

Tram Project Board

19th December 2007

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Trams for Edinburgh
Lothian Buses

Agenda

Price
Progress to closing contract
Programme
Employer's Requirements
Outstanding activities
Network Rail and other Third Parties
Governance
Funding

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INFRACO/ TRAMCO

Stewart McGarrity
Steven Bell
Geoff Gilbert

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Price

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Progress To Closing Infraco Contract

Headlines of Deal agreed in Wiesbaden

- Based on
 - BBS taking detailed design development risk
 - Completion of Phase 1a by Feb 2011 (based on current tie/TEL/CEC/BBS programme discussions)
 - Employer's Requirements V3 and corresponding Infraco compliance matrix
 - Contract negotiations as at 14/12/07

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Progress To Closing Infraco Contract

- Technical basis
 - Employer's Requirements V3 and corresponding Infraco compliance matrix
 - Stepped poles allowed in on street sections
 - Catenary in off street sections (excluding NEL)
 - VE includes for change to Edinburgh Park Viaduct column heads (price and programme benefit)

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Progress To Closing Infraco Contract

Excludes

- Utilities diversions currently in MUDFA but which will transfer to Infraco
- Work in St Andrews Square outside track alignment
- Extra over cost of work in Forth Ports Estate
- Adverse ground conditions
- Bernard St streetscape works
- Frontage to frontage replacement in Leith Walk
- Changes at Edinburgh airport – diversion of Burnside Road

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Progress To Closing Infraco Contract

Why is this a good deal?

- Design development risk transferred to Infraco from this point on
- Firms up previously provisional elements of structures, highways and drainage
- Stronger commitment to VE
- Reduces risk to programme for closing a contract – no need to do detailed measurement of provisional items

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Progress To Closing Infraco Contract

Third Party Agreements

- Contain
 - Design consultation/approval requirements
 - Requirements to agree local CoCPs (FP, SRU, EAL, NEL)
 - Approval of insurance levels
 - Specific scope in certain instances
 - Some constraints on delivery of work
 - Requirement to take 'due cognisance of representations' from TPs
- We will
 - Agree local CoCPs with TPs prior to contract award (with BBS)
 - Tie will consult with TPs and gain agreement on levels of insurance
 - Consult with TPs on closing out any other issues
- SDS will confirm to BBS that have consulted with TPs on designs where required

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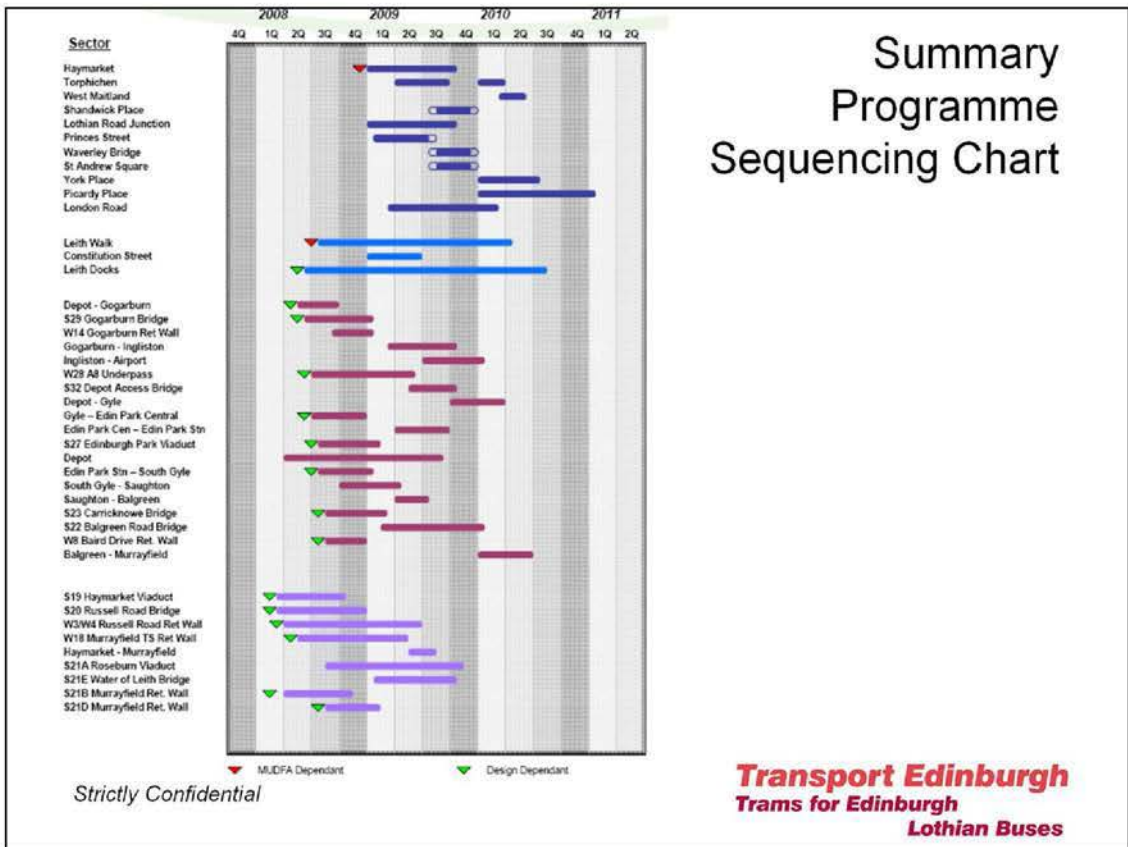
Programme

- Methodology and sequence agreed by key stakeholders.
- Current completion date 1a Q1 2011
 - March 2011 (Feb 2011 if OHL and associated work at Picardy Place is permitted during August 2010 embargo).
- Detailed Traffic Management Proposals being programmed comprehensively learning from MUDFA experience.
 - A8 Traffic Management solutions and phasing of guided bus way work being concluded for off street section.
- Key constraints included above:
 - Design delay in line with SDS V22 Program as MUDFA and SUC completion.
 - BBS critical resource constraints.

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Summary Programme Sequencing Chart



Employer's Requirements

- BBS/ **tie** synchronisation due to be finally completed 20.12.07.
- No significant issues expected with SDS regarding this synchronisation and will be concluded as part of novation plan and agreement.
- Latest version also being checked/ verified for assisting with contract suite as part of DLA review.
- **tie**/ TEL/ Transdev/ BBS participation in facilitation on ER's.

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Outstanding Activities

- Closure of critical CEC Documentation
- Further due diligence by BBS
- Novation details, prioritisation delivery
- SDS Design/ ER 3.1 alignment
- Completion of aligned BBS proposals
- Value Engineering
 - Prioritise and fast track
 - Establish risk provisions for post financial close
- Contract consistency checks (e.g. with ERs)
- Third Party agreements – particularly NR APA
- Other schedules and details

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Other Issues

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Network Rail and Third Party Agreements

- NR Property Agreement Suite
 - Framework Agreement : One outstanding point to resolve with NR (ability of CEC to use CPO)
 - Lease Agreed
 - Neighbour Agreement Agreed
 - Bridge Agreement in progress (non critical to Infracore Award)
 - Operating Agreement in progress (non critical to Infracore Award)
- APA approaching agreed form. Issues/points around indemnities and LD's to resolve with NR. Aiming to conclude drafting mid Jan
- Full APA sign off suspensive on Depot & Station Change

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Network Rail and Third Party Agreements

- Depot & Station Change proposals being progressed with NR and TOCs
- BBS are providing input to these proposals
- Working with NR to fast track these regulatory processes (Aiming to have TOC consent by Financial Close)
- BAA Licence & Lease agreed : with CEC for sign off
- Forth Ports Heads of Terms concluded – SDS working to agreed tramway/roads layout & full agreement drafting in progress (Aiming to agree drafting by Financial Close)
- SRU Agreement being progressed with outstanding design matters being resolved (Aiming to conclude agreement by Financial Close)

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Governance - Operating Agreements and related matters

- **tie** Operating Agreement was appended in draft to the Council Report issued 17 December 2007. tie Board reviewed this draft on 18 December 2007, comments have been sent to CEC.
- To date we have had no workable draft of the TEL Operating Agreement, but we are preparing a draft for CEC to consider which will be issued to CEC by 21 December 2007
- We are also preparing an update of the governance paper which was included in the TPB papers on 7 December 2007 and which will include proposed delegation thresholds for all entities in the governance hierarchy, consistent with the Council Report
- It is critical that the model which emerges has a clear and singular character and that duplication of effort is avoided. The tie agreement, TEL agreement and all delegations must be coherent and consistent.

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Funding Letter

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