
From: Ailsa McGregor
Sent: 11 May 2007 12:17
To: John Casserly
Cc: Martin Hutchinson; Geoff Gilbert
Subject: RE: SDS Contract / Obligations

John,

SDS Obligations / BOQ Query

SDS has an obligation to prepare the C4 Estimates (SDS contract Sch 1, cl 3.2.1). There is no mention in the procurement section of the sds contract, for preparing BOQ's for the final Mudfa designs. The term "final designs" is not a contract term, the SDS design contract is for "all approvals and consents" and in three distinct phases, Requirements Definition (RDP), Preliminary Design (PD) and Detail Design (DD). Clause 2.6 sets out the SDS obligations for detail designs and that the designs has "full approval of the client and the relevant Approval Bodies, such that the ETN as designed can be constructed, installed, tested and commissioned by Infracore. No mention of tested and commissioned by Mudfa.

Proposed Solution

I have previously indicated to Geoff and Martin that any issues with the Bills of Quantity need to be resolved (tie, AMIS and SDS) before we move into the construction phase, particularly if the general view is that the bills of quantity do not represent the works. Since detail designs are now available for some of the sectors it would be prudent to commission an independent QS company to measure / schedule the works and prepare a BOQ based on the detail design and include provisional sums for the uncertain items. This should be jointly agreed with SDS and AMIS. This would at least provide a better starting point for the construction phase of the contract and allow for improved control and management of the commercial aspects. It would also provide visibility to the scale of the problem with the current BOQ's and the issues associated with the contract pricing, which I am sure AMIS are not comfortable with either. A BOQ can be prepared in 6weeks by most QS practices.

I hope this is of assistance and remember SDS are not a party to the Mudfa contract and under the SDS contract their obligations are for System Design Services and to assist tie in the management of an advanced utilities diversion programme. Gaps between the SDS and Mudfa contracts were identified in October / November 2006 and as far as I am aware there gaps remains.

I hope this is of assistance, let me know when you are available to discuss the claim issues.

Regards,

Ailsa

From: John Casserly
Sent: 10 May 2007 13:42
To: Ailsa McGregor
Subject: SDS Contract / Obligations

Ailsa

Please can you confirm if SDS have an obligation to provide Bills of Quantities for the MUDFA final designs under their Contract and if so when would they have to provide same ie on issue to SU's for approval or upon receipt of fully approved/agreed designs etc. We are looking to start the production of the C4 estimates to try and agree the indicative costs with the SU's for acceptance and approval, as per the SU agreements, but require final design drawings/details and the Bills of Quantities.

Further to Geoff's e-mail confirming you are dealing with potential claims etc related to SDS contract I would like to arrange to get together to discuss the MUDFA issues and the potential liability we have with AMIS related to late design. Please can you advise when you are available to meet and discuss.

Thanks

John Casserly

