
From: Hudson Steve <Steve.Hudson@carillionplc.com>
Sent: 25 February 2009 12:20
To: Steven Bell
Subject: Meeting 26th
Attachments: Decision Time

Importance: High

Steven,

Further to recent e-mails and meetings I detail below outstanding issues for discussion tomorrow. (unfortunately we didn't get chance to speak yesterday)

I believe that these are all 'symptoms' of the way that the Contract is being administered and demonstrates that despite our efforts to bring our organisations together to work collaboratively we continue to experience a very adversarial/blame culture from tie, whilst tie still fail to administer the contract correctly. As stated previously this situation is untenable and should be where we focus our efforts tomorrow.

In this respect I attach my previous e-mail from November last year that captures the essence of where we were at the time and confirms that we have not moved on.

<<Decision Time>>

Issues;

- 1) Milestone Agreement. Conclusion thereof pending confirmation of prelims payment profile, EOT award and clarity that all monies relate to claims/costs pre Oct 08.
- 2) Assignment Agreement. Pending confirmation that Rev 06 Agreement unaffected. Drafting agreed with John.
- 3) Disruption Costs since Oct '08. £100k paid on account against circa £3.4m submission. This amount is growing weekly and in the absence of any agreements on principle will become a very significant dispute.
- 4) Methodolgy for future disruption assessment. Can we agree joint approach or are we pursuing full contract claim?
- 5) Significant omissions from January certificate, which despite my request to discuss these in advance of the certificate this opportunity was not afforded. Theres a £1m here which should be in our bank account this week and wont be.

- 5c milestone £200k
- BT milestone £200k
- TMRP (part) £80k
- ddt for 'enabling works costs' circa £500k

6) Programme to Completion and EOT. Current indications, as recorded in weekly programme meetings, are that the programme will run through to end of Sept this year. This is based on the current predicted start date of certain critical work areas - the commencement of which are determined by; Drwg issue, Works Order issue and Traffic Management restrictions.
Consequently an EOT is required to reflect this.

I believe that this captures the key issues for discussion.

Unfortunately, I cannot attend tomorrow due to an urgent commitment, but confirm that Steve Cocliff and David Holmes will do.

If you wish to discuss any aspects in advance of the meeting pls call me.

Regards

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