

30 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.

I would ask you to please reconsider this proposed rate increase, as we have been operating for over six years we have found it increasingly difficult to keep our head above water with overheads like the underground power project (70K) which is likely to still take us another 3-5 years to pay off and the constant rate rises that would be close to doubling over a six-year period.

Our value over this period has dramatically decrease (less than 25% of original valuation) and as such our bank has been not our best friend of late, apart from the bank charging exorbitant rates over the last three years we have only seen our shire rates increase even though our turnover has also reduced significantly.

I'm all for paying rates and expect higher rates we businesses are doing well but for rates to continue to increase dramatically when businesses are struggling is not viable in anyone's books.

I would also ask you reconsider the proposed 10 million ratepayer funded contribution for the 100 room hotel, if the demand is there some corporation would build it, I find it extremely frustrating that as our rates are constantly rising our council is considering this donation.

Yours sincerely

Graeme Corps

Director

Northern Dust Pty Ltd t/as Karratha