

Frequently Asked Questions: Lease Conditions and Costs

In consultation with the Lake Eppalock Interest Group, Goulburn-Murray Water (GMW) is in the process of drafting new leases for clubs at Lake Eppalock. The lease will set out requirements for clubs, as well as define fees and charges.

When will clubs receive their approved lease?

GMW is working towards executing leases for all compliant clubs prior to the 30 June 2016 expiry of the current lease.

What is the timing for the proposed lease option and renewal?

We are mindful that many clubs want to be able to plan for the future with the certainty that long-term leases provide.

The proposed lease will be for 15 years with a right to extend by agreement with GMW.

Whilst the length of the further term(s) has not yet been determined, the proposed lease states the lessee must give GMW written notice of its intention to exercise the further option not earlier than six months or later than three months before the end of the first term.

Can leases be transferred?

The current lease states that a lease can't be assigned, sub-let or given up without giving notice in writing and obtaining consent from GMW. Furthermore, GMW has the first right of refusal on a lease transfer.

If clubs want to transfer their lease, they can contact the Leasing and Licensing team by emailing leasingandlicensing@gmwater.com.au



Does GMW have the first option on the current lease?

In the case that a club decides to exit their lease and sell off their assets, the lease states that GMW must be given first option to purchase the assets.

Who is responsible for sewage pipe connection, maintenance and works?

The proposed lease states that GMW has no responsibility in respect to connection, maintenance or works to any sewerage system on, or servicing, the land. This is the responsibility of the lessee.

These are the same terms and conditions that clubs are subject to under the existing lease.

Can GMW provide clarity around road ownership and responsibility?

We know that not having clear definitions around road ownership and responsibility has been an ongoing concern and source of frustration for clubs.

With the proposed lease, GMW is seeking to clearly define road ownership and responsibility and is actively working with the relevant authorities to do this.

Which fences are owned and maintained by GMW?

Whilst GMW fences the lagoons and maintains this fencing, clubs are responsible for all fencing on the leased land, including lease boundary fencing.

Is the rent review in line with Council rate reviews?

Rent on GMW sites is calculated using a market review approach that considers a number of factors, including:

- use of the land
- market demand
- site value
- other economic factors

This process also includes the consideration of Council rates.

How often will rent be reviewed?

The review frequency and methodology is still to be determined and agreed between GMW and LEIG. It will be included in the final draft lease that will be circulated to clubs prior to 30 June 2016.

What is the method of recovery for the Lease and Service Fee?

The Lease and Service fee give clubs:

- exclusive use of water-front property (excluding the foreshore, which is not exclusive use)
- connection to the GMW effluent system for disposal of waste and grey water (including monitoring and maintenance)
- use of established and maintained roads and road infrastructure in and around the lake
- the ability to develop sites with recreational assets by agreement with GMW.

These fees will be payable annually in advance from 1 July each year.

Clubs will receive their annual account by mid-July each year. This account is payable within 28 days.



Can clubs vary the number of caravan sites on the lease?

Clubs are able to vary the number of sites on their lease, but this needs to be discussed with GMW first.

Variations will depend on a number of factors such as land capability and availability, as well as the effluent system capability.

Any clubs wanting to vary the number of sites on their lease should contact Chris Braden by phoning (03) 5439 8910 or emailing Christopher.Braden@gmwater.com.au.