From: Reynolds, Steve
Sent: 14 March 2007 08:24
To: Jenkins, Mike

To: Jenkins, Mike Cc: Ayres, Greg

Subject: FW: CN008 Baird Drive

Mike

It's now clear to me that David Hutchison is adding only very limited value here in Edinburgh. His attention to the change control /commercial exercise over the last two weeks has not had the focus I would have expected from someone of his seniority and his response to my request for detailed evidence to support the Baird Drive claim is pitiful. I am now working with Paul McQuade to gather the necessary information to complete our case for submission to the client this coming Friday. Despite the client responding on 23 May 06 to our original change notice with an assertion that the additional design scope for the high level option was substantially lower than claimed there has been no quantification that I can find put forward by PB to justify its stance. Instead much of the interchange with the client seems to have been on whether the Options Report was available in the Data Room. This is largely irrelevant as even if it had been the recommended option at that point was the low level option. So, the spotlight really should be on justification of the effort required to implement the change.

In short, at a time when you especially are working long hours and trying to grapple with a number of issues on Copenhagen and further afield I simply can't accept you being let down in this fashion. It is time to remove David from the Edinburgh project and find him something else to do. Whether you want to present that as a new opportunity for him or whether you would prefer I have the discussion on his failure to perform I'm content either way. But for the good of the project and his own career development - he's clearly lost a lot of confidence and isn't happy here - I propose we reallocate him from Monday next week.

That means I need someone else to pick up from where John & I have got to on Baird Drive and start to compile properly structured arguments for the remaining dozen or so high priority v/os & claims. I know Richard Blyth and Keith Jagger would certainly be equipped to do that but I wonder whether now is he time to try and rehabilitate Keith Munday who seems to be stalking the perimeter of the project and feeling a bit left out of proceedings? Your call, but how would you think Keith would perform in a claims management role for a period of 6-8 weeks?

I'm copying Greg on this to ensure he's aware that in my view you haven't been getting the support to which you're reasonably entitled as this whole change control process is pushed forward.

Give me a call when you've digested this and we can catch up

Best regards - Steve

Stephen C Reynolds Director

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From: Hutchison, David
Sent: 13 March 2007 16:33
To: Reynolds, Steve

Cc: McNicholls, John; Bloe, Jonathan

Subject: FW: CN008 Baird Drive

Steve

Below is an e-mail I received from Paul McQuade. It is nonsense for tie to assert that the low level option is of equal input to the high level option. I have ascertained that the costs given in the Change Request are for the complete designs and therefore from the total should be deducted 33% of the amount allowed in the tender pricing schedules

for retaining walls in the Balgreen Road to Murrayfield Section of £26,805 = £8935 (there are a further two retaining walls in this section at Murrayfield).

The utilities diversions and roads design are considered to be about the same extent for both high and low level options. I do not think there was any abortive work.

I am across in Edinburgh in the morning and we can discuss further.

David

David,

Further to our telephone discussion, below is the "headline" issues regarding additional works with respect to the high level vs low level option at Balgreen Road, split up with respect to each of the structures affected.

Baird Drive Retaining Wall (East of Balgreen Road)

- With both the high level and low level options, a retaining structure would be required.
- Although the form of retaining structure would differ for the low level option as opposed to the strengthened earth embankment proposed with the high level design, there would be no substantial difference in the amount of design work required to design and detail up either retaining wall option if the walls had been of similar extent.
- Interface with Network Rail would be required with both options
- However the length of wall would differ. With the low level option, the wall would be considerably shorter, as there would be no requirement for a wall to extend towards the Balgreen Road crossing. With the bridge structure required for the high level option, a longer length of wall is required.

Balgreen Road Bridge

Change is self evident - with the low level no bridge required, high level a new bridge structure is required.

Balgreen Road Retaining Walls No. 1 & 2 (West of Balgreen Road)

- With the low level option, two fairly small retaining walls were required at discrete locations to facilitate the tram alignment "rising" back up towards the level of the new Tramstop and subsequently along the length of route adjacent to Carrick Knowe Golf Course.
- With the high level option, Retaining wall no.1, to the North West of the new bridge, is considerably extended and far more technically challenging, tieing into the new bridge required and then supporting the tram alignment at high level almost to the Tramstop location.
- In addition, Retaining Wall no.2 would be required to support the Tram alignment from the adjacent Network Rail corridor. Due to the headroom requirements for the new bridge there would be a level difference between the tram and Network Rail lines for a considerable distance which would necessitate the new Balgreen Road Retaining Wall no.2 to both the South West and South East of the new bridge structure.

I trust this assists in answering your queries. If you require any further information today please do not hesitate to contact me.

Regards

Paul

From: Reynolds, Steve
Sent: 13 March 2007 07:19
To: Hutchison, David

Cc: McNicholls, John; Bloe, Jonathan

Subject: CN008 Baird Drive

David

I believe I now have a clear understanding of the timeline and scope of the change for the Baird Drive High Level option. However, on the quantification for the change I would like your input to confirm our stance re the £275k claim (It's no longer a v/o in my view).

The original change notice quantifies the build-up of a price to £275k. However, tie's response of 23 May clearly states that in tie's view the quantum should be much reduced to take account of the work which would have been required and which should therefore have been priced to implement the low level option. The work which John McNicholls and I have done over the last few days has given me sufficient confidence to be able to refute tie's

suggestion that the high level scope is less than the low level scope would have been, (which would have resulted in a contract price reduction), but I believe we need more evidence to clarify the true value of the additional effort?

Please could you review and provide me by the end of today with an analysis which shows the contract price breakdown for the low level scope and the claim breakdown for the high level scope. The claim for additional costs is then the difference between the two. Alternatively, if the change notice was supposed to be for the difference between the quoted scope and that now required for the high level option we need an analysis which shows tie's assertion of "considerably simplified" retaining walls for the high level option to be incorrect.

One final point - I understand from the DTL that no work had been carried out on the low level option by the time the change request was received - hence there is no opportunity to present an argument based on abortive work?

Thanks -Steve

Stephen C Reynolds Director

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