program.
UNSEALED ROADS LAND MATTERS CAPITAL	6	6	0	6	4	66%	Whitehouse/Cope Road realignment - complete.
RURAL UNSEALED REGIONAL ROAD RESHEETING	50	50	0	50	38	75%	This project has started and will continue throughout May.
SEAL EXTENSION - WOLLAR ROAD	220	246	0	246	212	86%	Practically complete, line marking outstanding. Waiting on final costs.
ULAN ROAD STRATEGY	0	300	(56)	245	221	90%	Works on the Ulan Road Strategy have commenced at the midblock Ch19.999 to 22.215 (north of Mudhut Creek Road intersection).The Ulan Road Upgrade works has been split into separable portions, each of which will be managed as an individual project. The corresponding costs and budgets will be reallocated to the appropriate separable portion and presented in March QBR.
ULAN ROAD - MIDBLOCK 19.999 TO 22.215	0	0	25	25	33	130%	Works commenced on this portion.
ULAN ROAD - WOLLAR RD INTERSECTION	0	0	5	5	5	92%	Pavement design costs.
ULAN ROAD - MT PLEASANT LN TO BUCKAROO LN	0	0	14	14	14	102%	Pavement design costs.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
ULAN ROAD - LAGOONS RD TO TOOLE RD	0	0	12	12	17	138%	Pavement design costs.
FOOTWAYS - CAPITAL BUDGET ONLY	115	115	(58)	58	12	21%	Works have commenced on the footpath extension on Madeira Road. \$57.5K of this budget is to be reallocated to Pitts Lane shared use pathway linking the pathway from the new Cudgegong pedestrian bridge to the cycleway on Ulan Road. This provides Council's contribution to the 50/50 cost share project with RMS. Budget adjustments are presented in March QBR.
PEDESTRIAN - KANDOS TO CLANDULLA	20	80	(80)	0	0	0%	Awaiting ARTC approvals, rolled to 2014/15.
PEDESTRIAN - CHARBON PEDESTRIAN BRIDGE	0	99	(99)	0	0	0%	Awaiting ARTC approvals, rolled to 2014/15.
CBD TAXI RANK SHELTER	0	21	0	21	21	100%	Installed additional glass to the roof and walls to make weatherproof, project complete.
PEDESTRIAN - GLEN WILLOW WALKWAY	300	500	0	500	272	54%	Work is progressing, footbridge will be erected in mid May 2014
GULGONG WALKWAY	40	40	0	40	34	84%	The outstanding budget will be expended in June by extending the footpath.
CYCLEWAY - PITTS LANE	0	0	115	115	2	2%	50/50 RMS funding received to complete the cycleway from Glen Willow to Ulan Road.
AIRPORT EXTEND TAXIWAY	0	0	0	0	(17)	0%	This amount is Council's contribution to the apron for the new airport hanger development. The negative balance is an accrual from 2013, which will reverse once payment is made.
AIRPORT - APPROACH LIGHTS	10	10	0	10	5	46%	Complete.
Total	9,271	11,077	(618)	10,459	7,772	74%	

Good Government

RYLSTONE ADMINISTRATION BUILDING UPGRADE	0	6	0	6	6	101%	AC compressor replacement due to failure.
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\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
KANDOS MUSEUM	0	8	(5)	3	3	105%	Japanese flag conservation work to be completed in May 2014
CAPITAL UPGRADE - MWRC DEPOT	270	270	20	290	261	90%	Works to extend the operations office have reached 90% complete. Works are still required to the stores area and operations building and will be completed.
STABLES COMPLEX	15	15	0	15	15	100%	Acquapol rising damp solution installed and project complete.
MUDGEES TOURISM OFFICE CAPITAL UPGRADE	0	7	0	7	7	100%	New sliding front door installed and project complete.
IT CORPORATE SOFTWARE	51	66	34	100	57	57%	Initial set up of e-planning completed, project in testing and enhancement phase. Expected go-live in June
IT RECORDS MANAGEMENT IMPLEMENTATION	0	70	0	70	70	99%	Complete.
SMART PHONE APPLICATION	5	5	0	5	0	0%	Recommended not to proceed with this project and funds to go to next year's website upgrade project to allow for mobile application responsive design for the website
IT - WEBCASTING EQUIPMENT COUNCIL CHAMBERS	0	0	35	35	0	0%	Purchase and Installation of new webcasting equipment, completion expected by end of June 2014.
PLANT PURCHASES	1,747	1,770	(280)	1,490	530	36%	Tenders for heavy plant have closed and will be reported to Council in April. The report for the new hook lift truck is expected to be submitted in May.
WORKS DEPOT - OHS CAPITAL IMPROVEMENTS	0	7	0	7	8	116%	Installation of oil monitoring equipment, completed in July 2013.
DEPOT UNDERGROUND FUEL TANKS	0	0	0	0	(5)	0%	Complete, negative balance from a refund of last years costs.
DEPOT EMULSION TANK	0	17	0	17	13	79%	Complete, awaiting final invoices.

\$'000	ORIGINAL ANNUAL BUDGET	REVISED ANNUAL BUDGET	MARCH PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	% PROPOSED ANNUAL BUDGET	COMMENT
COMMUNICATIONS - MT MISERY HUT	5	5	0	5	(8)	-161%	Complete, awaiting final invoices. This negative balance is due to contributions from water and sewer fund received (total \$15k), \$7k expended
Total	2,093	2,246	(196)	2,050	958	47%	



4 JUNE 2014

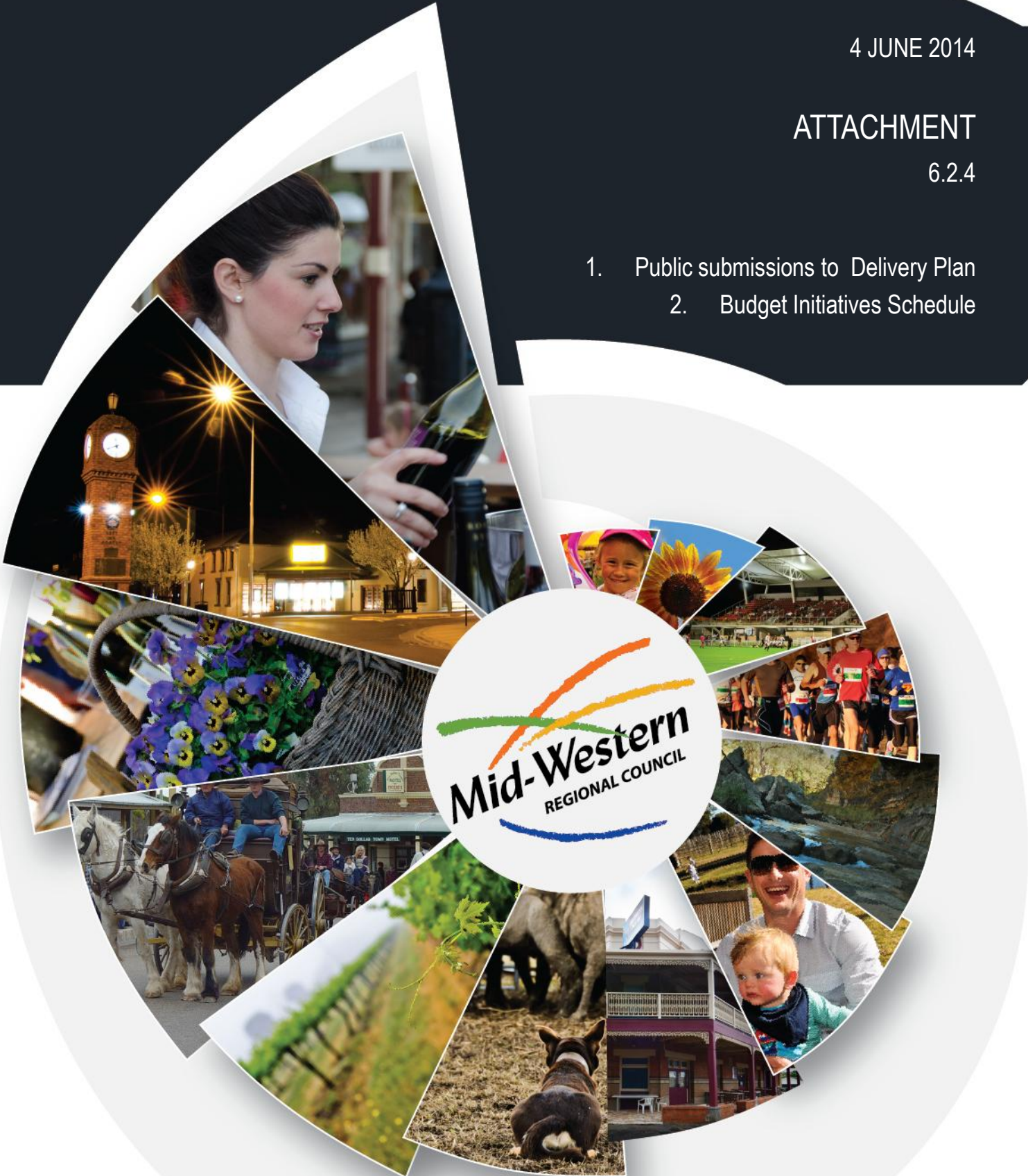
ATTACHMENT

6.2.4

1. Public submissions to Delivery Plan
2. Budget Initiatives Schedule



Mid-Western
REGIONAL COUNCIL

The logo for Mid-Western Regional Council features the council's name in a bold, sans-serif font, with 'Mid-Western' on the top line and 'REGIONAL COUNCIL' on the bottom line. The text is white and set against a circular background with colorful, brush-stroke-like lines in orange, yellow, green, and blue.

Max Eady
"Hillgrove"
515 Black Springs Road
MUDGEE NSW 2850

0408 776 667

28 March 2014

Mid-Western Regional Council
86 Market Street
MUDGEE NSW 2850

Attention: Mr Andrew Kearins

Dear Sir

Re: Doing Something about Black Springs Road

My property is 515 and 581 Black Springs Road, Mudgee and last year I communicated with Des Kennedy, Max Walker and Warwick Bennett about sealing a 400 metre section of Black Springs Road between 487 and 515 – original letter attached.

At the time I was told it wasn't in the current budget but to keep trying.

I therefore request that something be put in the next budget to enable the unsatisfactory condition of Black Springs Road to be fixed.

Yours sincerely



Max Eady

Encl.

cc. Councillor John Webb
1909 Ulan Road
Linburn
Mudgee NSW 2850

Max Eady
"Hillgrove"
515 Blacksprings Road
MUDGEE NSW 2850

0408 776 667

16 October 2012

Mayor Des Kennedy
Mid-Western Regional Council
86 Market Street
MUDGEE NSW 2850

Dear Des

You strike me as a person who doesn't like to beat around the bush so I won't either. My name is Max Eady and I have a small farm at 515 Blacksprings Road, Mudgee. The reason for my letter is to request that approximately 400 metres of dirt road between Nos. 487 and 515 Blacksprings Road be sealed (tarred). The current sealed road stops at about 487 and starts again for a small section (spillway) at 515.

This very small section of Blacksprings Road services 5 properties being 508, 510, 509, 513 and 515. Houses numbered 508 and 510 are positioned particularly close to the road and therefore suffer from waves of dust/dirt everytime a vehicle goes by. This of course brings health issues and therefore affects their quality of life.

I also know that the sealing of Blacksprings Road was budgeted for 11 years ago and for several years after that. This was one of the factors that encouraged me to purchase my property.

We understand it costs a lot of money to seal (tar) roads so we are not asking for all of Blacksprings Road to be sealed (tarred) just the 400 metres which services five properties. In fact we do not want the rest of Blacksprings Road sealed.

If the Council could see its' way clear to just seal this 400 metres it would make 5 rate paying families very happy, improving the quality of life for 508 and 510 plus you would be living up to a commitment made by the then Mudgee Council 11 years ago.

Your consideration in this matter would be greatly appreciated.

Yours sincerely



Max Eady



**MUDGEES DISTRICT COUNCIL
NSW FARMERS ASSOCIATION
C/- "HAZELBROOK" ILFORD
NSW 2850**

15th MAY 2014

The General Manager
Mid-Western Regional Council
Submission to 2014-15 Management Plan

Dear Warwick,

We would like to express our strong support to the direction taken in Council's 2014-15 Management Plan with regards to proposed rating structure. It is heartening to see Council begin to bring the disproportionate farmland rate back into line with our neighbouring council's and comparable Council's. As the figures in the "Comparative Information on NSW Local Government Councils" demonstrate, there is still some way to go in future years.

We would also like to take this opportunity to thank Council for your support in lobbying the Minister for Primary Industries recently to successfully have this area included in the drought declarations backdated to 1st February this year. While the seasonal conditions have significantly improved in our region, it will take some time and a continuation of good seasonal conditions for the financial fortunes of our farm sector to follow suit.

Thank you for your support.

We would also personally like to wish you well in your move to Goulburn

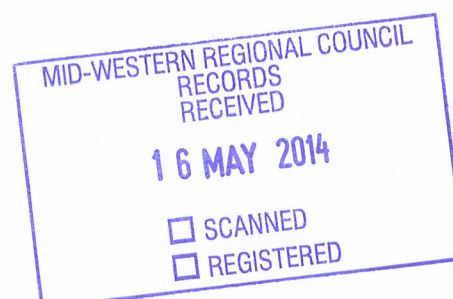
Yours sincerely

A handwritten signature in blue ink, appearing to read "M. R. Clapham".

Mitchell Clapham
Chairman

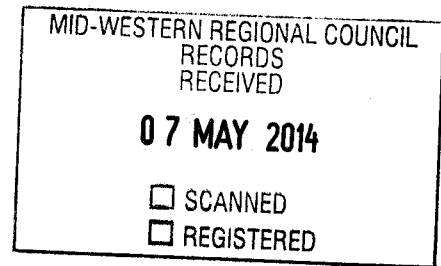
Mudgee District Council

NSW Farmers Association



GLENCORE

5 May 2014



The General Manager
Mid-Western Regional Council
PO Box 156
MUDGEES NSW 2850

Mayor
Mid-Western Regional Council
PO Box 156
MUDGEES NSW 2850

By email: council@midwestern.nsw.gov.au

By email: des.kennedy@midwestern.nsw.gov.au

Dear Sirs

**Amended Delivery Programme 2014 – 2017 and
Draft Operational Plan 2014 – 2015**

I refer to the amended Delivery Programme 2014 – 2017 (**Delivery Programme**) incorporating the Draft Operational Plan which has been placed on public exhibition by Council until Friday, 16 May 2014.

Ulan Coal Mines Limited (UCML) wishes to express its disappointment that Council is proposing a draft rate model which increases rates in accordance with the 'rate pegging' limit of 2.3%, adjusted to 3.6% taking into account the previous shortfall, by wholly allocating the increase to the mining category. This will result in 31.5% rates increase for the mining category and no rates increases for business, residential or farmland categories.

Council has provided no justification in support of this increase being applied only to the mining category, other than to attribute the need for the increase to 'successful valuation objections [which] reduce the land values of 206 properties ...' (page 85 of the Delivery Programme). UCML has not, and is unaware of any other mining company in Council's Local Government Area, raising valuation objections in 2012/13.

As Council is aware, it is governed by the relevant provisions of the Council Charter in section 8 of the *Local Government Act 1993*. In circumstances where the Delivery Program lacks justification for the proposed 31.5% increase in the mining rate, UCML respectfully submits that Council has acted contrary to its Charter by failing to:

- (a) exercise community leadership;
- (b) have regard to the long-term and cumulative effects of its decisions;
- (c) exercise its functions in a manner that is consistent with and promotes social justice principles of equity, access, participation and rights;
- (d) raise funds for local purposes by the fair imposition of rates, charges and fees; and

GLENCORE

- (e) ensure that, in exercise of its regulatory functions, it acts consistently and without bias.

UCML, along with other mining companies, makes significant financial contributions to Council by way of rates, contributions for road maintenance and other community infrastructure, as well as contributions associated with voluntary planning agreements and section 94 of the *Environmental Planning and Assessment Act 1979*. When these contributions are considered, in light of the reasons given for the 31.5% rate increase, it is UCML's view that the increase in the ad valorem rate for the mining category proposed for 2014/15 is manifestly unreasonable.

Furthermore, UCML submits that in determining that the *'recovery of income lost due to objections is wholly allocated to the mining category'*, Council has demonstrated bias.

Additionally, while not identified in the Delivery Program as a justification for support of the mining rates increase, if the proposal to apply the rates increase to the mining category alone is in response to the costly and ultimately unsuccessful decision by Council in 2012/13 to categorise all land owned by a mining company as "mining" for the purpose of rating that land (irrespective of the actual use of the land) this would be a further clear demonstration of bias and contravention of the Charter. As Council is aware, the Land and Environment Court held that the vast majority of the 2012/13 mining categorisations which were objected to were unlawful and resulted in Council being required to pay the applicant's legal costs in a number of these cases.

The significant increase in rates for mining land alone is also at odds with Council's statements on page 89 of the Delivery Programme that it *"prides itself on being business friendly"* and acknowledges the *"rapidly expanding mining industry in the local area"* and the associated employment opportunities that this creates for the economy within the Mid-Western Region.

UCML urges Council to reconsider the proposed 31.5% increase to the mining category. This is a significant and unreasonable increase which is based on flawed reasoning and contrary to Council's obligations under its Charter and the *Local Government Act 1993* including by:

- (a) acting in a manifestly unreasonable manner by requiring mining companies to wholly account for the full 3.6% increase in its rates income for the 2014/2015 financial year; and
- (b) demonstrating clear bias by imposing the obligation to pay the full increase in its projected rates revenue for the 2014/2015 financial year against mining companies only.

Should Council not reconsider the proposed increase in the mining rate, UCML reserves its rights to commence proceedings against Council in Land and Environment Court to have the rate increase set aside and will rely on this letter in any costs application should it be successful.

I would appreciate the opportunity to discuss this matter with you as a matter of urgency.

Yours faithfully



Charlie Allan
General Manager
Ulan Coal Mine



PEABODY PASTORAL
HOLDINGS PTY LTD

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Tel + 61 (0) 7 3225 5500
Fax + 61 (0) 7 3225 5555

13 May 2014

Mr Des Kennedy
Mayor
Mid-Western Regional Council
PO Box 156
MUDGEES NSW 2850

Mr Warwick Bennett
General Manager
Mid-Western Regional Council
PO Box 156
MUDGEES NSW 2850

By email:
des.kennedy@midwestern.nsw.gov.au

By email:
wbennett@midwestern.nsw.gov.au

Dear Sirs

Mid Western Regional Council Amended Delivery Program 2014 - 2017 and Draft Operational Plan 2014/15: Submission

I am writing to you in relation to the Mid Western Regional Council Amended Delivery Program 2014 - 2017 and Draft Operational Plan 2014/15 (**Plan**) which is currently on public exhibition.

This submission to Mid Western Regional Council (**Council**) is on behalf of:

1. Peabody Pastoral Holdings Pty Ltd (**Peabody Pastoral**); and
2. Wilpinjong Coal Pty Ltd (**Wilpinjong Coal**).

Peabody Pastoral and Wilpinjong Coal objects to Councils '*proposed draft Rate Model where the distribution of the 2.3% rate pegging and the recovery of income lost due to objections is wholly allocated the Mining category (emphasis added).*'

If implemented as proposed, for the 2014/2015 financial year this would result in a 31.5% increase to the mining category and a 0% increase to each of the business, residential or farmland categories.

The purported reason for the increase is to recover Council income lost as a result of successful land valuation objections in 2012/13 and 2013/14. Peabody Pastoral and Wilpinjong Coal did not lodge valuation objections within this period and to the best of our knowledge, neither did any other mining company in Council's local government area.

Peabody Pastoral and Wilpinjong Coal fail to see how any council, acting reasonably, could propose such a change to the rating model. It is not appropriate for Council to require one specific group of landowners to be obliged to pay the entire increase in Council's budgeted revenue from rates because of the actions of owners of land, not categorised as Mining, who were successful in appealing land valuations.

At 31.5%, this increase is also so large that it is manifestly unreasonable

The imposition of such a significant increase in the *ad valorem* rate for land categorised as Mining is inappropriate, unfair and inequitable. By its actions Council has clearly failed to comply with its charter as mandated by s8 of the Local Government Act 1993 by:

1. Failing to exercise community leadership by singling out the owners of one specific category of land to bear the full burden of revenue shortfalls almost entirely brought about as a result of successful land valuation appeals by owners of other land in other categories;
2. Failing to have regard to the long term and cumulative effect of its decisions by ignoring the impact its rating decision will have on long term investment decisions by companies such as Peabody Pastoral and Wilpinjong Coal in Council's Local Government Area;
3. Failing to raise funds for local purposes by the fair imposition of rates in circumstances where Council is requiring one specific category of landowners to absorb the full increase in rating revenue caused by the actions of owners of other categories of land;
4. Failing to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias (see paragraph below).'

The Council's proposed rates increase to the mining category clearly exhibits bias. As well as being inherently unfair, Council's proposed approach to the rating increase appears to be a continuation of the philosophy applied by Council in relation to its unsuccessful initiative to recategorise large holdings of land to the mining category.

As you are aware, we had a recent significant court victory against Council in *Peabody Pastoral Holdings Pty Limited v. Mid-Western Regional Council* [2013] NSWLEC 86, decision date 6 June 2013 and there is an outstanding costs order against Council in relation this. Council was also unsuccessful in separate but related proceedings in the NSW Court of Appeal in *Mid-Western Regional Council v Peabody Pastoral Holdings Pty Ltd* [2013] NSWCA 322 (19 September 2013). Council was ordered to pay our costs in these proceedings as well.

We are aware other mining companies also successfully reversed Council's decision to recategorise land as mining.

Furthermore, Council's decision making process concerning the proposed rates rise has failed to acknowledge the significant direct financial contribution the mining industry in general, and in our case, the contributions Peabody Pastoral and Wilpinjong Coal have made to Council to date and will continue to make in the future.

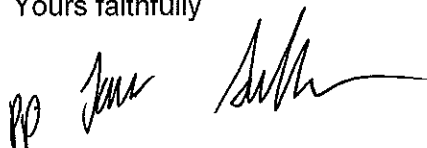
We draw your attention to the various payments Wilpinjong coal is required to make to Council in accordance with the current Voluntary Planning Agreement (VPA) associated with operations at the Wilpinjong Mine. Wilpinjong Coal also makes significant annual payments to Council in respect of infrastructure and amenity contributions in accordance with Condition 12A of the Wilpinjong Mine Project Approval.

Further, Wilpinjong Coal, along with Moolarben Coal and Ulan Coal, make significant financial contributions to Council for the implementation of the Ulan Road Strategy. There appears to no consideration or even an acknowledgement by Council of these contributions in the Plan.

The proposed rates rise is based on flawed reasoning, demonstrates bias and is in contravention of the Council's charter. The proposed rate increase should not proceed. Should Council not withdraw the proposed increase and in fact, decide to put the proposed increase in place, we reserve our right to commence proceedings against the Council in the Land and Environment Court without further reference to you and will rely on this letter in any costs application.

I trust Council will reconsider its position on the proposed increase.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ian Livingstone-Blevins', written over a horizontal line.

Ian Livingstone-Blevins
SVP – Operations (NSW)

15 May 2014

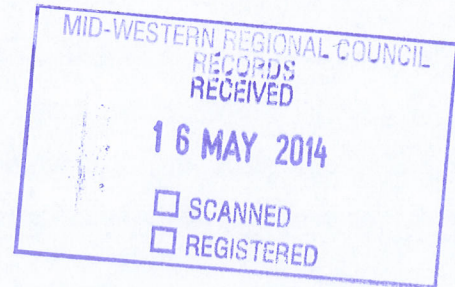
ATTACHMENT 1 (5)

General Manager
Mid-Western Regional Council
PO Box 156
MUDGEE NSW 2850

By email: council@midwestern.nsw.gov.au

Dear Sir

**Amended Delivery Programme 2014-2017
Draft Operational Plan 2014/2015**



We refer to the Amended Delivery Programme 2014 - 2017 incorporating the Draft Operational Plan 2014/2015 (**Plan**) which has been placed by Council for public exhibition by the Mid-Western Regional Council (**Council**) until Friday 16 May 2014.

Yancoal's Submissions

On behalf of Moolarben Coal Mines Pty Limited, Moolarben Coal Operations Pty Limited, Sojitz Moolarben Resources Pty Limited, and Kores Australia Moolarben Coal Pty Limited (**Yancoal**), the purpose of this letter is to express Yancoal's disappointment and strong objection to Council's proposed rate increases set out in the Plan. In particular, Yancoal strongly objects to Council's proposal to distribute the 2.3% rate pegging (adjusted to the total permissible increase of 3.6% to account for the income lots due to objections) by wholly allocating the increase to the mining category, which will result in a 31.5% increase for the mining category, and no increases to the business, residential and farmland categories.

Council's purported reasoning for this increase is to recoup income loss as a result of objections and re-ascertainment in preceding years, in particular "*the successful valuation objections [in 2012/2013 which] reduced the land values of 206 properties*". Yancoal submits that Council's justification and reasoning for this increase is weak at best and fundamentally flawed. Council has failed to demonstrate any link between the lost income and the disproportionate rate increase to the mining industry.

Yancoal does not see how any Council acting reasonably could propose that the Mining category of landowners be obliged to pay the entire increase in Council's budgeted revenue from rates because of the actions of owners of land, not categorised as Mining, who were successful in appealing land valuations. This is particularly so where the effective increase in rates for the Mining category of landowners is 31.5%; in any view such a significant increase is manifestly unreasonable.

Council's Charter

In proposing to levy the rate increase solely on the mining industry, Council has acted contrary to the Council's Charter set out in section 8 of the *Local Government Act 1993 (NSW)* (**Charter**), under the which the Council is required, among other things:



- to exercise community leadership;
- to have regard to the long term and cumulative effects of its decisions;
- to exercise its functions in a manner that is consistent with and promotes equity, access, participation and rights;
- to raise funds by the fair imposition of rates, charges and fees; and
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias.

Council has failed to demonstrate any community leadership, has ignored the impact that its decisions will have on investment decisions in the local government area by Yancoal and other mining companies and is acting biasly and unfairly towards one industry. There can be no justification for burdening rateable land in the mining category with the disproportionate rate increase in an attempt to absorb losses caused by successful objections in other categories.

Yancoal, together with other mining companies, makes and continues to make significant direct and indirect contributions to Council and the local government area by way of rates, the payment of millions of dollars of contributions under voluntary planning agreements and contributions towards the maintenance of local road infrastructure. It appears that Council has failed to recognise this fact by targeting the mining industry and proposing to levy a manifestly unreasonable rate increase.

It also appears to Yancoal that this proposed increase is a further attempt by Council to levy an exorbitant increase in rates to the mining industry following its failed attempt in FY2013 to categorise all land owned by mining companies (irrespective of the actual use of the land) within its local government area as being within the "mining" category for rating purposes. Council will recall that the Chief Justice of the Land and Environment Court handed down a judgment against Council in 2013 in which his Honour held that Council's attempt at categorising all land owned by a mining company in the Council's Local Government area as 'mining' land for rating purposes was "*incorrect on the law and the facts*" and was "*sufficiently unreasonable*" to provide a foundation for making a costs order against Council.

Conclusion

The proposed rate increase for land categorized as 'mining' should not proceed. If the Council does not reconsider the proposed increase in line with its obligations under the Charter, we reserve our rights to commence legal proceedings against Council to have the rate increase set aside and will be seeking to rely on this letter for an order for costs should the company be successful.

We trust Council will give due consideration to Yancoal's submissions and reconsider its position on the proposed 31.5% increase to the mining industry. We would welcome the opportunity to discuss this matter further with Council.

Yours faithfully



Reinhold Schmidt
Chief Executive Officer
Yancoal Australia Limited

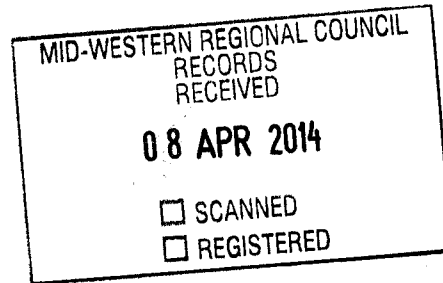
Sponsors



3 April 2014



Mr Warwick Bennett
 General Manager
 Mid-Western Regional Council
 PO Box 156
 MUDGEES NSW 2850



Dear Mr Bennett



I am writing to you regarding Mid-West Regional Council's 2014/15 possible contribution to the Western Region Academy of Sport's (WRAS) operations. Councils are requested to contribute 5.115 cents per capita to WRAS this year, which represents an increase of 2.3% in line with the local government rate peg for 2014/15.



We are very appreciative of this contribution as it allows us to ensure quality sports development for the region's many talented athletes and coaches. I have taken the liberty of enclosing a tax invoice for the amount of \$1,165.00.



Please find enclosed a copy of our '2013 Year Book' highlighting the achievements of WRAS. The 2013 highlights for your council area and the WRAS organisational chart were recently sent to all councillors and a copy of these are also enclosed for your information.



An invitation is extended to you and your councillors to attend any of our events, training days or workshops. A calendar of these is on our website at www.wras.org.au.



Scott Ferguson, Mayor of Blayney, is the local government representative on our Board and is available to answer any questions you may have about WRAS.



On behalf of the Board and athletes of WRAS, I thank you for your past contributions and look forward to your ongoing support.



Yours sincerely



Nancy Haslop



Nancy Haslop
 Executive Officer

LOCAL GOVERNMENT SUPPORTERS

- ♦ Bathurst Regional Council ♦ Bland Shire Council ♦ Blayney Shire Council ♦ Boorowa Shire Council ♦ Cabonne Shire Council ♦ Cowra Shire Council
- ♦ Dubbo City Council ♦ Forbes Shire Council ♦ Gilgandra Shire Council ♦ Lachlan Shire Council ♦ Lithgow City Council ♦ Mid-West Regional Council ♦ Narramine Council
- ♦ The Oberon Council ♦ Orange City Council ♦ Parkes Shire Council ♦ Weddin Shire Council ♦ Wellington Council ♦ Young Shire Council






WRAS
C/- CSU
Panorama Ave
BATHURST NSW 2795
Ph:02 6338 4821
www.wras.org.au

3 April 2014

The General Manager
Mid-Western Regional Council
PO Box 156
MUDGEES NSW 2850

TAX INVOICE

DESCRIPTION	AMOUNT
2014/15 contribution to Western Region Academy of Sport	\$1,165.00
	
*No GST – unconditional donation	
TOTAL	\$1,165.00

Payment Methods

EFT to Reliance Credit Union, BSB 802-884 - Account 9033425

Please include your details in the description and forward advice of payment to WRAS

Cheques made payment to WRAS can be mailed to WRAS, C/- CSU, Panorama Avenue, Bathurst NSW 2795



WESTERN REGION ACADEMY OF SPORT

'Where Regional Athletes Succeed'

ABN 71 734 318 096

2013 Highlights – Mid Western Region

Athletes – Makayla Austin, Hamish Burke, Cindy Colley, Cody Dowel, Jahymi Dowel, Lauren Flack, Zac Kelly, Rhyan McNair, Cassie Plunkett, Brandon Robinson-Smith, Nathan Sharp, Rachael Sharp, Jayden Taylor, Bria Toohey, Josh Toovey, Daniel Woods

Squad staff – Nina Nyitrai (individual program co-ordinator), Neil Toohey (softball assistant coach), Tracey Toohey (softball manager), Alan Walker (softball head coach)

WRAS in the Mid Western region – WRAS athletes were fortunate to receive intensive training from exceptional coaching staff, a specific strength and conditioning program designed and delivered by Charles Sturt University sport science interns and the opportunity to attend sport specific educational lectures and other academy events.

Mudgee contributes more softball athletes to WRAS than any other town. A number of squad and satellite training sessions were held in Mudgee making full use of the local facilities. Additionally, due the large number of athletes from the region, strength and conditioning interns held many sessions in Mudgee, ensuring that the local WRAS athletes received quality training.



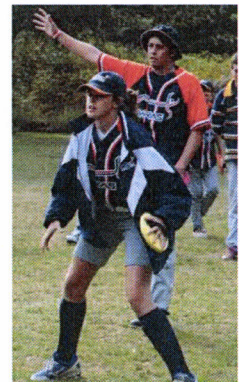
Jayden Taylor
Golf



Jahymi Dowel
Softball



Cindy Colley
Netball



Rachel and Nathan Sharp
Softball

Major award winners - Jahymi Dowel (Mudgee) was the Softball Squad - Athlete of the Year. Jayden Taylor (Kandos) was the Golf Squad - Athlete of the Year.

Athlete of the Month – WRAS promotes 'Athlete of the Month' awards in order to recognise hardworking athletes. A recipient for the award is chosen from specific criteria, requiring the athlete to demonstrate determination, persistence, punctuality and a sense of team ethic, among other important characteristics. Jayden Taylor from Kandos was awarded Athlete of the Month for April 2013.

Regional Athlete and Coach Education (RACE) – 20 members of the community attended a RACE workshop at Glenn Willow Netball Clubhouse on 20 June. Topics covered were strength and conditioning, recovery, creating a balanced lifestyle, professional attitudes and media skills. This was the 9th year that WRAS has visited the Mid Western region with the RACE program, educating over 160 WRAS athletes and community members.

Where Regional Athletes Succeed

WRAS ORGANISATIONAL CHART April 2014

	BASKETBALL	CYCLING	GOLF	HOCKEY	INDIVIDUAL	NETBALL	SOFTBALL	TRIATHLON	
HEAD COACH	Red Cooper - Yn	Tairasa Gallagher - Bx Glen Carter - Bx	Bruce McLean - Or	Wayne Gaynor - Li	Nina Nytraj - MW	Trish Williams - Cw	Alan McNulty - Other	Melissa Ashton-Garard - Or	
ASSISTANTS	Karen Hood - WW			Bob Redding - Li Beth Shea - Bl Justin Smith - Cw		Koylene Galvin - Na	Matt Death - Bl		
APPRENTICE	Will Bartlett - WW			Jaydem Hudson - Bx		Katie Matthews - Or			
MANAGER	Sharon Cooper - Yn		Andrew Grierson - Fo	Karren Skehlon - Or		Sharon McIntyre - Bl	Kym Watson - Or		
CO-ORDINATOR				Logan Dalbel - Pa Adam Hurford - Or Craig Johnson - Du Peter Shea - Or		Natalie Carthew - Or Sue Giffin - WW Anita Morrison - Fo Melissa Noonan - Bx			
SATELLITE	Nikki Collins - Bx Steve Maier - Pa Olivia Patterson - Or Emma Patterson - Or								
ATHLETES	8 Brie Annis-Brown - Or Maddison Brown - Bx Elizabeth Burt - Yn James Doyle - Other Andrew Gray - Or Mitchell Gurney - Li Bailey Lloyd - WW Caitlyn Matthews - Bx Emily Matthews - Bx Annie Miller - Or Andrew Parish - Or Justin Parish - Or Sam Single - Bx Ryan Smith - Pa Freyja Steele - Yo Larni Tanner - Yo	2 Hamish Burke - MW Kurt Eather - Du Luke Eivor - Du Adam Mitchell - Du Hollie Simons - Bx Maximilian Stewart - Or Joshua Toovey - MW	2 Brandon Connolly - Or Laura Cummings - Cw Bethany Ferran - Or Lee Erderson - Fo Anna McHugh - Bx Jayden Taylor - MW Dylan Thompson - Bx	10 Georgina Adams - Bx Chloe Barrett - Or Bree Blank-Hallier - Du Meghan Booth - Ob Clare Bosman - Other Jack Bush - Du Amy Capaldi - Li Alden Charters - Bx Emma Carcaran - Du Niamh Dixon - Pa Katie Dowler - Li Danielle Fisher - Ob Jack Fleming - Or Andrea Gillard - Li Bonnie Goodsell - Li Kelsey Gray - Or Dane Guiffagg - Li Kate Hamer - Bx Laura Hammett - Li Courtney Hogan - Du Logan Hunter - Li Matthew Job - Pa Jessie Luchetti - Li Tori Mansfield - Or Ivy Moore - Ob Lily Pottinger - Li Jayden Pusterla - Pa Gerry Shea - Or Louis Shea - Or Adam Skehlon - Or Jordan Smith - Li Jayden Watson - Or Katie Williams - Li Abigail Wilson - Li	1 Taylor Dalbel - Pa Amelia Leard - Li Jessica Watterson - Bx Sarah Watterson - Bx Emily Williams - Li	1 High Performance Taylor Dalbel - Pa Amelia Leard - Li Jessica Watterson - Bx Sarah Watterson - Bx Emily Williams - Li	8 Maadi Alderdice - Du Makyla Austin - MW Emily Brisbane - Or Brooke Burcher - Or Cindy Colley - MW Beth Curran - Or Kate Davidson - WW Gabrielle Eather - We Carina Floyd - Bx Bronie Haynes - Fo Maddison Johnson - Cw Jessica Matthews - Bx Claudia McLaren - Bx Tara Nagle - Or Grace Pilon - Du Sarah Simmonds - Fo Aby Tibburg - Or	3 James Cashen - Or Maddie Gogala - Or Aiden Kelly - Or Madeline Lisle - Or Cassandra Plunkett - MW Nate Raith-Shane - Or Nathan Sharp - MW Rachael Sharp - MW Georgia Watson - Or Thomas Zeylemaker - Or	1 Luke Chalke - Cw Edwina Hobson - Yo Lauren Kerwick - Or Thomas Kotzur - Du Kyle Oxtini - Or Emily Watts - Li Connor Whiteley - Or
UMPIRES	17	7	7	34	13	20	10	7	
SATELLITES	4 Maddie Flood - Bx Tails Flynn - Li Aussyn Lincoln - Li Hayden Wittingslow - Li	3 Tyler Buckley - Bx Tanner Covington-Gorst - Bx Angus McClelland - Bx	3 Phoebe Blank-Hallier - Du Sophie Clarke - Bx Amy Dewar - Li India Draper - Pa Bailey Ferguson - Or Henry Jones - Or Kloe Manning - Li Conner Morris - Or Alexandra White - Bx	9 Phoebe Blank-Hallier - Du Sophie Clarke - Bx Amy Dewar - Li India Draper - Pa Bailey Ferguson - Or Henry Jones - Or Kloe Manning - Li Conner Morris - Or Alexandra White - Bx	3 Manica Pascoe - Fo Tasha Shaw - Fo Raine Turner - WW	3 Sarah Clunes - Or Courtney Granger - Du Cait Miller - Pa	3 Manica Pascoe - Fo Tasha Shaw - Fo Raine Turner - WW	10 Sarah Clunes - Or Courtney Granger - Du Cait Miller - Pa	7 Luke Chalke - Cw Edwina Hobson - Yo Lauren Kerwick - Or Thomas Kotzur - Du Kyle Oxtini - Or Emily Watts - Li Connor Whiteley - Or
GOVERNANCE & ADMIN	Staff Exec Officer Nancy Haslop Office Manager Tanya Pallier Traine Curtis Lichtenberger	Board Chair Matthew Irvine - Bx Deputy Chair Beth Shea - Bl Treasurer Ian North - Bx Others Scott Ferguson - CENTROC Sharon McIntyre - Bl Mick Bell - Na Melissa Stein (CSU)	Strength & Cond Head Stephen Bird Maddison Brown Megan McFarland Ben Rushton Taylor Volcan CSU Pro-Prac General Admin Life Members Len Graff Peter Cole Norm Mann John Rodis Beth Shea Presentation Action Group	Finance Ian North Exec Officer Fundraising Governance Marketing Members Protection (Ross James) MPIO Exec Officer + 1 SAC Rep Risk Management	Sports Advisory Committee Beth Shea Exec Officer Head Coach Strategic & Business Planning	Auditor Len Graff GRAFF PAUL AND PARNELL Hon. Solicitor Angus Edwards KENNY SPRING SOLICITORS RASI Delegate (Len Graff) Life Member			

Cameron Scott Fell
"Wonga"
3799 Lue Road
RYLSTONE NSW 2849

13TH May 2014

Midwestern Regional Council
86 Market Street
MUDGEES NSW 2850

ATTENTION CATHERINE VAN LAEREN – GROUP MANAGER –
PLANNING & DEVELOPMENT

Dear Catherine,

RE: 'THE REGENT THEATRE'

Thank you for your phone time yesterday, as a follow up to our previous meetings last year re: the Regent's future, which our partnership are in the process of purchasing.

While our current proposed scheme for the site is still along the lines of the preliminary drawings we discussed i.e. retaining the front section of the building with parking at ground level and constructing new apartments over, including the vacant land.

I have however a proposal for you and Councillors to consider via way of a "Partnership Opportunity" to incorporate the "Mudgee Arts Centre" within the design. This could see the entry via the existing foyer, and occupy the existing lounge level (level1) perhaps the void area above and also continue over the entire level 1 proposed extended area.

There are obviously many issues to be considered as you alluded too and to which I have added too namely:-

- The site and location
- Councils budget
- State Government approval to enter into a "Partnership" with the Private Sector.
- Council's design input and space requirements
- Climate control
- Solar generation
- Access for Artworks etc. – note a passenger lift is part of the current preliminary design.
- Storage
- Ammenities

- Councils Architects requirements
- Service and structural consultants
- Ownership via a Strata title
- Barbara Hicksons input
- Parking – note a portion of the spaces would be allocated to the Arts Centre along with Disabled parking
- The Builder
- Car park access – note positive discussions have taken place with the owner of the Lawson Park Hotel re; dual lane access via their proposed new car park in return for us relinquishing the current R.O.W. adjacent to the sites northern boundary.

There will naturally be others issues to consider, however I do appreciate the opportunity of presenting our thoughts and preliminary proposal to you and Council for your consideration.

Yours faithfully,

A handwritten signature in cursive script, reading "C. Scott Fell".

Cameron Scott Fell
0450455154

Mr W. Bennett
General Manager
Mid-Western Regional Council
PO Box 156
Mudgee NSW 2850

By e-mail:
wbennett@midwestern.nsw.gov.au

Date: 28th April 2014

Dear Mr Bennett,

Re: Application for Funding in Council 2014-2015 Budget

The Mudgee Chamber of Commerce Incorporated ("the Chamber") respectfully requests Council's careful consideration of funding support for the ensuing financial year.

By way of background, in January 2012 a small group of local business owners decided to start a new organisation to represent, and advocate for, businesses in the Mudgee region. It is well known and acknowledged that the former body had all but petered out, and that a fresh approach was needed. The group approached the NSW Business Chamber, and received warm and hearty support and encouragement. Since that time the Chamber has held a number of events in conjunction with the State organisation. In addition, all Chamber members (unless they opt out) are part of the Local Chamber Alliance program. Benefits include business and workplace advice hotlines, discount on energy and insurance costs, and regular business news updates for employers.

A major and noteworthy event staged by the Chamber was the Mudgee Business Expo, held on 2 November 2013. This event was a "leap of faith" for the Chamber as it cost over \$12,000 to stage. Due to the tenacity and skills of several members, and the generosity of others, the cost of the event was recovered by way of sponsorships and exhibitor fees. The event was so successful that it will be held annually.

Attached you will find a streamlined version of the Chamber's business plan which the Committee believes supports our request for funding. In summary, the Committee believes that a strong Mudgee Chamber of Commerce is good for local business, the community and Council.

Please do not hesitate to contact me on 0417 451 102, or by email president@mudgeebusiness.com.au.

Yours Truly,

Greg Dowker
Mudgee Chamber of Commerce President
Per

Mudgee Chamber of Commerce Inc.
Business Plan
April 2014

Background

The Mudgee Chamber of Commerce has served the businesses of Mudgee since the 1960's. It has had various names, and its "highs and lows" but has always strived to represent its members and the wider community. A revival of the Chamber during 2012 has seen a strong, proactive and passionate leadership enhance the reputation of the MCC to what it is today.

Chamber Today

The Chamber has seen an increase in its membership base of 38.95% over the last financial year, listing a total of 79 members, with a goal of doubling that number by year's end. Each month a Representative Committee, of up to 12 members, meet to consider issues affecting the progress of Mudgee's business community into the future and the current needs of the members. The Mudgee Chamber of Commerce uses a variety of channels to engage with the local community such as; local media, regular professionally formatted e-newsletters, social media and events. The events organised are for the interest and education of attendees, some are technical whilst others are simply social in order to facilitate networking.

Link with NSW Business Chamber

The Chamber is a member of the NSW Business Chamber under the Chamber Alliance Program. Joining the Mudgee Chamber of Commerce includes benefits under this program free of charge, giving members free access to varied fields of expertise via "hotlines", newsletters and seminars. Members find these services invaluable.

Advocate for Businesses

The Chamber has as its primary function to be an advocate for and on behalf of, and providing benefits for members and local business as a whole while maintaining and developing a stronger business community within the Mudgee and Region.

Mid-Western Regional Council and the Chamber

From 2013 a relationship with MWRC via the Mayor and General Manager has been successfully fostered to the betterment of all involved. Open communication has allowed a greater understanding of the needs of both parties and the Chamber thanks the Mayor and the General Manager for the positive approach taken.

Need for Funding

The Chamber wants and needs to be proactive in order remain viable and relevant, however the Chamber does not have the capital to "do what needs to be done" or take risks such as the Mudgee Business Expo in 2013. The possibility of engaging a person or company to work in conjunction with the MWRC Development Officer is currently being investigated. The benefit of this relationship would greatly increase the outcome of what businesses really need and would attract more businesses to the Region to the advantage of MWRC and the Chamber.

Mudgee Chamber Of Commerce
Financial Report
Year Ended 30 June 2013

<u>INCOME</u>	\$	Last Year \$
Subscriptions invoiced 2011/12	-	2915.00
Subscriptions invoiced 2012/13	2700.00	-
Subscriptions invoiced 2013/14	5950.00	-
Business Breakfast	554.00	-
Mining Industry Presentation	195.00	-
Interest Received	19.87	16.70
	<u>9418.87</u>	<u>2931.70</u>
<u>EXPENDITURE</u>		
Administration	583.55	-
Advertising- meetings/events	580.52	448.50
Bank Fees	11.60	-
Business Expo Co-ordinator	1930.50	-
Filing Fees (Dept. Fair Trading)	102.00	49.00
Functions & Events-		
Business Breakfast	486.00	-
Mining Industry Presentation	785.00	-
Christmas Function	417.00	-
Central West Business Awards	382.50	-
Insurance	536.80	870.45
Logo Winner Prize	300.00	-
Meeting Room Hire	-	100.00
Postage, Printing, Stationery	483.40	788.11
Subscription- NSWBC	126.50	-
Website/domain name	308.40	-
	<u>7033.77</u>	<u>2256.09</u>
SURPLUS/DEFICIT	<u>\$2,385.10</u>	<u>\$675.61</u>
ASSETS	\$	\$ Last Year
Cash at Bank	6697.66	4662.56
Subscriptions Receivable	2250.00	900.00
	<u>8947.66</u>	<u>5562.56</u>
<u>LIABILITIES</u>		
Expo Sponsorship received in advance	1000.00	-
NET ASSETS	<u>\$7,947.66</u>	<u>\$5,562.56</u>
<u>EQUITY</u>		
Opening Balance	5562.56	4886.95
Surplus (Deficit) for Year	2385.10	675.61
	<u>\$7,947.66</u>	<u>\$5,562.56</u>

“Now” (Our Current Position)	 <p style="text-align: center;">Mudgee Chamber of Commerce Business Plan Priorities 2014/2015</p>	“Where” (Where We Want to Be In 1 Year)																								
<ol style="list-style-type: none"> 1.. Membership base less than 100 2.. Working towards a relationship with MWRC 3.. Working towards promotion of local business 4.. No MCC Representative working with MWRC Development Officer 5.. Stronger promotion of regional business needed 6.. Stronger interaction between local business required 7.. Ongoing education to assist with the changing requirements in HR, WHS, ATO 		<ol style="list-style-type: none"> 1.. Membership base of over 100 2.. Stronger and more positive relationship with MWRC 3.. Mudgee Business Expo growing stature, interest and size each year 4.. MCC Representative working with MWRC Development Officer to promote Region, Business and opportunities 5.. Regional Businesses well renowned 6.. Strong local business interaction in order to promote opportunities within the region 7.. Members better educated in areas concerning their business, aware of changing legal requirements, the local region, referral services within the region and opportunities available. 																								
Strategies (What to Do)	Action Plans (How to do it)	Timing (Who to Do it and When)																								
<ol style="list-style-type: none"> 1. Increase membership 2. Consolidate Positive relationship with council 3. Stage Business Expo 2014 - Showcase Mudgee businesses 4. Engage person or company to work with MWRC Development Officer 5. Promote Regional Business 6. Promote Local Business Interaction 7. Education of Members 	<ul style="list-style-type: none"> • Membership drive through Direct Marketing via Australia Post • Membership drive through committee members personal interaction with businesses • Consolidate Positive relationship with Council • Stage Business Expo 2014 - Showcase Mudgee businesses • Engage person or company to work with Council's Development officer • Promote Local businesses through Member business profiles via Mailchimp • 2014 Business Expo • Promotion of local business through media i.e. Radio and Newspaper • Use of social media i.e. Facebook and MCC website • Networking opportunities such as MCC Events • Through NSW Business Chamber Alliance and attendance at NSWBC Regional meetings • Entry into NSWBC Awards • Promote Local Business Interaction through MCC events, newsletters • Promotion of NSW Business Chamber Alliance offering members access to free legal, OH&S and HR advice • Event planning such as Workplace Update breakfast, Working with the Mines and Moolarben presentation 	<table border="1"> <thead> <tr> <th>Priority</th> <th>Who's Task</th> <th>Date to Be Completed</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Committee & All Members</td> <td>Ongoing</td> </tr> <tr> <td>2</td> <td>Sub-Committee</td> <td>Ongoing</td> </tr> <tr> <td>3</td> <td>Committee</td> <td>Event October/November 2014</td> </tr> <tr> <td>4</td> <td>Committee</td> <td>July 2014</td> </tr> <tr> <td>5</td> <td>Committee</td> <td>Ongoing</td> </tr> <tr> <td>6</td> <td>Committee</td> <td>Ongoing</td> </tr> <tr> <td>7</td> <td>Committee</td> <td>Ongoing</td> </tr> </tbody> </table>	Priority	Who's Task	Date to Be Completed	1	Committee & All Members	Ongoing	2	Sub-Committee	Ongoing	3	Committee	Event October/November 2014	4	Committee	July 2014	5	Committee	Ongoing	6	Committee	Ongoing	7	Committee	Ongoing
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5	Committee	Ongoing																								
6	Committee	Ongoing																								
7	Committee	Ongoing																								

From: [Renaë Hill](#)
To: [Council](#)
Subject: Comment on 2014/15 Draft Operational Plan
Date: Friday, 16 May 2014 10:21:03 AM
Attachments: [Tyre.docx](#)
[Tyre blow 19-12-13.jpg](#)

To the MWRC General Manager,

This email is to comment on the draft operational plan for the council for the 2014/2015 financial year. I have examined the roads listed for rehabilitation and was disheartened that Twelve Mile Road was not listed for any works. I own property on this road and would like to build a house on this acreage and live there but the poor condition of Twelve Mile Road serves as a deterrent.

In the last two years, travelling to the property once to twice a month on average, we have destroyed three cars tyres trafficking approximately the first 6km of this road (2 x 4WD and 1 sedan). I hold my breath every time we drive to the property, expecting at any time to have to change a tyre, a very inconvenient and unproductive activity, plus then having the financial penalty of replacing or repairing it. I think that Twelve Mile Road, in the condition consistently maintained over recent years, would have to be the worst rural, unsealed road that I have driven on.

Other residents along this road all too often share the burden of having to replace tyres that have been blown or damaged. It is also an access road to the Burrendong dam and sees increased traffic on long weekends and holidays. I would hope the council could invest some significant funds into a proper rehabilitation of Twelve Mile Road which would see the road maintained in good condition for a considerably longer period than in between patch-up works at the moment. Attached is a copy of a letter to Ian Roberts written in January regarding the last time our 4WD tyre was ripped apart.

On another note I am surprised that public submissions for this plan close on Friday 16th May when I only received the council's newsletter on the 15th May and this was the first notification, I was aware of, regarding the Operational Plan and the opportunity for public comment. Maybe I am unaware of other channels for communication in council matters but possibly there is some room for improvement in advertising the fact that this plan is open for public comment with a little more time to respond.

Regards
Renaë Hill

Rural Property Address:
4217 Twelve Mile Road
Twelve Mile

Correspondence:
46 Winbourne Street
Mudgee
NSW 2850

From: [Louise deWit](#)
To: [Council](#)
Subject: FW: Access to 60 Horatio St
Date: Monday, 19 May 2014 3:50:11 PM
Attachments: [Lane access.docx](#)

Dear General Manager

We emailed MWRC approximately one year ago (as shown below) in relation to people parking in front of our property and blocking our driveway.

This issue has not been appropriately addressed (I have attached council's response for your reference).

As a result, I would like to request that council include in the 2014/15 Draft Operational plan provision for the following:

- 'Clearway' or 'No Parking' signage between the laneway adjacent to 60 Horatio Street and our property access/driveway

OR

- Zebra lines indicating that the area between the laneway and our property access/driveway is a 'No Parking' zone

The lack of visibility of oncoming traffic from the Church St roundabout is a significant safety concern for my family so anything you can do to facilitate safer access and egress to 60 Horatio St would be greatly appreciated.

I look forward to your response.

Regards,

Damian & Louise Dewit

Mid-Western Regional Council
ATT:- Rangers
Julie Headley

Hi Julie,

My husband and I own a home at 60 Horatio Street and have a problem with people parking in front of our property and blocking our driveway. The main perpetrators appear to be large or small trucks, four-wheel drives with trailers, horse floats etc. These vehicles tend to either fully or partially block our driveway preventing us from access to or egress from our own property.

They typically park in front of our house to gain quick and easy access to McDonald's restaurant as there is a distinct lack of parking for larger vehicles in the parking bays available. These people seem to think (in my opinion) that they are only going to be a short time so therefore, it is o.k. to inconvenience us?.

In addition, when these vehicles park in front of our property, we can't easily see oncoming traffic when we are backing out of our driveway. The major roundabout on Church St is not far away from our property and the cars come off the roundabout very quickly which is unsafe, particularly, when we have other vehicles obscuring our view.

We would like to know what can be done with regards to this issue. They don't do it all the time but it does happen quite often and is extremely annoying.

Please respond to this request as soon as practicable please.

Regards,

Louise Dewit
60 Horatio Street
Mudgee NSW 2850

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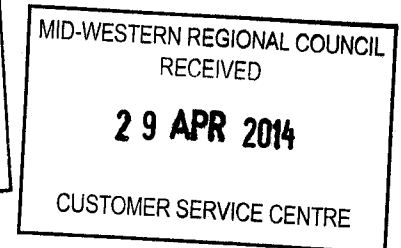
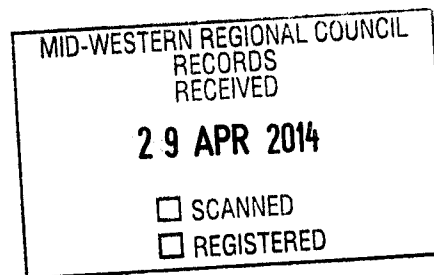
I'm part of a
Healthy Community

Eat Smart • Drink Smart • Move Smart • Body Smart

ATTACHMENT 1 (11)

24th April 2014

Warwick Bennett
Mid-Western Regional Council
PO Box 156
Mudgee NSW 2850



Dear Mr Bennett,

The Mid-Western Live Smart Alliance was formed to continue the promotion of healthy lifestyles and physical activity and to introduce new innovations to keep our community healthy beyond the funding period of the Australian Government's Healthy Communities Initiative. The Alliance brings together a range of community groups, sporting bodies, health professional and small businesses who are proud to focus on delivering products and services that promote healthy lifestyles.

With the Mid-Western Regional Council Draft Operational Plan 2014/15 currently on exhibition we request that Council reconsider its financial support for the Mid-Western Healthy Communities Alliance for the 2014/15 financial year and beyond.

The Mid-Western Live Smart program has helped to stimulate the economy in the region by supporting small health related businesses such as KR Gym in Kandos and Anahata Health in Mudgee. These businesses provide programs to the community such as the very successful Heartmoves and beginners exercise programs.

To date, the project has engaged over 1000 participants in its activities and programs. Over 750 hours of health and wellbeing activities have been delivered in five locations across the LGA, with approximately 5000 instances of participation. Many more participants attended community events throughout the region which focused on health and wellbeing.

Funding of \$50,000 per annum from Council would help to support the Mid-Western Healthy Communities Alliance in its continuation of successful programs from the Mid-Western Live Smart project, as well as to support the continuation of initiatives such as the successful Health and Fitness Festivals.

Over the course of the project over 82% of participants reported benefits to their health and wellbeing as a result of participation in Mid-Western Live Smart activities. A key benefit that was reported across all successful programs was the positive social interaction – the enjoyment participants gained from attending each week and catching up with the same group of people.

Council's financial support towards the Mid-Western Healthy Communities Alliance will help to continue health initiatives in our community and increases awareness of how to live a healthy lifestyle. This in turn helps to take the burden off our health services in the treatment of preventable chronic illness.

Mid-Western Healthy Communities Alliance
C/- Mark Ehlen | PO Box 361 | Mudgee NSW 2850
mark.ehlan@nortons.com.au

Of the participants in the free health checks carried out by Community Health for the Live Smart project, over 80% had a waist measurement that placed them at risk of developing chronic disease. Of those who provided data after completing a Live Smart program, 51% lost weight while 33% remained at the same weight.

Council's ongoing support towards health initiatives within our region will help pave the way for the Mid-Western Region becoming recognised as a leader in community health. We would greatly appreciate your re-consideration for support of this worthy cause.

Kind Regards

A handwritten signature in black ink, appearing to read "Mark Ehlen". The signature is fluid and cursive, with a period at the end.

Mark Ehlen
Chairperson
Mid-Western Healthy Communities Alliance

From: [Russell](#)
To: [Council](#)
Subject: Council Action Plan
Date: Wednesday, 14 May 2014 4:49:34 PM

14/5/2014

To Whom it may concern,

With regard to our rural (Gravel) roads being sealed or re sheeted sometime in the distant future I feel attention should be going to the safety of commuters along these roads and crossing dangerous causeways/culverts on most of these roads.

The problem being at all these crossings the gradient of the gravel road is designed to remove water effectively of which is achieved very well, in this process there is substantial erosion at these crossings causing these dangerous conditions.

My proposal is that Council allocate regular funds to seal the areas of gravel on both sides of all crossings for approx 20 meters to remove the dangerous conditions which occur frequently in heavy rain which when happens council is stretched attending multiple problems concerning heavy rain damage.

This action of works would improve safety and operations of the crossing areas resulting in a reduction in maintenance costs and be easily connected to if any of these roads where to be spray sealed in the future. Some roads do need crossings replaced and if so than this sealing practice should be included in the budget for these proposed works.

Regards

Russell Marsh

Green gully
63737666

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From: [Stephen Sneesby](#)
To: [Council](#)
Subject: Cycle way Lue Road
Date: Thursday, 15 May 2014 8:23:13 AM

Dear Councillors,

I passed the aftermath of a fatal cycle accident on Mother's Day, and since then have decided not to ride my bicycle in or around Mudgee ever again.

I used to ride most mornings Rocky Water hole Road into Mudgee via Burrundulla Road, in to town past the swimming pool, over the bridge and up Lue Road.

During Bike Fest hundreds rode their bikes along this scenic ride, as do many locals every day.

I would like to see every councillor able to mount a bicycle ride this bumpy broken road to see how hazardous it is for cyclists.

If a cycle lane was constructed it would not only save cyclist accidents, it would strengthen the crumbling edges caused by heavy trucks that have their wheels at the very edge of the bitumen, some times off it when oncoming larger vehicles have to make room for both to pass safely. Needless to say when this occurs there is no room on the road for a cyclist.

I also think Mudgee needs to invite the RMS to look at some of the speed zoning in our area. The intersection of Henry Lawson Drive and Ulan Road allows traffic to flow through at 80kms an hour.

The speed out of Mudgee after the Lue Road roundabout should kept to 50kms until out of the built up area.

Our Mayor asked for submissions from the community in your latest Community News. I would very much appreciate if you could forward this email on to him and council representatives.

Sad that it takes a death for us to request sensible changes.

Stephen Sneesby, 60 Rocky Waterhole Road Mudgee. 6372 2309.

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From: council@midwestern.nsw.gov.au
To: [Council](#)
Subject: Have your say - online submission
Date: Thursday, 22 May 2014 10:52:37 AM

First_name: Cheryl
Surname: Grieff
Your_street: Wallinga Lane
Town: Mudgee
State: NSW
Postcode: 2850
Phone_number: 0414731954
Email_address: grieff04@gmail.com
Your_say: Something for Council to consider
We live out of town

We have -

- 1) No town water or sewerage
- 2) No tarred Roads
- 3) Roads in disgraceful condition
- 4) Eyesore Rubbish bins on Wallinga Lane used by residents who live in town
- 4) No bus services

So....why are my Council rates as high as they are? What benefits does the council afford us "out-of-towners" to justify the rates we pay...Your plan reeks of benefits for tourism and "town" beautification

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Mid-Western Regional Council
Delivery Program 2014/15 to 2017/18
Budget Initiatives & Submissions

General Fund	Funding Source	Project	2014/15	2015/16	2016/17	2017/18	Community Plan Strategy/Action
NEW BUDGET INITIATIVES							
Estimated Working Capital Available			(1,757,103)	(954,949)	(931,881)	(881,119)	
A Fund							
Fairy Dale Lane Upgrade		A60304	800,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Fairy Dale Lane Upgrade - funding	S94		(800,000)				
Evans Crossing - Cudgegong Road Rylstone			220,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Gulgong asphalt Mayne St			155,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Rehabilitation Lewis St			175,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Farrelly St Clandulla			20,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Market St (Lawson to Lewis) Mudgee			140,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Intersection Jacques & Dangar St Kandos			25,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Intersection Jacques & Rodgers St Kandos			25,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
First St Mudgee			40,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Fitzgerald St Rylstone			75,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Additional to complete Church St			37,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Heavy patching & reseal Mortimer St (Cox to Douro)			100,000				4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Mudgee Admin Office & Council Chambers - Alterations					255,000		1.3.1 manage, plan and maintain buildings and other assets across the Region
Australia Day Boards			3,000				
Mudgee Admin Office & Council Chambers - Alterations - funding	Corporate Buildings budget				(255,000)		
Sculptures across the Region			30,000	30,000	30,000	30,000	Goal 1.2 Vibrant towns & villages
Sculptures across the Region - Donation	Donations		(6,000)				
Mudgee Lawn Cemetery Upgrade					70,000		1.4.1 Manage and maintain sportsgrounds, parks, reserves and playgrounds across the Region
Mudgee Lawn Cemetery Upgrade - funding	Reserves - Capital Program				(70,000)		
Internal road upgrades at the Mudgee and Gulgong cemetery					40,000		1.4.1 Manage and maintain sportsgrounds, parks, reserves and playgrounds across the Region
Internal road upgrades at the Mudgee and Gulgong cemetery	Reserves - Asset Replacement				(40,000)		
Rylstone/Kandos Entry Signage			14,000				Strategy 1.2.4 Maintain and promote the aesthetic appeal of the towns and villages within the Region
Rylstone/Kandos Entry Signage - funding	Reserves - Capital Program		(14,000)				
Upgrade of Goolma Tennis Courts				20,000			1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Upgrade of Goolma Tennis Courts	Reserves - Capital Program			(20,000)			

General Fund	Funding Source	Project	2014/15	2015/16	2016/17	2017/18	Community Plan Strategy/Action
Hargraves Progress Association			900	900	900	900	Strategy 1.2.4 Maintain and promote the aesthetic appeal of the towns and villages within the Region
Lighting at Lawson Park			50,000	50,000			1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Lighting at Lawson Park - Funding	Reserves - Capital Program		(50,000)	(50,000)			
Re-alignment Maloney's Road					75,000		4.1.2 Implement the works program in accordance with the Roads Asset Management plan
Re-alignment Maloney's Road - funding	Reserves - Capital Program				(75,000)		
Roundabout Douro/Horatio Street				1,000,000			4.1.2 Implement the works program in accordance with the Roads Asset Management plan
Roundabout Douro/Horatio Street - Obtain RMS Grant Funding	Grants - RMS			(1,000,000)			
Improvement to Street lighting - Intersection of Herbet and Mayne St, Gulgong			20,000				Goal 4.1 High quality road network that is safe and efficient
Fencing - Glen Willow Field 2			40,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Fencing - Glen Willow Field 2 - funding	VPA		(40,000)				
Glen Willow - equipment			66,395				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Glen Willow - equipment	Reserves - Plant		(66,395)				
Mudgee Pool - Safety items required			45,000				1.3.1 Maintain and operate swimming pool centres across the Region
Gulgong Pool - Safety items required			25,000				1.3.1 Maintain and operate swimming pool centres across the Region
Kandos Pool - Safety items required			27,000				1.3.1 Maintain and operate swimming pool centres across the Region
Restoration of Lawson Park Fence			50,000	50,000	50,000	50,000	1.2.1 Support and assist preservation of important historical sites in the Region
Disability Action Plan				30,000			1.4.3 Public facilities to be accessible
Council Website upgrade			50,000				5.2.1 Ensure the community has clear information about who to contact in Council & 5.3.3 Enhance the information systems that support delivery of council activities
Voice over Internet (VOIP) telephone PABX replacement			200,000				5.3.3 Enhance the information systems that support delivery of council activities
Email Archive solution			20,000				5.3.3 Enhance the information systems that support delivery of council activities
Offsite Records Storage			30,000		10,000	10,000	5.3.3 Enhance the information systems that support delivery of council activities
Offsite Records Storage - funding	Corporate Buildings budget		(30,000)				
Network Anti Virus System			15,000				5.3.3 Enhance the information systems that support delivery of council activities
Additional Children's Services at the Library - 2 to 3 years old			12,000	12,000	12,000	12,000	1.1.1 Provide customer focused library and information services
Apprentice Green Keeper				45,000	45,000	45,000	1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
GPS Cemetery sites			24,000	24,000	22,000	40,000	1.3.1 manage and maintain cemeteries throughout the Region
Rylstone/Kandos tree planting programme			7,500	5,000	5,000	5,000	Strategy 2.1.3 Raise community awareness of environmental and biodiversity issues

General Fund	Funding Source	Project	2014/15	2015/16	2016/17	2017/18	Community Plan Strategy/Action
Urban Stream Weed Control			5,000	5,000	5,000	5,000	2.1.4 Effective weeds management and 2.2.3 Continue riparian rehabilitation program along waterways
Riverbed Regeneration				15,000	15,000	15,000	2.2.3 Continue riparian rehabilitation program along waterways
Putta Bucca Wetlands			15,000	15,000	15,000	15,000	2.1.3 Deliver projects which work towards protecting biodiversity and regeneration of native environment
Putta Bucca Wetlands - funds	Reserves - Capital Program		(15,000)	(15,000)	(15,000)	(15,000)	
Environment Projects and Initiatives			7,500	7,500	7,500	7,500	2.3.3 Build community awareness through environment education & 2.1.3 Work with Schools to promote environmental awareness amongst students & 2.1.3 Deliver projects which work towards protecting biodiversity and regeneration of native environment
Showground Capital Works			45,000				1.3.1 manage, plan and maintain buildings and other assets across the Region
Showground Capital Works - funding	Reserves - Capital Program		(45,000)				
Rylstone Pedestrian Bridge - Cudgegong River			200,000	150,000			4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Henbury Bridge Project						500,000	4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Preschool Facility			1,000,000				1.1.1 Provide comprehensive community support programs that embrace social justice and access and equity
Preschool Facility - Funding	Grants - transition funding		(1,000,000)				
Cope Road			2,564,405	2,844,293	1,491,302		4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Cope Road - Funding	Grants - Resources for Regions		(2,564,405)	(2,844,293)	(1,491,302)		
Mudgee Airport Upgrade			2,000,000				4.2.1 Support the continuation of commercial passenger services at Mudgee Airport
Mudgee Airport - Funding	Grants - Resources for Regions		(2,000,000)				
Art Gallery			50,000	4,000,000			1.4.2 Arts and Cultural events promotion
Art Gallery - Loan Funded	Loan			(4,000,000)			
Art Gallery - Loan repayments				180,112	360,224	360,224	
Victoria Park Mudgee			500,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Victoria Park Mudgee - VPA	VPA		(445,000)				
Victoria Park Mudgee - Grant	Contribution from cricket club		(30,000)				
Victoria Park Mudgee - Grant	Contribution from Sate govt sport & rec		(25,000)				
Glen Willow - 5 New Sportsfields				800,000			1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Glen Willow - 5 New Sportsfields	Loan			(800,000)			
Glen Willow Sportsfield - Loan repayments				36,000	72,000	72,000	
Cycleway - Rylstone/Kandos repair and reseal			50,000	50,000			4.1.2 Implement the works program in accordance with the Roads Asset Management Plan
Seniors Week			5,000				1.1.3 - Provide financial assistance in accordance with Council's Financial Assistance policy
Seniors Week	Financial Assistance		(5,000)				
Gulgong Show			3,000				1.1.3 - Provide financial assistance in accordance with Council's Financial Assistance policy
Gulgong Show	Financial Assistance		(3,000)				
Additional Seating - Angus Ave, Kandos			2,500				1.3.1 manage, plan and maintain buildings and other assets across the Region

General Fund	Funding Source	Project	2014/15	2015/16	2016/17	2017/18	Community Plan Strategy/Action
Art Prize			10,000	10,000	10,000	10,000	Goal 1.2 Vibrant towns & villages
Saleyards - Parking area road works			20,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Saleyards - Parking area road works	Saleyards reserves		(20,000)				
New Park in Melton Rd			250,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
New Park in Melton St - funding	S94		(250,000)				
Security at Billy Dunn			7,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Storage Shed at Billy Dunn Oval			20,000				1.3.1 manage and maintain sportsgrounds, parks, reserves and playgrounds across the region
Gulgong Tennis Club maintenance			10,000				
Gulgong Tennis Club capital upgrade				20,000			
Victoria Park playground relocation			60,000				
Playground shading			15,000	15,000	15,000	15,000	
Gulgong Walkway			80,000	80,000	80,000		1.3.1 manage, plan and maintain buildings and other assets across the Region
Gulgong Walkway - funding	Reserves - Capital Program			(80,000)	(80,000)		
A Fund TOTAL			2,052,400	685,512	659,624	1,177,624	
(Surplus)/Deficit Working Capital Exhibited Operational Plan			295,297	(269,437)	(272,257)	296,505	
Initiatives recommended via submissions							
Rehab - Church St Mudgee			105,000				
Property Kandos Surplus land blocks - 45 Dunn St							
	Sale of land		-27,200				
	Profit on sale		-17,200				
	non-cash adjustment		17,200				
			3,000				
Urban Roads land matters			6,000				
Glen Willow amenities			235,000				
	Insurance reimbursement		(235,000)				
Kandos Museum capital			50,000				
	Reserves - Asset Replacement		(50,000)				
Charbon road maintenance			49,000				
	Unspent contributions		(49,000)				
Ulan Wollar Rd maintenance			72,100				
	VPA		(72,100)				
Kandos to Clandulla Pedestrian			80,000				
	Reserves - Capital Program		(80,000)				
Charbon pedestrian bridge			99,000				
	Reserves - Capital Program		(99,000)				
Rylstone/Kandos flood study			68,000				
	Unspent grants		(62,097)				
	Reserves - Asset Replacement		(5,903)				
Cudgegong Waters Park amenities			157,000				
	Unspent grants		(157,000)				
Percy Nott rest area			110,000				
	Reserves - Asset Replacement		(110,000)				
Passive Parks land matters - Fairydale Ln buffer zo			180,000				
	Reserves - Land Development		(180,000)				
Avisford Reserve bike track			35,000				
	Reserves - Capital Program		(12,000)				
	Unspent grants		(23,000)				
Rylstone Showground			200,000				

General Fund	Funding Source	Project	2014/15	2015/16	2016/17	2017/18	Community Plan Strategy/Action
	Reserves - Capital Program		(200,000)				
Rural Fire Service Cudgegong heritage building			135,000				
	Unspent grants		(135,000)				
Mudgee water augmentation			1,120,000				
	Reserves - Water		(120,000)				
	S64 - Water		(1,000,000)				
Rylstone/Kandos sewer augmentation			530,000				
	Reserves - Sewer		(530,000)				
Airport sewer pump station access			5,000				
	Reserves - Sewer		(5,000)				
Mobile Sludge dewatering unit			73,500				
	Reserves - Sewer		(73,500)				
Western Academy of Sport			1,220				
	Financial Assistance		(1,220)				
Mudgee Chamber of Commerce			10,000				
	Financial Assistance		(10,000)				
Cultural Development Officer			60,000				
Review of S94 Plan			60,000				
	S94		(60,000)				
Webcasting Council Meetings - operating costs			22,300				
Sealing Nullo Mountain Rd - hill section			120,000				
Sealing Lochiel Ln			4,000				
Kandos Museum - operating costs			15,000				
Community Centre			35,000				
Community Centre - operating costs			15,000	15,450	15,914	16,391	
Additional footpath & cycleway upgrades			130,000				
Wilpinjon Coal Community Infrastructure			(260,000)	(260,000)	(260,000)	(260,000)	
	VPA		260,000	260,000	260,000	260,000	
Gulgong Office Upgrade			70,000				
	Corporate building budget		(70,000)				
Plant purchases/sales - Ulan/Cope Rd changes & change in timing			2,035,000				
	Reserves - Plant		(2,035,000)				
Plant purchases/sales - deferred from March QBR			275,000				
	Plant sales		(165,000)				
	Reserves - Plant		(110,000)				
Plant operations - Ulan/Cope Rd changes			(1,003,000)	(1,015,000)	(876,000)	(752,000)	
			520,000	520,000	450,000	400,000	
	Reserves - Plant		483,000	495,000	426,000	352,000	
Gulgong tennis courts - playground			50,000				
	Unspent grants		(25,000)				
	Reserves - Capital Program		(25,000)				
Art Gallery Operating costs					200,000	200,000	
Additional corporate legal costs			50,000				
Reject Shop - repairs & maintenance			20,000				
	Reserves - Land Development		(20,000)				
Victoria Park fencing			70,000				
	Reserves - Asset Replacement		(70,000)				
Total Submissions			538,100	15,450	215,914	216,391	
(Surplus)/Deficit Working Capital Exhibited Operational Plan			833,397	(253,987)	(56,344)	512,896	

Reserves/Developer Contribution/Unspent Grant Balances - DRAFT

	2014/15	2015/16
Internally Restricted Reserves		
Opening Balance	6,521,837	10,058,960
Employee Leave Entitlements	2,375,084	2,050,184
Proposed Reduction	(500,000)	
Transfer to Employee Leave Entitlements	175,100	180,353
Transfer from Employee Leave Entitlements	0	0
<i>Closing Balance - Employee Leave Entitlements</i>	2,050,184	2,230,537
Emergency	200,254	200,254
Transfer to Emergency	0	0
Transfer from Emergency	0	0
<i>Closing Balance - Emergency</i>	200,254	200,254
Land Development	671,391	471,391
Transfer to Land Development		
Transfer from Land Development	0	0
Proposed Budget Initiatives	(200,000)	0
<i>Closing Balance - Land Development</i>	471,391	491,391
Airport Development	(234,956)	(234,956)
Transfer to Airport Development		
Transfer from Airport Development	0	0
<i>Closing Balance - Airport Development</i>	(234,956)	(234,956)
Election	134,870	194,870
Transfer to Election	60,000	60,000
Transfer from Election	0	0
<i>Closing Balance - Election</i>	194,870	254,870
Plant Replacement	1,889,368	1,152,616
Transfer to Plant Replacement	2,140,753	2,411,914
Transfer from Plant Replacement	(1,149,110)	(1,373,253)
Proposed Budget Initiatives	(1,728,395)	495,000
<i>Closing Balance - Plant Replacement</i>	1,152,616	2,686,277
Asset Replacement	463,391	222,518
Transfer to Asset Replacement	1,133,000	1,166,990
Transfer from Asset Replacement	(1,137,970)	(1,167,609)

Proposed Budget Initiatives	(235,903)	0
Closing Balance - Asset Replacement	222,518	221,899
Capital Program	559,149	473,499
Transfer to Capital Program	927,000	954,810
Transfer from Capital Program	(472,650)	(376,329)
Proposed Budget Initiatives	(540,000)	(165,000)
Closing Balance - Capital Program	473,499	886,980
Livestock Exchange	57,851	42,851
Transfer to Livestock Exchange	15,000	15,000
Transfer from Livestock Exchange	(10,000)	(10,000)
Proposed Budget Initiatives	(20,000)	0
Closing Balance - Livestock Exchange	42,851	47,851
State Roads Warranty	394,753	200,000
Proposed Reduction	(194,753)	
Transfer to State Roads Warranty		
Transfer from State Roads Warranty		
Closing Balance - State Roads Warranty	200,000	200,000
Rylstone Childrens Creative Arts	6,060	6,060
Transfer to Rylstone Childrens Creative Arts	0	0
Transfer from Rylstone Childrens Creative Arts	0	0
Closing Balance - Rylstone Childrens Creative Arts	6,060	6,060
Kandos Museum	0	0
Transfer to Kandos Museum	0	0
Transfer from Kandos Museum	0	0
Closing Balance - Kandos Museum	0	0
Community Plan	353,000	353,000
Transfer to Community Plan	0	0
Transfer from Community Plan	0	
Closing Balance - Community Plan	353,000	353,000
Internally Restricted Reserves Closing Balance	5,132,287	7,344,163
Externally Restricted Reserves		
Opening Balance	5,481,503	7,367,503

Waste	2,323,256	2,838,256
Transfer to Waste	700,000	721,000
Transfer from Waste	(185,000)	(190,550)
<i>Closing Balance - Waste</i>	2,838,256	3,368,706
Sewer	1,498,076	2,589,076
Transfer to Sewer	1,800,000	2,700,000
Transfer from Sewer	(709,000)	(520,450)
<i>Closing Balance - Sewer</i>	2,589,076	4,768,626
Water	1,321,827	1,601,827
Transfer to Water	800,000	1,400,000
Transfer from Water	(520,000)	(1,626,000)
<i>Closing Balance - Water</i>	1,601,827	1,375,827
Community Services	77,382	77,382
Transfer to Community Services	0	0
Transfer from Community Services	0	0
<i>Closing Balance - Community Services</i>	77,382	77,382
Community Tenancy Scheme	69,179	69,179
Transfer to Community Tenancy Scheme	0	0
Transfer from Community Tenancy Scheme		
<i>Closing Balance - Community Tenancy Scheme</i>	69,179	69,179
Family Day Care	63,511	63,511
Transfer to Family Day Care	0	0
Transfer from Family Day Care	0	0
<i>Closing Balance - Family Day Care</i>	63,511	63,511
Bequest - Simpkins Park	96,204	96,204
Transfer to Bequest - Simpkins Park	0	0
Transfer from Bequest - Simpkins Park	0	0
<i>Closing Balance - Bequest - Simpkins Park</i>	96,204	96,204
Bequest - Kandos Museum	32,068	32,068
Transfer to Bequest - Kandos Museum	0	0
Transfer from Bequest - Kandos Museum	0	0
<i>Closing Balance - Bequest - Kandos Museum</i>	32,068	32,068
Externally Restricted Reserves Closing Balance	7,367,503	9,851,503
VPA's		
Opening Balance	313,686	1,661,158
Transfer to VPA	1,856,000	665,000

Transfer from VPA	(211,428)	(217,771)
Proposed Budget Initiatives	(297,100)	260,000

Closing Balance	1,661,158	2,368,387
------------------------	------------------	------------------

S94 Developer Contributions

Opening Balance	3,063,480	2,717,180
------------------------	------------------	------------------

Transfer to S94	774,000	794,520
Transfer from S94	(10,300)	(10,609)
Proposed Budget Initiatives	(1,110,000)	0

Closing Balance	2,717,180	3,501,091
------------------------	------------------	------------------

S64 Developer Contributions

Opening Balance	3,036,741	3,800,441
------------------------	------------------	------------------

Transfer to S64	774,000	794,520
Transfer from S64	(10,300)	(10,609)

Closing Balance	3,800,441	4,584,352
------------------------	------------------	------------------

Unspent Grants

Opening Balance	470,390	470,390
------------------------	----------------	----------------

Transfer to Unspent Grants		
Transfer from Unspent Grants		

Closing Balance	470,390	470,390
------------------------	----------------	----------------

26/02/2014

2016/17

2017/18

11,970,836 **12,732,908**

2,230,537 2,416,143

185,606 190,859

0 0

2,416,143 2,607,002

200,254 200,254

0 0

0 0

200,254 200,254

491,391 491,391

0 0

0 0

491,391 491,391

(234,956) (234,956)

0 0

(234,956) (234,956)

254,870 154,870

60,000 60,000

(160,000) 0

154,870 214,870

2,686,277 2,906,200

2,781,320 2,868,709

(2,987,397) (3,863,540)

426,000 352,000

2,906,200 2,263,369

221,899 185,631

1,200,980 1,234,970

(1,197,248) (1,226,888)

Reserves - Land
Development

Reserves -
Plant

		Reserves - Asset Replacement
(40,000)	0	
185,631	193,713	

886,980	1,470,791	
982,620	1,010,430	
(158,809)	(161,889)	

		Reserves - Capital Program
(240,000)	(15,000)	
1,470,791	2,304,332	

47,851	52,851	
15,000	15,000	
(10,000)	(10,900)	

		Saleyards reserves
0	0	
52,851	56,951	

200,000	200,000	
---------	---------	--

200,000	200,000	
---------	---------	--

6,060	6,060	
0	0	
0	0	
6,060	6,060	

0	0	
0	0	
0	0	
0	0	

353,000	353,000	
0	0	

Note \$300k expected to be used for legal costs

353,000	353,000	
---------	---------	--

8,202,235	8,655,986
------------------	------------------

9,851,503	12,196,503
------------------	-------------------

3,368,706	2,714,606
742,000	763,000
(1,396,100)	(201,650)
2,714,606	3,275,956

4,768,626	7,613,726
3,800,000	1,962,000
(954,900)	(1,882,350)
7,613,726	7,693,376

1,375,827	1,529,827
1,700,000	0
(1,546,000)	(882,000)
1,529,827	647,827

77,382	77,382
0	0
0	0
77,382	77,382

69,179	69,179
0	0

69,179	69,179
--------	--------

63,511	63,511
0	0
0	0
63,511	63,511

96,204	96,204
0	0
0	0
96,204	96,204

32,068	32,068
0	0
0	0
32,068	32,068

12,196,503	11,955,503
-------------------	-------------------

2,368,387	3,615,273
------------------	------------------

1,211,000	445,000
-----------	---------

Note \$1,500k budgeted in 2014- moved to 2015.

(224,114)	(230,457)	
260,000	260,000	VPA

3,615,273 **4,089,816**

3,501,091 **4,305,204**

815,040	835,560	
(10,927)	(11,255)	
0	0	S94

4,305,204 **5,129,509**

4,584,352 **5,388,465**

815,040	835,560	
(10,927)	(11,255)	

5,388,465 **6,212,770**

470,390 **470,390**

470,390 **470,390**

Mid-Western Regional Council*
Working Capital - General Fund
26 February 2014

Community Plan	2014/15 Original Budget	2014/15 Proposed Budget	2015/16 Original Budget	2015/16 Proposed Budget	2016/17 Original Budget	2016/17 Proposed Budget
Grand Total	-78,814	(1,757,103)	-244,182	(954,949)	-308,381	(931,881)
BUILDING A STRONG LOCAL ECONOMY	158,455	119,475	115,028	123,058	118,850	126,644
CONNECTING OUR REGION	3,770,355	3,755,831	3,941,541	3,915,448	4,102,048	4,073,822
GOOD GOVERNMENT	-11,980,079	(13,731,414)	-12,473,335	(13,345,319)	-12,951,691	(13,702,749)
LOOKING AFTER OUR COMMUNITY	6,481,312	6,650,656	6,636,807	6,863,999	6,841,995	7,039,058
PROTECTING OUR NATURAL ENVIRONMENT	1,491,143	1,443,102	1,535,777	1,487,865	1,580,417	1,531,344

(1,031,775)

tfr from ELE -500000
tfr from State roads warranty -194753
Reduce ironed out -10000
reduce showground contracts -20000

(1,756,528)
(575) variance ok

2017/18 Original Budget	2017/18 Proposed Budget
0	(881,119)
0	130,231
0	4,226,048
0	(14,061,537)
0	7,249,291
0	1,574,848



4 JUNE 2014

ATTACHMENT

6.2.6

Riverside Caravan Park Lease:

1. Proposed new lease
2. Letter from Mr Mitchell
4. Existing Lease



Form: 07L
Release: 3-0

LEASE
New South Wales
Real Property Act 1900

Leave this space clear. Affix additional pages to the top left-hand corner.

PRIVACY NOTE: Section 31B of the Real Property Act 1900 (RP Act) authorises the Registrar General to collect the information required by this form for the establishment and maintenance of the Real Property Act Register. Section 96B RP Act requires that the Register is made available to any person for search upon payment of a fee, if any.

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased

Folio Identifiers 1/256730, 4/25A/758721 and 5/25A/758721

(B) LODGED BYDocument
Collection
Box

Name, Address or DX, Telephone, and Customer Account Number if any

CODE

Reference: _____

L**(C) LESSOR**

MID-WESTERN REGIONAL COUNCIL

The lessor leases to the lessee the property referred to above.

(D)

Encumbrances (if applicable):

(E) LESSEE

AVONBELL PTY LTD (ACN 002 389 460)

(F)**TENANCY:**

- (G)**
1. **TERM** Five (5) years
 2. **COMMENCING DATE** 27 September 2013
 3. **TERMINATING DATE** 26 September 2018
 4. With an **OPTION TO RENEW** for a period of Five (5) years
set out in clause 4 of Annexure "B"
 5. With an **OPTION TO PURCHASE** set out in clause N.A. of N.A.
 6. Together with and reserving the **RIGHTS** set out in clause _____ of _____
 7. Incorporates the provisions or additional material set out in **ANNEXURE(S)** _____ hereto.
 8. Incorporates the provisions set out in
No. _____
 9. The **RENT** is set out in item No. 13A of Annexure "A"

DATE

(H) Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Corporation: MID-WESTERN REGIONAL COUNCIL

Authority: Local Government (General) Regulation 2005 Clause 400

Signature of authorised person:

Signature of authorised person:

Name of authorised person:

Name of authorised person:

Office held:

Office held:

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Corporation: AVONBELL PTY LTD

Authority: section 127 of the Corporations Act 2001

Signature of authorised person:

Signature of authorised person:

Name of authorised person:

Name of authorised person:

Office held:

Office held:

(I) **STATUTORY DECLARATION ***

I

solemnly and sincerely declare that—

1. The time for the exercise of option to _____ in expired lease No. _____ has ended; and
2. The lessee under that lease has not exercised the option.

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1900.

Made and subscribed at _____

in the State of New South Wales

on _____

in the presence of—

Signature of witness:

Signature of lessor:

Full name of witness:

Address of witness:

Qualification of witness: *[tick one]*

- Justice of the Peace
- Practising Solicitor
- Other qualified witness *[specify]*

* As the services of a justice of the peace, practising solicitor or other qualified witness cannot be provided at lodgment, the statutory declaration should be signed and witnessed prior to lodgment of the form.

** s117 RP Act requires that you must have known the signatory for more than 12 months or have sighted identifying documentation.

ANNEXURE A

Lessor: MID-WESTERN REGIONAL COUNCIL

Lessee: AVONBELL PTY LTD (ACN 002 389 460)

This annexure consists of three (3) pages.

NOTE: Any alterations and additions to Lease Covenants in Annexure B **must** be made by additional clauses in Annexure A. The printed clauses in Annexure B are to remain in their copyright form without alteration.

SCHEDULE OF ITEMS (continued)

- Item 10 (cls 2.3, 13.1) (cl 13.7)
 - A. **The guarantor:** Ian Mitchell and Lynn Mitchell
 - B. **Limit of guarantor's liability:** Nil stated

- Item 11 (cl 3)
 - Additional leased property:** Nil

- Item 12 (cl 4)
 - Option to renew**
 - A. Further period of five (5) years from to 27 September 2018 to 26 September 2023
 - ~~B. Further period of years from to~~
 - C. Maximum period of tenancy under this lease and permitted renewals: Ten (10) years
 - D. First day option for renewal can be exercised: 27 March 2018
 - E. Last day option for renewal can be exercised: 27 June 2018

- Item 13 (cl 5)
 - A. **Rent**
 - For the lease period:
 - From the commencement date to the first rent review date: \$100,000.00 per annum plus GST by monthly instalments of \$8,333.33 plus GST
 - Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.
 - For the further period in item 12A:
 - From the commencement date to the first rent review date: (for example: Current market rent) Current Market Rent
 - Afterwards: At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.

.....

.....

.....

~~For the further period in item 12B:
From the commencement date
to the first rent review date:
(for example: Current market rent)~~

Afterwards:

At the new yearly rent beginning on each review date by monthly instalments of one twelfth of the new yearly rent.

Item 13
(cl 15)

B. GST

Clause 15 provides for payment by the lessee of GST unless otherwise here indicated:

Item 14
(cl 5)

Outgoings

A. Share of outgoings: 100%

B. Outgoings –

- (a) local council rates and charges;
- (b) water sewerage and drainage charges;
- ~~(c) land tax;~~
- (d) insurance;

~~(e) all levies and contributions of whatsoever nature determined and/or levied by the owners corporation with the exception of any contribution to a sinking fund or special levy in respect of the strata scheme of which the property forms part (if applicable).~~

for the land or the building of which the property is part, fairly apportioned to the period of this lease.

Item 15
(cl 5.1.5)

Interest rate: 10%

Item 16
(cl 5.4)

Rent review

Rent review date	Method of rent review	If Method 1 applies, increase by (the increase should show percentage or amount)
Annually from commencing date	Method 2 during first term, Method 3 on exercise of Option and Method 2 during second term	

Method 1 is a fixed amount or percentage.
Method 2 is Consumer Price Index.
Method 3 is current market rent.

Method 2 applies unless another method is stated.

Item 17
(cl 6.1)

Permitted use: Caravan Park

Item 18
(cl 8.1.1)

Amount of required public liability insurance: \$20,000,000.00

.....
.....
.....

Item 19
(cl 17)

Security Deposit

The Lessor acknowledges receipt of Security Deposit previously paid by the Lessee.

Item 20
(cl)

Capital Works

- (a) The Lessees in addition to the rent payable in Item 13A and in consideration of that rental amount warrants to undertake Capital Works of not less than Fifteen Thousand Dollars (\$15,000.00) per annum for each year of the Lease. The Lessee acknowledges that this expenditure is a fundamental term of this Lease and the Lessee will provide proof of such expenditure by production of Tax Invoices and Receipts or other verification as may reasonably be required by the Lessor within fourteen (14) days of demand. The Lessee will provide such proof during each year of the Lease by the 14th of May and in addition shall provide a summary of proposed Capital Expenditure for the subsequent twelve (12) month period.
- (b) In the event that the Capital Expenditure during any twelve (12) month period exceeds Fifteen Thousand Dollars (\$15,000.00) the surplus may be credited to the subsequent twelve (12) month period provided futurc Capital Works have been approved in principle by the Lessor from the summary of proposed Capital Expenditure submitted in accordance with Item 21(a).

Item 21
(cl)

Land Excluded

The Lessor will be entitled to exclude from the Lease an area reasonably adjacent to the Cudgegong River for a pedestrian and cycle way without any readjustment of the rent and outgoings paid under the Lease provided that:

- (a) The area reserved for the pedestrian and cycle way will be no closer than three (3) metres from the northernmost edge of the existing caravan parking pads shown on the Plan of Mudgee Riverside Caravan and Tourist Park attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007;
- (b) The Lessor at its expense erects a security fence and access gates on the northern boundary of the then reduced lease area as may reasonably be required by the Lessee to provide security for the Caravan and Tourist Park.
- (c) The Lessor maintain Public Liability Insurance over the pedestrian and cycle way and agrees to indemnify the Lessee against any claim arising out of the negligence of the Lessor as a result of the use of the pedestrian and cycle way.

Item 22
(cl)

Council Owned Assets

The Lessor and Lessee agree for the purposes of this Lease and particularly for Clause 7 that the property included in the Schedule attached to this Lease and being located on Page 19 are Council owned assets and any other assets located within the Caravan Park are the property of the Lessee and to be maintained by the Lessee in accordance with all necessary laws, regulations and safety requirements.

.....

.....

.....

ANNEXURE B

Lessor: MID-WESTERN REGIONAL COUNCIL

Lessee: AVONBELL PTY LTD (ACN 002 389 460)

This annexure consists of 13 pages.

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NOTE: Any alterations and additions to Lease Covenants in Annexure B **must** be made by additional clauses in Annexure A. The printed clauses in Annexure B are to remain in their copyright form without alteration.

CONTENTS

CLAUSE	SUBJECT	PAGE	CLAUSE	SUBJECT	PAGE
1	Form of this Lease	2	11	Lessor's other Obligations	9
2	Parties.....	2	12	Forfeiture and End of Lease	9
3	The Property.....	2	13	Guarantee	10
4	Lease Period.....	2	14	Exclusions, Notices and Special Clauses.....	10
5	Money	3	15	Goods and Services Tax.....	11
6	Use	5	16	Bank Guarantee.....	11
7	Condition and Repairs.....	6	17	Security Deposit.....	11
8	Insurance and Damage	7	18	Strata Conversion	11
9	Access	7			
10	Transfer and Sublease	8			

RETAIL LEASE CERTIFICATE

If section 16 of the *Retail Leases Act 1994* applies to this lease, and the term plus any further terms are less than 5 years (subject to section 16(4)), the term will be extended unless a section 16(3) certificate is given. Sections 16(1) and (2) provide –

- 16(1) The term for which a retail shop lease is entered into, together with any further term or terms provided for by any agreement or option for the acquisition by the lessee of a further term as an extension or renewal of the lease, must not be less than 5 years. An agreement or option is not taken into account if it was entered into or conferred after the lease was entered into.
- 16(2) If a lease is entered into in contravention of this section, the validity of the lease is not thereby affected but the term of the lease is extended by such period as may be necessary to prevent the lease contravening this section.

I certify that:

- I am a solicitor not acting for the lessor;
- Before (or within 6 months after) the lessee entered into this lease –
 - the lessee requested me to give this certificate; and
 - I explained to the lessee the effect of sections 16(1) and (2), and that the giving of this certificate would result in section 16 not applying to this lease.

.....
Date

.....
Signature

.....
NAME (BLOCK LETTERS)

.....
.....
.....

.....
.....
.....

CLAUSE 1 FORM OF THIS LEASE

What are the parts to this lease?

- 1.1 There are three parts to this lease -- a lease form, Annexure A and this annexure.
- 1.2 This lease is a deed even if it is not registered.
- 1.3 A reference in this deed to the schedule is to the schedule of items commencing at item 1 on the lease form and ending with item 20 in Annexure A.

CLAUSE 2 PARTIES

Who are the parties to this lease?

- 2.1 The lessor is named on page 1 of this lease.
- 2.2 The lessee is named on page 1 of this lease.
- 2.3 The guarantor is named in item 10 in the schedule, if there is a guarantor.
- 2.4 If a party consists of two or more persons, obligations of that party can be enforced against any one or more of them.

CLAUSE 3 THE PROPERTY

What property is leased?

- 3.1 The property leased is described on page 1 of this lease.
- 3.2 The lessor's fixtures are included in the property leased.
- 3.3 If anything else is leased (such as furniture belonging to the lessor) and is described in item 11 in the schedule it is included in the property.
- 3.4 If the property has facilities and services shared in common with other persons in the same building as the property, clause 11.3.2 applies to those common facilities. The lessee shares the common facilities with the lessor, and with other lessees of the lessor. The lessor can set reasonable rules for sharing these common facilities.

CLAUSE 4 LEASE PERIOD

How long is this lease for?

- 4.1 This lease is for the period stated in item 1 in the schedule, commences on the date stated in item 2 in the schedule and ends on the date stated in item 3 in the schedule.
- 4.2 If a further period, commencing when this lease ends, is stated in item 12A in the schedule then the lessee has the option to renew this lease for that period.
- 4.3 The lessee can renew this lease more than once if that is stated in item 12B in the schedule. However the period of tenancy under this lease and under any renewal(s) is, in total, not longer than the maximum period stated in item 12C in the schedule.
- 4.4 The lessee can exercise the option only if—
 - 4.4.1 the lessee serves on the lessor a notice of exercise of option not earlier than the first day stated in item 12D in the schedule and not later than the last day stated in item 12E in the schedule;
 - 4.4.2 there is at the time of service no rent or outgoing that is overdue for payment; and
 - 4.4.3 at the time of service all the other obligations of the lessee have been complied with or fully remedied in accordance with the terms of any notice to remedy given by the lessor.

If this lease is extended by legislation, items 12D and 12E in the schedule are adjusted accordingly.

- 4.5 After exercising the option the lessee must continue to pay all rents and outgoings on time and continue to comply with all of the lessee's obligations under this lease. If the lessee does not do so, the lessor may treat any breach as being a breach of the new lease as well as of this lease.

- 4.6 A new lease will be the same as this lease except for –
- 4.6.1 the new rent;
 - 4.6.2 the commencement date and the termination date;
 - 4.6.3 the omission of clauses 4.2, 4.3, 4.4, 4.5 and 4.6 and items 12A and 12B in the schedule in the last lease allowed in item 12 in the schedule;
 - 4.6.4 item 12B becoming item 12A;
 - 4.6.5 adjustment of item 12C in the schedule; and
 - 4.6.6 adjustment of items 12D and 12E in the schedule. The number of days between the dates stated in items 12D and 12E in the schedule of the new lease and the termination date of the new lease and the number of days between each date stated in items 12D and 12E in the schedule of this lease and the termination date of this lease are to correspond.

If the new rent is to be current market rent it will be decided in the same way that current market rent is to be decided under Method 3 stated in clause 5 assuming that this lease and the new lease were one continuous lease and the commencement date of the new lease was a rent review date.

CLAUSE 5 MONEY

What money must the lessee pay?

- 5.1 The lessee must pay to the lessor or as the lessor directs –
- 5.1.1 the rent stated in item 13A in the schedule;
 - 5.1.2 the share stated in item 14A in the schedule of those outgoings stated in item 14B in the schedule;
 - 5.1.3 the reasonable cost to the lessor of remedying a default by the lessee;
 - 5.1.4 the reasonable cost to the lessor of dealing with any application by the lessee for the lessor's consent under this lease (whether or not it is given);
 - 5.1.5 interest on these moneys at the rate stated in item 15 in the schedule when payment is more than 14 days overdue, calculated from the due date to the date of payment;
 - 5.1.6 registration fee for registration of this lease at Land and Property Information NSW (payable on delivery to the lessor's solicitor of the executed lease);
 - 5.1.7 stamp duty on this lease (payable on delivery to the lessor's solicitor of the executed lease) if not previously paid by the lessee to the Office of State Revenue;
 - 5.1.8 if the lessee defaults, the lessor's reasonable legal costs relating to the default;
 - 5.1.9 the lessor's reasonable costs and expenses in connection with the preparation of this lease but only that part of those costs and expenses which are permitted to be recovered by a lessor under section 14 and section 45 of the *Retail Leases Act, 1994*; and
 - 5.1.10 GST as provided for in clause 15.
- 5.2 The first month's instalment of rent is to be paid by the commencement date. Each later month's instalment of rent is to be paid in advance.
- 5.3 A payment under clause 5.1.2 must be paid on the next rent day after a request for payment is made by the lessor.
- A request for payment can be made –
- 5.3.1 after the lessor has paid an outgoing; or
 - 5.3.2 after the lessor has received an assessment or account for payment of an outgoing.

If item 14B in the schedule refers to land tax –

- if the property is a strata lot, the relevant land tax is land tax on that lot;
- if the property is not a strata lot but is part of a building, the relevant land tax is land tax on the land on which the building is situated, plus any land of the lessor used or available for use by or for the benefit of lessees conducting business in the building or in connection with trading in the building; and
- in either case, the land tax must be calculated as if the land was the only land owned by the lessor and there was no special trust or non-concessional company involved.

When and how is the rent to be reviewed?

- 5.4 The rent is to be reviewed on the rent review dates stated in item 16 in the schedule.

If this lease is extended by legislation, the rent review dates include each anniversary of the latest rent review date stated in item 16 in the schedule (or if none is stated each anniversary of the commencement date) which falls during the extension.

- 5.5 The lessee must continue to pay rent at the old rate until the new rate is known. After that, the lessee is to pay the new rent from the next rent day. By that rent day the lessee is also to pay any shortfall between the old and new rate for the period since the rent review date. Alternatively, the lessor is to refund to the lessee any overpayment of rent.
- 5.6 There are three different methods described here for fixing the new rent on a rent review date. The method agreed by the lessor and the lessee is stated at item 16 in the schedule. The lessee is entitled to a reduction if the method produces a rent lower than the rent current just before the review date.

Method 1. By a fixed amount or percentage.

- 5.7 In this case the rent beginning on each review date will be increased by the percentage or amount stated in item 16 in the schedule.

Method 2. By reference to Consumer Price Index.

- 5.8 In this case –

- take the yearly rent as of the last review date or if none, the rent at the commencement date (\$X),
- divide that rent by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before that date (CPI 1),
- multiply the result by the Consumer Price Index Number for Sydney (All Groups) for the quarter ended just before the review date (CPI 2).

The product is the new rent for the year beginning on the review date (\$Y), written as a formula –

$$\frac{\$X}{\text{CPI 1}} \times \text{CPI 2} = \$Y$$

- 5.9 The lessor must calculate the new rent after each review date and give the lessee written notice of the new rent.
- 5.10 If the Australian Bureau of Statistics makes a change in the reference base of the index and there is a published co-relation between the old and new base then the published co-relation is to be applied to convert the CPI 1 figure to the new reference base. If there is none then the lessor and the lessee agree to accept the calculations of the lessor's solicitor who must be retained to determine a fair co-relation between the old and the new series of numbers.
- 5.11 If the index used to calculate the new rent is discontinued the lessor may substitute another index that, as nearly as practicable, serves the same purpose and, if there is no such index, then the rent will be fixed by Method 3.

Method 3. By reference to current market rent.

- 5.12 In this case the rent is to be the current market rent. This can be higher or lower than the rent payable at the rent review date and is the rent that would reasonably be expected to be paid for the property, determined on an effective rent basis, having regard to the following matters –
- 5.12.1 the provisions of this lease;
 - 5.12.2 the rent that would reasonably be expected to be paid for the property if it were unoccupied and offered for renting for the same or a substantially similar use to which the property may be put under this lease;
 - 5.12.3 the gross rent, less the lessor's outgoings payable by the lessee;
 - 5.12.4 where the property is a retail shop, rent concessions and other benefits that are frequently or generally offered to prospective lessees of unoccupied retail shops; and
 - 5.12.5 the value of goodwill created by the lessee's occupation and the value of lessee's fixtures and fittings are to be ignored.

- 5.13 The lessor or the lessee can inform the other in writing at least 60 days before the rent review date of the rent that the lessor or lessee thinks will be the current market rent at the review date.
- 5.14 If the lessor and the lessee agree on a new rent then that rent will be the new rent beginning on the rent review date and the lessor and the lessee must sign a statement saying so.
- 5.15 If the lessor and the lessee do not agree on the amount of the new rent 30 days before the rent review date, the current market rent will be decided by a valuer appointed under clause 5.16.
- 5.16
- 5.16.1 Unless 5.16.2 applies the lessor and the lessee can either agree upon a valuer or can ask the President of the Law Society of New South Wales to nominate a person who is a licensed valuer to decide the current market rent.
- 5.16.2 Where the property is a retail shop, the valuer appointed must be a specialist retail valuer appointed by agreement of the parties or, failing agreement, by the Administrative Decisions Tribunal.
- 5.17 The valuer will act as an expert not an arbitrator. The lessor and the lessee can each make submissions in writing to the valuer within 14 days after they receive notice of the valuer's appointment but not later unless the valuer agrees.
- 5.18 The valuer's decision is final and binding. The valuer must state how the decision was reached.
- 5.19 If the valuer
- 5.19.1 does not accept the nomination to act; or
- 5.19.2 does not decide the current market rent within 1 month after accepting the nomination; or
- 5.19.3 becomes incapacitated or dies; or
- 5.19.4 resigns,
- then another valuer is to be appointed in the same way.
- 5.20 The lessor and lessee must each pay half the valuer's costs.
- 5.21 If the lessor and lessee do not agree upon a valuer and neither asks for a valuer to be nominated before –
- 5.21.1 the next rent review date passes; or
- 5.21.2 this lease ends without the lessee renewing it; or
- 5.21.3 this lease is transferred after the rent review date with the lessor's consent; or
- 5.21.4 the property is transferred after the rent review date
- then the rent will not change on that rent review date.

CLAUSE 6 USE

How must the property be used?

- 6.1 The lessee must –
- 6.1.1 use the property for the purpose stated in item 17 in the schedule and not for any other purpose;
- 6.1.2 open for business at times usual for a business of the kind conducted by the lessee;
- 6.1.3 keep the property clean and dispose of waste properly; and
- 6.1.4 comply with all laws relating to strata schemes and all other laws regulating how the property is used, obtain any consents or licences needed, comply with any conditions of consent, and keep current any licences or registrations needed for the use of the property or for the conduct of the lessee's business there.
- 6.1.5 where the property is a lot in a strata scheme:
- 6.1.5.1 use the lessor's common property only in connection with the use of the property;
- 6.1.5.2 co-operate with all other permitted users of the common property;
- 6.1.5.3 comply with so many of the provisions of the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973* and the by-laws and all lawful orders, motions and directives under these Acts as may be applicable to the exercise of the lessee's rights and obligations under this lease.

- 6.2 The lessor can consent to a change of use and cannot withhold consent unreasonably.
- 6.3 The lessee must not –
- 6.3.1 do anything that might invalidate any insurance policy covering the property or that might increase the premium unless the lessor consents in which case the lessee must pay the increased premium; or
 - 6.3.2 use the property as a residence or for any activity that is dangerous, offensive, noxious, illegal or immoral or that is or may become a nuisance or annoyance to the lessor or to the owner or occupier of any neighbouring property; or
 - 6.3.3 hold any auction, bankrupt or fire sale in the property; or
 - 6.3.4 display signs or advertisements on the outside of the property, or that can be seen from the outside, unless the lessor consents (but the lessor cannot withhold consent unreasonably);
 - 6.3.5 overload the floors or walls of the property; or
 - 6.3.6 without the prior written consent of the lessor and/or the owners corporation, use the common property for any purpose other than for access to and egress from the property.

CLAUSE 7 CONDITION AND REPAIRS

Who is to repair the property?

- 7.1 The lessor must –
- 7.1.1 maintain in a state of good condition and serviceable repair the roof, the ceiling, the external walls and external doors and associated door jambs, and the floors of the property and must fix structural defects;
 - 7.1.2 maintain the property in a structurally sound condition; and
 - 7.1.3 maintain essential services.
- 7.2 The lessee must otherwise maintain the property in its condition at the commencement date and promptly do repairs needed to keep it in that condition but the lessee does not have to –
- 7.2.1 alter or improve the property; or
 - 7.2.2 fix structural defects; or
 - 7.2.3 repair fair wear and tear.
- 7.3 The lessee must also –
- 7.3.1 reimburse the lessor for the cost of fixing structural damage caused by the lessee, apart from fair wear and tear;
 - 7.3.2 maintain and decorate the shop front if the property has one;
 - 7.3.3 decorate the inside of the property in the last 3 months of the lease period (however it ends) – ‘decorate’ here means restoring the surfaces of the property in a style and to a standard of finish originally used e.g. by repainting;
 - 7.3.4 where the property is a lot in a strata scheme:
 - 7.3.4.1 meet the cost of all damage to the common property occasioned by the lessee or any invitee or licensee of the lessee; and
 - 7.3.4.2 permit the owners corporation, temporarily, to close any part of the common property for the purpose of making and effecting repairs to it.
- 7.4 If an authority requires work to be done on the property and it is structural work or work needed to make the property safe to use then the lessor must do the work unless it is required only because of the way the lessee uses the property. But if it is any other work or is required only because of the way the lessee uses the property then the lessee must do the work.
- 7.5 If the lessee fails to do any work that the lessee must do the lessor can give the lessee a notice in writing stating what the lessee has failed to do. After the notice is given the lessee must –
- 7.5.1 do the work immediately if there is an emergency; and
 - 7.5.2 do the work promptly and diligently in any other case.

If the lessee does not do the work, the lessor can do it and the lessee must reimburse the lessor for the cost of the work.

- 7.6 The lessee must not make any structural alterations to the property. Any other alterations require the lessor's consent in writing (but the lessor cannot withhold consent unreasonably).

CLAUSE 8 INSURANCE AND DAMAGE

What insurances must the lessee take out?

- 8.1 The lessee must keep current an insurance policy covering –
- 8.1.1 liability to the public in an amount not less than the amount stated in item 18 in the schedule (for each accident or event); and
 - 8.1.2 damage or destruction from any cause to all plate glass in the windows and other portions of the property
- and must produce to the lessor, upon request, the policy and the receipt for the last premium.

What happens if the property is damaged?

- 8.2 If the property or the building of which it is part is damaged (a term which includes destroyed) –
- 8.2.1 the lessee is not liable to pay rent, or any amount payable to the lessor in respect of outgoings and other charges, that is attributable to any period during which the property cannot be used under this lease or is inaccessible due to that damage;
 - 8.2.2 if the property is still useable under this lease but its useability is diminished due to the damage, the lessee's liability for rent and any amount in respect of outgoings attributable to any period during which useability is diminished is reduced in proportion to the reduction in useability caused by the damage;
 - 8.2.3 if the lessor notifies the lessee in writing that the lessor considers that the damage is such as to make its repair impracticable or undesirable, the lessor or the lessee can terminate this lease by giving not less than 7 days notice in writing of termination to the other and no compensation is payable in respect of that termination;
 - 8.2.4 if the lessor fails to repair the damage within a reasonable time after the lessee requests the lessor to do so the lessee can terminate this lease by giving not less than 7 days notice in writing of termination to the lessor; and
 - 8.2.5 nothing in clause 8.2 affects any right of the lessor to recover damages from the lessee in respect of any damage or destruction to which the clause applies.

CLAUSE 9 ACCESS

What are the lessor's rights of access to the property?

- 9.1 The lessee must give the lessor (or anyone authorised in writing by the lessor) access to the property at any reasonable time for the purpose of –
- 9.1.1 inspecting the condition of the property, or how it is being used; or
 - 9.1.2 doing anything that the lessor can or must do under this lease or must do by law; or
 - 9.1.3 viewing the property as a valuer, prospective buyer or mortgagee; or
 - 9.1.4 fixing a notice in a reasonable position on the outside of the property saying that it is for sale; or
 - 9.1.5 viewing the property as a prospective lessee not earlier than 6 months before the lease period ends; or
 - 9.1.6 fixing a notice not earlier than 6 months before the lease period ends in a reasonable position on the outside of the property saying that it is to let; or
 - 9.1.7 inspecting, cleaning or repairing another property or any services to another property.
- 9.2 The lessor must give the lessee at least 2 days written notice for access (except in an emergency). The day of the giving of the notice and any Saturday, Sunday or public holiday on which the property is not open for business are not counted.
- 9.3 The lessor must promptly make good any damage caused to the property and to any of the lessee's belongings which results from exercising these rights.
- 9.4 The lessee must give to the lessor a copy of any notice relating to the property or relating to any neighbouring property immediately after receiving the notice.

CLAUSE 10 TRANSFER AND SUB-LEASE

Can this lease be transferred or the property shared or sub-let?

- 10.1 The lessee must not transfer this lease without consent.
- 10.2 The lessor can withhold consent only if--
- 10.2.1 the proposed transferee proposes to change the use to which the property is put; or
- 10.2.2 where the property is a retail shop, the proposed transferee has financial resources or retailing skills inferior to those of the proposed transferor and otherwise the proposed transferee has financial resources or business experience inferior to those of the proposed transferor; or
- 10.2.3 the lessee has not complied with clause 10.3 and, where the property is a retail shop, clause 10.4.
- 10.3 A request for the lessor's consent to a transfer of lease must be made in writing and the lessee must provide the lessor with such information as the lessor may reasonably require concerning the financial standing and business experience of the proposed transferee.
- 10.4 Where the property is a retail shop, before requesting the consent of the lessor to a proposed transfer of this lease, the lessee must furnish the proposed transferee with a copy of any disclosure statement given to the lessee in respect of this lease, together with details of any changes that have occurred in respect of the information contained in the disclosure statement (being changes of which the lessee was aware or could reasonably be expected to be aware). For the purpose of enabling the lessee to comply with this obligation, the lessee can request the lessor to provide the lessee with a copy of the disclosure statement concerned and, if the lessor is unable or unwilling to comply with such a request within 14 days after it is made, this clause 10.4 does not apply.
- 10.5 Where the lessee has complied with clause 10.3 and where required to do so clause 10.4, and the lessor has not within 42 days or where the *Retail Leases Act 1994* applies 28 days after the request was made or the lessee has complied with paragraphs 41(a) and 41(b) of that Act, whichever is the later, given notice in writing to the lessee either consenting or withholding consent, the lessor is taken to have consented.
- 10.6 The lessee has to pay in connection with any consent the lessor's reasonable legal costs, the reasonable costs of obtaining any mortgagee's consent, the stamp duty and the registration fee for the transfer.
- 10.7 Where the property is a retail shop, the lessee can sub-let, grant a licence or concession, share or part with the possession of the whole or any part of the property or mortgage or otherwise charge or encumber the lessee's estate or interest in this lease only with the written consent of the lessor which can be refused in the lessor's absolute discretion. Otherwise, the lessee cannot do any of these things.

CLAUSE 11 LESSOR'S OTHER OBLIGATIONS

What are the lessor's other obligations?

- 11.1 So long as the lessee does all the things that must be done by the lessee under this lease the lessor must allow the lessee to possess and use the property in any way permitted under this lease without interference from the lessor, or any person claiming under the lessor or having superior title to the title of the lessor.
- 11.2 The lessor must pay all outgoing for the land or the building of which the property is part when they fall due.
- 11.3 If the property is part of a building owned or controlled by the lessor --
- 11.3.1 the lessor must maintain in reasonable structural condition all parts of the building that the lessee can use under this lease; and
- 11.3.2 if the property has facilities and service connections shared in common with other persons the lessor must --
- 11.3.2.1 allow reasonable use of the facilities and service connections including --
- the right for the lessee and other persons to come and go to and from the property over the areas provided for access;
 - access by the lessee to service connections; and
 - the right for the lessee's customers to park vehicles in any area set aside for customer parking, subject to any reasonable rules made by the lessor.
- 11.3.2.2 maintain the facilities and service connections in reasonable condition.

- 11.4 Where registration is necessary for the validity of this lease, the lessor must ensure that this lease is registered.
- 11.5 If a consent is needed for this lease, from someone such as a mortgagee or head lessor of the property, then the lessor must get the consent.

CLAUSE 12 FORFEITURE AND END OF LEASE

When does this lease end?

- 12.1 This lease ends –
- 12.1.1 on the date stated in item 3 in the schedule; or
 - 12.1.2 if the lessor lawfully enters and takes possession of any part of the property; or
 - 12.1.3 if the lessor lawfully demands possession of the property.
- 12.2 The lessor can enter and take possession of the property or demand possession of the property if –
- 12.2.1 the lessee has repudiated this lease; or
 - 12.2.2 rent or any other money due under this lease is 14 days overdue for payment; or
 - 12.2.3 the lessee has failed to comply with a lessor's notice under section 129 of the *Conveyancing Act 1919*; or
 - 12.2.4 the lessee has not complied with any term of this lease where a lessor's notice is not required under section 129 of the *Conveyancing Act 1919* and the lessor has given at least 14 days written notice of the lessor's intention to end this lease.
- 12.3 When this lease ends, unless the lessee becomes a lessee of the property under a new lease the lessee must –
- 12.3.1 return the property to the lessor in the state and condition that this lease requires the lessee to keep it in; and
 - 12.3.2 have removed any goods and anything that the lessee fixed to the property and have made good any damage caused by the removal.
- Anything not removed becomes the property of the lessor who can keep it or remove and dispose of it and charge to the lessee the cost of removal, making good and disposal.
- 12.4 If the lessor allows the lessee to continue to occupy the property after the end of the lease period (other than under a new lease) then –
- 12.4.1 the lessee becomes a monthly lessee and must go on paying the same rent and other money in the same way that the lessee had to do under this lease just before the lease period ended (apportioned and payable monthly);
 - 12.4.2 the monthly tenancy will be on the same terms as this lease, except for –
 - clause 4;
 - clauses 5.4 to 5.21 inclusive; and
 - clause 6.2 unless consent has previously been given;
 - 12.4.3 either the lessor or the lessee can end the monthly tenancy by giving, at any time, 1 month written notice to the other expiring on any date; and
 - 12.4.4 anything that the lessee must do by the end of this lease must be done by the end of the monthly tenancy.
- 12.5 Essential terms of this lease include –
- 12.5.1 the obligation to pay rent not later than 14 days after the due date for payment of each periodic instalment (and this obligation stays essential even if the lessor, from time to time, accepted late payment);
 - 12.5.2 the obligations of the lessee in clause 5.1.2 (dealing with outgoing);
 - 12.5.3 the obligations of the lessee in clause 6.1 (dealing with use);
 - 12.5.4 the obligations of the lessee in clause 7 (dealing with repairs);
 - 12.5.5 the obligations of the lessee in clause 10 (dealing with transfer and sub-lease); and
 - 12.5.6 the obligations of the lessee in clause 15 (dealing with GST).

- 12.6 If there is a breach of an essential term the lessor can recover damages for losses over the entire period of this lease but must do every reasonable thing to mitigate those losses and try to lease the property to another lessee on reasonable terms.
- 12.7 The lessor can recover damages even if—
- 12.7.1 the lessor accepts the lessee's repudiation of this lease; or
 - 12.7.2 the lessor ends this lease by entering and taking possession of any part of the property or by demanding possession of the property; or
 - 12.7.3 the lessee abandons possession of the property; or
 - 12.7.4 a surrender of this lease occurs.

CLAUSE 13 GUARANTEE

What are the obligations of a guarantor?

- 13.1 This clause applies if a guarantor of the lessee is named in item 10A in the schedule and has signed or executed this lease or, if this lease is a renewal of an earlier lease, the earlier lease.
- 13.2 The guarantor guarantees to the lessor the performance by the lessee of all the lessee's obligations (including any obligation to pay rent, outgoings or damages) under this lease, under every extension of it or under any renewal of it or under any tenancy and including obligations that are later changed or created.
- 13.3 If the lessee does not pay any money due under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must pay that money to the lessor on demand even if the lessor has not tried to recover payment from the lessee.
- 13.4 If the lessee does not perform any of the lessee's obligations under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantor must compensate the lessor even if the lessor has not tried to recover compensation from the lessee.
- 13.5 If the lessee is insolvent and this lease or any extension or renewal of it is disclaimed the guarantor is liable to the lessor for any damage suffered by the lessor because of the disclaimer. The lessor can recover damages for losses over the entire period of this lease or any extension or renewal but must do every reasonable thing to mitigate those losses and try to lease the property to another lessee on reasonable terms.
- 13.6 Even if the lessor gives the lessee extra time to comply with an obligation under this lease, under any extension of it or under any renewal of it or under any tenancy, or does not insist on strict compliance with the terms of this lease or any extension of it or renewal of it or of any tenancy, the guarantor's obligations are not affected.
- 13.7 If an amount is stated in item 10B in the schedule the guarantor's liability under this clause is limited to that amount.
- 13.8 The terms of this guarantee apply even if this lease is not registered, even if any obligation of the lessee is only an equitable one, and even if this lease is extended by legislation.

CLAUSE 14 EXCLUSIONS, NOTICES AND SPECIAL CLAUSES

- 14.1 No covenant or power is implied in this lease by section 84 or 85 of the *Conveyancing Act 1919*.
- 14.2 A document under or relating to this lease is—
- 14.2.1 served if it is served in any manner provided in section 170 of the *Conveyancing Act 1919*; and
 - 14.2.2 served on the lessee if it is left at the property.
- 14.3 This lease is subject to any legislation that cannot be excluded (for example, the *Retail Leases Act 1994*).
- 14.4 In this lease, 'retail shop' means premises to which the *Retail Leases Act 1994* applies.
- 14.5 In this lease 'Director General' has the same meaning as in the *Retail Leases Act 1994*.

CLAUSE 15 GOODS AND SERVICES TAX

Unless item 13B in the schedule has been completed in a way that indicates that this clause is not to apply:

- 15.1 As consideration in whole or in part for a taxable supply the person receiving the supply must pay to the party making the supply an additional amount equal to the amount of GST payable on the supply.
- 15.2 To the extent that the lessee is required to reimburse the lessor in whole or in part for outgoings incurred by the lessor, for the purposes of this lease the amount of the outgoings must be reduced by the amount of any credit or refund of GST to which the lessor is entitled as a result of incurring outgoings.
- 15.3 Outgoings in item 14B in the schedule are to be calculated after deducting any input tax credit to which the lessor is entitled.
- 15.4 For the purposes of this lease GST means a tax in the nature of a supply of goods and services tax levied or imposed by the Commonwealth of Australia.

CLAUSE 16 BANK GUARANTEE

- 16.1 If a number of months appears in item 19 in the schedule, clauses 16.2 to 16.5 apply.
- 16.2 On or before the commencement date of this lease the lessee will deliver to the lessor a guarantee by a bank trading in the State of New South Wales in the form of an unconditional and irrevocable undertaking to pay drawn in favour of the lessor (unlimited as to time) in a form acceptable to the lessor and for an amount equivalent to the number of months referred to in item 19 in the schedule.
- 16.3 The lessor is entitled to claim under the guarantee an amount equal to any moneys due but unpaid by the lessee to the lessor under this lease.
- 16.4 The lessee agrees to vary the amount of the guarantee immediately upon each rent review so that the amount at all times represents the equivalent of the number of months referred to in the schedule.
- 16.5 The lessor will deliver the guarantee (or so much of it as is then held by the lessor) to the lessee on the last of:
 - 16.5.1 the terminating date of this lease;
 - 16.5.2 the expiry date of any holding over under this lease; and
 - 16.5.3 the date that the lessee has no further obligations under this lease or at law.

CLAUSE 17 SECURITY DEPOSIT

- 17.1 If an amount or a number of months appears in item 20 in the schedule, clauses 17.2 to 17.6 apply.
- 17.2 On or before the commencement date of this lease the lessee will deliver the security deposit to the lessor.
- 17.3 The lessor is entitled to deduct from the security deposit an amount equal to any monies due but unpaid by the lessee to the lessor under this lease.
- 17.4 Where the property is a retail shop, the security deposit will be held in accordance with Section 16C of the *Retail Leases Act 1994*. The lessee will not make an application to the Director General seeking the return of the security deposit (or so much of it as is then held by the Director General) until the later of:
 - 17.4.1 the terminating date of this lease;
 - 17.4.2 the expiry date of any holding over under this lease; and
 - 17.4.3 the date that the lessee has no further obligations under this lease or at law.
- 17.5 Where the property is other than a retail shop the security deposit (or so much of it as is then held by the lessor) will be returned to the lessee on the later of the dates as specified in clause 17.4.
- 17.6 The lessee agrees to vary the amount of the security deposit immediately upon each rent review so that it represents the equivalent of the number of months referred to in the schedule.

CLAUSE 18 STRATA CONVERSION

- 18.1 "Owners corporation", "owner", "strata scheme", "lot" and "parcel" where used in this lease have the meanings given under the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973*.

18.2 "Strata Acts" means the *Strata Schemes Management Act 1996* and the *Strata Schemes (Freehold Development) Act 1973*, and includes any amending Acts, rules, regulations, ordinances, by-laws, statutory instruments, orders or notices now or hereafter made under those Acts.

18.3 "Strata conversion" means a subdivision of the property under the *Strata Schemes (Freehold Development) Act 1973* or the *Community Land Development Act 1989* or the *Community Land Management Act 1989* or other legislation permitting such subdivision.

18.4 Strata Titles

18.4.1 Lessee consents to registration of strata plan

18.4.1.1 By its entry into this lease the lessee acknowledges that the lessor can register a strata plan, a strata schemes plan, a strata plan of subdivision, a strata plan of consolidation or a building alteration plan insofar as any of these may relate to the property, the Building or the land. The lessor will provide the lessee with copies of the proposed strata plan and associated documentation for the lessee's approval, which approval will not be unreasonably withheld.

18.4.1.2 Provided the lessee consents to the strata conversion as per clause 18.4.1.1 then within 7 days of written request by the lessor the lessee will sign and return to the lessor any consents or other documents necessary to enable the lessor to carry out the strata conversion and will make no objection or claim for compensation in relation to the strata conversion.

18.4.2 Compliance with the Strata Acts and by-laws:

18.4.2.1 **(Covenant):** The lessee and any and all persons acting by, through or under it or with its authority express or implied shall comply with so many of the provisions of the Strata Acts and the by-laws and all lawful orders, motions and directives under the Strata Acts as may be applicable to the exercise of the lessee's rights and obligations under the provisions elsewhere contained in this lease.

18.4.2.2 **Not to prejudice interests of owners corporation.** Without the prior written consent of the owners corporation, the lessee shall not do any act, matter or thing under the exercise of its rights and obligations elsewhere contained in this lease or permit or allow any act, matter or thing to be done which shall or may:

- increase the rate of premium payable by the owners corporation under any policy of insurance taken out by the owners corporation; or
- invalidate, avoid or suspend the operation of any such policy of insurance or otherwise prejudice the owners corporation rights under any such policy.

18.4.2.3 Upon the occurrence of any of the matters previously referred to the lessee shall:

- pay to the lessor or such other person responsible for payment any amounts payable to the owners corporation as a consequence of any such matters;
- pay to the lessor for and on behalf of the owners corporation any amounts payable by the owners corporation as a consequence of any such matters and not the subject of clause 18.4.2.2; and
- pay to the lessor for and on behalf of the owners corporation the amount of any and all losses and damages arising from the occurrence of any such matters.

18.4.2.4 **(Indemnity):** The lessee shall indemnify the lessor for any loss or damage suffered by the lessor if the lessee or the lessee's employees fail to comply with the obligations as to conduct imposed upon the lessee or the lessee's employees by this lease or by reason of the Strata Acts.

18.4.3 If the strata conversion occurs:

18.4.3.1 any reference in this lease will be deemed to be a reference to the buildings comprised in the registered plan or plans of which the property forms part;

18.4.3.2 any levies or other monies payable to the owners corporation will be payable by the lessee with the exception of any contribution to a sinking fund or special levy; and

18.4.3.3 this lease will be deemed to be amended in any respect that is necessary to ensure that this lease reflects that the strata conversion has been carried out.

IMPORTANT NOTES

The following notes are for guidance and do not form part of this lease.

If you are a lessor, a solicitor will prepare this lease for you.

If you are a lessee, a solicitor can advise you about it.

1. This document creates legal rights and legal obligations.
2. Failure to register a lease can have serious consequences.
3. If an option for renewal is not exercised at the right time it will be lost.
4. The lessee can exercise an option for renewal even if there has been a breach of this lease in a case where section 133E of the *Conveyancing Act 1919* applies. The lessor must give a prescribed notice within 14 days after the option is exercised if the lessor wants to rely on the breach to prevent the exercise of the option.
5. The Law Society of New South Wales is not to be responsible for any loss resulting from the use of this lease as printed whether authorised or not.

.....

.....

I certify that this and the preceding twelve pages are in exactly the same wording as Annexure B of the copyright Law Society Lease.

.....
 Solicitor for the lessor

MUDGEE RIVERSIDE CARAVAN PARK
SCHEDULE OF COUNCIL OWNED ASSETS

1. Manager's cottage and attached kiosk
2. Concrete garage
3. Concrete storage shed
4. Amenities building comprising of
 - (1) Male brick toilet block
 - (2) Female brick toilet block
 - (3) Laundry & amenities section serving short term sites
5. 5 Overhead lights (Only one is working. They need to be replaced or repaired).
6. Park roadways and surfaces
7. Sewerage, drainage and electricity surfaces
8. 6 Fire fighting hose reels
9. Children's playground equipment
10. 2 Brick BBQ stations
11. Eastern side and rear fencing. Western side fencing damaged and irreparable
12. Camp kitchen

AVONBELL PTY LTD. T/A

Mudgee Riverside Caravan Park.A.B.N. 47 002 389 46002 6372253122 Short St.Mudgee N.S.W2850

Mid Western Regional Council

Market St, Mudgee 2850

RE Riverside Caravan and Tourist Park

27/11/2013

Attention General Manager and Mayor**Re : Changes to the conditions attached to the existing lease**

Dear Warwick, Mayor Kennedy and all Councillors'

As per discussions with Warwick now that the rental amount has been agreed to, I would like to suggest a change to the conditions attached to the lease at Riverside Caravan Park instead of the work descriptions being set in place I suggest a fixed minimum expenditure sum be put in place as a replacement clause.

The monetary value suggested is \$15000.00 per annum and this amount could be easily audited through a spreadsheet and copy of invoice system on an annual basis say as at the anniversary date of the lease. Any monies spent over the \$15000 P/A could be adjusted in the following year as some works that are required are of a higher value than \$15000 and although some works can be completed in stages that would not always be the case.

Works to be included in the framework but not limited to of capital works would include drainage works, electrical works, amenities refurbishment s and road repairs, but also should include any major repairs or maintenance bills that would be capped at say a minimum of a \$2000 per job, examples of this are a major water leak adjacent to the water meter that probably should be deemed a capital expense due to the high cost of this repair that we have just had completed and some preliminary drainage works to establish the design of a stormwater drainage system to alleviate flooding in the main area of the park after only small thunder storms.

I think it is in the interest of both ourselves and Mid Western Regional council to simplify this lease as we seem to have been going over the same ground now for a couple of years with no decisions or results regarding the

day to day problems of an old caravan park that requires works in a lot of different areas to keep its present reputation and good name in place.

Last but not least I must ask the council if there is any possibility of an extension in the term of the lease to allow us some form of security and to progress with the upgrading of both sides of our business I.E. Tourism and our long term residents both by way of park infrastructure and upgrading of cabins and long term residents accommodation.

Yours Faithfully

Ian and Lynn Mitchell (Avonbell Pty Ltd)

A handwritten signature in black ink, appearing to be a stylized 'I' and 'M' combined, located below the typed name.

Vol 13962 *Lot 1 DP 25670*
Folio 133 *Lot 4 DP Sect 25A DP 758721*
 Lot 5 Sect 25A DP 758721

THIS DEED OF ASSIGNMENT made the day of 2010

BETWEEN: CAFABLE PTY LIMITED (ACN 002 615 778) of 1 Market Street,
 Mudgee (herein called "the Assignor") of the first part

AND: RUSSELL JOHN CROAKE AND LORETTO ANNE CROAKE
 of 1 Market Street, Mudgee (herein called the "outgoing Guarantors")
 of the second part

AND: MID-WESTERN REGIONAL COUNCIL of 86 Market Street,
 Mudgee (herein called "the Lessor") of the third part

AND: AVONBELL PTY LTD (ACN 002 389 460) of 71 Cox Street,
 Mudgee (herein called "the Assignee") of the fourth part

AND: IAN MITCHELL AND LYNN MITCHELL of 71 Cox Street,
 Mudgee (herein called "the Guarantors") of the fifth part

RECITALS

- A. By Lease dated 27 September 2008 Registered Number AF46278 between the Lessor and the Assignor (a copy of which Lease is attached and is herein called "the Lease") the Lessor leased to the Assignor property known as Mudgee Riverside Caravan Park (herein called "the Caravan Park").
- B. The Assignor has agreed to assign the Lease to the Assignee effective from the date of this Deed.
- C. The Lessor acknowledges that there are no subsisting breaches by the Assignor of the covenants of the Lease as at the date of this Deed and that the Lessor has agreed to consent to this Assignment subject to the terms of this Deed.
- D. In consideration of the Lessor consenting to the assignment of the Lease, the Guarantors have agreed to guarantee to the Lessor the performance of the Assignee as Lessee under the Lease as is acknowledged by their execution of this Deed.

OPERATIVE PART

1. In consideration of the sum of One million two hundred thousand dollars (\$1,200,000.00) which is the same consideration as stated in Contract for Sale of Business between the Assignor and the Assignee relating to the Caravan Park paid by the Assignee to the Assignor the Assignor agrees to assign to the Assignee the Assignor's right title and interest in the Lease for the unexpired term of the Lease to be effective from the date of this Deed in accordance with the terms of this Deed and the separate Transfer of Lease to be executed by the Assignor and the Assignee.

2. The Assignee covenants with the Lessor to pay rent and to observe the Lessee's obligations under the Lease from the date of this Deed for the balance of the term of the Lease and during any variation or extension of the term of the Lease and any option term of the Lease.
3. The Lessor consents to the Assignment of the Lease effective from the date of this Deed and acknowledges to the Assignee that up to the date of this Deed:
 - (a) the Assignor has observed the obligations and covenants under the Lease as lessee; and
 - (b) no event has occurred nor is there any past or subsisting breach by the Assignor of any Lease covenants or obligations which would entitle the Lessor to terminate the Lease.
4. The assignment of the Lease will take effect from the date of this Deed and the Assignor will deliver possession of the Caravan Park to the Assignee on that date and will pay all rent and other monies payable under the Lease and comply with its other obligations under the Lease up to the date of this Deed.
5.
 - (a) The Lessor released and discharges the Assignor and the Outgoing Guarantors and each of them from and against all of their respective obligations under the Lease that arise after the date of this Deed provided that nothing in this clause or this Deed will release or discharge the Assignor or the Outgoing Guarantors from their respective obligations under the Lease in respect of or in relation to any act or omission for which the Lessee under the Lease is responsible that occurred on or before the date of this Deed.
 - (b) The Lessor acknowledges to the Assignee and the Guarantors that they will not be liable for any act or omission for which the Lessee under the Lease is responsible that occurred on or before the date of this Deed.
6. The Guarantors covenant to the Lessor that from the date of this Deed, they will be liable jointly and severally as Guarantors under the Lease as if they had been named as the guarantors in the Lease and had executed the Lease as guarantors and further acknowledge that they will be named as guarantors in any further Lease of the Caravan Park in which the Assignee is named as the Lessee and will execute such further Lease as guarantors.
7. The Assignor and the Assignee will pay their own legal costs and disbursements of and incidental to this Deed and the Transfer of Lease. The Assignor will pay the reasonable legal costs and disbursements of the Lessor.
8. This Deed may be executed by the respective parties in separate counterparts. Counterparts taken together will be taken to constitute this one Deed.

EXECUTED AS A DEED

SIGNED for and on behalf of)
CAFABLE PTY LIMITED)
by its authorised officers whose signatures)
appear below:

.....
Signature of authorised person

Russell John Croake
Director

.....
Signature of authorised person

Gregory James Croake
Director

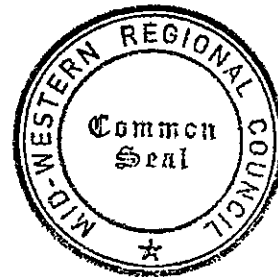
SIGNED SEALED AND DELIVERED by)
RUSSELL JOHN CROAKE and)
LORETTO ANNE CROAKE as Outgoing)
Guarantors in the presence of:)

.....
.....
.....

.....
Signature of Witness

CHRISTOPHER JAMES CONNELLAN
.....
Name of Witness

THE COMMON SEAL OF)
MID WESTERN REGIONAL)
COUNCIL WAS AFFIXED IN) CS
ACCORDANCE WITH A)
RESOLUTION OF COUNCIL)
IN THE PRESENCE OF THE)
FOLLOWING AUTHORISED)
OFFICERS)



.....
Signature of Authorised Officer

DESMOND KENNEDY
.....
Name of Authorised Officer


.....
Signature of Authorised Officer

MARNICK L. BENNETT
.....
Name of Authorised Officer

MAYOR
.....
Office held

GENERAL MANAGER
.....
Office held

SIGNED for and on behalf of)
AVONBELL PTY LIMITED)
by its authorised officers whose signatures)
appear below:


.....
Signature of authorised person

IAN MITCHELL
.....
Name of authorised person

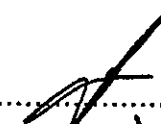
D. LEITCH
.....
Office held

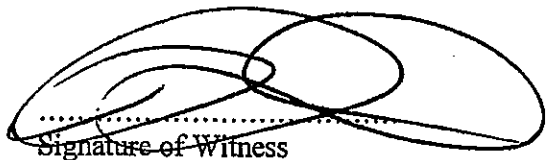
P. Mitchell
.....
Signature of authorised person

LYNN MITCHELL
.....
Name of authorised person

Director
.....
Office held

SIGNED, SEALED AND DELIVERED)
by **IAN MITCHELL AND**)
LYNN MITCHELL as)
Guarantors in the presence of:)


.....
P. Mitchell
.....


.....
Signature of Witness

.....
Name of Witness

Frederick John Smith
Solicitor
62 Market Street Mudgee 2850

LEASE
New South Wales
Real Property Act 1900

Leave this space clear. Affix additional pages to the top left-hand corner.

PRIVACY NOTE: this information is legally required and will become part of the public record

STAMP DUTY

Office of State Revenue use only

(A) TORRENS TITLE

Property leased: if appropriate, specify the part or premises Folio Identifiers 1/256730, 4/25A/758721 and 5/25A/758721
--

(B) LODGED BY

Delivery Box	Name, Address or DX and Telephone Reference:	CODE L
--------------	---	-----------

(C) LESSOR

MID WESTERN REGIONAL COUNCIL

acc
acc

at the request of Russell John Croake and Loretto Anne Croake
The lessor leases to the lessee/the property referred to above. ('the Guarantors')

(D)

Encumbrances (if applicable):

(E) LESSEE

CAPABLE PTY LIMITED (ACN 002 615 778)
TENANCY:

(F)

- (G) 1. TERM: 5 YEARS
2. COMMENCING DATE: 27 September 2008
3. TERMINATING DATE: 26 September 2013
4. With an *acc* *acc* ^{NO} _S OPTION TO RENEW for a period of FIVE (5) YEARS each set out in clause 2 (e) of Annexure A
5. With an OPTION TO PURCHASE set out in clause N.A. of
6. Together with and reserving the RIGHTS set out in clause 5 of Annexure A
7. Incorporates the provisions set out in ANNEXURE A & B hereto.
8. Incorporates the provisions set out in MEMORANDUM filed at Land and Property Information New South Wales as No.
9. The RENT is set out in clause No. 1 (a) of Annexure "A"

All handwriting must be in block capitals.

DATE

(H)

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Corporation: MID WESTERN REGIONAL COUNCIL

Authority: Clause 400 Local Government General Regulation

Signature of authorised person: >

Signature of authorised person: >

Name of authorised person: >

Name of authorised person: >

Office held: >

Office held: >

Certified correct for the purposes of the Real Property Act 1900 and executed on behalf of the corporation named below by the authorised person(s) whose signature(s) appear(s) below pursuant to the authority specified.

Corporation: CAFABLE PTY LIMITED

Authority: section 127 of the Corporations Act 2001

Signature of authorised person: >

Signature of authorised person: >

Name of authorised person: >

Name of authorised person: >

Office held: >

Office held: >

RUSSELL JOHN CROAKE
DIRECTOR

L.A. Croake
LORETTO ANNE CROAKE
SECRETARY

(I) STATUTORY DECLARATION

I,

solemnly and sincerely declare that—

1. The time for the exercise of option to _____ in expired lease No. _____ has ended;
2. The lessee under that lease has not exercised the option

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1900.

Made and subscribed at _____ in the State of New South Wales

on _____

in the presence of—

Signature of witness:

Signature of lessor:

Name of witness:

Address of witness:

Qualification of witness:

This is the Annexure A referred to in lease between MID WESTERN REGIONAL COUNCIL as Lessor and CAFABLE PTY LIMITED as Lessee consisting of 17 pages and numbered 3 to 20.

1. The Lessee hereby covenants with the Lessor as follows:
 - (a) To duly and punctually pay during the term to the Lessor the rent set forth in Item 1 of the Reference Schedule on the days and in the manner set out in Item 2 of the Reference Schedule or as the Lessor may direct.
 - (b) To the full effect of the covenants next hereinafter shortly noted as the same are set forth in words at length in the second column of Part 2 of the Fourth Schedule to the Conveyancing Act, 1919.
 1. That the Lessee covenants with the Lessor to pay rent.
 2. Provided that in the event of war damage or damage by fire, lightning, flood or tempest rent and any outgoings payable by the Lessee shall abate until the premises are restored.
 4. And to maintain and to leave the premises in good repair (having regard to their condition at the commencement of the Lease) reasonable wear and tear, flood and tempest excepted.
 6. And that the Lessor may enter and view state of repair and that the Lessee will repair according to notice in writing and that in default the Lessor may repair.
 7. And that the Lessor may enter and carry out requirements of Public Authorities and repair under the Lease.
 16. And will not assign or sub-let without leave; no fine to be taken.
 17. That the Lessee will not carry on any offensive trade.
 - (c) That the Lessee will indemnify and save harmless the Lessor from and against all damages sums of money, costs, charges, expenses, actions, claims and demands which may be suffered or sustained or recovered or made against the Lessor by any person for any loss or damage sustained by such person through water or any other liquid or matter entering upon or flooding the premises whether as a result of natural forces or otherwise wilful or deliberate or intentional actions by the Lessor its servants or employees causing such loss or damage excepted.
 - (d) To not carry on or permit to be carried on the premises any business during the continuance of this lease other than the business stipulated in Item 4 of the Reference Schedule without the prior written consent of the Lessor.
 - (e) That;
 - (i) The Lessee will effect and maintain in the name of the Lessee and the Lessor in respect of the premises a Public Risk Policy at all times during the continuance of this Lease at a sum not less than the amount stipulated in Item 3 of the Reference Schedule.

- (ii) The Lessee will insure for their respective rights and interests in the joint names of the Lessor and the Lessee and in such amount (not being less than the full insurable value) and against such risk as the Lessor may reasonably require all plate glass window frames and surrounding tiles, doors and display show cases upon the premises.
- (iii) The Lessee will not at any time during the continuance of this Lease do permit or suffer to be done any act matter or thing upon the premises whereby any insurance in respect thereof may be vitiated or rendered void or voidable or (except with the approval in writing of the Lessor) whereby the rate of premium on any insurance shall be liable to be increased.
- (iv) Without prejudice to the generality of the preceding sub-clause the Lessee will not (other than in accordance with the specified use of the premises approved by the Lessor) store chemicals, inflammable liquids, acetylene, gas or alcohol, volatile or explosive oils, compounds or substances upon the premises and will not use any of such substances or liquids in the premises for any purpose.
- (v) The Lessee will in respect of any policy of insurance to be effected by the Lessee hereunder if so required by the Lessor forthwith produce to the Lessor evidence of the insurance effected.
- (f) That the Lessee will at or before the commencement of this Lease open an account in the name of the Lessee with an authorised telephone operator and with the appropriate Gas and/or Electricity authority serving the premises and will punctually pay all gas, electricity and telephone accounts and other charges and rentals incidental thereto and pay all water and garbage charges relating to the Lessee's use of the demised premises.
- (g) That the Lessee will not bring install or use or suffer to be brought upon the premises without the consent of the Lessor first had and obtained any plant or machinery which causes or may cause undue noise, vibration or nuisance.
- (h) That apart from structural repairs and having regard to the state of repair of the premises at the commencement hereof the Lessee will well and faithfully repair, maintain, empty, cleanse, amend, clear and keep in good and substantial repair and working order the premises and without limiting the generality thereof in particular all windows, doors, closets, toilets, basins, locks, keys, machinery and all pipes and water apparatus thereon or attached thereto and will regularly dispose of all garbage and rubbish from the premises and will do all things necessary for the purpose of keeping the premises including the roadways, lawns, gardens and power facilities in good and substantial repair and condition.
- (i) The Lessee shall forthwith upon the happening thereof give to the Lessor notice in writing of any accident to or defect in gas pipes, water pipes, lights or

R.A. Crook

electrical or other fittings used in connection with the gas, water or electrical services.

- (j) That the Lessee, its servants, employees, contractors and invitees will not at any time during the continuance of this Lease place or throw in any cistern or sinks in the premises anything which might choke or clog or tend to choke or clog pipes leading from such cistern or sinks and in the event of the Lessee, its servants, employees, contractors or invitees causing any such clog or chokage the Lessee will immediately make good to the Lessor all damage cost and expense caused or occasioned by such clog or chokage.
- (k) The Lessee will indemnify and save harmless the Lessor from all loss destruction or damage to the premises or to any motor vehicle, merchandise, machinery, stock, fittings or other things in or upon or about the premises and from any claims, demands, actions, suits, proceedings, orders, judgments, costs and accounts whatsoever made, brought or recovered against the Lessor arising out of any such loss, destruction or damage howsoever caused wilful or deliberate or intentional actions of the Lessor, its servants or employees excepted.
- (l) The Lessee will not make any claim or bring any suit, action or other proceedings against the Lessor with respect to any loss, destruction or damage to any motor vehicle, merchandise, machinery, stock, fittings or other things in, upon or about the premises howsoever arising provided always that such loss, destruction or damage is not caused by any wilful, deliberate or intentional actions of the Lessor its servants or employees.
- (m) That the Lessee will indemnify and save harmless the Lessor from and against all claims, demands, actions, suits, proceedings, orders, judgments, costs and accounts whatsoever which may be made, brought or recovered against the Lessor by any person for any injury or damage to property such person may sustain when using entering leaving or nearing any portion of the premises howsoever arising and whether or not the thing or state of affairs giving rise to such injury or damage has arisen as a result of any defect in the premises existing at the commencement of the said term or whether or not the existence of such thing or state of affairs was or ought to have been known to the Lessor.
- (n) That the Lessee shall observe and perform at its own expense save as hereinafter provided the provisions of any Act, regulation rule ordinance or by-law for the time being applicable in any way to the premises arising from the nature of the business therein conducted by the Lessee or otherwise from the Lessee's occupation of such premises and in particular without affecting the generality of the foregoing shall so observe and perform the provisions of the Factories and Shops Act, the Public Health Act, the Local Government Act, the Environmental Planning and Assessment Act, the Occupation Health and Safety Act and any Act or Acts replacing any of the said Acts and any regulations, rules, ordinances or by-laws for the time being in operation under any such Act as aforesaid Provided however that should any alterations

additions repairs remodelling of or rebuilding or reinstating of the premises be required or become necessary by virtue of any Act regulation rule ordinance or by law now or hereafter to be in force necessitated by reason of the class of business carried on by the Lessee on the premises or in the event that the lessor and the lessee agree in writing to the lessor carrying out improvements to the premises (all hereinafter respectively called "the works") then the works will be carried out by the Lessor at its expense and the annual rent reserved hereunder shall be increased by an amount equal to

$$C \times (1 + 3.5\%)$$

where C equals the total cost to the Lessor of the works and 1 equals the Key National Indicators Financial Markets 90 day Bank Bills Original (a) rate or such other base reference rate then being charged by the Lessor's principal financier on loans to the Lessor for capital works or if for whatever reason such rate ceases to exist or cannot be ascertained then 1 equals 10%.

The rent reserved hereunder shall be increased effective from the next monthly instalment date after the date of completion of the works and the appropriate increase in the monthly instalment shall be made accordingly.

For the purposes of this clause the certificate of the General Manager or other Executive Officer for the time being of the Lessor shall be conclusive as to the following:

1. C
 2. 1 applicable at the date of completion of the works.
 3. The date of completion of the works.
- (o) That the Lessee shall not make any additions or alterations to the premises or drive nails into or in any way damage or deface any ceilings walls partitions floors wood stone or ironwork of the premises without the consent of the Lessor first had and obtained and provided further that in the event of such consent being given any alterations or additions or any other work pursuant to such consent shall be done and carried out where the Lessor deems it necessary under the supervision and to the satisfaction of the Lessor's Architect whose fees and charges shall be borne by the Lessee.
- (p) That if during the said term the Lessee shall make any alteration or addition to the premises with or without the consent of the Lessor or will carry out any other work in breach of the last preceding covenant the Lessee shall upon demand by the Lessor reinstate and restore the premises to the state or condition thereof prior to such alterations or additions or other work as aforesaid.

- (q) That the Lessee shall not erect any advertising sign on or near to the premises without the consent of the Lessor first had and obtained.
- (r) That at the expiration or sooner determination of this Lease the Lessee shall deliver up possession of the premises to the Lessor in as good condition and state of repair as the premises were in upon delivery of possession thereof reasonable wear and tear, war damage and damage by fire, lightning, flood, earthquake and tempest excepted and shall surrender all keys for the premises to the Lessor at the place then fixed for the payment of rent. The Lessee shall paint out or otherwise remove to the satisfaction of the Lessor all signs and remove all tenant's fixtures save as herein otherwise provided before delivering up possession of the premises to the Lessor and shall repair any damage to the premises caused by such removal.
- (s) That the Lessee shall pay on demand all the Lessor's proper legal and other costs charges and expenses of and incidental to the negotiations for and the preparation completion and registering of this Lease, any assignments sub-letting surrender or termination (otherwise than by the effluxion of time) thereof and in the case of default by the Lessee in observing or performing any of the covenants by the Lessee in this Lease contained or implied and the Lessee shall pay to the Lessor all proper legal and other costs charges and expenses for which the Lessor shall become liable in consequence of or in connection with such default.
- (t) That the Lessee shall not carry on or permit or cause to be carried on or be party or privy to any sale or sales by auction on the premises or any part thereof.
- (u) That default by the Lessee in the observance and/or performance of the terms and conditions of this Lease shall entitle the Lessor to exercise its rights hereunder immediately and all outstanding rents and other moneys hereinbefore provided for shall thereupon become due and payable.
- (v) That should any infectious or contagious illness occur in or about the premises during the said term the Lessee shall thoroughly fumigate and disinfect the premises at the Lessee's own expense to the satisfaction of the Lessor's Health Inspector and shall give prompt notice in writing to the Lessor of the occurrence of every such illness.
- (w) The Lessee will during the term of this Lease carry on and conduct upon the premises in a proper orderly and business-like manner the business of a caravan park to be known as the Mudgee Riverside Caravan Park or such other name as may be approved by the Lessor and the Lessee shall keep the premises open for the purpose of such business continuously so far as is practicable on the days and during the hours from time to time set out in the rules and regulations prescribed by the Lessor in respect of the premises.

(x) The Lessee shall comply and shall procure the compliance of its servants employees contractors and invitees with the rules and regulations of the Lessor from time to time in respect of the premises and the Lessor reserves the right at any time or from time to time to amend cancel or suspend all or any of the rules and regulations either in lieu of or in addition to any rules and regulations existing at any time as in the judgment of the Lessor may from time to time be required for the management safety care or cleanliness of the premises or for the preservation of good order or for the convenience of the Lessee and all such amendments and additions shall bind the Lessee when notice thereof shall have been given to the Lessee in writing by the Lessor.

(y) The Lessee shall during the continuance of this Lease pay all Council rates in respect of the premises including sewerage and water rates and charges all water consumption charges and all garbage removal charges within the time stipulated for payment of such rates and charges.

In respect of part of any year such rates and charges shall be apportioned on a daily basis to determine the Lessee's liability under this clause.

(z) The Lessee shall carry on business under the name of Mudgee Riverside Caravan Park or such other name as may be approved by the Lessor and shall upon the expiry or sooner determination of this Lease or on the expiry of the last option term as applicable transfer such business name to the Lessor without consideration.

2. The Lessor hereby covenants with the Lessee as follows:

(a) That the Lessee paying the rent hereby reserved and observing and performing the several covenants and stipulations herein on the part of the Lessee contained or implied shall peacefully hold and enjoy the premises during continuance of this Lease term without any interruption or disturbance by the Lessor or any person lawfully claiming by from or under the Lessor.

(b) To comply with and satisfy at the expense of the Lessor all notices and orders which may be issued or served by any governmental and semi governmental, municipal, health, licensing or any other authority under any legislation by-law or regulation in respect of the premises other than those notices or orders which are the responsibility of the Lessee under this lease.

(c) To respect the Lessee's right to privacy.

(d) That the Lessee may at or prior to the expiration of the term, take, remove, and carry away from the premises all fixtures, fittings, plant, machinery, utensils, shelving, counters, safes, or other articles upon the premises in the nature of trade or tenants' fixtures brought upon the premises by the Lessee or by any prior lessee, but the Lessee shall in such removal do no damage to the premises, or shall forthwith make good any damage which it may occasion thereto.

- (e) That if the lessee shall pay all rents and other moneys payable hereunder on the due dates and otherwise perform all the covenants terms and conditions of this Lease including without effecting the generality the Lessee's obligations under Clause 4 the Lessee shall upon giving written notice to the Lessor not later than three (3) months prior to the expiration of the term hereof of intention to exercise the option for a new Lease herein contained be entitled to a new Lease for the period stipulated in Item 6 of the Reference Schedule to commence upon the expiration of the term hereof at the rent stipulated in Item 7 of the Reference Schedule subject to the same covenants, agreements and provisions as are contained herein save that appropriate amendment will be made to items 1, 3 and 6 of the Reference Schedule, item 5 of the Reference Schedule will be amended to provide for CPI review of the rent in accordance with the formula in item 5(b) on each anniversary of the commencement of the Lease Clause 4 will be amended as appropriate and this Clause 2(e) will read as follows:

"That if the lessee shall pay all rents and other moneys payable hereunder on the due dates and otherwise perform all the covenants terms and conditions of this Lease the Lessee shall upon giving written notice to the Lessor not later than three (3) months prior to the expiration of the term hereof of intention to exercise the option for a new Lease herein contained be entitled to a new Lease for the period stipulated in Item 6 of the Reference Schedule to commence upon the expiration of the term hereof at the rent stipulated in Item 7 of the Reference Schedule subject to the same covenants, agreements and provisions as are contained herein save that appropriate amendment will be made to items 1 and 3 of the Reference Schedule and Clause 4 and Item 6 and 7 of that Schedule will be deleted."

3. Provided always and it is hereby expressly agreed and declared between the parties:

- (a) That notwithstanding the provisions hereinbefore contained and particularly clause 1(b) either party shall be entitled to terminate the Lease by notice in writing to the other and without compensation if:
- (i) The premises are resumed or compulsorily acquired by any competent authority or;
 - (ii) The whole or any part of the premises shall be destroyed or damaged by fire, flood, lightning, storm, tempest, earthquake, civil commotion, explosion or other cause so as to render them inaccessible or substantially unfit for the use and occupation of the Lessee or so as to render their rebuilding or reconstruction impracticable or undesirable in the opinion of the lessor provided however that the Lessee shall only be entitled to terminate the Lease pursuant to this clause if the Lessor shall fail after notice in writing to rebuild or reinstate the premises within a reasonable time having regard to the extent of the damage and the work required and provided further that the Lessee shall have no right of termination nor shall it be entitled to claim any abatement of

rent or outgoings if the inaccessibility destruction or damage shall be caused or contributed to by the Lessee its employees, agents, contractors, licensees or invitees.

- (b) That notwithstanding anything herein contained or anything implied in or by the Conveyancing Act, 1919 the power of re-entry conferred by that Act shall be exercisable forthwith and immediately in case the rent hereby reserved or any part thereof is in arrears and unpaid for the space of fourteen (14) days although no formal demand therefor shall have been made or in case default is made in the fulfilment of any covenant condition or stipulation whether expressed or implied in this Lease and on the part of the Lessee to be performed or observed and such default is continued for the space of fourteen (14) days or in case the repairs required by any notice given under the provisions of this instrument are not completed within the time therein specified or in case the interest of the Lessee in this Lease shall be attached or taken in execution or upon any legal process or if the Lessee being a company shall be wound up or shall go into liquidation other than for the purpose of reconstruction or amalgamation or shall enter into any scheme of arrangement for the benefit of creditors or if the Lessee being a natural person shall be made bankrupt or enter into any arrangement with his creditors under any Act relating to bankruptcy then in any such case it shall be lawful for the Lessor or any person or persons duly authorised by the Lessor and notwithstanding that the Lessor may have waived any previous default in the performance by the Lessee of the covenants, conditions and provisions herein contained or any of them to re-enter upon the premises or any part thereof in the name of the whole and thereby to determine the estate of the Lessee and exclude therefrom the Lessee and all or any person or persons claiming under the Lessee and to remove all goods and effects found upon the premises without in any way being taken or deemed to be guilty of any manner of trespass and without being in any manner liable at law or otherwise and released from all and every claim by the Lessee and those claiming under the Lessee for any act matter or thing done or omitted to be done by the Lessor under the powers and authorities hereby conferred or intended so to be but without releasing the Lessee and those claiming under the Lessee from liability in respect of any antecedent breach or non-observance of any of the covenants conditions or stipulations herein contained.
- (c) (i) That in the event of the Lessee holding over after expiration or sooner determination of the term granted by this Lease with the consent of the Lessor the Lessee shall become a monthly tenant only of the Lessor and otherwise on the same terms and conditions mutatis mutandis as those herein contained as far as applicable.
- (ii) That any notice or request made hereunder may be served in the manner mentioned in Section 170 of the Conveyancing Act, 1919.
- (iii) That except to the extent to which such interpretation shall be excluded by or be repugnant to the context the expression "the premises" shall

mean the land and/or any structural improvements thereon as the context permits and the expression "the Lessee" as herein used shall mean and include the Lessee's executors administrators and assigns and where the Lessee is a company shall mean and include the Lessee its successors and permitted assigns and the expression "the Lessor" shall mean and include the owner from time to time of the premises and the expression "person" shall include "corporation" and words importing the masculine gender shall extend to and include the feminine or neuter gender respectively as the case may require and words importing the singular and plural number shall extend to and include the plural and singular number respectively.

- (d) (i) That the Lessor shall be entitled when and as often as the Lessor shall require and without previous notice at all reasonable times of the day by its servants employees or contractors to enter the premises and view the state of repair and condition thereof and make such reasonable investigations as they deem necessary for the purposes of ascertaining whether or not there has been any breach of any of the covenants or conditions herein contained and to serve upon the Lessee a notice in writing of any defect requiring it to repair the same and in accordance with any requirement herein contained provided that such entry and investigation shall be made and carried out without undue interference to the use and occupation of the premises by the Lessee.
- (ii) That in default of the Lessee repairing any defect according to notice the Lessor, its servants, employees and contractors shall be entitled to enter the premises and execute all or any of the required repairs which the Lessor shall think fit and in addition to the Lessor's other remedies to recover from the Lessee the costs of such repairs including all sums paid or payable on account of any insurance indemnities or compensation under the Workers' Compensation Act or otherwise howsoever with respect thereto.
- (e) The rent reserved hereunder shall be reviewed at the times and in the manner set forth in Item 5 of the Reference Schedule. If the reviewed rent has not been calculated prior to the date from which it is to be paid the Lessee shall continue to pay the rent payable immediately prior to the review date and upon the calculation being made the Lessee shall make any necessary adjusting payment.
- (f) If the Consumer Price Index is stipulated as a basis for review of rent in the event that the Commonwealth Statistician shall update the reference base of the Consumer Price Index due conversion shall be made to preserve the intended continuity of calculation by making the appropriate arithmetical adjustment to make the updated Consumer Price Index correspond in reference base to the Consumer Price Index at the relevant date and in the event there is any suspension or discontinuance of the Consumer Price Index or any change in the basis for ascertaining it then a valuer nominated by the President for the

time being of the Australian Institute of Valuers and Land Economists (Inc) NSW Division or its successor body or his or her nominee on application of the Lessor shall determine at the joint cost of the Lessor and Lessee the figure which shall be used in lieu of the Consumer Price Index which would otherwise be applicable and in so doing such valuer will act as an expert and not as an arbitrator.

- (g) Notwithstanding anything herein contained or implied nothing in this Lease shall in any way limit restrict or abrogate the rights powers or obligations of the Lessor under the Local Government Act and Regulation or under any other Act Ordinance or Regulation.
- (h) The Lessor shall have the right upon the termination of this Lease to purchase at its option any of the tenant's fixtures and fittings for a price plus GST to be agreed upon or failing agreement to be determined by a valuer nominated by the President of the Real Estate Institute of New South Wales for the time being or his or her nominee as the fair market value of such fixtures and fittings as at the date of determination of the Lease.
- (i) The Lessee hereby acknowledges that it is fully familiar with the physical condition of the premises and that the Lessor has made no representations of whatsoever nature in connection therewith and the Lessor shall not be liable for any latent or patent defects therein.
- (j) The Lessee hereby acknowledges that it has not in entering into this Lease relied upon any representations made by the Lessor or on its behalf in relation to the financial return in the operation of the premises as a caravan park and further acknowledges that it has satisfied itself in all respects as to such return and the financial viability of the operation of the premises as a caravan park.
- (k) The Lessee shall on or before the signing hereof pay to the Lessor a deposit of Five Thousand Six Hundred Dollars (\$5,600.00) which sum shall be refunded to the Lessee on the termination of this Lease and the vacation of the premises by the Lessee provided that the Lessor shall be entitled to deduct from the said sum or apply the same towards the satisfaction of any amount that may be payable to the Lessor as a result of any breach by the Lessee of any of the terms conditions or covenants of this Lease and provided further that such deduction shall not be deemed to waive the Lessee's breach.
- (l) In any case where the consent of the Lessor is required hereunder such consent shall not be unreasonably withheld.

(m) **GOODS AND SERVICES TAX**

(i) **Interpretation**

Words or expressions used in this clause which are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) or, if not so defined, then which are defined in the *Trade Practices Act 1974* (Cth), have the same meaning in this clause.

(ii) **Consideration is GST exclusive**

Any consideration to be paid or provided for a supply made under or in connection with this Lease, does not include an amount on account of GST.

(iii) **Gross up of consideration**

Despite any other provision in this Lease, if a party ('Supplier') makes a supply under or in connection with this Lease on which GST is imposed

- (a) the consideration payable or to be provided for that supply under this Lease but for the application of this clause ('**GST exclusive consideration**') is increased by, and the recipient of the supply ('**Recipient**') must also pay to the Supplier, an amount equal to the GST payable by the Supplier on that supply; and
- (b) the amount by which the GST exclusive consideration is increased must be paid to the Supplier by the Recipient without set off, deduction or requirement for demand, at the same time as the GST exclusive consideration is payable or to be provided.

(iv) **Reimbursements (net down)**

If a payment to a party under this Lease is a reimbursement or indemnification, calculated by reference to a loss, cost or expense incurred by that party, then the payment will be reduced by the amount of any input tax credit to which that party is entitled for that loss, cost or expense.

That party is assumed to be entitled to a full input tax credit unless it proves, before the date on which the payment must be made, that its entitlement is otherwise.

(v) **New Tax System changes**

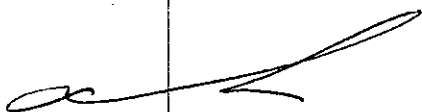
The Supplier must comply with Part VB of the *Trade Practices Act 1974* (Cth) and the Pricing Guidelines prescribed under that Part.

(vi) **Tax invoices**

The Recipient need not make a payment for a taxable supply made under or in connection with this Lease in respect of a taxable supply until the Supplier has given the Recipient a tax invoice for the supply to which the payment relates.

The Supplier must give the Recipient an adjustment note for an adjustment arising from an adjustment event relating to a taxable supply made under or in connection with this Lease within seven days after the date the Supplier becomes aware of the adjustment event.

- (o) (i) The guarantors and each of them by their execution of this Lease guarantee to the lessor the performance by the lessee of all the lessee's obligations (including any obligation to pay rent, outgoings or damages) under this lease, under every extension of it or under any renewal of it or under any tenancy and including obligations that are later changed or created.
- (ii) If the lessee does not pay any money due under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantors and each of them must pay that money to the lessor on demand even if the lessor has not tried to recover payment from the lessee.
- (iii) If the lessee does not perform any of the lessee's obligations under this lease, under any extension of it or under any renewal of it or under any tenancy the guarantors and each of them must compensate the lessor even if the lessor has not tried to recover compensation from the lessee.
- (iv) If the lessee is insolvent and this lease or any extension or renewal of it is disclaimed the guarantors and each of them are liable to the lessor for any damage suffered by the lessor because of the disclaimer. The lessor can recover damages for losses over the entire period of this lease or any extension or renewal but must do every reasonable thing to mitigate those losses and try to lease the property to another tenant on reasonable terms.
- (v) Even if the lessor gives the lessee extra time to comply with an obligation under this lease, under any extension of it or under any renewal of it or under any tenancy, or does not insist on strict compliance with the terms of this lease or any extension of it or renewal of it or of any tenancy, the guarantors obligations are not affected.
- (vi) The terms of this guarantee apply even if this lease is not registered, even if any obligation of the lessee is only an equitable one, and even if this lease is extended by legislation.
- (vii) The terms of this guarantee apply even if any of the guarantors die or



L. A. Crook

are under any disability or are insolvent.

4. (a) The Lessee acknowledges that it is a fundamental condition of the Lessor agreeing to enter into this Lease with the Options for renewal that the Lessee will at its own expense carry out the following works progressively over the term of this Lease and the term of the first Option as set out below:

Initial term of five (5) years

Year 1

- (a) convert the room currently used as a storeroom in the amenities block into a fully disabled bathroom;
- (b) tile the current laundry;
- (c) lop or remove the poplar trees and replace with more appropriate trees in consultation with the Lessor;

Year 2

- (a) paint and repair the outside of the residence and reception building;
- (b) erect a new fence and entrance to the Park driveway;

Year 3

Remove and replace the playground equipment with up to date equipment to the same size and extent.

Year 4

Construct approximately 9 additional cement pads for caravans as show on the Plan of Mudgee Riverside Caravan and Tourist Park attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007.

Year 5

Construct 700 metres of rollover kerb for the start of the 1330 sqm new road surface as shown on the Plan of Mudgee Riverside Caravan and Tourist Park attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007.

In the First Option Term

Year 1

Complete the 1,330 sqm of new road surface as shown on the Plan attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007.

Year 2

Renew the interior of the men's amenities block with new wall and floor tiles, new toilet pans, new hand basins and new fittings and paint throughout.

Year 3

Renew the interior of the women's amenities block with new wall and floor tiles, new toilet pans, new hand basins, new fittings and paint throughout.

Year 4

Completely renovate the permanent amenities by installing a new ceiling, new wall tiles, new toilets, new hand basins, new benches and paint through out.

Year 5

Complete the installation of the remaining 9 additional cement pads for caravans as shown on the Plan of Mudgee Riverside Caravan and Tourist Park attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007;

- (b) The Lessee will ensure that all work carried out will be carried out in a proper and tradesmanlike manner in accordance with all applicable laws and approvals (including approvals issued by the Lessor) and to the reasonable satisfaction of the Lessor.
 - (c) The Lessee acknowledges that it will not be entitled to claim any compensation for the carrying out of the works on the termination of this Lease whether by effluxion of time or otherwise and the works will not be or become tenant's fixtures.
5. The Lessor will be entitled to exclude from the Lease an area reasonably adjacent to the Cudgegong River for a pedestrian and cycle way without any readjustment of the rent and outgoings paid under the Lease provided that:
- (a) the area reserved for the pedestrian and cycle way will be no closer than three (3) metres from the northernmost edge of the existing caravan parking pads shown on the Plan of Mudgee Riverside Caravan and Tourist

Park attached to the Report of the Manager Property Services to the Assets Management Committee Meeting of the Lessor held on 19th December 2007;

- (b) the Lessor at its expense erects a security fence and access gates on the northern boundary of the then reduced lease area as may reasonably be required by the Lessee to provide security for the Caravan and Tourist Park;
- (c) the Lessor at its expense causes a Plan of Subdivision for Lease Purposes to be registered at Land and Property Information to identify the reduced lease area and the Lessor and the Lessee will co-operate with each other to effect all necessary amendments and changes to the Lease necessitated by the excision of the land for the pedestrian and cycle way.



REFERENCE SCHEDULE

- Item 1 **RENTAL AMOUNT** (Clause 1 (a))
\$80,986.00 per annum (plus GST) subject to variation pursuant to clause 1 (n) and clause 3 (e) hereof
- Item 2 **RENTAL PAYMENTS** (Clause 1 (a))
By monthly instalments in advance payable to the Lessor or as it directs in writing.
- Item 3 **PUBLIC LIABILITY INSURANCE AMOUNT** (Clause 1 (e) (i))
\$20,000,000.00 or such other reasonable sum as may be nominated by the Lessor on any anniversary of this Lease or at the commencement of any option term.
- Item 4 **PERMITTED USE** (Clause 1 (d))
A Caravan Park
- Item 5 **RENT REVIEWS** (Clause 3 (e))
- (a) On the first and second anniversaries of the commencement date the rental for the ensuing year shall be calculated by the application of the formula
- $$NR = OR \times \frac{A}{B} + W + \$4,827.00$$
- Where -
NR = new rent
- OR = the rental payable in the preceding year (excluding any increase in rent made in that year pursuant to clause 1 (n) hereof)
- A = Consumer Price Index for the quarter ending immediately prior to the commencement of the new year of the term.
- B = Consumer Price Index for the quarter ending immediately prior to the commencement of the preceding year
- Consumer = Consumer Price Index (all groups) for the City of Sydney.
Price Index
- W = the annual amount of any increase in rent made during the preceding year pursuant to clause 1 (n) hereof.

But the reviewed rent shall not be less than the rent in the preceding year (excluding any increase in rent made during the preceding year pursuant to clause 1 (n)) plus the annual amount of any increase in rent made during the preceding year pursuant to clause 1 (n).

- (b) On the third and subsequent anniversaries of the commencement date the rental for the ensuing year shall be calculated by the application of the formula

$$NR = OR \times \frac{A}{B} + W$$

Where -

NR = new rent

OR = the rental payable in the preceding year (excluding any increase in rent made in that year pursuant to clause 1 (n) hereof)

A = Consumer Price Index for the quarter ending immediately prior to the commencement of the new year of the term.

B = Consumer Price Index for the quarter ending immediately prior to the commencement of the preceding year

Consumer = Consumer Price Index (all groups) for the City of Sydney.
Price Index

W = the annual amount of any increase in rent made during the preceding year pursuant to clause 1 (n) hereof.

But the reviewed rent shall not be less than the rent in the preceding year (excluding any increase in rent made during the preceding year pursuant to clause 1 (n)) plus the annual amount of any increase in rent made during the preceding year pursuant to clause 1 (n).

Item 6

OPTION TERM:

Two periods of five (5) years each.

Item 7

RENT PAYABLE IN CASE OF EXERCISE OF OPTION:

- (a) The rent for the first year of the new term shall be the rent agreed between the parties or in the absence of agreement shall be determined at the joint cost of the parties by a qualified valuer appointed by the President of the Australian Institute of Valuers and Land Economists (Inc) NSW Division or its successor body or his or her nominee on the application of the Lessor or Lessee (which person is hereinafter called "the valuer").

- (b) The valuer is to determine the rent (but not less than the amount of rent that would have been payable under this lease if the rent was being reviewed pursuant to clause 3 (e) at which the premises might reasonably be expected to be let with vacant possession in the open market by a willing Lessor for a term equivalent to the new term subject to the same terms as contained in the Lease but upon the supposition (if not a fact) that the Lessee had complied with all its covenants.
- (c) Until the new rent is determined in accordance with the provisions of the last two preceding subclauses the rent payable during the previous year shall continue to be payable.
- (d) Where the valuer gives notice of his or her decision of the amount of rental after the period to which it relates has begun the rent payable on the next payment date is the rent payable in accordance with the provisions of the Lease together with a sum equal to the difference between the new rent and the rent paid pursuant to the preceding subclause since the commencement of the new term.

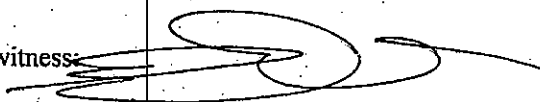
LANDLORD: MID-WESTERN REGIONAL COUNCIL

Tenant: CAFABLE PTY LIMITED (ACN 002 615 778)

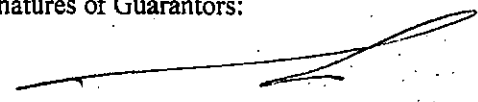
I certify that the person signing opposite, with whom I am personally acquainted or as to whose identity I am otherwise satisfied, signed this instrument in my presence:

Certified correct for the purposes of the Real Property Act 1900 by the Guarantors **RUSSELL JOHN CROAKE AND LORETTO ANNE CROAKE**

Signature of witness:



Signatures of Guarantors:



Name of witness: **CHRISTOPHER CONNELLAN**

Address of witness:

**62 MARKET ST
MUDGEE**

L.A. Croake

