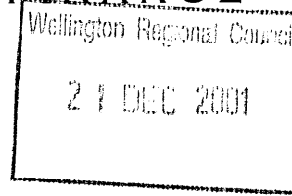




**CRIGHTON ANDERSON**  
**CORPORATE FINANCE**

B 10 30 1



1 M. Kennedy  
2 D. Barber

19 December 2001

Attention: Alan Bannatyne

Attention: Murray Kennedy

Hutt City Council  
Private Bag 31912  
Lower Hutt

Wellington Regional Council  
P O Box 11 646  
Wellington

Dear Sirs

**RE: WAINUIOMATA TUNNEL – RECOMMENDATION**

1. We have completed extensive discussion over a period of several months in an attempt to agree a fair sum to be paid by Hutt City Council (“HCC”) to the Wellington Regional Council (“WRC”) for the rights to the use of the Wainuiomata tunnel, which would be conferred by the proposed easement agreement.
2. You will both have been advised of our respective views, following on from the last meeting that we held on 26 November, and that we were not able to agree a sum that we were both prepared to accept and recommend to HCC and WRC. We have, however, subsequently narrowed our differences in opinion to the point where we are able to make this joint recommendation to HCC and WRC.
3. We see this recommendation as being the most pragmatic solution to a subjective assessment where we are hampered by the paucity of any precedent. The alternative formal resolution processes would be both time consuming and expensive, with the end result not necessarily favouring one party or the other.
4. We therefore jointly recommend that the sum of \$500,000 (five hundred thousand dollars) plus GST if any, be accepted by both the HCC and WRC as a fair sum for the HCC to pay the WRC for the rights conferred upon it by the proposed easement agreement. We are both aware that the HCC and WRC have an expectation of a lower and higher sum respectively, but given the subjectivity involved we believe this to be a fair result.

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5. We look forward to receiving notification from both the HCC and WRC that agreement has been reached on the basis of our joint recommendation.

Yours faithfully  
Crighton Anderson & Associates Ltd

T A Crighton  
B.Com (Ag), V.F.M., A.N.Z.I.V., B.Com. C.A  
Director

Yours faithfully  
O'Brien Property Consultancy Ltd

Peter O'Brien  
Director