FAO Mr Scott McFadzen
Bilfinger Berger Siemens Consortium
Lochside House
3 Lochside Way
Edinburgh Park
Edinburgh
EH12 9DT

Our Ref: PRO.Infraco.2095/BB

Date: 5th May 2008

Dear Sirs,

Edinburgh Tram Network Advance Works and Mobilisation Contract Infraco Project Offices

We refer to your letter reference 25.1.201/DT/118 dated 22 April 2008 and comment as follows:-

The Mobilisation and Advanced Works Programme shows site set-up activities commencing w/c 3 December 2007. To date no work has started on site set-up. The programme also identified commencement of the office build at w/c 7 January 2008. Notwithstanding your statement that you do not require a possession, I am advised you have booked one for w/c 21 June 2008. This puts you at approximately 5 months behind programme.

You state that the BBS sketch was issued on 4th April to highlight the potential impact with the sewer. This does not reflect on our understanding and interpretation of events at that time and events subsequent to your letter. The accompanying e-mail from Brian Donnelly reads as follows:-

"please find attached layout for comments. If printed to A3 the scale is 1:500 and is an extract of ULE90130-05-UTL-00424. An early indication would be appreciated as we have to plan for foundation/drainage works as well as the lifting plan and BAA/NR approval".

Clearly Brian is seeking approval to proceed as he wishes to plan for foundations and BAA / NR approvals. His e-mail makes no mention whatsoever of the impact of the sewer diversion, which it surely would, had this been the primary purpose of the submission.

We are now in receipt of your Work Package Plan, which totally ignores the potential impact of the sewer and proposes to place the offices in the area identified for the sewer diversion.

Your letter goes on to state that "The offices have been positioned such that a railway possession is not required". We would ask you to clarify this in light of Brian Donnelly's e-mail and with respect to Network Rails "Requirement for Constructional Work On or Near Railway Operational Land (Appendices A & B). Additionally, as a result of reviewing other matters on possession planning, we are aware that BBS have requested a possession for this work during week commencing 21 June 2008. Jim Cumbertons' E mail of 19th March refers.

Direct dial: e-mail:Robert.bell@tie.ltd.uk web: www.tie.ltd.uk We note your acknowledgement that you were aware of the requirement for the sewer diversion works and that as of 5 March 2008, a month before your sketch was submitted, the requirement had reverted to its original design. In short, no change has occurred. We confirm that numerous discussions have taken place on the sewer diversion, and that at no point was the matter of the site establishment raised as an issue. I have checked the minutes of meeting on 16 January 2008 to which you refer and note that there is no mention of the site establishment being an issue.

Your submission of the mobilisation plan as required by Clause 12.6.1 of the Employers Requirements is deficient, particularly with respect to timescales, permissions required and assumptions made. It is difficult to reconcile a sketch with our requirement for "comprehensive details".

The issue on Traffic Management was one that BBS raised in your previous letter. We were responding by pointing out the notification period is the same for Gogar as for Saughton and noting that BBS had not taken any action in this respect.

For the record we arranged to meet with BBS on site on Thursday 1st May to review and identify a way forward with this matter. David Taylor e-mailed Bob Bell on the day advising that the meeting could not take place "in the light of current circumstances".

Following a visit to the Depot site on on Friday 2nd May, by Bob Bell, David Taylor and Brian Donnelly, BBS took an action to review other areas of the site as possible locations. These were an area west of the current MUDFA offices and the area of the permanent car park.

David Taylor e-mailed Bob Bell later on Friday to say that BBS may have an alternative, and an informal meeting was arranged for Monday 5th May. At that meeting David advised that there was no such alternative. Bob Bell suggested therefore that BBS should continue to look for alternative sites including the two discussed on 2nd May.

We are returning your Work Package Plan as rejected and would suggest that BBS urgently concentrate their effort in identifying a workable solution to your difficulty, thereby mitigating any further delay you are currently creating. We remain committed to assisting where possible.

Yours faithfully,

Robert Bell Construction Director