

**[TO BE ISSUED ON CLIENT HEADED PAPER]**

29217

CORMAC Contracting Ltd  
Higher Trenant Road,  
Wadebridge,  
Cornwall,  
PL27 6TW

## November 2018

Dear Sirs,

**29217 Saltash Train Station - Letter of Intent 1**

We write to confirm that you have been selected as preferred contractor and upon satisfactory conclusion of negotiations we intend to enter into a contract with you for the above project.

The contract will generally be in accordance with the terms of the Bailey Partnership Tender Documents and your Tender dated 22<sup>nd</sup> October 2018 in the sum £ £388,651.00 subject to agreement of the following matters:

- An agreed revised Final Contract Sum for pre-contract variations and changes to the scope including all associated works;
- A revised detailed construction programme and valuation dates;
- Schedules of warranties and insurances;
- Other matters to be agreed with the funders and stakeholders.

Scope of this letter

It is currently anticipated that works will be able to commence on site with a date for possession in January 2019. Accordingly, we hereby appoint you to commence the following pre-construction activities only:

- CDM planning activities including preparation of the Construction Phase Plan and temporary works design for scaffolding/hoarding/site compound etc;
- Appointment as 'Contractors Responsible Engineer (CER)' and all such necessary pre-construction liaison and coordination with Network Rail and GWR to facilitate their approvals;
- Selection of subcontractors and supply chain;
- Mobilisation of limited labour, materials, plant and associated equipment required to protect the tender price and programme lead times;
- Undertake trial pit excavations in the vicinity of the weigh-bridge and existing extension to inform structural engineering substructures and resurfacing design prior to the main demolition and rebuild works;
- Undertake any further site or building investigations that may reasonably be deemed to be required in order to commence the works safely;
- Undertake detailed investigations in conjunction with Network Rail and GWR regarding the possible temporary rerouting of the building mounted power feeds to the platform lighting box.
- Liaise with statutory services companies, refine/obtain updated quotations and arrange with client for pre-ordering/payment and agree/programme installation dates.
- Other pre-construction activities required by the Tender Documents to ensure you are in a ready state to take possession of the site and commence work upon instruction.

Limitation of this letter

Before execution and completion of the Building Contract, our mutual rights and obligations in relation to the Works are governed by this letter, supplemented by the Tender Documents.

On the execution and completion of the Building Contract, our mutual rights and obligations in respect of all matters with which this letter is concerned (including any design performed or any work carried out or order placed under this letter as a part of the Works or otherwise) shall be subsumed into and be subject to the Building Contract and this letter shall be of no further effect.

If we are unable to place the contract between us for any reason within a period of 60 days from the date of this letter we shall have the right to terminate this letter of intent by notice in writing. In that event we would reimburse you, less any payments made previously, for all works carried out by you under the terms of this letter in relation to the above scope up to the date of termination up to a limit of £10,000 plus any VAT as applicable on that sum (the LOI Maximum Amount) and for which documentary evidence will be required from you in respect of:

- Orders necessary to secure all subcontract works necessary to meet the programme. Alternatively we would have the right to take over such orders from you, and all orders placed by you shall contain such provisions.
- The property in all drawings and other documentation prepared by you and/or your subcontractors under the terms of this letter and any materials manufactured would vest in us.

Cont'd/...

You acknowledge and agree that you shall have no claim against us under or in connection with the Project, the Works or this letter for:

- loss of profit, loss of contract, loss of business, loss of chance or other similar loss; or
- any indirect or consequential loss.

Sub-contracts

You may only enter into a sub-contract or place a supply contract in connection with the Works with our prior consent (such consent not to be unreasonably withheld or delayed), subject always to the total value of the sub-contracted Works under the same not exceeding the LOI Maximum Amount.

Any sub-contract or supply contract you enter into shall permit you to assign the benefit of that contract to us or our nominee. On termination of this letter (or your appointment under this letter) for any reason, if instructed by us you shall without charge assign the benefit of any or all of those contracts to us or our nominee, as we may specify.

Payment

Subject to the above, we will pay you for the Works as if you were performing them as part of the Works under the Building Contract. You and we shall issue any applications, notices or interim certificates as would be required under the Building Contract.

Our obligation to pay you is limited to our payment for the Works. This letter does not authorise you to carry out further or other works or services and we are not obliged to pay you for any further or other works, goods, materials or services; or enter into the Building Contract or any other contract with you, as a result of entering into this letter.

Please acknowledge receipt and acceptance of this letter by signing, dating and returning the enclosed copy.

Yours faithfully,

Saltash Town Council

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We hereby acknowledge receipt and accept the contents of this letter

Signed ..... Date .....

Print ..... Position .....

FOR AND ON BEHALF OF: CORMAC Contracting Ltd