

Tram Project Board

13th February 2008

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Transport Edinburgh
Trams for Edinburgh
Lothian Buses

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SDS Novation

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Tramco Novation

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Programme

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Construction Programme

- Construction Methodology and sequencing agreed with all key stakeholders and BBS.
 - Latest Design and Programme (V26) from SDS reviewed, challenged adjusted and incorporated.
 - Approvals Programme reviewed, challenged, adjusted and agreed with CEC.
 - MUDFA Rev 06 programme reviewed and incorporated.
 - Constraints and assumptions iterated and included within construction Programme including critical resource constraints.
-
- Outputs: Infraco Construction Starts Apr 2008
 Construction Complete Feb 2011
 Open for Revenue Service Jun 2011

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Price, Budget and Risk

Stewart McGarrity

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Contractual / Legal

Andrew Fitchie

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Status of Draft Contract Suite (1)

Infraco Contract

- Outstanding issues at acceptable level following intensive commercial / pricing negotiations.
- Detailed drafting to close out under way.
- Remaining matters:
 - Completion of all technical and financial schedules
 - Contractulise new design review process
 - PCG Duration
 - Ground condition risk drafting
 - NR and EAL step down into Infraco
 - Maintenance activities to be differentiated in Infraco Contract from construction activities where appropriate.
 - Liability Cap during maintenance.

Target Close out: 26.02.08

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Status of Draft Contract Suite (2)

Tram Supply Agreement

- No major issues outstanding.
- Contract alignment exercise to be concluded form baseline at 07.02.08.

Tram Maintenance Agreement

- Further detailed discussion required
- Baseline of 07.02.08
- Pedantic approach by Siemens

Target close out: 26.02.08

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Status of Draft Contract Suite (3)

SDS Novation Agreement

- Draft Agreement marked up by BBS.
- Due to be reworked/ released to PB and BBS 13.02.08.
- SDS collateral warranty / direct agreement with tie requires scope.

Target close out: 26.02.08

Performance Security Package

- Both bonds agreed and to be issued by ANZ or Deutsche Bank. Values:
£20million and £2million→10million→6.6million
- PCGs agreed on all major points save duration.
- CEC Guarantee settled on all major points reciprocity with PCGs secured.

Target close out: 15.02.08

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Status of Draft Contract Suite (4)

Ancillary Legal Workstreams

Legal Opinions

- German legal opinions covering validity and enforceability of Siemens Aktiaengesellschaft and Bilfinger Berger Aktiaengesellschaft PCGs.
- Spanish legal opinion covering validity and enterability of CAF's execution of Tramco and Tramco Novation Agreements.

Third Party Collateral Warranties

- Negotiations and close out of Infracore and key subcontractor collateral warranties for: Network Rail, EAL and SRU.

Network Rail new requirements

- Technical adjudicator
- Joinder of dispute agreement.

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Third Party Update

Alasdair Sim

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3rd Party Agreements

- Network Rail
 - Asset Protection Agreement: NR ratification expected 15/02/08. Executed document by financial close.
 - Depot Change: Regulated process concludes on 25/02/08. FSR confirm no objection to proposals.
 - Station Change: Regulated process concludes on 01/03/08. FSR confirm no objection to proposals; same confirmation awaited from one TOC.
 - Suite of Property Agreements:
 - Framework Agreement all principles agreed; final drafting
 - Lease – in agreed form
 - Neighbour Agreement all principles agreed; final drafting
 - Bridge Agreement finalising and drafting principles ongoing
 - Operating Agreement – in progress, non critical to INFRACO
 - Depot Car Park & Servitudes – all principles agreed; final drafting
 - Aiming to execute all but operating agreement by financial close.

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3rd Party Agreements

- Network Rail
 - Compensation at Haymarket Station Car Park; mechanism to settle compensation has been agreed.
- Edinburgh Airport Limited
 - Lease & Licence Agreements both signed off by CEC.
 - Operating Agreement; ongoing, non critical to INFRACO.
- Forth Ports
 - Design principles agreed, conclude agreement by financial close.
- SRU
 - Outstanding principles agreed, conclude agreement by financial close.
- Royal Bank of Scotland
 - Agreement to be concluded following completion of detail design.
- CEC/tie Licence for land drawdown – agreed & executed.

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Close Programme

Susan Clark

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Close Programme

Date	Forum	Subject
18/02	•Legal Affairs Committee	3 rd party agreements
25/02	•Close report distributed	Close report
25/02	•Legal Affairs Committee	3 rd party agreements Close report
27/02	•CEC Briefing sessions	ER's/Infraco Proposals Programme
28/02	•CEC Briefing sessions	Infraco suite Cost/risk

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Close Programme

Date	Forum	Subject
29/02	<ul style="list-style-type: none">•CEC CEO briefing•CEC CEO provides delegated authority to tie•Delegated committee meet – tie/TEL/TPB•Notifications	Contract close
12/03	<ul style="list-style-type: none">•Tram Project Board•Contract award	
13/03	<ul style="list-style-type: none">•Council meeting	

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MUDFA Update

Steven Bell

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MUDFA Update

- Progressing to Rev 06 Programme although overall progress to date is slightly down on plan.
- Some slippage has been recovered in the period and an action plan is in place to improve outputs in performance and safety
- Enabling works on target for City Centre Phase I commencing 1 March 2008
- Leith Walk works continue as planned
- Constitution Street & Foot of the Walk closure due to commence 17 March 2008
- Costs and volume of work continues within budget allowances with detailed forecast update for next period based on 90% finalised drawings.

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Tram DVD

Willie Gallagher

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