



tie Limited

Minutes of Meeting: BBS Preferred Bidder Progress Meeting

Date: 15th January 2008

Venue: CityPoint II, Edinburgh

In attendance:	Matthew Crosse	Scott MacFadzen
	Geoff Gilbert	Robert Kraemer
	Alastair Richards	Richard Walker
	Susan Clark	Tom Murray
	Dennis Murray	Steven Wright
		Roland Bruckmann

Item	Comment	Action
1	<p>Contract Package Status</p> <p>GG commented that there are issues that he feels were closed at meeting discussion that were then reopened within BBS's legal team which is frustrating as BBS seem reluctant to commit to decisions; he emphasised that the correct decision making BBS personnel must be at meeting to ensure progression.</p> <p>RW suggested that a productive way forward to counteract this was to have the documentation projected in the room and to make and agree the changes there and then – GG agreed.</p> <p>SM mentioned that BBS were taking Thursday to have a “stock take” of all their legal issues and obtain instructions to bottom out.</p> <p>MC asked if the correct members of BBS's decision making team are available for meetings this week. BBS will try to commit as much as possible but they are concerned by the number of issues still outstanding. GG maintains there are a number that are small issues.</p> <p>Pricing Bob Dawson will be sending the pricing information to BBS tomorrow. tie requires clarity in the detail of what the price represents – BBS will look into this.</p> <p>TM sees no problem with the milestone payments apart from the volume of work. tie's Eric Smith is also working on this.</p>	BBS

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Item	Comment	Action
	<p>Tram Supply Agreement</p> <p>There is a meeting with CAF tomorrow to try and bottom everything out. There will be a three way meeting on Friday to finalise. GG and MC stressed the need for BBS to help with these discussions to ensure CAF's confidence and perceptions regarding joining the consortium.</p>	
2	<p>Novation</p> <p>SM reported a difficult meeting with SDS. The outstanding design approvals is a big cause for concern with both SDS and BBS. BBS requires SDS to be responsible for adhering to a programme – with many outstanding approvals SDS's sign up is unlikely. Andrew Fitchie is currently updating the Novation Agreement which will deal with the consents issue and give comfort to both parties.</p> <p>Separate technical discussion needs to take place to discuss verification and validation – BBS needs to be taken through the system testing so they know that it will stand against the ER's.</p>	AR to arrange
3	<p>Proposal Update</p> <p>GG stressed that BBS need to take all their technical information and include it in the updated proposal. The document submitted so far was very poor and didn't even include the revised track form proposal. BBS have written a letter with sixteen items that require feedback from tie to update the proposal.</p> <p>MC added that the consolidated and updated proposal was as important as the ER's and the council will want to view it in detail and it is essential that it is accurate. GG will not sign off the deal in its current stage.</p> <p>BBS have understood these comments and will update them, GG asked for a date of completion – this will be give after the ER's meeting on the 16.01.08 as they will have a better idea of the changes required. GG noted that this has been ongoing since November 2007 despite comments from tie. BBS are not prepared to draft the document twice and will update when they have received the information from the ER's meeting.</p> <p>MC is expressed his disappointment that BBS have taken too long to mobilise after the holidays.</p> <p>Post meeting note: MC advised by MF that proposal update will be submitted on Wednesday 23rd Jan.</p>	<p>BBS</p> <p>BBS</p>
4	<p>Employer's Requirements</p> <p>MC explained the number of changes that had taken place in the Employer's</p>	

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	Requirements but would go into greater detail when BBS are taken through them at the meeting on the 16.01.08. He stressed that whilst there were a large number of legal (drafting) alterations extremely few changes has a material technical impact.	
5	Critical Blockers	
	<p>BBS were asked about what they thought were critical blockers:</p> <ol style="list-style-type: none"> 1. The novation is proving to be a difficult hurdle to get over between BBS and SDS. BBS expressed that this could potentially mean a price change. tie noted that the price is not variable except for certain stated items (e.g. Forth Ports changes, Picardy place roads and pavings) as agreed in the Wiesbaden agreement. 2. SC requested that SM states and justifies any other locations that may reflect a change in the price. 3. MC raised the point BBS is required to confirm the runtime model. BBS require the alignments files in two formats (ascii and mx) for the power simulation. Once these are received this will take two weeks. A letter of comfort is required to confirm that runtime run by SDS are reasonable and consistent. 4. MC will ensure that BBS receive the alignment files within the next 24hours. 5. BBS are still concerned with the programme – tomorrow’s meeting will discuss these. 6. BBS noted that the Wiesbaden deal is not based on full depth reconstruction; BBS are concerned as the SDS design show large amounts of roadwork. This is not in their price or programme. 7. SDS assumed track cant assumptions. 	<p>SM</p> <p>MC</p>
6	Approvals	
	<p>This is all in place on BBS’s side. The Siemen’s Board will grant Michael Flynn, Christian Roth or Steven Wright POA. For BB Richard Walker, Gary Dalton or Scott MacFadzen will sign.</p> <p>Siemen’s PLC Board date is 25th. This cannot be moved.</p> <p><u>Picardy Place</u></p> <p>Separate QS firm in place to price design and is going through the approval process. At the moment BBS are unsure of price but will get back to tie.</p>	BBS

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	<p>1B Pricing</p> <p>Gary Dalton was going to try and improve the position based on a “not to exceed the price”. MC to pursue this.</p>	MC
7	Last meeting	
	<p>All the actions from the previous meeting have been covered or stated below.</p> <p>The next meeting to state progress will take place on 18th January in the afternoon – subject to confirmation.</p>	

Outstanding Actions from 9th January Meeting

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| 1. Depot equipment scope resolution | AR |
| 2f. Key personnel (schedule 12) required | SMcF |
| 2g. Ground condition baseline report – confirm status and assumptions etc. | SMcF |
| 4b. Prices for tapered poles. | MF |
| 5. tie to apply pressure to CAF to join consortium after close. | MC |
| 6. VE items A8, EPV and Roseburn St. | SMcF |
| 7. VE item – integration initiatives – info requested fro BBS and Mtg. | SC |

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