
From: Hudson Steve
Sent: 29 October 2009 16:34
To: Jones Peter MD (Utility Services); Sylvester Sharmila; Taylor Nigel (Commercial Director); David Arnott; gavin.thomson@macroberts.com; Cavey Angela
Cc: Beattie Steve; philip@pkoloncommercialconsultants.com; Lowe Taryne D; Wilkins Andrew
Subject: FW: Actions from meeting on 28th
Importance: High

Dear All,

Latest news from MUDFA for completeness,

Below is the summary of a meeting I had with Steven Bell earlier this week – the contents of which are self-explanatory.

In essence there seems to be a growing desire on tie's part to agree both an early exit and get the final account agreed. This is indicated by;

- settlements achieved to date on key contentions (all at levels above our 'value' and our 'most likely'
- proposal from tie to settle the majority of the others incl indexation and mass barrier
- commitment to an early exit plan together with proposal on residual liabilities
- commitment to use Acutus model to try and negotiate settlement
- commitment to a timeline for settlement of 1st Qtr next year

Whilst all the above is encouraging we still have a long way to go and the 'gap' between us is still large however our persistence (and skill of course!) may be starting to pay off. Well done to Steve, Phil and Taryne.

I would caution however that intent alone does not mean we will get the number we want and formal dispute is still possible. Getting out this year however would be a real benefit and 'stops the bleeding'.

Key actions now are;

- response on key items offer from Steven. I responded today.
- response on liabilities at completion. Action with McRoberts for Friday and to share with Sharmila.
- completion plan programme by Friday. Steve B.
- concall with tie on Tuesday to agree plan.
- dialogue on acutus model – ongoing

I suggest that we have a conference call on Monday morning at 12 midday to update and agree position ready for Tuesday.

Angela – pls sort call for usual suspects.

Regards
Steve

From: Hudson Steve
Sent: 29 Oct 2009 16:14
To: Steven Bell
Cc: Beattie Steve; 'philip@pkoloncommercialconsultants.com'; Jones Peter MD (Utility Services)
Subject: Actions from meeting on 28th
Importance: High

Steven,

To confirm action points from yesterday;

1) Schedule 4 Claim.

Having agreed that the 'Acutus model' can probably be used to facilitate negotiation of the Claim, CUS will respond to Acutus model provided and run 4 different scenarios;

- i) comment on the adjustment principles and factors
- ii) apply adjustments based on 'analogous' factors to bill rates
- iii) apply adjustments based on cost
- iv) take cost data for Oct and Nov and apply factors as iii) above

This will produce a range of outputs for discussion with your team ideally next week.

We agreed that Phil, Steve, Robert and Dennis/Fiona would meet to review outputs and assumptions.

2) Key Differences.

Following review of the schedule and progress to date we agreed;

- Enabling Works and tie ddts required further data to be exchanged over the coming weeks
- A8 Sewer to be concluded by FD/PK
- A settlement proposal was made by yourself in respect of the rest to which I have responded earlier today. I am hopeful that we will be able to conclude shortly.

3) Measure.

We agreed to target completion of re-measurement by Christmas.

There is the possibility that this may impact on certified sums to date and therefore may need to be considered, both in respect of last years settlement and the claim evaluations submitted to date.

We agreed to review once completed.

4) Completion Plan.

We agreed that its mutually desirable for CUS to achieve completion and hand back before year end with remaining MUDFA scope completed by others.

Agreed actions;

- CUS to propose programme of works, snagging etc for joint review by Friday pm.
- CUS to respond to tie 'criteria' for completion by Friday pm
- Ditto, tie to respond to CUS.
- Meeting Monday/Tuesday for Steve Beattie and Frank/Jim? to review
- Telecom Tuesday SB/SH and others to agree principles on which to proceed. (angela will contact Julie)

I think that covers it all and I look forward to progress over the coming days.

Regards

Steve