

**Bilfinger Berger – Siemens – CAF Consortium : Edinburgh Tram Network
Meeting Notes**

Subject	1) V26-V31 Programme 2) Urgent Changes Mechanism	Location	Project Office
Date	20/10/08	Time	
Attendees	Representing	Attendees	Representing
Frank McFadden	Tie	Colin Brady	BSC
Dennis Murray	Tie	Steve Sharp	BSC
Mike Paterson	Tie	Grahame Duff	BSC
		Baltazar Ochoa	BSC
Distribution	Attendees		

		Action	Date
1	General		
1.1	<p>Introductions : Baltazar Ochoa – BB Change Manager, with particular responsibility for liaison with Tie. Apologies : Roland Breuckmann, in Berlin this morning.</p> <p>Purpose of Meeting :</p> <p>(i) Tie to describe their evaluation of extension of time associated with V26-V31 programmes (ii) Tie to explain to BSC their areas of concern/disagreement with cost evaluation submitted by BSC in respect of V26-V31 programmes (iii) Review proposed actions in M Flynn email to W Gallagher, copy attached. (iv) Discuss further the various proposals for simplifying the Change Mechanism.</p>		
2	V26-V31 : Time		
2.1	<p>Evaluation Tie's evaluation of delay associated with shift from V26 to V31, with qualifications listed below, is 38 working days (7 weeks and 3 days). Tie describe this as without mitigation, and subject to the following issues:- BSC obligations under Mobilisation and Advance Works Contract IFC Issue timescale BSC Mobilisation Works start dates shown on V31 programme.</p>	Note	

2.2	BSC view is that this period, which has been discussed Hickman-Sharp, does include mitigation in that activities have been adjusted relative to each other in some areas, but without reducing float or increasing resources.	Note	
2.3	Tie reiterated that mobilisation issues/instructions in place on 14 th May should be included in any time and cost evaluation.	Note	
2.4	Tie advised that extension of time greater than 1 month requires Tram Board approval – next meeting is 22/10/08. There may not be a meeting in November.	Note	
2.5	Tie advised that they will not respond to BSC submission on V26-V31 in respect of time only – response needs to also cover costs.	Note	
2.6	BSC will review this evaluation and the cost evaluation (see below) and confirm any changes to the current position.	BSC	27/10/08
3	V26-V31 : Costs		
3.1	BSC outlined basis of cost submission (£5.2million, £3m from BB, and £2.2m from Siemens/CAF).		
3.2	<p>Tie listed a number of areas of concern/disagreement, including :-</p> <ul style="list-style-type: none"> • not all preliminary items are pro-rata (eg testing, bonds, insurances) • subcontractor prelims • subcontractor running costs • overlap with Change no 18 (site offices) • Siemens figures – build-up required • escalation – should be time-linked to spend profile over project • disruption – Tie do not acknowledge any disruption has occurred • need to rework costs if delay period is agreed <p>BSC agreed to review submission in light of these comments and respond.</p>	GD	27/10/08
4	Next Steps, as M Flynn email (attached)		

4.1	<p>Programme analysis</p> <p>Tie suggest time slice on a monthly basis is too frequent and propose time slice and end July and end September.</p> <p>BSC (site) view is that analysis first needs to be on delay-stream basis (ie impact of design delivery, MUDFA, specific changes, mobilisation etc) and then analysed at agreed time slices – first stage must be done in any case.</p> <p>BSC will proceed on delay stream analysis, and report weekly.</p>	S Sharp	weekly update
4.2	<p>Urgent Instructions</p> <p>Tie do not agree that BSC proposals is useful, holding the view that it merely establishes time limits for Tie response, but does not address issue of BSC difficulty in producing estimates.</p> <p>BSC reiterated their concern that existing procedure, albeit swamped by number of changes, provides important protection in that they are not required to incur significant cost before changes are agreed, and that such agreement is not subject to subsequent re-measure. These aspects of the contract are important and should not be circumvented by another process, except on strictly limited grounds for urgent minor change.</p> <p>Tie will propose a procedure based on cl 80.20, for further consideration.</p>	Note Note Tie	next week
4.3	<p>Task Force for Unblocking of Approvals etc</p> <p>Further meeting on Thursday 23/10/08 (Brady / Breuckmann / McFadden) to identify initial issues for resolution.</p>	All	23/10/08
5	<p>Follow-up Meetings</p> <p>Book diary 11:00 to 13:00 every Monday to monitor early stages of agreed process.</p>	All	27/10/08 and weekly

Email Michael Flynn – Willie Gallagher, ref 1.1 (iii) above

From: Flynn, Michael (Siemens TS)

Sent: 15 October 2008 13:22

To: Willie Gallagher; Stewart McGarrity; Richard.Walker@bilfinger.co.uk

Subject: Our telecon tuesday evening

Gents,

The conclusions from our telecon last night:

There will be 3 parallel streams of activity:

Stream 1:

Establish the programme position in terms of delay and progress at discrete intervals i.e.:

Baseline 1 : V26 to V31 issue as at 15 may agree the time and cost impact

Building on Baseline 1 create Baseline 2: Progress, instructions, delays, etc. until end of may agree the time and cost impact

Building on Baseline 2 create Baseline 3: Progress, instructions, delays, etc. end may until end of June agree the time and cost impact

Building on Baseline 3 create Baseline 4: Progress, instructions, delays, etc. end June until end of July agree the time and cost impact

Building on Baseline 4 create Baseline 5: Progress, instructions, delays, etc. end July until end of Aug agree the time and cost impact

Building on Baseline 5 create Baseline 6: Progress, instructions, delays, etc. end Aug until end of Sept agree the time and cost impact

It was considered that this series process would appropriately consider progress and delay issues arising from BSC, tie, etc.

Stream 2 :

Sort out an emergency instruction process that provides for recognition of cash flow and increase in contract value for emergency changes

Stream 3:

Task force for the unblocking of Approvals, Access problems and encumbrances, etc to focus on the current top 10 problem items.

This will be led from tie side by Frank McFadden, BSC(Richard) to nominate a focal point.

The above 3 streams can proceed in parallel.

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