

McConnell Group News

Reputation for managing troubled waters



McConnell Property is providing development management services for Stage One of the Kawarau Falls Station Resort in Queenstown - 5 star and 4 star hotels with additional townhouses and luxury apartments.

In This Issue

Shift for school.....	2
First block an honour	2
2009 NZIOB Awards	2
Across the group	3
Remediating Bankside	3
Steelpipe Australia's Senior Team	4
Hawkins legend retires	4
30 years with Hawkins	4

Opportunities can appear even in the toughest of markets. No better proof of this is the latest initiative from McConnell Property, the establishment of Development Management Services.

The strong reputation McConnell Property has built in the market has now seen third parties approach directly for help managing troubled developments. These can be partially to nearly completed projects and involve everything from assessing future stages to bringing them from green-fields through to completion. Given the current difficult market and the unfortunate demise of several leading developers, McConnell Property is ideally placed to step in and utilise their skills in managing a range of projects.

"Having already developed a strong culture of partnering with both private landowners, local and central government it has made it easy to step into this new role," says Martin Daniels, Chief Operating Officer.

"Although it hasn't been the best of times in the property industry it has been great to see the team at McConnell Property apply some innovation around what McConnell Property could be and expand it's footprint within the industry," says Martin.

The Development Management service has been launched with Point Ridge in Albany, a residential development where to date 95 apartments and villas have been completed. McConnell Property has been engaged to manage through to completion the construction of another 142 lots, a mix of both villas and apartments. The scope of work covers everything from the site development and construction through to assessing product mix, pricing, sales channels and marketing. Added to this is the appointment of McConnell Property, as development manager to Kawarau Falls Station Resort in Queenstown, to assist with managing out Stage One of the development. McConnell Property will work closely with the receivers, KordaMentha, and the Greenstone Group, who will be managing Hawkins Construction's role in the development.

"We anticipate a continued increase in demand for professional development management services across the sector as property owners and funders consider options in the current environment," says Martin.

Steelpipe NZ 450 years +



Some of Steelpipe NZ's longest service employees: Aokuso Nouata, Simone Ponai, Darryl Robson, Peter Roach (next to Darryl), Mark Scott, Andy Tobin, Alfred Mita, Ken Mander, Te Aroha Tumai, John Ryan, Cyril Topia, Stanley Desiher, Ateriano Matulino, Ila Matulino and Joseph Eramiha. Insert - Lance Thompson.

More than a quarter of all Steelpipe NZ employees have over 20 years experience and just under 60% of the workforce has been at Steelpipe for over 10 years. Their experience and stability has allowed the business to successfully manufacture pipe to support the growth of New Zealand infrastructure across water and wastewater industries, power, gas, road and rail networks.

The total length of service for Steelpipe NZ's 35 employees exceeds 450 years and extends from the front end of the business to the production unit,

testament to the culture that has been fostered over the years. Lance Thompson, General Manager Business Development, who has been an integral part of the business for 22 years, says it's both the people and the opportunities that Steelpipe has provided over the years that keeps him actively engaged with the business.

"I enjoy the challenges that a small domestic manufacturer faces in New Zealand as it's all about the way in which the people interact in business that makes the difference," he says.

Element NZ steps up

Element NZ is establishing a building products distribution company that provides quality, competitively priced alternatives to existing product ranges in New Zealand.

The initial focus has been on re-introducing the BPB Plasterboard range of products to the market.

Taking on a market leader with 95% market share and a history of ensuring they hold on to it was always going to be a challenge but the team at Element

is establishing a credible alternative to the dominant position held by the incumbent.

Brad Cranston, General Manager of Element NZ, describes the steps: "Setting up a sales campaign, a reliable and efficient logistics model, production of easily available technical data, proving and documenting the quality and performance of BPB plasterboard - have been essential to the future success of the product."



From L to R: The Element NZ team: Marie Almandoz - Hawkins Projects Coordinator, Geoff Tully - Technical Manager, Michelle van der Wende - Administrator Coordinator, Michelle Qu - Logistics Coordinator, Brad Cranston - General Manager. Insert - John Le Prou - Sales Manager.

[continued on page 2](#)

Rays of Sunshine

By David McConnell, Managing Director, McConnell Group

There is much talk of the economic recession being at an end, and if this is in fact the case, it is satisfying to see the Group businesses are in such strong positions.

However, while I think there are definite rays of sunshine on the horizon the next two years will continue to be 'hard yakka'.

Operational discipline is critical during an ongoing period where margins are tight. We must be passionate in striving for operational excellence – continually

improving how we go about planning and decision making, and not taking on risk where we haven't the appropriate plans and resources to manage the risk. At the same time, periods of turbulence can present future growth opportunities. Our stability has allowed us the time to observe changes within our markets and position ourselves to take advantage of strategic opportunities.

The launch of our first 'Property Fund', in the not too distant future, is an example of such a strategic opportunity.

It will provide a more transparent investment portal into development projects, replacing the now defunct mezzanine finance lending industry, and in turn providing a larger capital base to potentially leverage our development and construction services.

Fiscal constraints, exacerbated by the economic crisis, have increased the NZ Government's desire to bring private sector funding into government infrastructure. Again - through our construction and infrastructure track

record and expertise - we are well placed to be a leading participant in these private/public partnerships. I also believe that our development management capability is unparalleled in New Zealand and the opportunity to provide such services to the owners of complex projects such as Queenstown's Kawarau Falls and Point Ridge in Auckland attests to this reputation. So these times are turbulent but exciting. But none of these opportunities could be contemplated without the

commitment, talent and discipline of everyone, across each business. Your personal and professional service to our clients and your colleagues is what makes us what we are.



Ambitious project marks shift for school

McConnell Group and Telecom have been business partners with South Auckland's Papakura High School since 2007. This partnership is part of Ed&Co (formerly known as the Building Better Schools Programme) which partners businesses with low decile schools to assist in raising student achievement.

Since becoming involved Nancy McConnell and Telecom's Gavin Dudley have now spent two years as co-opted members of the Board of Trustees. Together with David McConnell they have also been involved in a significant strategic planning process for the school.

The Board's thinking on engagement and community-school partnerships has shifted. Rather than undertaking the usual consultation on the emerging strategic plan, the Board began to see it as an opportunity for relationship building. Nancy worked with a small consulting team to design and deliver the 'Building Partnerships' project. The project is very ambitious – it's objective to build relationships with the maximum number of stakeholders. Four workshops have been held at the school with a total of 270 students, staff and community participants. They were designed so that everyone would be heard, but not by everyone in the room; and as empowering



From L to R: Table Coordinators for the last community workshop - Tony Walsh and Anouska Longford (McConnell Property), Chris Eade (Hawkins), Mark Scott (Steelpipe), Mark Gibb (McConnell Property).

experiences for everyone, taking a positive, future approach rather than dwelling on negatives. In addition to Nancy's time on the project, Rachel Robinson from McConnell Property designed the invitations and 10 staff members across McConnell Group volunteered to assist as table coordinators at the workshops: Mark Katters, Chris Eade, Alison Smith, Leah Singer and Tracey Standing, from Hawkins; Mark Scott and Kelly Smit from Steelpipe; and Mark Gibb, Tony Walsh and Anouska Longford from McConnell Property.

Mark Scott supported three out of four of the workshops: "It was great to be

a part of these workshops - watching people enter the room uncertain of what discussion would unfold and then sharing their feeling of empowerment and honesty in improving the future of young people in Papakura." Robert Hodgkinson from Hawkins is also making a significant contribution to the school, as part of the Property Committee sharing his significant experience in cost effectively developing and rebuilding secondary school environments.

The Board, having received the outcomes of the workshops, is revising the Strategic Plan for further consultation and planning the next steps in the 'Building Partnerships' projects.

from page 1

Element NZ steps up

"We now have an Environmental Choice licence for all of our BPB plasterboard products from Thailand which is another important milestone in establishing the BPB brand in NZ," says Brad. Element NZ has also been working closely with Hawkins project teams to clarify the quality and cost benefits of BPB plasterboard. "Every project's architects and consultants require verification of the performance of the board and a multitude of fire and acoustic systems. The Element technical team of Geoff Tully and our resident Hawkins Project Co-ordinator Marie Almandoz has persevered through pages of specifications and plans to ensure all of the information is presented efficiently and professionally. "The work being done is providing a vast database of information able

to be used for future projects. "Progress has been extremely encouraging with BPB plasterboard being used on almost all Hawkins current projects," he says. One of the keys to success for any product is easy availability and BPB plasterboard has been distributed through a network of distributors in Auckland, Hamilton, Tauranga, Hastings and Christchurch. However, lack of national coverage hampered further growth, so acceptance by Bunnings NZ of the product into 20 warehouse stores has immediately filled the distribution gaps. "This is providing BPB with increased brand awareness and credibility whilst enabling Bunnings to offer their customers an alternative product at a price just below the market price of the competitive product," says Brad.



2009 NZIOB Awards

(New Zealand Institute of Building)

\$15 - \$50 Million Colorsteel Endura Excellence Award Winner



Martin Kernighan, Hawkins Project Manager and Matt Allen (RCP) - Tunnels and Corridors Middlemore Hospital

First block an honour

The South Auckland Hospice holds a special place in Don Young's (Hawkins Auckland Regional Manager) heart. Hawkins built the original building in the 1990s, assisting the Hospice commercially, to ensure that they attained their dream to deliver palliative care to 700 patients and families. Recently, as the Hospice embarks on a major fundraising campaign to expand its services, Hawkins was asked to purchase the first \$500 retaining block, which will form the corner stone of a new rose garden. Turning the soil to plant a brand new (golden-yellow) rose, named in her honour, Olympic champion Valerie Vili launched the campaign in the Valerie Vili Rose Garden.

To support the campaign purchase a \$100 paver at www.hospice.co.nz or phone 09-640 0025.

Don Young and Nancy McConnell flank Olympic Champion Valerie Vili at the launch of the South Auckland Hospice fundraising campaign.

Remediating Bankside's World War II fuel bunker



Hawkins Environmental has spearheaded numerous strategic alliances and managed the stringent requirements and complexities of environmental management and sustainability challenges for a range of clients, including remediation of a former World War II fuel bunker in Bankside, Christchurch.

A former World War II fuel bunker in Bankside, Christchurch had become an illegal dumping site for the last 40 years - general rubbish, agricultural rubbish, car bodies, banned pesticides and herbicides, and suspected UXO's (un-exploded ordnance a.k.a. munitions). "When Hawkins Environmental was awarded this unique project, there were so many unknowns about the level and volume of contamination. Taking into consideration the complexities involved, the small team onsite has managed the project exceptionally well, and has been proactive in every respect," says Seth Pardoe, Hawkins Environmental Business Manager.

All debris had to be carefully removed from the pit, sorted, cleaned and disposed of to landfill, prior to remediation of the impacted soil and pit base.

Comprehensive health, safety and environmental methodologies and task analysis were prepared for each part of the job to ensure all risks were appropriately managed and potential problems isolated. All staff undertook hazardous material handling (ERMA/HSNO) and confined space training using protective full body overalls and gloves, forced air respirators and

personal exposure monitors. Real-time air monitoring equipment, placed at strategic site boundary locations, is amongst the most sophisticated ever used in New Zealand.

"We have received many positive comments from the client and the lessons learned from this project will enable consultants and other authorities to assess best for purpose remediation options," says Seth.

Hawkins has long taken great care to manage the impacts of its work on the environment, consistently seeking new ways to improve both its performance and services in this important area.

A dedicated, multi-disciplinary environmental team, Hawkins Environmental, was set up in 2008 to provide Group businesses and clients with solutions to environmental issues across a range of industries.

In a short space of time, Hawkins Environmental has spearheaded numerous strategic alliances and managed the stringent requirements and complexities of environmental management and sustainability challenges for a range of clients.

Hawkins achieved the international environmental performance standard ISO 14001 - a quality standard which benchmarks the company's systems.

NZ Contractors Federation ARC Environmental Excellence Awards

Under \$500,000 Environmental Excellence

Hawkins Infrastructure Environmental Management
- Hobbs Wharf Bund Removal, Gulf Harbour Marina

Merit Award

Hawkins Infrastructure Asbestos Removal and Cleanup Mitre 10 Expo & Outlet

Across the group



Riding high above the completed steel structures for two new buildings in Auckland's prestigious Britomart precinct renewal - Matthew Cockram CEO Cooper & Company, Chris Hunter CEO Hawkins and the Hon. Rodney Hide.



Roha Tumai (pictured front right), leading hand on Steelpipe NZ's No 1 mill with 27 years 'on the job' experience, shows Pesata Sam Lotu-liga, MP Maungakiekie, how things are done with Patrick Prince, production supervisor (background).



Image courtesy of NZi3 and University of Canterbury Photographic Services.

NZi3, the national ICT Innovation Institute at Christchurch's University of Canterbury celebrated the inaugural World Green Building Day, 23 September, with the symbolic planting of a native Podocarpus totara tree, symbolising the benefits that green buildings such as NZi3 bring to the environment, work places and the people who live and work within them. Representatives from each of the various organisations involved in conceiving, designing, building and managing this Five Star Green rated building took part in the planting. NZi3's Acting Director Hamish House and the University of Canterbury's Facilities Management Director Peter Molony were joined by Richard McGowan and Jerard McConnell from Warren & Mahoney, Alan Barbour from Beca, Bill Hewat and Carena Johnston from Hawkins Construction and William Field from Boffa Miskell.



The establishment of a mine for the CITIC Pacific Sino Iron Ore project in Western Australia, led by a Chinese multi-national consortium, requires enormous enabling work including a causeway being built by Thiess Contractors. Steelpipe Australia is supplying piling, approximately 610mm diameter by 16mm gauge steel - 450 tonnes, for Austral Piling.



From L to R: Kerry Manson (Higgins Contractors) and Guy Rodger (McConnell Property) onsite at Titanium Park, McConnell Property's 70ha master planned Business Park, located at Hamilton International Airport launched earlier this year, where ground works have commenced for the Raynes Road entrance at the northern end of the site. For more information on Titanium Park check out the website www.titaniumpark.co.nz

Introducing Steelpipe Australia's – Senior Management Team



Working closely with Lance Thompson, who has 20 years experience in the Australian pipe markets, the Steelpipe Australia management team has continued developing a refreshing dynamic, focused on producing quality pipe and meeting clients' expectations. For more information visit <http://www.mcconnellgroup.co.nz>

Steelpipe Australia's Senior Management Team (from L to R): Dean Boston - General Manager, John Lawrence - Operations Manager, Ian Hutchens - Sales Manager and Ann Quenet - Management Accountant.

Celebrating 30 years with Hawkins

Thirty years ago, Auckland based Don Young and Gil Davies joined Hawkins Construction within a week of each other and then Mark Katterns arrived – the young Maori boy that now says he has orange blood in his veins. In the same year Brian Pope, started his career in the Central Region and there are few Rotorua projects that don't bear his stamp.



Brian Pope, Project Manager

Excerpts from celebratory poems by Merv MacDonald, the Hawkins Bard.



Alma and Don Young, Auckland Regional Manager

THE DON A person of integrity and trust.
His reputation is well known
And is obvious by the respect
that he is shown.
His negotiating skills are second to none
and have resulted in many a job being won.
A wealth of experience so hard to match
To any company he would be a catch
His door open always to the mob
Who have any issues with their job.
A replacement will be hard to find
When he has retirement on his mind
May his reputation long live on
To all the team he is "THE DON"



Pauline and Gil Davies, Construction Manager

GIL Mr. Airport is his name
Running Hawkins is his game
Put it in – take it out,
Finish it off, then – change it about.
To deal with AIAL, Beca and the rest
With lots of patience he must be blessed.
As far as construction is concerned
There is nothing more he has to learn.



Pauline and Mark Katterns, Project Director

MARK We know Mark is not one to boast
But in construction he has done
more than most
Many workers have heard him chant
There is no bloody such word as bloody 'Can't'

Hawkins legend retires

After 46 years with Hawkins Kevin Mackie has hung up his tool belt for the last time. Starting in Tauranga in 1963 - the year JF Kennedy was assassinated and Pope John died - he moved to Kinleith in 1967, eventually becoming Contracts Manager for the Bay of Plenty. Kevin's knowledge and experience of the construction industry have been invaluable for the Central Region. The Rotorua area has consistently brought projects in on budget and ahead of time. The most recent of these was the multi - award winning Te Puia project at Waka Village, where Kevin and his team were recognised with a prestigious Registered Master Builders Tourism Project of the year, and the Property Council Leisure and Tourism Excellence Award.



Kath and Kevin Mackie - hanging up his tool belt after 46 years with Hawkins.

STEELPIPE NEW ZEALAND		
Deep Creek Dunedin	Dunedin City Council	Stage 1 of 10, for new water main 3.8km
Loy Yang Australia	Loy Yang Australia	3.6km of pipe
Kopu Bridge	HEB Construction	Temporary and permanent piles for the new bridge
Wharf Piles Noumea	Smithbridge	Piles for new wharf for nicked
STEELPIPE AUSTRALIA		
WA Berths 7&8 - Fremantle	Fremantle Port Authority	610x16 - 1570 tonnes clutch piling
Bunbury Port Access Road	McMahon Contractors	610x12.7 - 150 tonnes
WA Sino Iron Ore Cape Preston	Thiess Contractors	610x16 - 6882 tonnes
Stock	Steelpipes Pty Ltd	1200x16 - 122 tonnes
McCONNELL PROPERTY PROJECTS		
Auckland - Papakura	-	Addison - master planned residential community -1500 homes - Stage 3 show homes open
Auckland - Pukekohe	-	Anselmi Ridge - master planned rural residential community comprising 175 homes
Auckland - Greenlane	-	Ascot Parade - premium business quarter, Ellerslie Racecourse - consent for bldg 1 issued
Hamilton - Airport	-	Titanium Park - 65 hectare industrial commercial business park launched to market
McCONNELL PROPERTY - DEVELOPMENT MANAGEMENT SERVICES		
Auckland - Albany	Private investor	Development management services for undeveloped Point Ridge land
Queenstown	KordaMentha	Development management services for Kawarau Falls Station Resort Stage 1
HAWKINS CONSTRUCTION		
Auckland - CBD	Cooper & Company	Britomart East I & II building
Auckland - CBD	Auckland City Council	Auckland Art Gallery development
Auckland - CBD	Auckland City Council	Merino Discovery enabling work
Auckland - CBD	Auckland City Council	Aotea Square redevelopment
Auckland - Manukau City	AIAL	ITB 1st floor development
Auckland - Manukau City	AIAL	Airport Jobbing 2007/2008
Auckland - Point Chevalier	Biomed Limited	Biomed Lab
Whakatane	Quayside Trust	Quayside Apartments
Hamilton	Waikato DHB	NICU Waikato Hospital
Hamilton	Waikato DHB	Waikato Clinical Centre
Hamilton	Waikato DHB	CABG Red Corridor
Hamilton	Innovation Waikato	Tetra Pak Fit
Hamilton	Innovation Waikato	Innovation Park - Building 2
Hamilton	Geoff Monckton	Alpac Factory extension
Rotorua	Southern Cross/QE Ltd	Southern Cross Hospital
Rotorua	Unison Networks Ltd	Biak Street substation
Rotorua	Amohia Properties	Rotorua Medical Centre
Cambridge	Waipa District Council	Karapiro Events Centre
Waitomo	Tourism Holdings	Waitomo Visitors Centre
Taupo	Ormat Pacific	Centennial Binary Switch Room
Wellington	Boulcott Land Limited	Willis Central
Wellington	Wellington City Council	Wellington City Art Gallery
Wellington	Department of Corrections	Rimutaka Prison
Wellington	Department of Corrections	Rimutaka Prison CIE Initiative
Wellington	The Scott Family Trust	219 Thorndon Quay
Blenheim	Nelson Marlborough DHB	Wairau Hospital redevelopment
Christchurch	Airways Corporation	Airport Traffic Control Tower
Christchurch	Ngai Tahu /CHCH City Council	New Civic offices
Christchurch	CIAL	CIAL Terminal redevelopment
Queenstown	Melview Developments (in receivership)	Reserve North
Dunedin	Carisbrook Stadium Trust	Forsyth Barr Otago Stadium
Rarotonga - Cook Islands	Airport Authority	Rarotonga International Airport terminal development
HAWKINS INFRASTRUCTURE		
Rotokawa	Sumitomo Corporation	Nga Awa Purua Geothermal Power Station Plant
Mangawhai	Earthec/ Ecocare Project	39km Sewerage reticulation contract
Auckland - Newmarket	ONTRACK	DART One - Newmarket rail development
Wellington	ONTRACK	Wellington Rail Station entry
Wellington	NZ Transport Authority	Muldoons Corner, SH2 straightening
New Plymouth	Contact	Ahuroa Underground Gas Storage project
Gulf Harbour	Gulf Corporation Limited	Wharf structure, bridge dam, harbour/ marina
Whangarei	NZ Transit	SH1 Springfield to Oakleigh Bridge replacement and intersection improvement
HAWKINS ENVIRONMENTAL		
Auckland	College Hill Ltd	URS building fire clean up
Christchurch	Selwyn Plantation Board Ltd	Bankside former WWII fuel bunker remediation
HAWKINS INTERIORS		
Auckland - Botany	AMP Shopping Centre	Postie Plus, Botany Town Centre - new mezzanine floor and toilets
Auckland	Auckland Museum	Welcome Project - cloakroom fitout
Auckland - Manukau City	HMSC - AIAL	Ernst & Young - Sixth floor fitout of Britomart East 2 building
Auckland	Cooper & Co	Sheltered Housing refurbishment
Christchurch	Hohepa Charitable Trust	New build - sheltered accommodation extension to showrooms
Rangiora	Toyota	Alterations and new tilt panel extension to existing car show room and offices
Christchurch	Art Gallery	Office fitout - three floors
Christchurch	Polson Higgs	Ground floor cafe
Christchurch	Clarendon Tower	Refurbishment of façade & entry foyer
Christchurch	Clarendon Tower	Interior refurbishment of Daily Grind Cafe
Christchurch	Barcelona Café	Interior refurbishment
Christchurch	Min. of Social Development	Office refurbishment
Christchurch	Harper	Office fitout - 2 floors
Christchurch	Simes	Office fitout
Christchurch	Linwood Intermediate Sch.	Classroom refurbishments
Christchurch	Alpine Ice	Ice rink upgrade
Christchurch	Airways	Control tower cab console fitout
Christchurch	HSBC	Office fitout
HAWKINS MAINTENANCE		
Long term and short term client maintenance contracts		