

12 August 2014

David Hammond  
Chief Executive  
Thames Coromandel District Council  
Private Bag 3540  
**THAMES**

Dear David

### **Old Kopu Bridge**

I refer to our last letter to you dated 8 May 2014 from Robert in his acting capacity as Regional Director at the time.

In that letter we advised that the NZ Transport Agency had done its due diligence in regard to finding a way to save the old Kopu bridge and was now in the process of deconstructing the structure.

We advised that, subject to Thames Coromandel District Council (TCDC) being able to demonstrate to us how they could save the structure and manage it in such a way that no liability came to the Transport Agency or the Government (i.e. public money) in the future; we would consider passing on the unspent funds which we have currently allocated to the deconstruction. The Transport Agency is firmly of the view that it would only enter into this type of agreement with a council or other Government body who is able to take ownership of this sort of infrastructure and be responsible with the funds that could be transferred to them.

To date we have not been presented with this information from TCDC, and understand you are working through your own due diligence.

We have been approached by both IPENZ and the Historic Kopu Bridge Society in regard to issues related to a trust being established for the ongoing management of the old Kopu Bridge. We are currently advising them that they are to deal with you as we have completed our work and it is your council who are exploring further options.

I would like to clarify several issues that are important for your decision making:

- The funds which we would consider transferring are in the order of \$2.3 million. This is the amount we are currently negotiating with HEB Construction for the deconstruction of the old structure as a variation to our existing contract with them for the construction of the new replacement bridge (now completed). It does not necessarily represent the likely costs for demolition now or in the future for commencing that type of project; particularly if the work was done by a supplier less familiar with the bridge and the local issues which impact on this type of work.

- The current proposal for the structure is to retain the first three spans on the East bank (Thames side) and the hand rails will be upgraded to current pedestrian cycle standard as part of the project.
- From that amount of \$2.3M we would deduct any funds spent between now and when a decision was made to transfer remaining funds; less a further amount in the order of \$50,000 as costs we would incur with the supplier for the work they had done to date, and for pulling back from a variation.
- To pass over ownership of the structure we would need to create a Deed of Revocation between Council[s] and the Agency, outlining (a) the process for revocation and the fact that once handed over the Transport Agency (in its capacity both as infrastructure manager and funding body) has no further liability or involvement with the structure, and (b) particulars over the formation and terms of the trust agreement between Council and the Historic Kopu Bridge Society before payment is made into that trust by the Agency (of the sum referred to above). As the bridge currently extends into Hauraki District Council's territory, and we understand that they will not be entering into any agreement for the future of the old Kopu Bridge, we would expect them to be involved in this revocation agreement too.
- In terms of a trust agreement for the ongoing management and ownership of the old Kopu Bridge, we see no involvement for the Transport Agency in such an agreement, other than that referred to in the Deed of Revocation.

The other issue of note is in relation to surplus land.

Of the three parcels A, B and C, being the Kaiwhenua block, only parcels A and C have been declared surplus by the Transport Agency and are in the disposal process. Parcel B is being held as it may be required for staging and working areas for the deconstruction project. The Transport Agency is continuing its investigation of the use of parcel A for storm water retention or offset for parcels B and C. We are aware of the Council's interest in these parcels of land. As part of the Public Works Act process we will be exploring Crown to Crown transfer (if there is a public works need for the land), offer back to previous owners, then any rights of first refusal or interests expressed through the Office of Treaty Settlements, before any public tendering or marketing. In all cases the Transport Agency, acting on behalf of the crown, seeks to realise the land at market value.

We are keen to progress with our project and need to be advised by the end of September, at the latest, what your plans are. As stated before, we are continuing with our project to deconstruct the old bridge and will do so until an alternative option, as described above, has been put to us.

Yours sincerely



**Kaye Clark**

Highway Manager, Waikato