



21 August 2017

Auckland
PO Box 104 Auckland 1140
Level 15, Auckland Club Tower
34 Shortland Street
Auckland 1010

Our Reference: CPC/2016/19195

Ward Demolition
C/- Bryce Marx
13-17 Miami Parade, Onehunga
Auckland

By Email: bryce@ward-demolition.co.nz

Dear Bryce

**NZ TRANSPORT AGENCY – EAST WEST LINK PROJECT – 13-17A MIAMI PARADE,
ONEHUNGA**

Further to our phone correspondence on 14 August 2017, I summarise our discussions and the way we intend to move forward below. If you or Ward Demolition still have questions we are happy to discuss further.

1. The temporary occupation requirement has reduced from 1,426m² to 99m². The new requirement consists of a narrow strip across the rear of the yard measuring approximately 1 metre wide. We shall confirm the temporary occupation period with you as soon as the NZ Transport Agency (NZTA) advises.
2. The permanent requirement has been reduced from 1,482m² to 715m². A new land requirement plan showing this and the above temporary occupation requirement is attached.
3. I refer to our request for information on all lease interests in the property on 1 June 2017. You provided a copy of a lease between the P J Ward Family Trust and Ward Demolition on 4 July 2017 and we responded with several questions on 13 July 2017. It is important that we understand this lease and any other interests in the property in order to ensure that we are dealing with all parties that may be entitled to compensation. I shall resend a separate email with my questions again so you can respond accordingly.
4. Further to point 3, we also need to understand the relationship with Whenuapai Trustees Limited given the company is a registered proprietor on title NA32C/1384 (the rear yard). Our initial letter setting out the original requirement and general entitlements under the Public Works Act 1981 was addressed to Ward Demolition as that was the party we had engaged with to date. It is important that all parties with an interest in the land required are provided with our initial letter and are either kept informed of the progress with negotiations or advise in writing that they authorise another party to represent their interests. As such we require confirmation in writing from Whenuapai Trustees Limited that Peter has delegated authority to negotiation on the Trust's behalf. We will write to Whenuapai Trustees Limited separately to confirm this.

5. Below is the information we had regarding the proposed reconfigurations just prior to NZTA's reduction in requirements.

- The Building Intelligence Group prepared an initial QS estimate for the concept they reached agreement with you on. This assessed an indicative cost of \$8 million which we were advised would be accurate to within 30% of the end cost. Please see a copy of this attached for your reference.
- Gilligan Sheppard Accountants assessed the potential business losses arising from the worst case scenario – that being the relocation of the concrete crushing operation south of Auckland. Magdalena provided the necessary information to Gilligan Sheppard which resulted in an assessed potential loss of between \$4.3 - \$5.7 million. This assessment was conducted to determine if the substantial reconfiguration costs are justified or whether a business loss payment is more appropriate.

6. Given the significant reduction in temporary and permanent land requirements, the proposed reconfiguration may not be justified. There may still be impacts as a result of the revised requirements that may need to be compensated for but we require you to raise those issues for our consideration. We suggested to Peter and Magdalena that they circulate the revised plans with you and their team and to come back to us once you have considered the potential changes.

7. Moving forwards will work on the following:

- We are happy to arrange for the survey markings to be moved to reflect the new land requirement plan. Please advise if you would like this undertaken.
- A valuation of the new land requirement. Our valuer has previously inspected the site but given the change in requirements he may wish to revisit prior to completing his report. I will advise if that is the case. We note you can also obtain your own valuation advice, the reasonable costs of which will be reimbursed.
- A potential business loss assessment to reflect the new land requirement and its potential impacts. We note that information from Magdalena, Peter and yourself will be important for this so Gilligan Sheppard shall be in touch with you when you are ready to begin that process.

We will provide copies of the valuation report and any assessment the accountants make to Magdalena and Peter as requested at our last meeting.

We hope the above provides more clarity on our current position and our next steps. We look forward to hearing back from you.

Yours sincerely



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Senior Property Consultant

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