

Ron Johnston
Shire of Broome
Cnr of Weld and Haas Streets
Broome, WA
6725

7th of July, 2017

Dear Ron,

I am writing to request support from the Shire of Broome in the commissioning of a Cold Storage Logistics Hub feasibility study being run by the KPCA.

The purpose of the report is to prepare an investment ready document for companies and individuals looking to invest in the region. A cold storage logistics hub would provide great benefit by facilitating business growth and more transport in and out of the region. Currently, there is no business case to prove the opportunity, the best way to invest or the potential value to the investor and region.

There has been a lot of interest in developing a Cold Storage Logistics Hub in Broome as articulated in the Broome Growth Plan to help service the growing aquaculture, pastoral and horticulture industries in the region, yet no work has been done on economic modelling, strategic foresight or potential growth of these markets with the availability of this facility.

The KPCA will undertake a full feasibility study to be completed this calendar year. This study will include, but not be limited to the following;

1. Identify and recommend a priority and secondary location for the cold storage logistics hub in Broome;
2. Identify drivers for the requirement of the facilities, and current and anticipated industry demand across the horticulture, pastoral and aquaculture sectors in the region.
3. Define the current opportunity for volume and predict using modelling the volume increase for the next 10 and 20 years of horticulture, aquaculture and pastoral products.
4. Identify the necessary approvals required, any environmental issues and typical mitigation responses for the recommended site/s;
5. Determine if there is a business case to develop a cold storage logistics hub in Broome and define return on investment timelines, including ongoing maintenance and depreciation matters;
6. Conduct all relevant checks, including but not limited to Tenure Checks and necessary Governmental checks.

7. Provide engineering design and a high-level construction, including fire suppression costs appropriate to location and to a contemporary standard of design, safety and construction;
8. Include technology and innovations that provide for effective and efficient cold storage facilities that are logistically smooth and utilise the most cost effective power system.
9. In consultation with industry, (horticulture, aquaculture and pastoral) ensure the design capacity is capable of delivering the required volume of fresh and frozen produce over an operational life of at least twenty-five years;
10. Ensure all environmental (eg one in twenty years' rainfall events), regulatory and occupation health and safety requirements are met.

We are requesting \$10,000 + GST towards the writing of the final business case which will cost in order of \$150,000. For your contribution, your logo will be placed at the front and the end of the document and you will be acknowledged in the acknowledgements also. Other partners we have are so far are Yawuru, Department of Primary Industries and Regional Development and Regional Development Australia.

If you require further information, please don't hesitate to get in touch with me. I look forward to the Council's response.

Kind Regards,



Catherine Marriott

Chief Executive Officer