



10 June 2022

City to investigate \$1m+ loan to progress regional BMX track at Malabar Park

The City of Cockburn is continuing to progress its plans to develop Malabar Park into a regional BMX facility.

At its 9 June ordinary meeting, Cockburn Council endorsed investigating a \$1.16m loan through the WA Treasury Corporation to fund a budget shortfall caused by significant cost increases since estimates were recorded for the project two years ago.

The \$1.16m shortfall is due to increases of between 15-49 per cent in the cost of capital works projects due to high construction, material and labour costs in the wake of the pandemic.

The Malabar Park BMX facility is also on an old landfill site where mitigating contamination risks have increased from \$250,000 to \$724,000.

City of Cockburn Head of Recreation Services Andrew Tomlinson said while the project was shovel-ready, with designs completed and endorsed by the site's lessee Cockburn BMX Club and future tenant Friends of the Community, costs had increased from \$3.4m to \$4.83m since March 2020.

"The City is committed to providing high quality recreation facilities that provide a vibrant, healthy, safe, inclusive and connected community," Mr Tomlinson said.

"We also understand the need for a high-quality regional BMX facility in WA, which could be accommodated at Malabar Park in Bibra Lake. As a result, the City has been busily progressing this project.

"Unfortunately, the City is experiencing the same pandemic-led symptoms being felt across the nation, including high inflation, rising interest rates, high construction and materials costs, and a tight labour market.

"This has been further complicated by the Malabar Park site itself which, as a former





rubbish tip, has presented many challenges and possible risks from a structural and environmental perspective.

"The City has spent time working with consultants and State Government to ensure there are plans in place to mitigate the possible risks involved in redeveloping the site.

"The project has always been contingent on receiving endorsement from the Contaminated Sites Auditor that the project's design mitigates the risks associated with the former landfill site. This was received by the City in late March this year.

"While the delays have been disappointing for Cockburn BMX Club and the City, we have gone to great lengths to keep the Club up to date during the design phase about its many challenges.

"We look forward to completing this project, but this is all dependent on the current market conditions, with further cost increases a real risk."

Loaning \$1.16m from the WA Treasury Corporation over 20 years will cost the City \$545,000.

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