
From: Fiona Dunn
Sent: 03 August 2011 09:36
To: Steven Bell
Cc: Dennis Murray
Subject: FW: ETN project: Siemens on street price
Attachments: 110802_Target-Costs_Price-Presentation_V08-2_after_MarHall-carve-out(AEI).pdf;
110802_Target-Sum_Change-Excerpt_V06-1(AEI).pdf

Steven

Initial comments on Siemens submission;-

- Project management costs ;-reduced by £2,025K to £1.493 K– but there is no back up information provided and therefore no transparency other than the narrative below (which reserves their position with regard to the need for further QS's).
While this in the region tie expected it is still high by approx 300K and further transparency is needed
- Siemens AG Germany;-These cost appear to have increased by 250K to £2,731K and they have still not explained what the support functions in Germany are doing during the installation of the track. Particularly there is 400K allowed for “design and others”
- The BAM price has not changed at £4,266 and is disproportionately high for this section of the works.
- The amount for Risk has not changed at £907K
- The amount allowed for changes has not altered at £2,006 but subtotals of the figure have been provided in an attachment to the email.
- The amount for traffic solutions appears to have reduced by £1,092 but this reduction is more than offset by incorporation of additional headings for ‘rail automation’ and ‘electrification’ with a cost of £2,030K .
This needs to be investigated further.

Generally;- the original submission was £20,160K it is now £14,480K – tie’s expectation is that the value should be approx £9,500K

I hope this helps

Regards

Fiona

From: Brandenburger, Alfred [<mailto:Alfred.Brandenburger@siemens.com>]
Sent: 02 August 2011 20:14
To: Alan Coyle; Fiona Dunn; Colin Smith
Cc: Martin.Foerder@civil.bilfinger.co.uk; Eickhorn, Axel
Subject: ETN project: Siemens on street price

Attached please find the revised Siemens "On Street Works Price" based on the following conditions:

- The value shown for the BAM portion is subject to negotiation and a binding confirmation of BAM. It is offered to have a joint negotiation with BAM in order to reach a final conclusion with BAM.
- The number of staff for quantity surveying has been reduced to one quantity surveyor only assuming the new working environment. If this turns out to be not practicable, we have a common understanding that the number of the respective staff will be increased and compensated additionally.
- An amount of approx. GBP 500,000.00 is still subject to discussion and agreement with Siemens in Germany.

- It is assumed that an acceptable agreement with regard to a revised payment milestone schedule will be reached before signing of the Settlement Agreement.
- Traffic Light Control material for the route Yorkplace to New Haven will not be delivered.

Regards Alfred

Best Regards

Alfred Brandenburger

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