

# Memorandum of Understanding

## Regional collaboration for waste processing contracts

### Parties

This Memorandum of Understanding (MOU) is between:

Port Macquarie-Hastings Council, ABN: 11 236 901 601, of 17 Burrawan Street, Port Macquarie, NSW, 2444; and,

Kempsey Shire Council, ABN: 70 705 618 663, of 22 Tozer Street, Kempsey, NSW, 2440; and,

Nambucca Valley Council, ABN: 71 323 535 981, of 44 Princess Street, Macksville, NSW, 2447; and,

Bellingen Shire Council, ABN: 26 066 993 265, of 33 Hyde Street, Bellingen, NSW, 2454.

### Background

- A. Port Macquarie-Hastings Council (PMHC) owns the Materials Recovery Facility (MRF) and the Organics Resource Recovery Facility (ORRF), located at the Cairncross Waste Management Facility (CWMF), for the processing of dry recyclables and organics respectively.
- B. PMHC has accepted and processed Kempsey Shire Council's (KSC) recyclables and organics for a long period of time at the MRF and ORRF.
- C. All Parties have worked together on community waste initiatives for many years through the MidWaste Regional Waste Group, of which all are still active members.
- D. Nambucca Valley Council's (NVC) and Bellingen Shire Council's (BSC) contract for the acceptance of their kerbside food and garden organics (FOGO) and recyclables expires in March 2027 and require a processing destination beyond this date.
- E. PMHC's waste collection, processing of dry recyclables and organics processing contracts all expire on 31 August 2026.
- F. NVC, KSC and BSC have expressed their interest in sending their domestic FOGO and recyclables to the Cairncross WMF for processing.
- G. On 5 September 2024, all Parties signed a Letter of Intent outlining their support for a regional approach for processing dry recyclables and organics at the Cairncross WMF.
- H. PMHC has commenced procurement planning for waste collection, processing of dry recyclables and organics processing contracts.
- I. In August 2024, PMHC's Executive Group approved a decision to develop this Memorandum of Understanding (MOU) between all parties to investigate waste and resource recovery joint contract opportunities.

- J. This MOU establishes a formal commitment from all Parties to investigate waste and resource recovery joint contract opportunities, specifically for the processing of FOGO and recyclables.

## Term and Review

### Commencement

1. This MOU commences from the date of execution by all Parties.

### Expiry

2. This MOU expires upon the signing of the processing of dry recyclables contract and organics processing contract, by PMHC, whether or not a Party has signed the Supply Agreement contemplated by this MOU.

### Extensions

3. Subject to the written agreement of all Parties, the MOU may be extended to any date beyond the expiry.

### Review

4. This MOU will be reviewed by all Parties before any extension is approved.
5. At any time throughout the term of the MOU, any Party may make a written request to all Parties to review and vary the MOU, detailing the reasons and any proposed changes. All Parties must agree or otherwise in writing. If changes to the MOU are agreed, the changes will be incorporated and the MOU must be executed by all Parties.
6. PMHC will be responsible for maintaining distributing the MOU.

## Objectives

7. With the expiry dates of waste contracts closely aligning, and the need to for KSC, NVC and BSC to find a destination to send their food and garden organics (FOGO) and recyclables, it is a timely opportunity collaborate and investigate a regional solution. By combining waste feedstock, there is an opportunity to obtain lower tendered rates for the operation of waste facilities.
8. PMHC intends using the existing facilities at the Cairncross Waste Management Facility for the acceptance of KSC's, NVC's and BSC's domestic FOGO and recyclables.
9. This MOU, and the subsequent procurement processes for waste processing contracts, seeks to obtain the best value for money for the communities of each local government area that is involved.
10. This MOU intends on further building regional relationships which may provide future opportunities for collaboration on other ancillary waste and resource recovery opportunities.

## Scope

11. The initial focus of this MOU is on the acceptance and processing of domestic FOGO and domestic recyclables by PMHC, or its contractors, at the Cairncross Waste Management Facility.
12. The joint procurement of waste collection contracts is outside of the scope of this MOU.
13. The acceptance of general waste for landfilling at any council's landfill is outside of the scope of this MOU.

## Statement of Commitments

### Sharing of information

14. Each Party agrees to share information that informs the decision making of each Party and the development of procurement documents, by PMHC, for waste processing services. This information includes waste quantities, types and existing contract arrangements.
15. PMHC agrees to share information from new procurement and contract documents to satisfactorily inform each Party in their decision making.
16. Notwithstanding the above, each Party reserves the right to withhold information it reasonably considers is sensitive or unrelated.

### Commitment of feedstock

17. Each Party agrees in principle to include all of their domestic kerbside FOGO and domestic recyclables as feedstock for inclusion in PMHC's new processing of dry recyclables contract and organics processing contract.
18. Each Party may propose to include more sources of organics or recyclables as feedstock for inclusion in PMHC's new processing of dry recyclables contract and organics processing contract. The decision to accept these addition sources of material will be at the sole discretion of PMHC.
19. Each Party agrees to the development of formal supply agreements for the provision of their feedstock to the Cairncross WMF. These supply agreements must be executed by all Parties prior to PMHC entering into the new contracts for processing of dry recyclables and organics processing. These agreements will be contractually binding on the Parties and will detail all of the requirements such as minimum feedstock tonnages and delivery methodology.

### Working Group and Communication

15. Each Party agrees to the development of a working group to discuss matters in relation to this MOU. Each Party agrees to assign appropriate staff members to represent each Party at this working group to enable constructive discussions and efficient decision making.
16. All Parties will maintain open and frequent lines of communication.
17. Each Party agrees to meet periodically, as required, to discuss contracts development progress and any matter related to this MOU.

## Dispute resolution

18. If a dispute or difference arises between the Parties or any of them, out of or in connection with this MOU, then the Party raising the dispute must give the other Parties written notice specifying the details of the dispute or difference.
19. Within five (5) days of the notice, a person holding a position of senior management of each Party in dispute must commence negotiations in good faith and without prejudice basis with a view to resolving the dispute or difference.
20. Notwithstanding Clause 18 and 9 above, the Parties in dispute must provide a copy the notice to all Parties not involved in the dispute. Any Party not involved in the dispute, may by written notice, ask to be involved in negotiations in good faith and consent to participate will not be unreasonably withheld. For the avoidance of doubt, the Parties in dispute will advise all other Parties under this MOU of the outcome of any resolution.

## Execution

Executed for and on behalf of Bellingen Shire Council	Witness
Name:	Name:
Position:	Signature:
Signature:	Date:
Date:	
Executed for and on behalf of Nambucca Valley Council	Witness
Name:	Name:
Position:	Signature:
Signature:	Date:
Date:	

Executed for and on behalf of Kempsey Shire Council	Witness
<p>Name:</p> <p>Position:</p> <p>Signature:</p> <p>Date:</p>	<p>Name:</p> <p>Signature:</p> <p>Date:</p>
Executed for and on behalf of Port Macquarie-Hastings Council	Witness
<p>Name:</p> <p>Position:</p> <p>Signature:</p> <p>Date:</p>	<p>Name:</p> <p>Signature:</p> <p>Date:</p>