
From: Martin Hutchinson
Sent: 04 May 2007 08:04
To: John Casserly; Graeme Barclay
Subject: RE: SDS Design Delay On MUDFA Contract Works

John.

it might be worth quoting a range of delay cost per month to give a flavour of the maximum/minimum.

If you have a look at AMIS' AFA submission of 16th February 2007 a figure of circa £2,400,000 is quoted for a six month prolongation as a result of design delay.

Just a suggestion,

Martin Hutchinson

From: John Casserly
Sent: Thu 03/05/2007 17:17
To: Graeme Barclay
Cc: Martin Hutchinson
Subject: SDS Design Delay On MUDFA Contract Works

Graeme/Martin – Please find below for your comment a draft of an e-mail I intend to send to Geoff Gilbert regarding the above issue.

“Geoff

Martin is currently piecing together the SDS contract and subsequent amendments captured in correspondence in an effort to establish where we think we stand with SDS in respect of delay in issuing the MUDFA design etc. From review of some of the correspondence between tie and SDS it appears tie are looking to come to some form of agreement/settlement with SDS regarding design delays whether imposed upon SDS by tie or SDS self imposed delays in providing the design for both MUDFA and INFRACO.

I am concerned how the SDS liability for delay in the issue of the design for the MUDFA works and the associated costs incurred by AMIS, which they will rightly seek to recover from tie, has/is being assessed as part of any settlement/agreement. The AMIS works are approximately 6 months late in completing based on the current design release dates, which we are doubtful SDS will achieve, and the AMIS prelims costs per month are currently running at circa £260k – a potential claim/liability of £1.56m to date. As you are aware we are endeavouring to mitigate the delays to the AMIS works by using the RATS proposals to get works commenced in advance of the construction design details but these are short term measures which still require sign-off approval from SDS prior to implementation and rely upon SDS providing construction designs prior to the end of the RATS proposals to allow the construction works to continue with minimum disruption. Please can you confirm that the above MUDFA issues and potential liabilities are being considered in any discussions/agreements etc with SDS and whether there is any requirement for information/input from the MUDFA project team to assist in the management/settlement of the issues with SDS. “

John Casserly

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