
From: Richard Jeffrey
Sent: 03 July 2009 15:47
To: David Mackay
Subject: Update for your return

David,

Just a quick note on how things are progressing

Mediation

Mediation is progressing, but with only limited results. Discussions are still ongoing (midday Friday as I write) I am now turning my attention to the meetings with Keysberg and Schneppendahl on Monday, and the board on Wednesday. I was all for calling a halt yesterday, but the team and the mediators have persuaded me to keep going. Not sure yet if we will continue into tomorrow. I have briefed key stakeholders at the beginning of the week and will do so again this pm.

We have swapped proposals and numbers on how to deal with

- BDDI to IFC (based on percentages)
- Other changes, (refer these to independent QS)
- Extension of time 1 (numbers exchanged)
- Extension of time 2 (dates exchanged)
- On street works (based on Princes street agreements)
- Misalignment Issues –Siemens design interface with BB(they think ours, we think half ours, half theirs)
- Value engineering (numbers exchanged)
- Delay in providing estimates (they are asking for immunity from 18 day rule, we are saying no)

I set out this week looking for the following 5 things

1. An estimate of costs to date we could live with
2. Some certainty on future costs
3. Agreement on programme and assurances on progress
4. Agreement on flows of back-up information
5. Signs of a new relationship

I'm afraid I have a number under item 1 I cannot accept, and nothing on items 2,3,4,5, so not really a difficult decision! The mediators assure me it is too early to give up so we will keep on.

MUDFA

MUDFA still painfully slow and relationship with Carrilion deteriorating. Peter Jones, their MD has said a major formal claim on its way, but no sign yet. Jim is dealing

Board papers

Papers on Building the Brand (To introduce Mandy and cover the key issues) and Building the Team (Organisation thinking, objectives, bonuses etc) included in board packs, but for info only given all the other topics. DPOFA paper not circulated but ready to go if you agree, maybe best a verbal update?

Generally I would welcome a chat on quality of board papers, given the pressure this week I have not had chance to quality control, but would welcome your views generally (feels like a bit like this is not a top priority at the moment though

City hotspots

Leith walk – Meeting with traders on construction methodology, slowly building relationships, MUDFA still causing lots of problems

Coates Crescent – pressure from CEC (following pressure on them from terry Farrell, and pressure from Sarah Boyack over tree felling!

Politics and media

Excellent meetings with Shirley-Anne and Kenny Macaskill, Lothian Buses featured strongly, will brief you when we speak. Mixed press coverage, nothing terrible (or maybe my tolerance levels have increased!)

Items to discuss

HR director, TEL

Happy for you to call me at home Sunday evening for an update.

Home number is [REDACTED]

Regards

Richard

Richard Jeffrey
Chief Executive

tie Limited
Citypoint
65 Haymarket Terrace
Edinburgh EH12 5HD

Direct line: 0131 [REDACTED]
Fax: 0131 622 8301
Email: Richard.Jeffery@tie.ltd.uk

www.edinburghtrams.com
www.tie.ltd