

Finance and Operational Performance Committee

Monday, 10 September 2007

Commencing at 9.30 am

PART E - GENERAL

Item 24: Proposed Sub-Licence of Telecommunications
Site at Exhibition Drive, Laingholm

NOTE: This item was originally to be considered in
the Public Excluded section of the Agenda.
It has now been made available for
consideration in the public arena.

**SUPPLEMENT TO THE AGENDA FOR A MEETING OF THE FINANCE AND OPERATIONAL
PERFORMANCE COMMITTEE TO BE HELD AT WAITAKERE CENTRAL,
6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE, ON
MONDAY, 10 SEPTEMBER 2007, COMMENCING AT 9.30 AM**

**24 PROPOSED SUB-LICENCE OF TELECOMMUNICATIONS SITE AT EXHIBITION
DRIVE, LAINGHOLM**

GLOSSARY

Vodafone New Zealand Limited	(Vodafone)
Auckland Regional Council	(ARC)

PURPOSE OF THE REPORT

The purpose of this report is to enable the Finance and Operational Performance Committee to recommend to Council that a sub-licence be granted to Vodafone New Zealand Limited (Vodafone) over part of a water reservoir site at Exhibition Drive, Laingholm, for the purposes of setting up a telecommunications facility.

BACKGROUND

In May 1979, Council leased 2,152 square metres of land in the Auckland Centennial Memorial Park at Exhibition Drive, Laingholm from the Auckland Regional Authority (now the Auckland Regional Council (ARC) for the purposes of establishing two water reservoirs thereon. The term was for 50 years from 1 June 1978.

STRATEGIC CONTEXT

The vision for the Council's Waitakere Information Access programme is for Waitakere to become a City where communications' infrastructure is available to all its citizens. The same policy is also found in Council's Long Term Council Community Plan, which states that Council will support telecommunications provision to all areas of the City and will work to ensure that up-to-date communications' technology is accessible to all potential users. Council is also concerned to ensure that the residents of the City have a safe and healthy environment and that amenity values are not compromised through inappropriate infrastructure employment and development.

Current cell-phone coverage in this area ranges from inadequate to non-existent and therefore the proposed establishment of this telecommunications facility has been warmly supported by the Police, the Ambulance Service, the Fire Brigade and the Coastguard.

ISSUES

Vodafone has approached Council with a request for a sub-licence over part of this site for a term of five years, with rights of renewal for a further two terms of five years for the purposes of setting up a telecommunications facility. This will involve mounting a 600 millimetre microwave dish on the side of each of the two water reservoirs and the erection of a 10 metre wooden pole on a specified site nearby. The pole will have antennas attached to its outsides. In addition, it is intended to install underground power and telecommunication lines from Exhibition Drive to the pole site.

A195 The location of these installations, together with a locality plan, are shown on the diagram at attached page A195.

EcoWater, who control the reservoirs, have examined the Vodafone proposal closely, perused the relevant plans and discussed the matter with Vodafone engineers. EcoWater has no objection to Vodafone's plans, subject to certain safeguards which have been agreed to and incorporated into a draft sub-licence document.

A sub-licence will require the consent of the ARC as Head Lessor and this consent has been given and will be endorsed on the sub-licence document. Because the ARC lease was originally granted for the purpose of a public facility and not for commercial gain, ARC considers that the licence revenue should be shared between it and this Council. Officers have agreed to this.

A registered valuer has suggested an annual licence fee of \$9,000 plus GST for the first five-year term but adjusted annually for Consumer Price Index increases. In addition, an "up front" fee of \$7,000 plus GST has been suggested as being in line with current practice for the licensing of telecommunication sites. Should the renewals of term eventuate, there will be a market review of the licence fee at the commencement of each new term.

The Local Government Act requires that Council, before it makes a decision, is to consult with persons who will or may be affected by or have an interest in that decision. This duty is also imposed on the ARC, which implemented a consultative process extending over six months and included a hearing at which submissions were heard from Vodafone and the Friends of Arataki. The ARC Parks Heritage Committee then made a visit to the site and requested certain alterations to Vodafone's proposal. These were agreed to and the ARC granted its consent.

It is considered unnecessary for Council to repeat this process and that all necessary consultation required by the Local Government Act 2002 has been completed.

RESOURCES

There are no resources required other than staff time. Vodafone will pay all costs incurred by Council in the negotiation of the sub-licence and in the perusal of the sub-licence document.

CONCLUSION

Cellphone coverage in the Laingholm area is very poor and this has become a serious problem, particularly for emergency services. A solution is now available for which the adverse environmental effects will be minimal and which will produce an income for Council.

RECOMMENDATIONS

1. That the Proposed Sub-licence of Telecommunications Site at Exhibition Drive, Laingholm report be received.
2. That it be recommended to Council that a sub-licence over part of a water reservoir site at Exhibition Drive, Laingholm, leased to Council by the Auckland Regional Council, be granted to Vodafone New Zealand Limited and that the Chief Executive Officer be authorised to negotiate the terms of the sub-licence to Council's best advantage.
3. That the sub-licence document over part of a water reservoir site at Exhibition Drive, Laingholm, as negotiated, be executed by Council under seal.

Report prepared by Maurice Hieatt, Solicitor: Legal Services

