

APPENDIX A

Gate Fee Provisions

C.2.1.6 Gatehouse

C.2.1.6.1 General

A staffed point of entry for customers where customers pay the relevant fee for waste disposal (hereafter referred to as the 'Gate House') must be provided by the Contractor at the Contractor's expense.

The Gate House system must be adequately staffed and operational at all times when the Centre is open for business. It must have a computerised system which enables customers to be accurately charged and receipted (including cash or EFTPOS (debit and credit cards) payment), which caters for customers with existing accounts as well as new customers, and which also enables data to be collected. It must also have a system that identifies contamination, risk loads and unacceptable material such as a facility for viewing the waste load on incoming vehicles (such as an elevated mirror or platform).

C.2.1.6.2 Gatehouse Timelines

Unless otherwise negotiated between the Contractor and the Council, the Contractor will take over operation of the Gate House, including ownership of gate fees, from 1 November 2006. Between 1 February 2006 and 31 October 2006 the Council is responsible for the gatehouse operation and retains ownership of all gate fees.

C.2.1.6.2 Ownership of Gate Fees

Unless a profit sharing arrangement is entered into between the Contractor and the Council, all gate-fees collected by the Contractor belong to the Contractor unless otherwise stated under Clause C.2.1.6.2, Part 2 - General Conditions. .

C.2.1.6.3 Gate Fee Adjustments

The Council sets the gate fees for the Centre.

The Contractor may apply to the Council in writing for an increase or decrease in the gate fees. Council will consider such a request but may either approve or reject the adjustment as it determines in its absolute discretion. Adjustments will be considered that:

- (a) subject to this clause, are a result of a CPI increase or decrease;
- (b) are the direct result of increases or decrease in landfill and other relevant disposal costs, increases or decreases in Government charges, taxes or levies and changes in legislation;
- (c) are a result of decreases or increases in the market price of recovered products;
- (d) are a new waste type not previously received at the site;
- (e) where the increase is of cost / benefit value including improved facilities and operation, improved safety and environmental management, improved diversion of

- material or new initiatives for diversion of different types of material from landfill; or
- (f) maintain the Centre's commercial competitive integrity.

In relation to any proposed adjustment to the gate fees based on CPI:

- (a) the parties acknowledge that there is no right to an automatic CPI adjustment to the gate fees;
- (b) any adjustment in relation to transportation costs must be based on the Consumer Price Index - Transportation Melbourne or if this index is not available, such other index that represents the rise in transportation costs in Melbourne, as the Council reasonably determines;
- (c) any adjustment in relation to any other costs must be based on the Consumer Price Index – All Groups Melbourne or if this index is not available, such other index that represents the rise in the cost of living in Melbourne, as the Council reasonably determines; and
- (d) the adjustment is to be based on the amount payable immediately before the adjustment date multiplied by the Current CPI and divided by the Previous CPI, where:
- (i) **Current CPI** means the CPI number for the quarter ending immediately before 1 July in the relevant year; and
- (ii) **Previous CPI** means the CPI number for the quarter ending immediately before the latest of 1 November 2006 or the last date when the amount was adjusted under this clause.

C.2.1.6.4 Applying for an Adjustment in Gate Fees

Applications for an adjustment in gate fees may be made on an annual basis and must be received by Council by 31 March each year for advertising in the proposed budget for the upcoming financial year and budget approval by 30 June each year. Applications may also be received from the Contractor outside this annual review, at the discretion of the Contract Supervisor, if extenuating circumstances are present.

Each submission must include:

- (a) the existing price and the proposed adjustment;
- (b) the reason for the proposed gate fee adjustment;
- (c) a breakdown of the expenses covered by the proposed cost and details of the expected change in costs from the current year. For example, if the fee adjustment was to cover an increase in waste disposal charges, the submission would need to include the market price being paid to dispose of waste together with other relevant information;
- (d) comparable gate fee price for the closet four similar facilities;
- (e) whether the price is GST inclusive or exclusive; and

- (f) full details of the Centre's operating budget for the forthcoming financial year including the impact of the proposed adjustment in gate fees.

The Council may seek additional information in order to understand and support the application for an adjustment in gate fees. The Contractor will be informed in writing of the approval or rejection of submissions after the adoption of the Council budget.