

15 August 2012

The Chief Executive Officer
Town of Denmark
South Coast Highway
PO Box 183
Denmark WA 6333

<i>Shire Of Denmark</i>	
17 AUG 2012 SAFE	
ENR:	
	ICR12814464
COUNCILLORS	
GEO	✓
DIR of FINANCE	✓
DIR of PLANNING	
DIR of INFRASTRUCTURE	✓
DIR of COMMUNITY	
OTHER	

Dear Sir,

RE: DOMESTIC RECYCLING CONTRACT

Under the terms of the above contract, we have pleasure in submitting documentation in respect of our application to amend charges for services commencing 1st July 2012.

The new prices as indicated on the attached pricing schedule will take effect immediately. Please review the schedule and contact the writer immediately should you have any queries.

Yours faithfully,



Manisha Pindolia
Commercial Manager

TOWN OF DENMARK

DOMESTIC RECYCLING COLLECTION CONTRACT

RISE AND FALL CALCULATIONS AS AT 30/06/2012 EFFECTIVE 1/07/2012

COST MOVEMENTS

<u>BASIS</u>	<u>EFFECTIVE DATES</u>		<u>% MOVEMENT</u>
	<u>30/06/2004</u>	<u>30/06/2012</u>	
Labour CPI Index 6345-Table 5 Transport	83.3	112.8	35.41%
Transportation-Automotive Fuel CPI Index 6455	155.9	239.8	53.82%
Transportation-Repair & Servicing CPI Index 6455	141.2	188.1	33.22%
Transportation-Motor Vehicles CPI Index 6455	102.1	91.4	-10.48%

COST COMPONENTS

	<u>% TOTAL</u>	<u>% MOVEMENT</u>	<u>WEIGHTED MOVEMENT</u>
<i>Labour</i>	50.00%	35.41%	17.71%
<i>Fuel and oils</i>	20.00%	53.82%	10.76%
<i>Other materials and maintenance</i>	15.00%	33.22%	4.98%
<i>Capital and investment return</i>	15.00%	-10.48%	-1.57%
			<u>31.88%</u>

CONTRACT PRICES

	<u>TENDER PRICE</u>	<u>MOVEMENT</u>	<u>PRICE AS AT 1/07/2012</u>
240l MGB Recycling Collection 592400	\$0.74	31.88%	\$0.9759
MGB Repairs	\$38.46	31.88%	\$50.7231
Customer Service Centre	\$50.00	31.88%	\$65.9400
Processing Recycling	\$40.00	31.88%	\$52.7520
Bin deliveries @ \$70.00 per bin	\$70.00	31.88%	\$92.3160