

ADDENDUM

SY006-02/21 WASTE AND RECYCLING CONTRACT

The Shire has received an update from Avon Waste to their requested for a contract price increase. Additional information under the headings Background, Comments and Details and Financial is presented below for your consideration along with a Revised Recommendation.

ADDITIONAL INFORMATION

Background

The Shire has received an updated request from Avon Waste based on a variation in their costs to process recyclables. They submitted a document from Southern Metropolitan Regional Council stating that their new recycling processing rate is \$133.00 + GST which is \$147.389 inc GST.

Comments and Details

Therefore, instead of the new cost being 154.00 inc GST it will be \$147.389 inc GST. This has reduced the estimated increase to \$1794.016 per month, \$21,528.19 per year or \$7176.06 for the remaining 4 months of this financial year.

Financial

It is estimated that approving the updated requested price variation will result in a \$7,176.06 increase to the Shire for the recycling collection for the 2020/21 financial year. However, this is offset by an unbudgeted income of \$8,723.16 income due to eligible container being delivered to a recycling processor for the 2020/21 financial year. It is anticipated that there will be no significant difference to the Shire 2020/21 Budget bottom line and possibly a slight surplus.

REVISED RECOMMENDATION

That Council:

1. Resolves to accept the updated price increase to the Recycling processing portion of the Waste and Recycling Collection, Bulk Rubbish Services and Waste Transfer Station Operations from \$71.50 inc GST per tonne to \$147.389 inc GST per tonne.
2. Direct the CEO to include the adjustment in the 2020/21 third quarter Finance and Costing Review (FACR).