

Joe Camilleri meeting 10/12/10

From: kevin.mccarthy
To: phillip.johns don.parker ross.donnelly
Date: Mon, 13 Dec 2010 10:58:51 +1100
Attachments: 101208 Joe Camilleri Meeting record.doc (130.05 kB)

Gents,

attached my meeting with Joe last Friday.

Key Take Away:

- Joe is now neutral and no longer a strong supporter for UGL and MainTrain, although he will not be negative either.
- There is a feeling within others in RailCorp that "UGL owes RailCorp"
- Joe believes SIGNIFICANT reform and innovation are required

IR/HR/Culture

Lower Costs/margins

Materials management

- Joe's new position is as "change agent" for Gavin Campbell
- Probity constraints are now in place within RailCorp.



101208 Joe Camilleri Meeting record.doc

Regards

Kevin Mccarthy

General Manager, Product Management
UGL Rail
Sales & Marketing



Level 7, 40 Miller St
North Sydney NSW 2060
Australia

MEETING RECORD



Meeting Purpose Meet with Joe Camilleri re RailCorp Tender Management Structure

Date: 10-12-10 **Time:** 15:00 – 16:00 **Location:** Joe's new office, Level 18, 477 Pitt St

Present

Kevin McCarthy Joe Camilleri

Copies to RD / PJ

Agenda (guide) - No agenda – presentation and exploration discussion around how UGL Rail and Toll could work together in the tender

#	Specific Subjects / Assignments this meeting	Who	Due Date
1	Joe's new role is GM Maintenance Contracts & Commercial reporting to Gavin Campbell		
2	Reporting to Joe are: <ul style="list-style-type: none"> • Contract Admin/operations <ul style="list-style-type: none"> ○ Warratah Contract pa ○ Infrastructure Contracts pa (several Alliances) ○ MainTrain pa (Saxon Stevens) • Reform Processes (Peter Melbourne) <ul style="list-style-type: none"> ○ JV opportunities ○ Outsource/Insource decisions & Business cases ○ Benchmarking for insourced scope ○ Technology innovation • Six Sigma (Piere ?) • Probity & Service Support (Neil Hunt) <ul style="list-style-type: none"> ○ Probity processes & audit ○ Overhead reduction initiatives (done for Gavin Campbell) • Contract Renewals (Reg Graham) <ul style="list-style-type: none"> ○ MainTrain ○ Chullora Bogies etc • Strategic Support <ul style="list-style-type: none"> ○ Asset/equipment sales/scraping ○ General Office Support 		
3	The MainTrain Contract Tender reports into Reg Graham's area including the consultants (Mark Ross Smith/ Everything Infrastructure)		
4	Joe stated that the current Component contracts for the Diesel fleet such as Chullora (bogies) and Cummins (engines) would be extended by RailCorp to align with the Main tender (June 2012), but not beyond.		
5	Joe reiterated the key requirements from RailCorp (his view) <ul style="list-style-type: none"> • Cost Reduction • Material management Innovation 		
6	His feeling on the longer term RailCorp strategy was: <ul style="list-style-type: none"> • uncertainty of likely upcoming government change • expectation of lack of funding going forward • the new 5 yr contract is likely to roll on for many more years 		
7	KEY NOTE 1: Joe indicated that "RailCorp" believed that UGL had been "ripping off" in the past and that these profits had allowed UGL to prosper and grow and that there was a feeling that UGL should "give back" to RailCorp through its offer to the tender. He noted that this response was coming from "others" who did not understand the other values of flexibility that the old contract had given.		

	There is a feeling that "UGL owes RailCorp"		
8	KEY NOTE 2: Joe believes that MainTrain has become a "state government" like entity in terms of pay scales, efficiencies, IR, etc. He understood that the RailCorp environment and budget (ramp-up/ramp-down) had helped create this but there was an expectation that the new contractor needed to be more "private" company like.		
9	KEY NOTE 3: Joe believes UGL probably know the issues with materials management and have underperformed from day 1 and indicated specialist organisations are required to change or improve this area.		

General comments

Key Take Aways:

- Joe is now neutral and no longer a strong supporter for UGL and MainTrain, although he will not be negative either.
- There is a feeling within others in RailCorp that "UGL owes RailCorp".
- Joe believes SIGNIFICANT reform and innovation are required
 - IR/HR/Culture
 - Lower Costs/margins
 - Materials management
- Joe's new position is as "change agent" for Gavin Campbell
- Probity constraints are now in place within RailCorp.

Recommendations & Additional Actions		Who	Due Date
A	Build feedback into Stakeholder mgmt plan for the tender	KMc	Before 24 TH Dec
B	Determine how to address the "UGL owes RailCorp" feedback	PJ	January
C			
D			
E			