From: David Bill [davidbill@mackenzieconstruction.com]

Sent:15 May 2009 16:44To:Jim DonaldsonSubject:Princes St Edinburgh

Jim,

I feel that I must bring to your attention the growing anxiety amongst the Mackenzie Site Management team regarding the quality, timing and presentation of design information necessary to allow us to proceed in line with the Programme.

As you know, at the moment ,everyone is gearing up to try and exceed the Clients expectations in terms of a Completion Date but currently I have not got sufficient confidence in Messrs SDS that they will reciprocate.

There have now been a number of issues that have not been dealt with in the manner that I would have expected ,namely;

1) The outfall problem with the surface water drainage.

Although this was perhaps unforeseen ,it took too long to get the required information to the men on the ground. I expected the information at least a week earlier than we actually got it.

At the moment we are spending approximately £40,000 /week on this job on Staffing Labour and Plant!!!

- 2) It was brought to our attention just before the Progress Meeting on Thursday that the orientation of the steel mesh was wrong in the concrete duct boxes. This was despite there being no IFC drawing available and MCL therefore having to issue a drawing as confirmation on site which was agreed by SDS at that time.
- 3)The latest bombshell is that the design of the OLE bases is wrong. Again the common theme is no IFC drawings available. All of the reinforcement cages are now manufactured with many now on site in preparation for installation This is not only going to involve the direct cost of remanufacturing but again the cost of delay pro rata as laid out above. Apart from anything else it is very obvious that the Construction and the Design are not at the same stage at the moment and rectifying should be given priority if this trend is to be contained .

David

David Bill

Mackenzie Construction Ltd Burnfiekd Avenue GLASGOW G46 7TL

