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**From:** Ian Clark  
**Sent:** 22 April 2009 18:14  
**To:** John Casserly  
**Cc:** Alasdair Sim; Graeme Barclay  
**Subject:** FW: Jubilee Road Widening - TIE works  
**Attachments:** Final account with comments 200409.xls

**Importance:** High

John,

Attached are the comments from BAA. The only item that appears to have changed is the removal of the £7500 for the fencing works which was included twice. There are a couple of anomalies between the comments and the figures that have been returned but clearly BAA are not moving on these figures.

Previous correspondence from BAA stated that they would carry the costs for one of the weekends, circa £5K, but this has not been included.

There is a repeated comment that our programme for this section was ten weeks – this duration identified the available worksite and I told them on several occasions that this was not the actual duration for the works.

I am not sure how we now move this on and may require high level decision since clearly we are not going to close the gap between our assessment and BAA's. Added to this is Stuart White's email where clearly BAA expect to be paid on this assessment rather than await our reply as agreed last week.

From a MUDFA perspective I believe that the costs should be challenged, however, the bigger picture and the relationship with BAA is clearly going to result in confrontation.

Regards

Ian Clark

Project Manager  
MUDFA

Western Harbour  
Leith Docks  
Edinburgh EH6 6QF

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Mob: [REDACTED]  
Email: [Ian.Clark@tie.ltd.uk](mailto:Ian.Clark@tie.ltd.uk)

[www.edinburghtrams.com](http://www.edinburghtrams.com)

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**From:** Alasdair Sim  
**Sent:** 21 April 2009 20:30  
**To:** Ian Clark  
**Subject:** FW: Jubilee Road Widening - TIE works

Ian

Here you go

Cheers  
Alasdair

---

**From:** stuart\_white@baa.com [mailto:stuart\_white@baa.com]  
**Sent:** 21 April 2009 18:48  
**To:** Malcolm Butchert  
**Cc:** roger\_walker@baa.com; Catherine Stones; kevan\_jamieson@baa.com; Alasdair Sim  
**Subject:** RE: Jubilee Road Widening - TIE works

Malcolm

Good to hear from you - and to follow up on our conversation earlier today on the phone I had a chat with the team in Edinburgh - there is a great deal of frustration with the current position we find ourselves in but to summarise:

We agreed with tie (letter dated 4th Feb 2009 signed by Steven Bell) to procure the works on tie's behalf. The alternative - waiting for tie to conclude collateral warranty issues with Carillion - would have made the service diversions hugely complex and expensive to tie as Edinburgh Airport were not prepared to compromise the Consolidated Car Rental Centre (CCRC) programme.

In accordance with Paragraph (c) of the above letter - EAL advised tie of an estimate of cost of £253K (by e-mail on 2.2.09)

The above letter did not specify the form of contract - however Edinburgh Airport employed Kier on a fixed price basis (the same terms as we had used for the CCRC Works) - we did however agree to hold the key identified "risk" items effectively as provisional sums in order that - if they were not expended - they would not form part of the lump sum payment.

The final account for the works is in the region of £188,000 ( I have asked that our team ensure that all the recent discussions and production of detail has been properly accounted for) - which included a draw down of one of the elements of risk - weekend working.

We have paid Kier their contract value of £184K and incurred internal and consultants costs of circa £4K

Whilst we understand the need for transparency of costs incurred I believe that our team have submitted more than sufficient detail to date. Indeed - as they have already completed a response to the last set of queries I attach our response document below.

I will not however accept any further delay to payment of our properly incurred costs and have therefore instructed our Cost Managers to submit an invoice for the value of £188,000 for immediate payment through our Buusiness Support Centre. Please confirm - by return - that this will be processed on receipt by tie.

Stuart White  
Development Director  
Glasgow Airport

Mobile - 

Malcolm Butchert <Malcolm.Butchert@tie.ltd.uk>

To "stuart\_white@baa.com" <stuart\_white@baa.com>

cc

15/04/2009 10:14

Subject RE: Jubilee Road Widening - TIE works

Stuart

Good morning to you hope all is well over in Glasgow

You will probably be aware by now that I have been seconded to Tie for a period and have been given the BAA area as one of my sections, (the other being Forth Ports Leith). This has given me the opportunity to reacquaint myself with old friends and colleagues which I must say has been very pleasant.

Haven't managed to catch up with you as yet but it would be good to meet for a coffee and a blether at some point.

Regards the attachment from Cath, Tie have asked me to get involved and to try and find a resolution that suits all parties so I would like, if I may, to meet up and discuss the problem with you.

Tie/Mudfa are under the impression that the project was 'cost refundable' and not 'fixed price' and there-in may lie the cause of the disagreement. There does however appear to be a lack of clarity on exactly what was agreed which doesn't help.

I am sure there is a solution and to set your mind at rest my goal would be to ensure that BAA have all their legitimate costs associated with the multi utilities trench refunded.

I only have your Edinburgh Number, so I wondered if you could call me on

0131 [REDACTED] Or [REDACTED] when you get a chance

I am away until Monday but I am pretty free thereafter, due to be at EAL on Tuesday afternoon

Regards

Malcolm

-----Original Message-----

From: catherine\_stones@baa.com [mailto:catherine\_stones@baa.com]

Sent: 14 April 2009 09:01

To: Alasdair Sim

Cc: stuart\_white@baa.com; Malcolm Butchert

Subject: Fw: Jubilee Road Widening - TIE works

Alasdair

Attached are the queries put forward by Thomas Caldwell on the Kier Final Account for the utilities diversions.

We gave the this work to Kier based on a Fixed Cost Contract because it was the most expedient way to procure the works. The only provisional items were for 2 weeks of nightshift should we have needed to accelerate the programme (£32.5k) and unknown services (£31.5k) - none of which were used.

As the contract was Fixed Cost the Kier final account hasn't change from the cost breakdown we gave to Tie back in February, when we understood formal approval was given by Tie to proceed on this basis.

BAA have had to pay Kier, as they have completed the works under the terms of the contract, so I am keen to resolve the payment by Tie asap.

One of the main challenges seems to be around the fact that Kier worked three weekends. However it's worth noting that Tie had planned to carry out this section of works between the 5th January 09 and 12th March 09, a 10 week programme. Kier were awarded this work on 10th February 09, halving the programme to 5 weeks. Kier always planned to work two weekends, however the third weekend wasn't covered in the main costs (an extra £5k) but was instructed by BAA. This is the only item that I feel Tie can dispute, and if this is a problem for Tie and the only way to resolve this, I'm happy to absorb the costs into the CCRC Project because I feel that it was essential to keeping the opening of the CCRC on programme.

I understand the sensitivities of spending public money, but in this instant Kier have been more than accommodating in delivering this work on behalf of Tie, and from advice we have received this represents good value for money (or else we wouldn't have commenced the works).

In an effort to close this matter out quickly, I'd appreciate it if you could give me a call this week.

Regards

Catherine

Catherine Stones  
Project Leader  
BAA Scottish Airports  
0131 [REDACTED]  
[REDACTED]

----- Forwarded by Catherine Stones/Development/EDI/BAA on 14/04/2009 08:16  
-----

Thomas Caldwell  
<Thomas.Caldwell@tie.ltd.uk>

01/04/2009 14:55

"claire\_johnston@baa.com"  
<claire\_johnston@baa.com>,  
"gary\_menzies@baa.com"  
<gary\_menzies@baa.com>

To

cc

"catherine\_stones@baa.com"  
<catherine\_stones@baa.com>, Ian  
Clark <Ian.Clark@tie.ltd.uk>,  
"roger\_walker@baa.com"  
<roger\_walker@baa.com>, John  
Casserly  
<John.Casserly@tie.ltd.uk>, Tara  
Edgar <Tara.Edgar@tie.ltd.uk>

Subject

RE: Jubilee Road Widening - TIE  
works

Claire

As discussed please find attached a copy of our queries relating to the Final costs submitted by Kiers for carrying out the diversion works on behalf of tie.

As I said our main queries are in relation the hours claimed as opposed to any unit rates, although we do have a few queries on the ancillary / enabling works items claimed.

I would be grateful if you could have a look at our queries and get back to us. Upon receipt of any clarifications applicable we would be happy to meet and resolve if required.

If you have any queries on the above please do not hesitates to contact us.

Regards

Thomas Caldwell  
Senior QS

tie limited  
MUDFA Project Office  
Western Harbour  
Leith Docks  
Edinburgh  
EH6 6QF

Direct Line : +44 (0) 131 [REDACTED]  
Mobile : +44 (0) [REDACTED]  
Fax : +44 (0) 131 561 8301

e-mail : thomas.caldwell@tie.ltd.uk

-----Original Message-----

From: claire\_johnston@baa.com [mailto:claire\_johnston@baa.com]  
Sent: 17 March 2009 10:20  
To: gary\_menzies@baa.com  
Cc: catherine\_stones@baa.com; Ian Clark; roger\_walker@baa.com; Thomas Caldwell  
Subject: RE: Jubilee Road Widening - TIE works

Ian,

We attach Kier's Final Cost for the Tie works for Jubilee Road Widening along with comments to the queries you had.

If you require any further information please do not hesitate to contact us.

Regards, (See attached file: Kier Final Account.xls)

Claire Johnston  
For and on behalf of  
Doig + Smith  
0131 [REDACTED]

Gary  
Menzies/Engineering/EDI/BAA  
11/03/2009 18:47

To  
Ian Clark <Ian.Clark@tie.ltd.uk>  
cc  
"roger\_walker@baa.com"  
<roger\_walker@baa.com>, Thomas  
Caldwell  
<Thomas.Caldwell@tie.ltd.uk>,  
Claire  
Johnston/Engineering/EDI/BAA@BAA,  
Catherine  
Stones/Development/EDI/BAA@BAA  
Subject  
RE: Jubilee Road Widening - TIE  
works (Document link: Claire  
Johnston)

Ian,

Apologies for the delay. I have been away from the office quite a bit this last week.

I will review this in accordance with your comments below and pass on to the CCRC/Keir Team for resolution.

Claire/Cath - By copy of this can you please confirm with Keir the period to which this quotation relates and also any adjustment to the risk allowances as a result of the trial investigations.

Regards,

Gary.

Gary Menzies  
Principal Commercial Manager/Cost Integrator EC Harris LLP - Edinburgh Airport  
[REDACTED] T)  
[REDACTED] M)  
0131 344 3430 (F)

Ian Clark  
<Ian.Clark@tie.ltd.uk>

05/03/2009 08:34

"gary\_menzies@baa.com"  
<gary\_menzies@baa.com>

To

cc

"roger\_walker@baa.com"  
<roger\_walker@baa.com>, Thomas  
Caldwell  
<Thomas.Caldwell@tie.ltd.uk>

Subject

RE: Jubilee Road Widening - TIE  
works

Gary,

With reference the attached estimate we interpret this to be for the full duration of the walkway construction since the maximum programme we anticipate for the service diversions would be 2 weeks. I would appreciate if you could provide your estimate for the services elements only.

Thanks

Regards  
Ian Clark  
Project Manager  
MUDFA

Western Harbour  
Leith Docks  
Edinburgh EH6 6QF

Tel: +44 (0)131 [REDACTED]

Fax: +44 (0)131 622 8301  
Mob: [REDACTED]  
Email: Ian.Clark@tie.ltd.uk

www.edinburghtrams.com

-----Original Message-----

From: gary\_menzies@baa.com [mailto:gary\_menzies@baa.com]  
Sent: 02 February 2009 13:29  
To: Ian Clark  
Cc: roger\_walker@baa.com; Chris Bartynek  
Subject: Fw: Jubilee Road Widening - TIE works

Ian,

Please find attached an estimate of cost from Keir for the works associated with the widening of Jubilee Road to facilitate the Tram interface. I believe this has been discussed between yourself and Roger previously.

Can you please confirm your acceptance of these costs so as we may instruct them to proceed.

Best regards,

Gary.

Gary Menzies  
Principal Commercial Manager/Cost Integrator EC Harris LLP - Edinburgh Airport  
0131 [REDACTED]

0131 344 3430 (F)

----- Forwarded by Gary Menzies/Engineering/EDI/BAA on 02/02/2009 13:21

-----

Roger  
Walker/Engineerin  
g/EDI/BAA

02/02/2009 10:19

Gary  
Menzies/Engineering/EDI/BAA@BAA

To

cc

Subject

Fw: Jubilee Road Widening - TIE  
works

Dear Gary,

Hope all is well and that you did not try to head through to Aberdeen today!  
Could you please forward this through to tie Ltd for approval.

Regards,

Roger

R M Walker

Project Interface Manger  
Edinburgh Airport  
Capital Projects Team  
BAA Scotland

Tel: 0131- [REDACTED]  
Mobile: 0 [REDACTED]

----- Forwarded by Roger Walker/Engineering/EDI/BAA on 02/02/2009 10:17  
-----

Catherine  
Stones/Developmen  
t/EDI/BAA

30/01/2009 13:28

Stuart  
White/Engineering/GLA/BAA@BAA,  
Roger  
Walker/Engineering/EDI/BAA@BAA

To

cc

cjohnston@doigandsmith.co.uk,  
Christina  
Morgan/Planning/EDI/BAA@BAA, Claire  
Northridge/Development/EDI/BAA@BAA  
Subject  
Fw: Jubilee Road Widening - TIE  
works

Stuart / Roger

I've attached budget costs from Kier for the Tie Works £178,004.93 plus  
£75,115.08 risk allowance (trial digs on Monday will determine how much of the risk  
fund is necessary). They expect to have a firm cost by Wednesday/Thursday next week.

Please could you send the signed legal letter from Tie through when you get it so that  
we can proceed with raising this as a project in Oracle?

Regards

Cath

Catherine Stones  
Project Leader  
BAA Scottish Airports  
[REDACTED]

----- Forwarded by Catherine Stones/Development/EDI/BAA on 30/01/2009 13:11  
-----

"Claire Johnston"  
<cjohnston@doigan  
dsmith.co.uk>

30/01/2009 13:06

<catherine\_stones@baa.com>

To

cc

"Edin Outgoing"  
<EdinOutgoing@doigandsmith.co.uk>  
Subject  
FW: Jubilee Road Widening - TIE  
works



Hi Cath,

We attach Kier's budget cost for the Tie Works for Jubilee Road Project. The total budget cost excluding risk is £178,004.93 the Civils element is a firm cost whilst the M+E a budget only. Kier have allowed a total of £75,115.08 for risk items if they encounter any existing services. Speaking with Fraser the Trial pits are being completed on Monday and that should determine the extent of the risk items that would need to be expended.

We are currently reviewing the costs. I don't know if you want to pass onto TIE for them to review cost's?

Kier will have a fixed price for us by next Wednesday/Thursday.

If you have any queries regarding the above or require any further information let us know.

Regards

Claire Johnston  
For and on behalf of  
cid:321223011@06062008-22CE

E-mail : cjohnston@doigandsmith.co.uk  
Tel: 0131 [REDACTED]  
Fax: 0131 314 3535

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(See attached file: Services.xls)

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(See attached file: Kier Final Account with tie comments.xls)

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