

#### **AGENDA**

# FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON

# 18 JANUARY 2016 AT AT THE CONCLUSION OF POLICY AND PLANNING COMMITTEE

# IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY

#### **MEMBERS**

Cr D Pilkington (Chairman)

Mayor G Aldridge

Cr D Balaza

Cr S Bedford (Deputy Chairman)

Cr D Bryant

Cr C Buchanan

Cr G Caruso

Cr L Caruso

Cr R Cook

Cr E Gill

Cr D Proleta

Cr S Reardon

Cr G Reynolds

Cr B Vermeer

Cr S White

Cr J Woodman

Cr R Zahra

# **REQUIRED STAFF**

Chief Executive Officer, Mr J Harry

Acting General Manager Business Excellence, Ms L Rattigan

General Manager City Development, Mr T Sutcliffe

General Manager Community Development, Ms J Trotter

Acting General Manager City Infrastructure, Mr M Purdie

Manager Governance, Ms T Norman

Manager Communications and Customer Relations, Mr M Bennington

Team Leader Corporate Communications, Mr C Treloar

Governance Coordinator, Ms J Rowett

Governance Support Officer, Ms K Boyd

# **APOLOGIES**

# LEAVE OF ABSENCE

# PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 07 December 2015.

Presentation of the Minutes of the Confidential Budget and Finance Committee Meeting held on 07 December 2015.

# **REPORTS**

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Business Units

# **OTHER BUSINESS**

#### **CONFIDENTIAL ITEMS**

# 6.9.1 Red Jam Pty Ltd - Legal Costs

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

- 1. Pursuant to Section 90(2) and (3)(d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:
  - it relates to commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
  - commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.
- 2. In weighing up the factors related to disclosure,
  - disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
  - Non-disclosure of the matter and discussion of this item in confidence would protect commercial and contractual information contained within this report, the disclosure of which would adversely affect the business interests of Red Jam Pty Ltd.

On that basis the public's interest is best served by not disclosing the **Red Jam Pty Ltd** - **Legal Costs** item and discussion at this point in time.

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

# **CLOSE**



# MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON

#### **7 DECEMBER 2015**

# **MEMBERS PRESENT**

Cr D Pilkington (Chairman)

Mayor G Aldridge

Cr D Balaza

Cr S Bedford (Deputy Chairman)

Cr D Bryant

Cr G Caruso

Cr L Caruso

Cr R Cook

Cr E Gill

Cr S Reardon

Cr G Reynolds

Cr B Vermeer

Cr S White

Cr J Woodman

Cr R Zahra

# **STAFF**

Chief Executive Officer, Mr J Harry

General Manager Business Excellence, Mr C Mansueto

General Manager City Development, Mr T Sutcliffe

Acting General Manager City Infrastructure, Mr K Stewart

Acting General Manager Community Development, Mr M Bennington

Manager Governance, Ms T Norman

Team Leader Corporate Communications, Mr C Treloar

Governance Coordinator, Ms J Rowett Governance Support Officer, Ms K Boyd

The meeting commenced at 7:44 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

#### **APOLOGIES**

Apologies have been received from Cr C Buchanan and Cr D Proleta.

# LEAVE OF ABSENCE

Nil

# PRESENTATION OF MINUTES

Moved Cr B Vermeer Seconded Cr R Zahra

The Minutes of the Budget and Finance Committee Meeting held on 16 November 2015, be taken and read as confirmed.

**CARRIED** 

Moved Cr R Zahra Seconded Cr D Balaza

The Minutes of the Confidential Budget and Finance Committee Meeting held on 16 November 2015, be taken and read as confirmed.

**CARRIED** 

#### REPORTS

Administration

# **6.0.1** Future Reports for the Budget and Finance Committee

Moved Cr D Balaza Seconded Cr R Zahra

1. The information be received.

**CARRIED** 

# 6.0.2 Appointment of Chairman - Program Review Sub Committee

Moved Cr D Balaza Seconded Cr G Caruso

1. Cr Riccardo Zahra be appointed as Chairman of the Program Review Sub Committee for a term of 12 months.

**CARRIED** 

# 6.0.3 Minutes of the Program Review Sub Committee meeting held on Monday 30 November 2015

Moved Cr R Zahra Seconded Cr G Caruso

The information contained in the Program Review Sub Committee of the meeting held on 30 November 2015 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

# PRSC1 Program Review Update

1. That the Program Review Update report be noted.

**CARRIED** 

# **OTHER BUSINESS**

Nil

# **CONFIDENTIAL ITEMS**

# 6.9.1 NAWMA - Award of Kerbside Waste Collection Services Contract

Moved Cr R Cook Seconded Cr B Vermeer

- 1. Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) and (k) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:
  - it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
  - information the disclosure of which would, on balance, be contrary to the public interest; and
  - commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
  - commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest; and
  - tenders for the supply of goods, the provision of services or the carrying out of works.

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- 2. In weighing up the factors related to disclosure,
  - disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
  - Non-disclosure of this matter would protect tender documents and information which reveal detailed information about the company's pricing policy, other sensitive product information and detailed discussions analysing elements of the tender appraisal process.

On that basis the public's interest is best served by not disclosing the NAWMA - Award of Kerbside Waste Collection Services Contract item and discussion at this point in time.

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

**CARRIED** 

The meeting moved into confidence at 7:46 pm.

The meeting moved out of confidence at 7:59 pm.

# 6.9.2 Update on Action on Rates Accounts Outstanding under Section 184 of the Local Government Act 1999

Moved Cr J Woodman Seconded Cr S Bedford

- 1. Pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:
  - it relates to information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).
- 2. In weighing up the factors related to disclosure,
  - disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
  - Non-disclosure of the matter and discussion of this item in confidence would protect information related to the personal affairs of any person (living or dead) and proposed action by Council where the rates for a property have been outstanding for a period of not less than three years.

On that basis the public's interest is best served by not disclosing the Update on Action on Rates Accounts Outstanding under Section 184 of the Local Government Act 1999 item and discussion at this point in time.

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

**CARRIED** 

The meeting moved into confidence at 7:59 pm.

The meeting moved out of confidence and closed at 8:19 pm.

CHAIRMAN	
DATE	

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**ITEM** 6.0.1

BUDGET AND FINANCE COMMITTEE

**DATE** 18 January 2016

**HEADING** Future Reports for the Budget and Finance Committee

**AUTHOR** Michelle Woods, Projects Officer Governance, CEO and

Governance

**CITY PLAN LINKS** 4.4 To ensure informed and transparent decision-making that is

accountable and legally compliant

**SUMMARY** This item details reports to be presented to the Budget and Finance

Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated,

along with a reason for the deferral.

#### RECOMMENDATION

1. The information be received.

# **ATTACHMENTS**

There are no attachments to this report.

# 1. BACKGROUND

1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

# 2. CONSULTATION / COMMUNICATION

- 2.1 Internal
  - 2.1.1 Report authors and General Managers.
- 2.2 External
  - 2.2.1 Nil.

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# 3. REPORT

3.1 The following table outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution:

Meeting -	Heading and Resolution	Officer
Item		
29/04/2013	Fees and Charges Report - Waste Transfer Station	Lyall Thomas
6.4.4	3. Subject to endorsement of the creation of the Program	
	Review Sub Committee, the Program Review Sub	
	Committee consider the cost structure and fee structure	
	for residents/commercial vs. non-Salisbury	
	residents/commercial accessing services at the Waste	
	Transfer Station.	
Due:	May 2016	

# 4. CONCLUSION / PROPOSAL

4.1 Future reports for the Budget and Finance Committee have been reviewed and are presented to Council for noting.

# **CO-ORDINATION**

Officer: Executive Group Date: 12/01/2016

**ITEM** 6.7.1

**BUDGET AND FINANCE COMMITTEE** 

**DATE** 18 January 2016

**HEADING** Standard Customer Sales Contract - Salisbury Water Retail Service

**AUTHOR** Roseanne Irvine, Special Projects Officer, Business Excellence

**CITY PLAN LINKS** 2.4 To deliver sustainable water management and improve water security

for the city

4.4 To ensure informed and transparent decision-making that is

accountable and legally compliant

4.6 To provide our customers with excellent service that meets their

needs

**SUMMARY** 

The City of Salisbury is a licensed water retailer under the Water Industry Act 2012 ("the Act"). The Act provides functions and powers to the Essential Services Commission of South Australia ('the Commission") to ensure that its provisions are enforced.

The Act requires all water retailers to have a sales contract that specifies the standard terms and conditions which governs the provision of services by a water retailer to its customers. The Commission has developed a Code for Minor/Intermediate Retailers ("the Code") and to comply with this Code, Council is required to adopt their standard water sales contract for residential customers. At this stage the Commission does not require a standard sales contract for non-residential customers, however staff are proposing to do this in order to be as consistent as possible across all customers and to reduce ongoing administration.

In order to make changes to the Commission's standard sales contract, Council is required to seek written approval from the Commission for any changes and then publish the amended standard sales contract in accordance with the Act. Staff have liaised with the Commission and Council's lawyers, Norman Waterhouse to produce an amended standard sales contract that is appropriate for Councils water retail service.

This paper provides background information and seeks Council endorsement of the proposed standard sales contract for residential and non-residential customers. Once endorsed, the sales contracts must be gazetted and can then be adopted for use by the Salisbury Water Business Unit.

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#### RECOMMENDATION

- 1. The information be received.
- 2. The Standard Customer Sales Contract for Salisbury Water's Retail Service, as provided in Attachment A, be endorsed as Council's standard terms for its water retail service for existing and new **residential** customers and for new or renewing **non-residential** customers with a standard water retail service.
- 3. Pursuant to Section 36 of the Water Industry Act 2012, the proposed revised Standard Customer Sales Contract, as provided in Attachment A, be published in the next available edition of the Government Gazette.
- 4. The Water Supply Agreement Schedule, as provided in Attachment B, be adopted for non-residential customers with a non-standard service.
- 5. Delegate authority to the Chief Executive Officer to authorise future amendments to the Standard Customer Sales Contract to maintain Council's interests and reflect any future regulatory changes.

# **ATTACHMENTS**

This document should be read in conjunction with the following attachments:

- 1. Standard Customer Sales Contract for Salisbury Water Retail Service
- 2. Non Standard Water Supply Agreement for Non-Residential Customers

# 1. BACKGROUND

- 1.1 The Commission has developed a standard model customer sales contract for residential customers. This sales contract specifies the standard terms and conditions which governs the provision of services by a water retailer to customers of a designated class.
- 1.2 A water retailer **must** adopt this standard sales contract as published by the Commission for residential customers.
- 1.3 A water retailer **may** adopt this standard sales contract for non-residential customers.
- 1.4 If a retailer choses to amend the terms and conditions contained in the standard sales contract as published by the Commission, the retailer is required to obtain the written approval of the Commission for these changes and upon receipt of approval must then publish the amended terms and conditions in accordance with the requirements of section 36 of the Water Industry Act 2012.
- 1.5 In accordance with the Act, a retailer must publish in the Gazette a notice setting out any standard terms and conditions fixed by the retailer. Once published, these standard terms and conditions come into force and are contractually binding on the retailer and the class of customer to which the terms and conditions are expressed to apply to.

1.6 The Salisbury Water Business Unit has been operating for a number of years now with 3 types of sales contracts, (1) Residential, (2) Non-residential and (3) Non-Standard contracts, ie. large volume, commercially negotiated arrangements. These residential and non-residential sales contracts were developed approximately 7 years ago and met the needs of the business at that time. With the introduction of the Act and associated regulatory changes that entailed, these older sales contracts do not comply with the requirements and provisions included in the Water Retail Code. It has been necessary as part of our water retail licensing conditions to review our contracts in light of the Commission's model sales contract and the recent change to the Water Retail Code which now requires retailers to adopt the Commission's standard sales contract for residential customers.

#### 2. CONSULTATION / COMMUNICATION

- 2.1 Internal
  - 2.1.1 Salisbury Water Management Advisory Board, 14 December 2015
- 2.2 External
  - 2.2.1 Essential Services Commission of South Australia
  - 2.2.2 Norman Waterhouse Lawyers

# 3. REPORT

- 3.1 The Commission's model standard sales contract for residential customers is very comprehensive and quite different to Council's existing two page residential sales contract. It was identified that an opportunity existed to adopt a modified version of the Commission's standard model contract for residential customers so that it could be applied to residential and non-residential customers. Council will still have a handful of non-standard contracts for customers with large volume/commercial negotiated arrangements however where possible it is preferable to align these new contracts so that they are similar or as minimum consistent with the proposed approach for non-residential customers.
- 3.2 The Commission's model standard sales contract was reviewed and adapted for residential and non-residential customers to align the terms and conditions around the particulars of Council's water retail service and provide additional protection for Council against claims of loss of income from interruptions to supply and prolonged drought conditions. The proposed standard terms and conditions for Council's water retail service are provided in Attachment A.
- 3.3 In instances where non-residential customers have specific conditions or characteristics around their supply (eg. irrigation schedules/ special conditions), the Commission classifies this as a non-standard service as it places additional obligations on each customer and these conditions can change from customer to customer. In this case Council would be required to enter into a separate contract with each customer and these individual contracts would not be approved under the Water Retail Code.

6.7.1

- 3.4 It was proposed to the Commission that Council adopt a Water Supply Agreement Schedule which refers to the standard terms and conditions as specified in the proposed standard sales contract for residential and non-residential customers (refer Attachment A). The items and conditions documented in the schedule would take precedent over the standard contract terms and conditions if different or disputed. On this basis, two Water Supply Agreement Schedules were developed:
  - 3.4.1 Non-Residential General (refer Attachment B); and
  - 3.4.2 Non-Residential Department for Education & Child Development (DECD).
- 3.5 A separate schedule was developed for DECD as they have been quite particular about certain provisions in their current non-residential contracts and this is a way to consistently address their specific requirements which can be quite different from other non-residential customers. In essence the schedule is consistent with the general non-residential provided in Attachment B, however it includes some specific operational requirements applicable to DECD sites. DECD are currently reviewing this new sales contract arrangement and may request some changes. In addition to this we are also working with DECD to see whether they will combine all their individual agreements for each school into one overall agreement. If successful, it will reduce the ongoing administrative burden for both parties in maintaining individual supply agreement for each school.
- 3.6 The benefits of adopting and gazetting a modified standard sales contract includes:
  - 3.6.1 we will no longer be required to have our residential customers sign individual water supply agreements (reducing administration as Salisbury Water now has over 600 residential customers) and will follow a very similar model as SA Water and most other utilities;
  - 3.6.2 a number of our smaller non-residential customers would be subject to very similar conditions as our residential customers, therefore we can apply these same standard terms and conditions to them if they have no special conditions or characteristics of supply.

# 4. LEGAL ADVICE

- 4.1 Legal advice was sought on the proposed new standard sales contract for residential/non-residential customers. In particular, their opinion was sought as to whether there were sufficient provisions in the new standard contract for:
  - 4.1.1 the protection against claims from customers (in particular non-residential) from loss of income due to non supply, (ie. prevent Council from being sued for loss of income);
  - 4.1.2 effect of extreme and prolonged drought conditions which would limit, interrupt or require us to cease supply until drought conditions have eased; and
  - 4.1.3 that the proposed approach for one standard sales contract for both residential and non-residential customers is compliant, practical to apply and provides Council with sufficient protection whilst still meeting the provisions of the Act and associated Water Retail Code.
- 4.2 The standard terms and conditions were amended to address items 4.1.1 and 4.1.2 above and Normans are of the opinion that the proposed approach for one standard sales contract for both types of customers is practical.
- 4.3 Their only concern was that the termination provision for non-residential customers in the proposed standard sales contract was more restrictive than the provisions in our current non-residential water supply agreements. This has been addressed by including

the termination clauses from the existing water supply agreement into the non-residential water supply agreement schedule. These termination provisions do not comply with the Water Retail Code and therefore the Commission will not approve these conditions in the proposed standard sales contract. In addition to this an additional provision has been included in the schedule that states that the customer acknowledges that the provisions provided in the Water Retail Code do not apply to them.

4.4 Norman Waterhouse have confirmed that the standard conditions will not over ride existing arrangements with customers if appropriate wording is included in the Gazette notice.

# 5. ESSENTIAL SERVICES COMMISSION OF SOUTH AUSTRALIA ADVICE

- 5.1 Staff have worked in consultation with the Commission to develop the proposed modified customer sales contract to ensure that it is compliant with the Water Retail Code. The Commission has confirmed that:
  - the proposed standard customer contract satisfies the requirements of the Water Retail Code and no further amendments are required (refer Attachment A).
  - in regards to the schedule for non-residential customers (refer Attachment B), they would not approve these contracts under the Code. However, they have reviewed these schedules and note the City of Salisbury's intention for the Water Retail Code not to apply.
  - 5.1.3 the City of Salisbury will now need to gazette the standard customer sales contract in order to remove the need for each individual customer (particularly residential customers) to sign a water supply agreement and to comply with its water retail licence obligations.

# 6. CONCLUSION / PROPOSAL

- 6.1 The proposed standard customer sales contract included in Attachment A satisfies the Commission's requirements as specified in the Water Retail Code.
- 6.2 Legal opinion received from Norman Waterhouse confirms that the proposed contractual arrangement for residential/non-residential customers and associated terms and conditions provides sufficient protection for Council.
- 6.3 In order to achieve full compliance with Council's water retail licence, the proposed standard customer sales contract must be published in accordance with requirements specified in the Water Industry Act.

# **CO-ORDINATION**

Officer: Executive Group Date: 12/01/2016

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# STANDARD CUSTOMER SALES CONTRACT - 2 -

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# STANDARD CUSTOMER SALES CONTRACT - 3 -

#### THE PARTIES

#### 1.1 This contract is between:

The City of Salisbury (ABN 82 615 416 895) of 12 James Street, Salisbury SA 5018 (referred to in this contract as "we", "our", or "us"); and

You, the customer as defined in the Act and to whom this contract applies (referred to in this contract as "you" or "your")

#### 2. DEFINITIONS

2.1 Words appearing in **bold** type like this are defined in Schedule 1 to this **contract**.

#### 3. SERVICES PROVIDED UNDER THIS CONTRACT

- 3.1 This contract covers the sale and supply by us of a water retail service to your supply address.
- 3.2 Our water retail service, known as 'Salisbury Water', comprises of recycled water (non-drinking) supplied to you through a dedicated recycled water network.
- 3.3 We will provide your water retail service in accordance with all applicable regulatory instruments.

#### 4. DOES THIS DOCUMENT APPLY TO YOU?

- 4.1 This document applies to you if:
  - your supply address receives, or will receive upon successful connection, our water retail service and you have not agreed to different terms and conditions with us;
  - you currently receive, or will receive upon successful connection, our water retail service with special characteristics relevant to the provision of that water retail service; or
  - (c) you are required to pay us an availability charge under the Regulations but only for the purposes of clauses 7, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 28, 30 and 32 of this contract.
- 4.2 Unless otherwise agreed by the parties, this document does not apply where:
  - (a) we provide you with a non-standard water retail service;
  - (b) prior to the commencement of this contract, you were a customer receiving a water retail service from us pursuant to an existing written agreement and you have agreed to the continuation of that agreement until its term ends, at which point this contract takes effect; or
  - (c) prior to the commencement of this contract, you were a customer receiving a water retail service from us and you were charged for that water retail service as a component of a rate notice issued under the Local Government Act 1999 and you have agreed to the continuation of that arrangement until its ends, at which point this contract takes effect.
- 4.3 This contract is with you as the owner of the supply address and if you do not reside at the supply address:

- (a) you will continue to be bound by the terms of this contract: and
- (b) in addition to the general indemnity given in clause 9.6, you will indemnify us for any loss (whether direct or indirect, consequential or otherwise) we suffer arising out of, caused or contributed by the occupant of the supply address; and
- (c) you acknowledge that we will continue to bill you in accordance with clause 15; and
- (d) you must ensure the occupier of the supply address is made aware of the requirements of this contract, including the requirements with respect to the use of recycled water.

#### 5. CLASSIFICATION OF CUSTOMER CLASS

5.1 We may classify you as a residential customer or a nonresidential customer in relation to your supply address after the commencement of this contract in accordance with applicable regulatory instruments.

#### 6. COMMENCEMENT

- 6.1 If you are an existing customer, this contract will start on the day this document comes into force by publication under the provisions of the Act.
- 6.2 If you are an existing customer that will continue to receive a water retail service from us under an existing written agreement, this contract will start on the day following the termination of that existing written agreement.
- 6.3 If you are an existing customer receiving a water retail service from us and you are charged for that water retail service as a component of a rate notice issued under the Local Government Act 1999, this contract will start on the day following the termination of that statutory charging arrangement.
- 6.4 If you are a new customer, this contract starts on the date you apply for a connection in writing, satisfying all relevant pre-conditions and providing all required information.
- 6.5 If you are a person who becomes the registered proprietor of a supply address and clause 6.2 or 6.3 does not apply to you, this contract starts upon transfer of ownership of that supply address to you.

#### 7. TERMINATION

- 7.1 We may terminate this contract with you in accordance with applicable regulatory instruments if:
  - (a) the supply of the water retail service to your supply address has been disconnected in accordance with other provisions of this contract and you no longer have a right to be reconnected in accordance with clause 27;
  - (b) you have notified us in accordance with clause 9.7 that you are no longer the owner of the supply address and we have entered into a new contract with the new owner; or
  - (c) circumstances beyond our reasonable control mean that the dedicated recycled water network

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# STANDARD CUSTOMER SALES CONTRACT - 4 -

necessary to provide our water retail service to your supply address is no longer available.

- 7.2 You may terminate this contract with us at any point in accordance with applicable regulatory instruments by providing us with 3 business days' notice, which may be given by:
  - (a) personal contact;
  - (b) telephone;
  - (c) electronic mail; or
  - (d) writing to us.
- 7.3 All rights and obligations accrued before the end of this contract continue despite the end of this contract, including your obligation to pay any amounts due to us.
- 7.4 If you do not give us safe and unhindered access to the supply address to conduct a final meter reading (where relevant), this contract will not end under clause 7.1 until we have issued you with a final bill and you have paid any outstanding amount owed to us under this contract.
- 7.5 Your right to dispute a bill under clause 20 and recover amounts we have overcharged you in accordance with clause 22 continues despite the end of this contract.

# 8. WHAT YOU HAVE TO DO TO RECEIVE CONNECTION?

- 8.1 When you apply for a water retail service at your supply address we may require you to satisfy some preconditions. We will explain any pre-conditions that may apply to you when you apply to us for a water retail service.
- 8.2 Fees and Charges for new connections apply and will be determined in accordance with our Price List, published annually.
- 8.3 Our obligation to sell or supply you with a water retail service at your supply address does not start until you satisfy our pre-conditions.

#### 9. YOUR GENERAL OBLIGATIONS

- 9.1 Legal Obligations
  - You must comply with all laws applicable to your water retail service.
- 9.2 Infrastructure:
  - (a) You must arrange for all infrastructure on your side of the connection point to be properly maintained and to the standards specified in AS/NZS3500.1:2003 (as amended or replaced from time to time. This includes ensuring any work to be undertaken is done so by an appropriately licensed plumber.
  - (b) If installation of internal infrastructure at your supply address is reasonably required in order for us to provide you a retail service then you must arrange for that infrastructure to be installed in compliance with any applicable regulatory instruments and by an appropriately licensed plumber.
- 9.3 Meters

- (a) Unless we agree otherwise, we will install a meter at your connection point of a size and in a location determined by us to measure the quantity of water we supply you. We will liaise with you to determine a suitable location, where possible.
- (b) Pipe and fittings up to and including the inlet riser, the meter and the outlet riser from the meter is our property.
- (c) You must protect the meter and risers from accident or damage and charges will apply for the replacement of damaged or lost meter and/or fittings.
- (d) You must keep the meter clear from obstruction and ensure we can safely and conveniently access and read the meter at your supply address.
- (e) You must not use the stop tap to control the water retail service at the supply address unless that stoppage is reasonably necessary to undertake required temporary repairs to your infrastructure or to deal with an emergency.
- (f) To extent permitted by law, we do not accept responsibility for damage and/or loss including recycled water as a result of stop tap malfunctions unless that damage or loss is caused by our negligence. An isolation valve should be installed to your internal pipework by a licensed plumber if you wish to control the recycled water supply at your supply address.
- (g) If you believe your meter is not accurately recording your recycled water usage you may request that we test your meter. If you make a request to must pay us in advance our charge for checking the meter reading, metering data or for testing the meter.
- (h) If:
  - the meter is found to be within the 5% limits for reasonable accuracy (ie. +/- 5%) your current bill stands and you will be charged the meter testing fee;
  - (ii) the meter is found to be over-recording outside of the reasonable limits referred to in clause 9.3(h)(i) the meter testing fee paid under clause 9.3(g) will be credited to your next bill and we will credit your next bill with the percentage amount for which the meter has been over-recording for a period of 12 months prior to the replacement of your meter; or
  - (iii) the meter has been found to be underrecording we may recover under-charged amounts from you using the estimation methodology referred to in clause 15.6 but subject to the limits expressed in clause 21.2.
- (i) If your meter is found, by us, to be within the acceptable limits but you still believe the meter is inaccurate you have the right to have the meter independently tested at your cost. If the meter is found by such test to be over-recording outside the reasonable limits referred to in clause 9.3(h)(i) we will credit the testing fees against your next bill.
- 9.4 Dual reticulation recycled water service supply obligations

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# STANDARD CUSTOMER SALES CONTRACT - 5 -

- You must ensure that the dedicated recycled water service at your supply address is independent of the drinking water reticulation network at your supply address.
- (b) If your internal pipework or other property plumbing infrastructure does not meet plumbing standard AS/NZS3500.1:2003 (as amended or replaced from time to time), we may suspend your supply of recycled water until we are satisfied that the defects are remedied.
- (c) To minimise the risk of cross connection of your infrastructure, we may require residential customers to:
  - allow an audit of your plumbing infrastructure on a 5 yearly basis at our cost, performed by our licenced plumber. You must allow access to your property to us, our employees and contractors to conduct this audit.
  - conduct an inspection of your plumbing infrastructure annually using our self- check cross connection check list.
  - (iii) conduct an audit of your plumbing infrastructure at your cost, performed by a licenced plumber, at transfer of property ownership of a supply address.
  - (iv) forward us evidence of the successful completion of an inspection or audit.
- (d) To minimise the risk of cross connection of your infrastructure, we may require non-residential customers to:
  - conduct inspections and audits of your plumbing infrastructure on an annual basis, and at transfer of property ownership of a supply address, performed by a licenced plumber, at your cost.
  - (ii) forward us evidence of the successful completion of an inspection or audit.

#### 9.5 Permitted uses

- (a) You must only use the water retail service for the purposes as set out in our Salisbury Water Guidelines for Installation and Use, or as otherwise agreed with us.
- (b) Permitted uses for non-residential customers may vary to our Salisbury Water Guidelines for Installation and Use and we will notify you under clause 31 of the special characteristics of your water retail service if applicable.
- (c) You are permitted to use the water retail service provided by us at your supply address only. You are not permitted, without prior written consent, to supply water received by you from our water retail service to any other person, customer or property.

#### 9.6 Indemnity

- (a) To the extent permitted by law, you hereby indemnify us against any third party claims arising out of, in respect of, or in connection with the water retail service howsoever caused.
- 9.7 Transfer of ownership of land

- (a) If you intend to transfer ownership of land relating to a supply address governed by this contract, before doing so you must;
  - contact us at least 7 business days before transfer to arrange a final meter reading;
  - (ii) pay all outstanding fees and charges owing to us before transferring ownership of the said land. You will remain liable to us for the payment of any outstanding fees and charges in line with clause 7.3.
  - (iii) upon sale of your supply address to a new owner, you should advise the new owner of the existence of this contract and any special characteristics of your water retail service.

#### 9.8 Illegal use of water retail services:

- (a) You must only use the water retail service provided by us for lawful purposes and, if you are found to be illegally using our water retail service, or otherwise consuming our water retail service not in accordance with this contract or applicable regulatory instruments, we may:
  - estimate the consumption for which you have not paid using an approved estimation method and bill you for that amount;
  - (ii) recover that amount from you, as well any costs associated with estimating the consumption; and
  - (iii) disconnect your supply address immediately.
- (b) By illegally using our water retail service, clauses 18 and 19 will not apply to you.
- (c) We will not be liable for any injury or damage to person or property as a result of the illegal use of our water retail service.

#### 10. OUR GENERAL OBLIGATIONS

#### 10.1 Quality

- (a) Your water retail service comprises non-drinking water (including recycled water). We will provide such a water retail service on the basis that such water is not intended for human consumption and otherwise may only be used for purposes as advised by us. Our water retail service will be supplied in accordance with all relevant health, environmental and other applicable regulatory requirements applicable to non-drinking water.
- (b) If we need to reclassify your water retail service from non-drinking water to drinking water or vice versa, we will do so only in accordance with applicable regulatory instruments and notify you immediately if reclassification is to occur.
- (c) To the extent permitted by law, we make no warranty or undertaking as to the quality, fitness for purpose or suitability of the water supplied for use by you.

#### 10.2 Reliability

(a) We will use our best endeavours to provide you with a water flow rate to meet your reasonable

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# STANDARD CUSTOMER SALES CONTRACT - 6 -

needs. Please note that, for some **customers**, the flow rate may not be sufficient for all purposes without the provision of additional on-site **water** infrastructure. You are responsible for arranging and covering the costs of such additional onsite **water** infrastructure, which must be installed by an appropriately licensed plumber.

- (b) We will notify you under clause 10.3 if, due to the special characteristics of your water retail service, we are unable to provide you with such a flow rate.
- (c) To the extent permitted by law, we make no warranty or undertaking as to the flow rates and pressure of which the water will be supplied to you,

#### 10.3 Water retail service with special characteristics

- (a) If, prior to the commencement of this contract, you were a customer that we supplied a water retail service to with conditions as set out under a separate agreement, or without a formal agreement in place, this contract will now apply to the provision of that water retail service and the special characteristics applicable to that water retail service will apply.
- (b) We will advise you of the special characteristics of the water retail service applicable to you under this contract. For existing customers, we will advise you on commencement of this contract. For new customers we will advise you upon assessment of an application by you for a water retail service under this contract.

#### 11. RIGHT TO ENTER

11.1 In the case of an emergency or on agreement with you, we and our contractors will enter your property to perform planned or unplanned maintenance to our infrastructure located at your supply address, in each case in accordance with sections 44 and 45 of the Act.

#### 12. INTERRUPTIONS

- 12.1 We will use our best endeavours to minimise the frequency and duration of interruptions or limitations to supply of your water retail service.
- 12.2 We may wholly or partially suspend, interrupt or reduce the supply of your water retail service in the following instances:
  - (a) for maintenance;
  - (b) for repair;
  - (c) for augmentations to the network;
  - (d) in the event of emergencies;
  - (e) for health and safety reasons; or
  - (f) for circumstances of unusual drought or any event beyond our reasonable control which prevents us from the supply of your water retail service
- 12.3 In the event of an unplanned interruption, we will use our best endeavours to restore your water retail service as soon as practically possible and within the timeframes specified in the regulatory service standards.
- 12.4 Where a planned interruption is required, we will use our best endeavours to provide you with at least 4 business

days' notice prior to planned works that will cause an interruption to your water retail service. This notice will be in writing where practicable but may be by radio or newspaper.

#### 13. FEES AND CHARGES

13.1 Any fees and charges associated with the sale and supply of a water retail service to you are set out in the Price List published from time to time and available on our website (www.salisbury.sa.gov.au).

#### 13.2 Changes in fees and charges

- (a) We have the right to change our fees and charges from time to time.
- (b) Any changes to fees and charges applicable to you will be set out within 10 business days in the Price List published on our website.

#### 13.3 GST

- (a) Amounts specified in our Price List, subject to amendment from time to time, and other amounts payable under this contract may be stated to be exclusive or inclusive of GST. Clause 13.3(b) applies unless an amount is stated to include GST.
- (b) Where an amount paid by you under this contract is payment for a "taxable supply" as defined for GST purposes, to the extent permitted by law, that payment will be increased so that the cost of the GST payable on the taxable supply is passed on to the recipient of that taxable supply.

#### 14. TARIFF CHANGES

- 14.1 If we vary the type of tariff rate you are charged for your water retail service, we will notify you of the new tariff rate on your next bill.
- 14.2 Where this occurs within a billing cycle, we will calculate on a pro-rata basis using:
  - the old tariff rate up to and including the effective date for the change; or
  - (b) the new tariff rate from the effective date to the end of the billing cycle.

# 15. BILLING

- 15.1 We will use our best endeavours to issue you a bill at least quarterly.
- 15.2 We may enter into an agreement with you to a different billing cycle with a regular recurrent period that differs to clause 15.1.
- 15.3 We will issue a bill to you at the supply address unless you subsequently advise otherwise.
- 15.4 It is your responsibility to advise us of any changes in billing address, or pending changes in billing address, prior to the issue of your next bill.
- 15.5 We will base your bill for a water retail service that is metered on an actual reading of the relevant meter(s) at your supply address determined in accordance with applicable regulatory instruments.

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15.6 Estimation as basis for bills

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- (a) If we are not able to access your meter or you have denied access to a meter for the purposes of reading that meter, we may issue you with an estimated bill based on your prior usage history at your supply address, or where you do not have a prior usage history at your supply address we will use the average usage by a comparable customer over the corresponding period.
- (b) When we issue you with an estimated bill we will publish a notice in a prominent location on that bill advising that the bill is based on an estimate.
- (c) Where we provide you with an estimated bill and the meter is subsequently read, we will include an adjustment on the next bill to take account of the actual meter reading.
- 15.7 If we charge you for a water retail service as a component of a rate notice issued under the Local Government Act 1999, the rate notice will separately identify the cost of the water retail service and will include the particulars in clause 15.8.
- 15.8 We will prepare a bill so that you can easily verify that the bill conforms to this contract and it will include at least the particulars required by the Code, except in circumstances permitted by ESCOSA.
- 15.9 Unless otherwise agreed with you, you must pay the amount shown on each bill by the date for payment (the pay-by date). The pay-by date will be no earlier than 12 business days from the date we send the bill.
- 15.10 If you have not paid a bill by the pay-by date, we will send you a reminder notice. This will give you a further pay-by date which will not be less than 6 business days after we issue the notice.

#### 16. PAYMENT METHODS

- 16.1 The payment methods we offer will be listed on your bill and are subject to change from time to time. At a minimum we will offer you the ability to pay your bills:
  - (a) in person,
  - (b) by mail,
  - (c) by direct debit; or
  - (d) by re-occuring BPay.
- 16.2 If you pay us by cheque, direct debit, from an account with an ADI or by credit card and the payment is dishonoured or reversed, which results in us incurring a fee, we may recover the amount of that fee from you.
- RESIDENTIAL CUSTOMERS WITH PAYMENT DIFFICULTIES
- 17.1 If you are a residential customer experiencing payment difficulty, we will provide you with information about:
  - (a) Our flexible payment arrangements;
  - (b) Our residential customer hardship policy;
  - (c) Government concessions (if applicable); and
  - Independent financial and other relevant counselling services for residential customers.
- 18. FLEXIBLE PAYMENT ARRANGEMENTS

- 18.1 We offer flexible payment plans in accordance with this clause if you are a residential customer experiencing payment difficulties and you inform us in writing or by telephone that you are experiencing payment difficulties.
- 18.2 Residential customers experiencing payment difficulties are offered the following flexible payment options:
  - a system or arrangement under which a residential customer may make payments in advance towards future bills:
  - (b) an interest free and fee free payment plan or other arrangement under which the residential customer is given more time to pay a bill or to pay arrears (including any restriction, disconnection or restoration charges); and
  - (c) redirection of your bill as requested by you.
- 18.3 If you are a non-residential customer experiencing payment difficulties and inform us in writing or by telephone that you are experiencing payment difficulties we will assess your eligibility for flexible payment options. You will be required to provide us with sufficient justification to support your request for flexible payment options. Flexible payment arrangements for all non-residential customers will be authorised by Executive Management.

#### 19. HARDSHIP POLICY FOR RESIDENTIAL CUSTOMERS

- 19.1 We offer a Salisbury Water Hardship Policy to all our residential customers.
- 19.2 Pursuant to the Salisbury Water Hardship Policy we will:
  - have a process to identify if you are experiencing payment difficulties due to financial hardship;
  - (b) have a process for early response to customers identified as experiencing payment difficulties due to hardship;
  - (c) have processes in place to adequately train hardship staff;
  - (d) offer alternative payment options including instalment plans:
  - (e) offer reoccurring BPay payments to residential customers;
  - (f) have processes in place to identify appropriate government concession programs and financial counselling services where appropriate and advise residential customers;
  - (g) provide information on the processes or programs available to customers to improve their water efficiency; and
  - (h) provide information on the circumstances in which the customer will cease being eligible for the hardship program.
- 19.3 The Salisbury Water Hardship Policy (as amended from time to time) and further details are available on our website.

# 20. BILLING DISPUTES

20.1 If you disagree with the amount you have been charged, you can ask us to review your bill in accordance with our





# STANDARD CUSTOMER SALES CONTRACT - 8 -

# Enquiries, Complaints and Dispute Resolution Process under clause 28.

- 20.2 We will review your bill and inform you of the outcome of that review as soon as reasonably possible and, in any event, within 30 business days.
- 20.3 Where we are reviewing a bill, we may require you to pay:
  - (a) the greater of:
    - that portion of the bill under review that we agree is not in dispute; or
    - an amount equal to the average amount of your bills in the previous 12 months (excluding the bill in dispute); and
  - (b) any future bills that are properly due.
- 20.4 Where, after conducting a review of the bill, we are satisfied that it is:
  - correct, we may require you pay the amount of that bill which is still outstanding; or
  - (b) incorrect, we:
    - (i) will correct your bill;
    - (ii) will refund (or set off against the amount in clause 20.4(b)(iii) any fee paid in advance;
    - (iii) may require you pay the amount of that bill which is still outstanding; and
    - (iv) will advise you of the existence of our Enquiries, Complaints and Dispute Resolution Process under clause 28.
- 20.5 If you advise us that you are not satisfied with our decision, we will inform you that you may lodge a dispute with our external dispute resolution body.

#### 21. UNDERCHARGING

- 21.1 Where you have been undercharged we will inform you and we may recover from you any amount you have been undercharged.
- 21.2 Where any amount undercharged is as a result of an act or omission on our part we will recover only the amounts owed to us in the 12 months prior to us advising you in writing that there has been an error.
- 21.3 We will list the amount to be recovered as a separate item in a special bill or on the next bill, together with an explanation of that amount.
- 21.4 We will not charge you interest on amounts recovered due to an error on our part and we will offer you a period of time to repay the amounts undercharged at least equal to the period of undercharging if less than 12 months or 12 months in any other case.

#### 22. OVERCHARGING

- 22.1 If we overcharge you due to an act or omission on our part, we will use our best endeavours to advise you within 10 business days of us becoming aware of the error.
- 22.2 If we have overcharged you and you have already paid your bill, we will:

- (a) credit the amount to your account and it will be deducted from your next bill; or
- (b) if you have ceased to purchase a water retail service from us, repay that amount to you within 10 business days.

#### 23. DEBT RECOVERY

- 23.1 We will not commence proceedings for the recovery of a debt relating to the sale and supply of a water retail service by us from a residential customer if:
  - you continue to adhere to the terms of a flexible payment plan or other agreed payment arrangement; or
  - (b) we have failed to comply with the requirements of:
    - (i) our Salisbury Water Hardship Policy in relation to you; or
    - this contract relating to non-payment of bills, payment plans and providing assistance to residential customers experiencing payment difficulties; or
  - (c) you currently have a flow restriction device installed at the relevant supply address in accordance with clause23.3.
- 23.2 We will not commence proceedings for the recovery of a debt relating to the sale and supply of a water retail service by us from a non-residential customer if:
  - (a) the non-residential customer contacted us to discuss payment options after being issued a final notice and we agreed to a payment extension or flexible payment arrangement; or
  - (b) the non-residential customer continues to adhere to the term of a flexible payment plan or other agreed payment arrangement (if applicable).
- 23.3 If a non-residential customer has not paid a bill by the pay-by date, or made and adhered to other payment arrangements, any unpaid amount due shall accrue interest at the Default Interest Rate from the due date until the date the payment is made, provided that we have first served a notice on you requiring payment and which you have not complied with.

#### 24. RESTRICTIONS

#### 24.1 Residential Customers

- (a) If you are a residential customer, we may, subject to compliance with the Code and the Salisbury Water Restrictions Policy for Residential customers, arrange for the restriction of the supply of your water retail service to you where:
  - you have not paid a bill or bills within the required timeframes;
  - you have not agreed to an offer of a flexible payment plan under clause 18 or another payment option to pay a bill;
  - you have not adhered to your obligations to make payments in accordance with the flexible payment plan or another payment option relating to the payment of bills;

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# STANDARD CUSTOMER SALES CONTRACT - 9 -

- you have not complied with the terms of our Salisbury Water Hardship Policy referred to in clause 19 resulting in you being removed from that hardship program;
- (v) you have not allowed entry to a water industry officer appointed under the Act for the purposes consistent with carrying out duties in accordance with applicable regulatory instruments; or
- (vi) you have used the water retail service illegally.
- (b) Before undertaking any arrangements for the restriction of supply of water retail services to your supply address for failure to pay a bill, we will:
  - use our best endeavours to contact you personally by the methods outline in the Code:
  - give you information about the terms of our Salisbury Water Hardship Policy and assess your eligibility for participation in our Salisbury Water Hardship Policy;
  - give you information on government funded concessions, if applicable, and refer you to the organisation responsible for that concession;
  - (iv) give you a reminder notice;
  - (v) after the expiry of the period referred to in the reminder notice, give you a written restriction warning notice in accordance with clause 25; and
  - (vi) advise you of the existence and operation of our external dispute resolution body.

#### 24.2 Non-residential Customers

- (a) If you are a non-residential customer, we may, subject to compliance with the Code, arrange for the restriction of the supply of your water retail service at any of your supply addresses at which a water retail service is provided where:
  - you have not paid a bill or bills within the required timeframes;
  - you have not allowed entry to a water industry officer appointed under the Act for the purposes consistent with carrying out duties in accordance with applicable regulatory instruments;
  - you have failed to allow, for 3 consecutive billing cycles, access to the relevant supply address for the purposes of meter reading; or
  - (iv) you have used the water retail service illegally.
- (b) Before undertaking any arrangements for the restriction of supply of water retail services to your supply address for failure to pay a bill, we will:
  - use our best endeavours to contact you personally by the methods outline in the Code;
  - (ii) offer you an extension of time to pay on terms and conditions (which may include the

- payment of interest approved by ESCOSA from time to time);
- (iii) give you a reminder notice;
- (iv) after the expiry of the period referred to in the reminder notice, give you a written restriction warning notice in accordance with clause 25; and
- advise you of the existence and operation of our external dispute resolution body.
- 24.3 Subject to compliance with the Code, we may restrict the supply of a water retail service to a supply address immediately if you:
  - have refused or failed to accept the offer of a flexible payment plan in accordance with clause 18 before the expiry of the 5 business days period in the restriction warning; or
  - (b) have accepted the offer of a flexible payment plan in accordance with clause 18, but have refused or failed to take reasonable actions towards settling the debt before the expiry of the 5 business days period in the restriction warning.
- 24.4 The restriction of supply of water retail services under clause 24.1 or 24.2 will be no less than the minimum flow rate prescribed by ESCOSA by notice in writing from time to time.

#### 25. RESTRICTION WARNING NOTICE

- 25.1 Prior to commencing action to restrict the supply of a water retail service to you, we will issue a restriction warning notice to you that:
  - (a) states the date of its issue;
  - (b) states the matter giving rise to the potential restriction of your supply address;
  - (c) where the notice has been issued for not paying a hill:
    - state the date on which the restriction warning notice ends; and
    - state that payment of the bill must be made during the restriction warning notice period;
  - (d) for matters other than not paying a bill, allow a period of not fewer than 5 business days after the date of issue for you to rectify the matter before restriction occurs;
  - inform you of applicable restoration procedures and any charges for restoration (if applicable);
  - include details of our telephone number for complaints and disputes; and
  - include details of the existence and operation of our external dispute resolution body.

#### DISCONNECTIONS

- 26.1 We will not disconnect your water retail service for non-payment of a bill or bills. However, we may restrict your water retail service in accordance with clause 23.3.
- 26.2 We will not disconnect your water retail service where your supply address is subject to a registered Land

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#### STANDARD CUSTOMER SALES CONTRACT - 10 -

Management Agreement for the provision of our supply as the alternative water supply other than mains water supply.

- 26.3 Subject to clause 26.2 and any applicable regulatory instruments that prohibit disconnection, we may only arrange for the disconnection of your retail service if you have:
  - (a) requested that disconnection;
  - (b) used the water retail service illegally; or
  - (c) refused entry to a water industry officer appointed under the Act for a purpose consistent with carrying out duties in accordance with applicable regulatory instruments.
- 26.4 If you request us to arrange for the preparation and issue of a final bill, or the disconnection of, your supply address, we will use our best endeavours to arrange for that final bill (in circumstances where final bills can be issued) or, subject to any applicable regulatory instruments that prohibit disconnection, arrange the disconnection in accordance with your request.
- 26.5 We will inform you of any fees or charges that you will remain liable for under the Local Government Act 1999 or the Roxby Downs (Indenture Ratification) Act 1982 notwithstanding a disconnection under this clause.

#### 27. RESTORATION OF WATER RETAIL SERVICE

- 27.1 If we have disconnected or restricted the supply of your water retail service to you, we will use our best endeavours to arrange for the reconnection or removal of flow restrictions within a time agreed with you, subject to:
  - (a) clause 9.1;
  - (b) the reasons for the disconnection or restriction being rectified by you; and
  - (c) you have paid the appropriate charge for reconnection or removal of water flow restriction (if applicable).
- 27.2 If you are a residential customer, we will not charge a restoration fee where you are experiencing financial hardship and should have been identified as eligible for our Salisbury Water Hardship Policy, so long as you agree to participate in our hardship program upon restoration.
- 27.3 We will use our **best endeavours** to reconnect or remove water flow restrictions within the timeframes required by the regulatory service standards.

# 28. ENQUIRIES, COMPLAINTS AND DISPUTE RESOLUTION

- 28.1 If you have an enquiry or complaint relating to our water retail service or related matter, you can contact us on (08) 8406 8222.
- 28.2 You may make a complaint to us regarding our services or compliance with this contract. We will address your complaint in the manner set out in our procedures for the management and resolution of customer enquiries and disputes. For further information regarding this process please refer to our website (www.salisbury.sa.gov.au).

- 28.3 If you are not satisfied with the solution offered or action taken by us in response to your complaint you may have the complaint reviewed by one of our executive managers under our procedures for the management and resolution of customer enquiries and disputes.
- 28.4 If you are not satisfied with the outcome of our internal dispute resolution process you may refer the matter to our external resolution body for external dispute resolution.

#### 29. FORCE MAJEURE

- 29.1 If, but for this clause, either party would breach this contract due to the occurrence of a force majeure event:
  - (a) the obligations of the party under this contract, other than an obligation to pay money, are suspended to the extent to which they are affected by the force majeure event for so long as the force majeure event continues; and
  - (b) the affected party must use its best endeavours to give the other party prompt notice of that fact including full particulars of the force majeure event, an estimate of its likely duration, the obligations affected by it and the extent of its effects on those obligations and the steps taken to remove, overcome or minimise those effects.
- 29.2 For the purposes of this clause, if the effects of a force majeure event are widespread we will be deemed to have given you prompt notice if we make the necessary information available by way of a 24 hour telephone service within 30 minutes of being advised of the force majeure event or otherwise as soon as practicable.
- 29.3 Either party relying on this clause by claiming a force majeure event must use its best endeavours to remove, overcome or minimise the effects of that force majeure event as quickly as practicable.
- 29.4 Nothing in this clause will require a party to settle an industrial dispute which constitutes a force majeure event in any manner other than the manner preferred by that party.

#### 30. INFORMATION AND PRIVACY

- 30.1 We will keep your personal information confidential in accordance with applicable laws and our privacy policy.
- 30.2 We will also provide any relevant information to authorities in the event that you are under investigation for illegal use of our services or of any other crime.
- 30.3 By accepting a water retail service under this contract you are agreeing to the release of billing data to a tenant of your supply address, in accordance with processes approved by ESCOSA from time to time.

# 31. SPECIFIC SUPPLY ARRANGEMENTS FOR NON RESIDENTIAL CUSTOMERS

31.1 In addition to the terms under this contract, non residential customers will be bound by any such additional terms as agreed with us pursuant to a schedule executed by you and us in relation to the supply of the water retail service.

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# STANDARD CUSTOMER SALES CONTRACT - 11 -

31.2 To the extent that terms agreed between you and us in the schedule are inconsistent with this contract, the terms of the schedule shall prevail.

#### 32. GENERAL

#### 32.1 Applicable law

The laws in force in the State of South Australia govern this contract.

#### 32.2 Referral of Our Obligations

Some obligations placed on us under this **contract** may be carried out by others engaged by us to perform the obligations on our behalf.

#### 32.3 Amending the contract

This contract may only be amended in accordance with the Code. We will publish any amendments to this contract on our website.

#### 32.4 The Code

If the **Code** grants us a right which may be included in this **contract**, our rights under this **contract** are deemed to include such a right.

#### 32.5 Special Conditions

The terms and conditions in this **contract** represent the Council's standard terms and conditions for the supply of **recycled water**. The special conditions set out in Item 19 of the Schedule take precedence in the event of any inconsistency between this **contract** and any special conditions.

#### 32.6 Order of Precedence

To the extent that there is any inconsistency in the terms of this **contract**, then the inconsistency is to be interpreted in accordance with the following order of precedence:

- any Special Conditions contained in Item 19 of the Schedule; and
- (b) this contract.



#### STANDARD CUSTOMER SALES CONTRACT - 12 -

#### **SCHEDULE 1 - DEFINITIONS** 33.

The following words have the attributed meaning for the purposes of this contract.

Act means the Water Industry Act 2012 (SA) as amended from time to time.

applicable regulatory instruments

means any Act (including without limitation, the Act) or regulatory instrument made under an Act (including without limitation, the Regulations), or the Code or any other industry code, guideline, or other regulatory instrument issued by ESCOSA which

applies to us.

ADI means an authorised deposit taking institution within the meaning of the Banking Act

1959 (Cth) as defined in section 4 of the Acts Interpretation Act 1915 (SA).

availability charge a charge for the availability of a service (rather than the use of it). The Local

Government Act 1999/Roxby Downs Indenture Ratification Act 1982 allows us to recover this availability charge from you where our water infrastructure runs adjacent

to your property.

best endeavours means to act in good faith and use all reasonable efforts, skill and resources.

business day means a day that is not a Saturday, a Sunday or a public holiday in the State of South

Code means the Water Retail Code - Minor and Intermediate Retailers published by

ESCOSA as amended from time to time.

connection point means, in respect of a water retail service, the end of the outlet riser of the meter at

your supply address which then connects to your supply pipework on your property.

contract means this contract which has been approved by ESCOSA under clause 2.1 of the

means a customer as defined under section 4 of the Act. customer

default interest rate means the rate per annum plus 2% charged by our bankers on overdrafts in excess of

\$100,000.00.

designated recycled means the area where we provide a dedicated reticulation service for recycled water reticulation area

as published on our website from time to time.

dedicated recycled water

network

means our system of water pipes and pumps for the provision of recycled water

recycled water service means, in relation to the designated recycled reticulation area only, the service of

providing recycled water to your supply address using our dedicated recycled water

network.

Enquiries, Complaints and

Dispute Resolution Process

means our enquiries, complaints and dispute resolution process as published on our

website and as may be amended from time to time.

**ESCOSA** means the Essential Services Commission of South Australia, a body created under the

Essential Services Commission Act 2002 (SA).

fees and charges means our fees and charges as specified in our Price List.

Price List means the fees and charges schedule published by us on our website and in the

Gazette as may be amended from time to time.

financial hardship means a situation defined by reasonable assessment by us as a customer having

desire to pay an account but being absent of the means to pay the account within 3

months of the due date despite all best efforts.

means an event outside the control of us, the occurrence of which could not be force majeure event

reasonably foreseen by us, or if it could be foreseen, could not reasonably have been

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# STANDARD CUSTOMER SALES CONTRACT - 13 -

guarded against.

Hardship Policy means our Salisbury Water Financial Hardship Policy as published on our website and

as may be amended from time to time.

meter means the device and associated equipment owned by us used to measure the use of

recycled water at a property.

Minister means the Minister for Water and the River Murray.

network Means in respect of the water retail service, the dedicated recycled water network.

non-standard water retail means a **water retail service** we may provide to **customers** on terms and conditions service other than that set out in this **contract**, but such services do not include a **water retail** 

other than that set out in this contract, but such services do not include a water retail service provided to customers with special characteristics as described in clause 10.3.

Non-residential customer means a customer other than a residential customer.

recycled water means recycled water produced from the treatment and disinfection of stormwater,

resulting in a product suitable for irrigation and other purposes not constituting

human consumption and supplied to a customer as a recycled water service.

Regulations means the Water Industry Regulations 2012 (SA) as may be amended from time to

time

regulatory service standards means the regulatory service standards applicable to the provision by us to you of a

retail service as determined and published from time to time by ESCOSA.

residential customer means a customer which acquires a retail service primarily for their own domestic

purposes.

Salisbury Water is the term used by the City of Salisbury for its fit for purpose recycled water supply

which is predominately recycled stormwater and native groundwater, treated to a

standard that is satisfactory for its intended

special characteristics means the particular features or characteristics of the retail service relevant to your

supply address as set out in Schedule 2.

supply address means the property address at which the water retail service is to be provided under

this contract.

water includes desalinated water and water that may include any material or impurities, but

does not include recycled water or sewage.

water retail service means a service constituted by the collection, storage, production, treatment,

conveyance, reticulation or supply of water; or any other service, or any service of a

class, brought within the ambit of this definition by the Regulations.

water reticulation network means the primary system of water mains and service pipes for the provision of water

to 2 or more locations in the State.

November 2015



# WATER SUPPLY AGREEMENT

3dispui		
SCHEDULE TO AGREEMENT – NON RESIDENTIAL		
Between:		
The Council:	THE CITY OF SALISBURY	
Address:	12 James Street, Salisbury SA 5108	NOTE: Items highlighted in yellow only will
And the Customer:	#########[insert]##########	be modified to suit each individual customers requirements.
Address:	Attention — ###################################	
Service Site/Details	####[insert site address]########	

The Council offers to supply Salisbury Water to the Customer for the Permitted Use by the Customer.

The Customer agrees to purchase Salisbury Water from the Council in accordance with the City of Salisbury's standard customer sales contract terms and conditions as published in accordance with section 36 of the Water Industry Act 2012 and pay the Usage Fee and any other sums that become payable under this Agreement and otherwise be bound by this Agreement.

In accordance with clause 10.3 of the City of Salisbury's standard customer sales contract terms and conditions, this schedule represents the special characteristics of your water retail services and the conditions outlined in Items  $1 - \frac{XX}{XX}$  take precedence in the event of any inconsistency between these items and Council's standard customer sales contract terms and conditions.

Execution by THE CUSTOMER	<b>EXECUTED</b> for and on behalf of ######[insert]######## by its authorised representative:
	Signature of Authorised Representative
	Name of Authorised Representative
	Position of Authorised Representative
	Date:
Execution by the COUNCIL	<b>EXECUTED</b> for and on behalf of the <b>CITY OF SALISBURY</b> by its authorised representative:
	Signature of Authorised Representative
	10011100011000110000
	Name of Authorised Representative
	Position of Authorised Representative
	Date:

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SALISBURY WATER	Recycled water produced from the treatment and disinfection (if applicable) of stormwater.	
ITEM 2 PERMITTED USE	Non-potable uses only – for #######[insertpurpose]####################################	
ITEM 3 COMMENCEMENT DATE	####[insert]########	
COMMENCEMENT DATE		
ITEM 4 END DATE	#####[insert]###### Unless terminated earlier in accordance with Item 19.1 of the Schedule or clause 7 of the standard customer sales contract terms and conditions.	
STANDARD TERMS & CONDITIONS	This agreement is bound by the City of Salisbury's standard customer sales contract for its Salisbury Water Retail Service. These standard terms and conditions are published in accordance with section 36 of the Act and will come into force on XXXX and when in force, the terms will, by law, be binding on us and you.	
	A copy of the standard customer sales contract terms and conditions are available from our website <a href="https://www.salisbury.sa.gov.au">www.salisbury.sa.gov.au</a>	
ITEM 6 DELIVERY POINT	The recycled water supply meter(s) owned by Council located adjacent to ####[location]#### at the property ####[insert]######	
ITEM 7	The Salisbury Water Charge for the financial year ####/## will be \$#.## per Kilolitre.	
SALISBURY WATER CHARGE	The Salisbury Water Charge will be reviewed annually pursuant to section 188 of the Local Government Act 1999 as displayed in City of Salisbury Fees and Charges document	
	Specials conditions – NIL or INSERT AS APPROPRIATE	
ITEM 8	N/A	
WATER SUPPLY CHARGES		
ITEM 9	The recycled water meter(s) located ######[insert]############.	
COUNCIL'S INFRASTRUCTURE		
ITEM 10	The supply pipeline from the recycled water meter(s) to #####[insert]#######	
CUSTOMER'S INFRASTRUCTURE	The Customer is responsible for the Customer's Infrastructure – refer clause 9.2 of the standard customer sales contract terms and conditions.	
	The Customer will be required to maintain the Customer's Infrastructure in good working condition, ensuring the irrigation system and its components operate effectively and efficiently, free from faults and/or defects. Without limiting the above, the Customer must repair the following defects within 24 hours of becoming aware of the incident:  Solonoid valves which do not completely close after operation (stuck in the open position);  Solonoid valves which do not completely close after operation (partially closed and leaking);  Damaged/missing sprinklers; or  Burst/damaged pipe which is leaking water.	
	Should the Customer become aware of a fault, defect or deteriorated condition in the Customers Infrastructure (e.g burst pipe), the Customer shall be required to immediately switch to mains water and must notify the Council within 24 hours of becoming aware of such fault, defect or deterioration.	
ITEM 11 WATER DEMAND / FLOW RATES	The customer will be permitted a maximum flow rate of XX litres per second from Council's delivery point. Should the Customer fail to comply with this clause, the Council may install flow restriction devices to restrict flow from the delivery point to a maximum of XX litres per second.	

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	The supply pipeline to the Customer has been designed based on the demands of the Customer's current irrigation system. Should the Customer intend to significantly modify the irrigation system, the Customer is required to notify Council in writing of the modifications proposed.
ITEM 12 TIMES OF OPERATION IRRIGATION SCHEDULING ON SITE CONTROLS	The customer must only irrigate XX nights per week on the following days (XX, XX, XX) between the hours of 8.00pm and 6.00/8.00am.  The customer must only run 1 irrigation station at a time.  Operational controls for service sites with sub-surface irrigation may be varied by written agreement with the Customer.  The Customer must comply with the following on-site controls as set out by the Department of Health:  Restricted public access during irrigation. Irrigation is to occur only between 8pm to 6am  Minimisation of spray and spray drift where possible  No spray irrigation in windy conditions  Prevention of runoff and pooling of recycled stormwater  Signage of irrigated area indicating recycled stormwater is in use and that it is not suitable for drinking
ITEM 13 SIGNAGE	Identification signs stating "Recycled Water – do not drink" or equivalent will be purchased and maintained by the customer in strategic locations around the perimeter where Salisbury Water is being used, in accordance with relevant guidelines.  The Customer must maintain these Signs in good condition such that the wording is clearly legible at all times. The Customer must at its cost replace the Signs with exact equivalents at the end of their asset life.
ITEM 14 BACKFLOW PREVENTION TESTING	The Customer will be required to forward evidence of compliance of annual backflow prevention testing in accordance with the requirements of SA Water to the Council on an annual basis, forwarded to the Council by the 31st of July each year.
ITEM 15 CROSS CONNECTION AUDITING	In accordance with clause 9.4(d) of the standard customer sales contract terms and conditions, the Customer will be required to have a licenced plumber verify that the mains drinking water supply and recycled water supplies within the Customer's property are independent, through the undertaking of an annual cross connection audit.  The audit is to be undertaken in accordance with the Recycled Water Plumbing Guide (as published by SA Water) with results forwarded to the Council by the 31st of July each year.
ITEM 16  WATER SUPPLY – OPERATING INSTRUCTIONS (as applicable – this clause will be applied only where appropriate)	<ul> <li>Salisbury Water Supply – for Salisbury Water supply to irrigation system, undertake the following:         <ul> <li>Ensure primary or mains water supply is isolated by closing valves on the RPZ backflow prevention device (1) located adjacent to the water meter (1).</li> <li>Ensure Salisbury Water isolation valve located just inside the property is in the open position (this is located immediately prior to the filter assembly unit in the fenced compound).</li> </ul> </li> <li>Mains Water Supply – for mains water supply to irrigation system, undertake the following:         <ul> <li>Ensure Salisbury Water water isolation valve located just inside the property is in the closed position (this is located immediately prior to the filter assembly unit in the fenced compound).</li> <li>Ensure mains water supply is activated by opening valves on the RPZ backflow prevention device (1) located adjacent to the water meter (1).</li> </ul> </li> </ul>

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	Should the Customer become aware of a fault, defect or deteriorated condition in the Customers Infrastructure that may adversely impact on the operation of the bore system (e.g. burst pipe), the Customer shall be required to immediately switch to mains water and must notify the Council within 24 hours of becoming aware of such fault, defect or deterioration.	
ITEM 17 COUNCIL'S NOTIFICATION SERVICE	The Customer must notify the Council as soon as possible (but not longer than 24 hours)	
ITEM 18 BILLING DETAILS	INSERT BILLING DETAILS – if different to address on Page 1	
ITEM 19 SPECIAL CONDITIONS	<ul> <li>19.1 Termination  We may immediately terminate this contract with non-residential customers by giving 30 days' notice in writing to you if:  (a) we in our absolute discretion are of the opinion that it is not financially viable to continue to supply our water retail service to you under the terms of this contract and any other specific supply arrangements in accordance with clause 31;  (b) you fail to perform or observe any material item of this contract and fail to remedy that breach within a reasonable time after receiving a notice from us requiring you to remedy that breach;  (c) you cease to carry on business or becomes otherwise unable to perform your obligations under this contract;  (d) you have an agent in possession, mortgagee in possession, administrator or receiver and/or manager or similar insolvency official appointed to the whole or any substantial part of your assets, or if any order is made or a resolution passed for the winding up of you; or  (e) you become insolvent or make an assignment or compromise for the benefit of your creditors or is otherwise unable to pay your debts as and when they become due.</li> <li>19.2 Indemnity</li> <li>We are not responsible for any costs or losses suffered by non-residential customers arising from any interruption of your water retail service.</li> </ul>	

6.7.1

ITEM 20	For the purposes of the Water Industry Act 2012, the parties hereby agree that the Water
WATER INDUSTRY ACT	Retail Code – Minor and Intermediate Retailers WRC-MIR/01 does not apply in respect of
	the supply of the retail services in this agreement.