



Notes of Meeting

Meeting: Mid Bid Meeting
Bidder: Bilfinger Berger Siemens [BBS]
Contract: Infraco
Venue: Telford Room, Verity House
Date: 8th November 2006

Present:	Bob Dawson – tie (Procurement Manager), Gary Easton – TSS (Project Manger), Val Clementson – tie (Procurement Support), Richard Walker – BB (Managing Director), Gary Dalton – BB (Commercial Director), Scott McFadzen – BBS (Project Director), Roland Halliday – BB (Chief Estimator), Tim Hunter – Siemens (General / Project Manager), Nicola Jordan – Siemens (Internal Legal Advisor)
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Item	Minute	Action
1.	Key Issues	
1.1	Bond <ul style="list-style-type: none"> • BBS stated that they didn't like the wording of the on demand bond over such a long period and would like to further review the 'step down' of the amount. BBS to make proposals. 	BBS
1.2	Retention <ul style="list-style-type: none"> • BBS requested tie explain what they envisaged and BBS agree to provide proposals, including a retention bond. • BBS queried when the Certificate of Commencement will be issued? • BBS will look at their cash flow model and get back to tie. • BBS (RW) suggested a small working party to address. 	BBS/tie
1.3	Building Fixing Agreements <ul style="list-style-type: none"> • BBS have a high level of concern regarding the risk. • This is compounded by being dependant on a third party. • BBS (SMcF) reminded that they had flagged this issue earlier in the year. • BBS feel tie should carry risk as it should be in a stronger position to negotiate with CEC and to push SDS to obtain consents. • BBS also commented that they don't believe CEC will give contingent consent on the 'poles' option. • BBS stated that if it stays in the contract as drafted they would qualify. 	

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2.0	Legal Submissions (given the ongoing nature of discussions, the following notes are brief)	
2.1	<u>Clause 3</u> <ul style="list-style-type: none"> • BBS were not happy that Infraco do not also have the right to walk away but tie commented that they could not have that and would more likely waive or agree a later date, that was in already. 	
	<u>Clause 4</u> <ul style="list-style-type: none"> • 4.1 – If “acting reasonably” can go in, BBS will be satisfied. • 4.4 – Employers’ Requirements – BBS feel that errors in the ERs can not be their risk, but would accept Infraco Proposal. • 4.5 – BBS queried if actually needed. tie suggested that BBS tweak wording where they’re concerned. 	BBS
	<u>Clause 5</u> <ul style="list-style-type: none"> • BBS thought that this clause been superseded elsewhere in the contract. tie will have a look and re-phrase. 	tie
	<u>Clause 7</u> <ul style="list-style-type: none"> • BBS asked tie if PB had signed “Fitness for Purpose” in its contract. • 7.3.2 – BBS to change wording? • 7.13 – “greatest economy” to be reworded. • 7.19 – Agreed 	tie BBS tie
	<u>Clause 9</u> <ul style="list-style-type: none"> • 9.1 – Infraco never have title in the Trams, inconsistency between the two documents • 9.3 – Agreed, unless materials are off site. • 9.4 – No. this needs to stay in as standard contracts. Siemens to check their bulk contracts. • 9.7 – Wording to be tweaked. 	BBS
	<u>Clause 10</u> 10.13 – Reword giving more than 3 days 10.16 – Not really an issue – BBS will reword	
	<u>Clause 11</u> <ul style="list-style-type: none"> • 11.4 – reword? • 11.6 – reword? • 11.7 – BBS will have another look at this. • 11.8 – Review. • 11.9 – Needs clarifying. 	BBS
	<u>Clause 14</u> <ul style="list-style-type: none"> • BBS yet to read document as only recently issued. 	

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	<u>Clause 15</u> <ul style="list-style-type: none"> • RDA procedure was in 2nd drop of ITN. 	
	<u>Clause 16</u> <ul style="list-style-type: none"> • Does agreement allow delegation? • APA not yet finalised – Gary Easton to see if this can be sent out in draft as it stands. 	tie
	<u>Clause 17</u> <ul style="list-style-type: none"> • All will be clearer once they see Transdev Agreement – to be confirmed. • 17.25 – Over telephone OK but not “free of charge” if they have to send someone to site etc. BBS to reword. • Last bullet point – accepted unless there is step in. 	BBS
	<u>Clause 18</u> <ul style="list-style-type: none"> • Schedule 13 – BBS will read and if need be, revert to tie. 	
	<u>Clause 19</u> <ul style="list-style-type: none"> • BBS were under impression consents would be in place and not an Infracore risk. This is tie’s position but further consideration may be needed. 	BBS/tie
	<u>Clause 26</u> <ul style="list-style-type: none"> • 26.1 – How do BBS price it? Needs to be reworded as may not. • 26.7 – Wording can be re-jigged to remove “inefficiency” and add misconduct etc. • 26.11.2 – OK 	
	<u>Clause 28</u> <ul style="list-style-type: none"> • 28.2 – OK • 28.3, 28.4 & 28.5 – need for key members of supply chain but not all. 	
	<u>Clause 29</u> <ul style="list-style-type: none"> • 29.2 - OK 	
	<u>Clause 34</u> <ul style="list-style-type: none"> • 34.2 – Objective criteria to be considered. 	
	<u>Clause 41</u> <ul style="list-style-type: none"> • BBS to consider some objective criteria. 	
	<u>Clause 44</u> BBS to consider in more detail in relation to their programme.	

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	<u>Clause 70</u> <ul style="list-style-type: none"> • BBS said that they would be offering their standard Parent Company Guarantees and tie commented that they need to see what they are and for BBS to give visibility of price. • Collateral Warranties – as noted plus BAA. • Any others to be Clause 70.6 with different timescales that are not CPs. 	tie
3.0	<u>Bid Cost Indemnity and Tender Bond</u> <ul style="list-style-type: none"> • tie believe that Bob Dawson's e-mail and attachments dated 27th October should address BBS's concerns, particularly as there had been no adverse comment thereon. BBS to review and revert so that these can be formalized. 	BBS
4.0	<u>Letter of comfort from CEC</u> <ul style="list-style-type: none"> • Further discussion needed but neither BBS nor tie thought there to be a major problem. 	
5.0	<u>SDS</u> <ul style="list-style-type: none"> • BBS commented that the sequence of SDS's design was not helping BBS price but tie explained some of the background. • In particular there is currently no drainage showing on drawings. Aside from the pricing issue, this did not help BBS programme. • BBS will give us a Tender Query on drainage and tie will endeavour to assist, possibly with provisional sums for certain locations. • BBS requested a make up to the pricing schedules and tie agreed to get back to BBS. 	BBS/ tie tie
6.0	<u>Tramco and Tram Maintenance</u> <ul style="list-style-type: none"> • BBS asked if any of the Tramco bidders had raised any issues regarding a lack of willingness to work with Infraco competitors. • tie commented that they had not noted this in the tenders but was seeing Tramco bidders over the next week or so. However all Tramco bidders had previously confirmed that they such issues. • tie commented that Infraco tenderers had previously made a similar confirmation and Siemens reaffirmed that they were willing to work with other competitors, albeit that they would apply to a discount if awarded both. • tie commented that this might be better expressed in the Tramco negotiation. 	
7.0	<u>Infrastructure Maintenance Contract</u> <ul style="list-style-type: none"> • BBS commented that they had not really digested the IMA yet and tie understood and agreed to respond to any queries. 	

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8.0	<u>Tender Documents</u> <ul style="list-style-type: none"> • BBS commented that they had some issues with the numbering system of the drawings. • Also had queries on the Employer's Requirements • Agreed to raise tender Query 	BBS
9.0	<u>AOB</u> <ul style="list-style-type: none"> • BBS requested clarification on land acquisition and agreed to Submit as a Tender Query. 	tie