
From: Dave Anderson
Sent: 31 July 2009 08:54
To: Tom Aitchison; Donald McGougan
Subject: Tie

Richard Jeffrey has just phoned me to let me know that Martin Froeder of Bilfinger has contacted him to say that BSC are not happy with the way the supplemental agreement is working on Princes Street and that they want a 'cost plus' contract to start work on Shandwick Place.


At one stage, Froeder threatened to stop work on Princes Street. BSC have apparently been sending tie 'cost plus' invoices for the work they have done on Princes Street whereas the agreement was for demonstrable additional costs e.g. to deal with unexpected underground conditions.

At the same time, as making these threats Froeder offered a possible way forward although Richard describes this as derisory.

It looks like this is now playing out to a full confrontation that will only be resolved one way or the other through DRP.

I think we should regard Froeder's intervention as the kind of bluff and bluster to expect from the contractor given Richard's recent advice to them that tie is preparing to go down the DRP route.

We are in a for a challenging few weeks! Best Regards. Dave

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