

28 May 2018

Ray McDermott
Manager Financial Services/CFO
City of Karratha
PO Box 219
KARRATHA WA 6714

Our reference: OCR167228

Dear Ray

RE: Advertised Differential Rates Model 2018/19: 5 King Way LIA

I write in response to your letter to us dated 9th May 2018 in which you advised your proposed 2018/19 rates.

We find this very worrying that although you outline that there was a predominant rate increase of 2%, that our Proposed Valuation increased by 9%, and that due to properties in the TWA category reducing by 14% you have decided that we require 'a commensurate increase in the rate in the dollar in order to maintain the same percentage of rating yield'.

I find it absolutely appalling that you due to you deciding that we need a 'commensurate increase' you will overall increase our annual rates by 27% with no sufficient warning.

We do not feel that your 'commensurate increase' is either fair or reasonable and will seek to commence action through both legal and other avenues if you proceed on this basis.

We have been council ratepayers for nearly 10 years, have operated a locally run motel and contributed in many ways to the local economy, and despite the exorbitant levy imposed by the underground power project, which we are still paying off, we feel like the City is doing its utmost to drive small business into the ground without due process, consultation or partnership.

We look forward to your consideration of us as a city ratepayer, a small business, that should not be seen with the opportunity to take advantage of and look forward to a revision of proposed 2018/19 rates in the vicinity of a fairer 2% and/or up to a maximum 5% rates increase.

Should you have any questions please do not hesitate to contact me on (08)94810746.

Yours sincerely

A handwritten signature in black ink, reading "lejo ouwendyk". The signature is written in a cursive, lowercase style.

Director

**Northern Dust Pty
Ltd t/as Karratha
Lodge**