



Infrastructure Services

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Ref: AMIS/tie/letter/KAG/Projects/576

5th November, 2007

Mr. Graeme Barclay
tie MUDFA Utilities Construction Director
tie Limited.
Verity House,
19 Haymarket Yards,
Edinburgh.
EH12 5BH

Dear Graeme,

Subject: MUDFA Alfred McAlpine Infrastructure Services (AMIS) – Contract A150
AMIS MUDFA Project Progress Report (MUDFA) – Contract Requirement Schedule
One; Clause 3.6

I refer to the above referenced Contract requirement and have pleasure in forwarding to you a copy of the AMIS MUDFA Progress Report for the October 2007 period covering the Edinburgh Tram MUDFA Utility Construction Services.

If you should have any further queries then please do not hesitate to contact me. I look forward to seeing you at the Monthly Progress Meeting scheduled for Thursday 8th November 2007 at 10:00 Hrs, Leith Offices, Edinburgh.

Yours sincerely,
For and on behalf of Alfred McAlpine Infrastructure Services Ltd



Andrew Malkin
MUDFA AMIS Project Director

Copies:-
tie Project Team
See Report Distribution

MUDFA Project Team
See Report Distribution
AMIS MUDFA Board

Attached/.... **AMIS MUDFA Transmittal No. AMIS/tie/DT/Admin/390**



Alfred McAlpine Infrastructure Services Limited. Registered in England No. 00728599
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**MULTI-UTILITY DIVERSION FRAMEWORK
 AGREEMENT (MUDFA)**
 Relating to the
Edinburgh Tram Network
Contract No. A150

**ALFRED McALPINE
 INFRASTRUCTURE SERVICES (AMIS)**

DOCUMENT No. A150/PM/PRJ-REP/MUDFA/07

DOCUMENT TITLE :

**PROJECT MONTHLY REPORT
 END OCT 2007 - MUDFA WORKS**

VERSION No : 01

PAGE : 1 of 22

DOCUMENT OWNER : ANDREW MALKIN

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MUDFA AMIS PROJECT TEAM						Tie / Client	



Infrastructure Services



MULTI-UTILITY DIVERSION FRAMEWORK AGREEMENT (MUDFA)

AMIS MUDFA Project Monthly Report – Construction Services

MULTI-UTILITY DIVERSION FRAMEWORK AGREEMENT

Month 7 – October 2007

Contents

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Appendices :

1. Construction Services – Section 1A WSI 003/002 “S” Curve (1 Page) Completed.
2. Construction Services – Section 1B WSI 001/002 “S” Curve (1 Page) Ongoing.
3. Construction Services – Section 5A WSI 008/002 “S” Curve (1 Page) Completed.
4. Construction Services – Overall Progress “S” Curve (1 Page).

Distribution :

tie Limited Project Management

Matthew Crosse, Susan Clark, Steven Bell, Tom Clark, Donna Reid, Brian McCall, Tom Condie, Graeme Walker, Graeme Barclay (Chair), Phil Douglas, Allan Hill, Jim Johnston, Ian Clark, Michael Blake, John Casserly, Jim Ritchie & John McAloon.

AMIS Project Management

Andrew Malkin, Keith Gourlay, Graeme Strachan, Gil Clelland, Gerry Bannon, Stephen Clemenson, Steven Crosbie, Roddy Aves, Billy Murray, Ian Shanks, Catherine Gick, Rachael Robertson, Taryne Lowe, John Cowan, Ollie Hughes, AMIS Board (Steve Cocliff) & AMIS MUDFA Contract File (38 Copies in Total).

MULTI-UTILITY DIVERSION FRAMEWORK AGREEMENT (MUDFA)

1. Executive Summary

Alfred McAlpine Infrastructure Services (AMIS) substantially completed Worksite 1AWSI003/001 within Section 1A.

Work continued at Section 1B; Trial Holes, commencement of Leith Walk central reservation removal, Jane Street BT Chamber and Pilrig Street crossing and mains diversions.

Sections 1C and 1D trial hole activity continued, with completion of Worksite 5A/WSI/008/002 at Section 5A. Section 6 also commenced in the period.

Progress achieved in the period represents a accumulative "Actual" of 7.0% against a "Planned" requirement of 10.0% overall for all current work sections and worksites.

The deviation of 3.0% is attributable to several design, technical and operational constraints under the exclusive management, control and direction of tie Limited.

During the reporting period the delta has been reduced from 3.76% (as shown in last months report) to 3.0% showing an overall recovery of 0.76%.

Health, Safety and Environmental performance remains positive, despite ongoing concern with utility strikes.

As stated in previous Monthly Submissions the principal AMIS MUDFA concerns relates to the sustainable availability and accuracy of Issued For Construction (IFC) detailed utility design drawings, conflict registers, bill of materials (BOM's) and HAZID logs from SDS Provider to support and sustain Construction Services.

Further concern relates to the non conformance by tie Limited to the Work Ordering requirements prescribed under the MUDFA terms and conditions, in terms of timescales and availability / accuracy of Work Order Requirements.

2. Health and Safety, CDM, Quality and Environmental

Main Achievements Within the Reporting Period

- No major accidents. Accident Frequency Rate (AFR) = 0.
- AMIS MUDFA safety inductions complete and up to date.
- Recruitment of Safety Coach (Mr. Frank Tipping) to interface directly with FLM's and Operatives on site on a daily basis.
- Archaeology watching brief continues, an unidentified structure was found in excavation works in Leith Walk and quickly identified by the Archaeologists as being related to tunnels for cabling associated with the previous Tram system.

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- No environmental near misses reported within the reporting period.
- 2 No **tie** Limited safety inspections carried out on 18th October 2007 with compliance levels of 90% and 92.5% being achieved, i.e. performance consistent.
- One-to-One sessions ongoing with all operational team leaders focusing on utility strikes and future expectations for MUDFA.
- Increased level of site attendance from Project Managers and HSE&Q to raise awareness of safety issues.
- Agreement reached with suppliers for alternative reinstatement materials supply and testing; subject to review and approval.

Activities Planned for Next Reporting Period

- Safety Stand Down (SSD) arranged for 7th November 2007 at Next Generation Centre in Leith. Presentation to major on individual and collective safety responsibilities and safe digging practice, above and around utilities.
- One-to-One sessions to continue until all Operations team leaders have been consulted by the Project Director and HSE&Q Manager.
- A suitable process to be fully implemented by new Safety Coach to address previously proposed 'Take 5' system.
- Continue MUDFA staff and operational safety forums at Leith offices.

Areas of Concern & Key Highlights

- HAZID Log information being provided for work orders & CDM Coordinators concerns; **tie** Limited to address with SDS Provider before planned work ordering and add HSE input at transfer points; see correspondence.
- Management of access permits procedures and application of proposals.
- Further clarity required on **tie** Limited safety management and governance.
- Utility Record drawing accuracy and inconsistency, resulting in potential confusion and misinterpretation during Work Ordering process.
- Occurrence of further minor utility damage within the project.
- Proposals to increase the number of client personnel within the Leith accommodation require clarification to permit timely consideration.

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3. SDS Design Interface and Buildability Analysis

Main Achievements Within the Reporting Period

- Revision 2 of the Section 7A Statement of Requirements (SoW) prepared and issued incorporating **tie** Limited comments; **tie** Limited to action technical approvals.
- Part of Section 1A Work Order cancelled (Newhaven Road to North Leith Sands) as advised during Revision 07 programme review; **tie** Limited formal correspondence / notification awaited; changes captured in Revision 08.
- AMIS MUDFA continues attendance at SDS Provider and SUC technical interface meetings as and when required.

Activities Planned for Next Reporting Period

- Finalise work orders for Sections 1C, 1D and 7A construction works.
- Commence estimating and detailed planning support for the design and build of Section 7B utilities protection and diversion works involving BAA, Edinburgh Engineering Interface and operational requirements (See Section 7A/7B Report).

Areas of Concern & Key Highlights

- Availability of SDS Provider and SUC approved utility diversion designs at Issued for Construction (IFC) status complete with Bill of Material (BOM's), Conflict Registers and site specific HAZID Logs. According to the MUDFA Construction Programme, Revision 06 the planned requirements are approximately 33 No. drawings behind schedule for Sections 1A, 1C, 1D, 2 and 6,
- The utility design definition, detail and lateness remains a major concern for AMIS MUDFA especially having just released Construction Services, Revision 07. The following design drawings according to the latest programme are due to be issued at IFC status by 2nd November 2007, Plates 16 - 21 (Duke Street to Tower Street) and Section 5C (South Gyle to Edinburgh Park) (IFC).
- **tie** Limited and SDS Provider have still to create a "3D Design Representation" for the diversion and protection of utilities in the 0 to 550mm, 550 to 1,000mm and greater than 1,000mm zones in order to provide a fully documented design criteria (Action status to be advised).
- Availability of up to date SDS Provider utility design release information and design tracker for incorporation into the P3e Construction Services programme.

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4. Operations Management

4.1 Construction Services

4.1.1 Section 1A

Main Achievements Within the Reporting Period

- In the four week reporting period AMIS MUDFA has achieved accumulative “Actual” progress of 100% against a “Planned” requirement of 100% for worksite and work order 1AWSI003/001 within Section 1A. The majority of Construction Services work was completed by Friday 12th October 2007, to comply with the Forth Ports Traffic Management embargo requirements.
- The following Work which is outstanding includes:
 - 3 water connections (to be carried out under Work Section 005/001)
 - Re-site Forth Ports Meter (to be carried out under Work Section 005/001)
 - Any remedial works as agreed with Forth Ports; Action – tie Limited.
- Section 1A – Revisited Water Jetting, CCTV Sewer and Manhole Surveys.
- Section 1A (2) – Revisit Water Jetting and CCTV Sewer Surveys, complete on 18th November 2007.
- Section 1A – 2 No. CCTV Sewer and 3 No. Manhole Surveys still remain outstanding (Work done, require further instruction to complete).

Areas of Concern & Key Highlights

- Increasing workscope on worksite and within work order 1AWSI003/001, and overall trend in relation to future emerging MUDFA works not previously identified by SDS Provider, or tie Limited Planning team.
- Impact of potential track realignment on Section 1A at Casino Square in relation to BT Chamber and ducting works still remains a concern and may materialise in rework.

4.1.2 Section 1B

Main Achievements Within the Reporting Period

- In the four week reporting period AMIS MUDFA continues carrying out Trial Hole Investigations in order to support design validation and to de-risk MUDFA Construction Services longer-term in relation to utility mains installation.
- Commenced removal of the central reservation to potentially enable simultaneous working on east and west carriageways which would accelerate this section of the stakeholders constrained programme, currently under review.

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- BT Chambers at Jane Street (i.e. Major telecommunications chamber and connection point in Section 1B) is currently being demolished to make way for a substantial new chamber which has identified gas, water and power cables which must now be diverted. Note; not previously notified.
- Pilrig Street Junction crossing and mains connections commenced which is key to linking sections to the North and South of the junction.
- Trial Hole investigation work continues with accumulative "Actual" progress of 83.0% being achieved against a "Planned" requirement of 100.0% for Section 1B. Outstanding trial holes do not directly effect ongoing operations.
- Section 1B Construction Services accumulative "Actual" progress of 16.0% against a "Planned" requirement of 29.0% for work order 1B/WSI/001/001 within Section 1B has been achieved. AMIS MUDFA are experiencing difficulty in terms of utility clearance and installation and will address all technical changes with SDS Provider in due course and develop recovery plans.
- Section 1B – 7 No. Manholes not found during investigation works (i.e. 9903, 9814, 9915, 9811, 9904, 8706 & 5106) and are at deviance to the SDS Provider drawings.

Activities Planned for Next Reporting Period

- Continue with the Construction Services works between North of the rail bridge and Balfour Street and review extending the technical and operational requirements associated with the laying of the gas and water mains to increase production and to recover programme (i.e. Initiative now supported by the Traffic Management Panel).
- Increase resource allocation by 50% to recover programme and progress the Works.
- Complete removal and temporary road reinstatement of the central reservation down the centre line of Leith Walk.
- Re-assess future major road junction crossing within the integrated programme with stakeholder critical dependencies in mind.
- Compression of program to demolish and rebuild BT manhole on Jane Street.

Areas of Concern & Key Highlights

- Excessive underground congestion of utilities and impact on cost and timescales.
- Businesses and stakeholders pressures constraining and impacting upon progress.
- Public perception of the extended work areas.
- Concerns regarding volume work restrictions imposed by Traffic Management Panel regime (Note – Improvements being implemented progressively).



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4.1.3 Section 1C

Main Achievements Within the Reporting Period

- In the four week reporting period 32, plus 2 number in St. Andrews Square, Trial Hole Investigations were carried out in order to support design validation and to de-risk MUDFA Construction Services longer-term in relation to utility mains installation.
- Work order approval to commence road crossings of Princes Street before Festive embargo.

Activities Planned for Next Reporting Period

- MUDFA utility diversion construction works planned in the next reporting period potentially 5 road crossings, subject to TM and technical approval.

Areas of Concern & Key Highlights

- Ensuring public transport operation is not significantly affected during road crossings works; road plating and reinstatement being considered.

4.1.4 Section 1D

Main Achievements Within the Reporting Period

- Trial Hole Investigations have commenced in order to support design validation and to de-risk MUDFA Construction Services longer-term in relation to utility mains installation.
- Within the reporting period a site survey has been carried out in support of the Morrison Street major development by City of Edinburgh Council (CEC). This is deemed Non-MUDFA works and an AMIS MUDFA work order has been completed for tie Limited technical and funding approval.

Activities Planned for Next Reporting Period

- Complete Trial Hole Program in Shandwick Place some 31 in total.
- Complete 16 Trial Hole investigations at Morrison Street

Areas of Concern & Key Highlights

- Meeting work hours restrictions imposed by traffic management (09:30 – 15:30) and still ensuring that the full Trial Hole information is gathered sufficiently.
- Consideration to be given to integrated construction works with INFRACO at Haymarket Junction due to the scale and complex nature of the road junction.
- Lothian Road Junction remains a major concern. AMIS MUDFA currently developing work-a-round solution but demands continuous working for extended period; see Revision 08.

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4.1.5 Section 2

Main Achievements Within the Reporting Period

- There were no planned MUDFA utility construction works within the reporting period.

Activities Planned for Next Reporting Period

- There is no MUDFA utility diversion construction works planned in the next reporting period.
- Revisit Manhole Survey to locate MH 8106 following SDS Provider consultation.

Areas of Concern & Key Highlights

- Consideration being given to Schedule 13 stakeholder requirements and any programme related changes will be addressed through Contract Clause 46.

4.1.6 Sections 3A, 3B & 3C

Main Achievements Within the Reporting Period

- Edinburgh Tram Line 2 MUDFA construction works has been deferred until the completion of Line 1 due to funding restrictions.

Activities Planned for Next Reporting Period

- There is no MUDFA utility diversion construction works planned until further confirmation by tie Limited.

Areas of Concern & Key Highlights

- Construction Services delay in relation to AMIS turnover and loss of overhead recovery has been addressed as part of the commercial agreement.

4.1.7 Section 4

The MUDFA utility works within Section 4 is expected to be carried out by others as a future Edinburgh Tram development (i.e. Out with current scope of work).

4.1.8 Sections 5A, 5B & 5C

Main Achievements Within the Reporting Period

- Section 5A work site and work order 5A/WSI/008/002 accumulative "Actual" progress of 100.0% against a "Planned" requirement of 100.0% for Section 5A has been achieved.
- Section 5B MUDFA utility diversion construction works has been novated to INFRACO and no work orders will be prepared accordingly.

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Activities Planned for Next Reporting Period

- AMIS MUDFA Construction Services are to be closed out on Section 5A. EEC will complete outstanding work using floating CCTV camera.
- Section 5B has been novated to INFRACO as formally instructed by **tie** Limited. There will be no further MUDFA related works in this area (Action – **tie** Limited and SDS Provider to verify and confirm).
- Section 5A – AMIS MUDFA still trying to locate large brick sewer in Network Rail Depot drive. 2No. Manholes found in area and are not 0801 and 0803 as per the SDS Drawings, this work remains outstanding.
- Section 5A – Manhole 7707 does not exist and CCTV is required from Manhole 1901 onwards subject to traffic management approval. This work is to be done by EEC.
- Section 5B - AMIS MUDFA still trying to locate Manholes 1101 and 2101 suspected of being on the golf course, and Manholes 1302 and 2301 suspected to be in the grass verge. Manholes 6202 and 7508 not yet located.

Areas of Concern & Key Highlights

- Consideration to be given to Schedule 13 stakeholder requirements and access to Network Rail premises going forwards.

4.1.9 Section 6

Main Achievements Within the Reporting Period

- Commenced RATs solution to progress laying some 650m of 250mm ductile iron water main to mitigate cost escalations on behalf of **tie** Limited. There are limited MUDFA utility diversion designs provided by SDS Provider within the reporting period; majority due 20th August 2007.
- Delivery of the first tranche of 800mm water mains and fittings in period.
- Laid 2 no 33kV power systems diversions and await jointing.

Activities Planned for Next Reporting Period

- Complete laying and testing of 250mm water main, excluding tie-ins.
- Completion and energising of the 2 No. 32 kV power system diversions; 8th and 9th November 2007.
- Design routing and pre-construction of twin 800 mm Dia. water mains currently on hold awaiting SDS Provider.

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Areas of Concern & Key Highlights

- Protection and Storage of 800mm ductile iron water mains and materials during the demobilisation from Gogar; site security.
- **tie** Limited to obtain outstanding SDS Provider design information and approvals to assist authorising work order and RAT's proposal approvals.
- **tie** Limited and AMIS MUDFA to review and address potential cost escalations.

4.1.10 Section 7A

Main Achievements Within the Reporting Period

- Section 7A Statement of Requirements (SoR) document prepared by AMIS MUDFA for **tie** Limited review and approval (See separate Monthly Report).
- There was no MUDFA utility construction works planned within the reporting period.

Activities Planned for Next Reporting Period

- Obtain access permits and carry out site surveys across the Gogar Mains, and ensure Archaeological aspects are addressed at the onset (Action – **tie** Limited).
- Amend and approve Statement of Requirements (SoR) document following **tie** Limited review.
- Convene Workshops Part 1 and 2 and finalise all agreements duly obtaining SUC approvals.
- Commence first stage of utility protection works; power cables.

Areas of Concern & Key Highlights

- Consideration to be given to Schedule 13 stakeholder requirements, Access Permits and Operating Licence.

4.1.11 Section 7B

Main Achievements Within the Reporting Period

- Section 7B Statement of Requirements (SoW) document prepared by AMIS MUDFA for **tie** Limited and BAA Edinburgh review and approval (See separate Monthly Report).
- There was no MUDFA utility construction works planned within the reporting period.

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Activities Planned for Next Reporting Period

- Complete BAA Edinburgh site and safety inductions and carry out site surveys at Airport and Eastfield Avenue (Action – tie Limited and AMIS MUDFA).
- Amend and approve Statement of Requirements (SoR) document.
- Convene Workshops Part 1 and 2 and finalise all agreements duly obtaining SUC approvals.

Areas of Concern & Key Highlights

- Extent and cost of detailed design and engineering support to be determined as part of the planning definition phase; tie Limited to advise way to proceed.

4.2 Traffic Management

Main Achievements Within the Reporting Period

- Traffic Management plans for Section 1B (Leith Walk) incorporating larger sites have been approved.
- Traffic Management plans for Shandwick Place trial holes approved.
- Completed Traffic Management Plans for Trial Hole investigation and road crossings on Sections 1C and 1D (Princes Street).
- Closure of Police Lay-by at Gogar Depot (Section 6) approved.
- Approval in principle received for Traffic Management at the Mound Junction and Lothian Road Junction, i.e. January 2008.

Activities Planned for Next Reporting Period

- Detailed traffic management proposals at The Mound Junction and Lothian Road Junction to be prepared and submitted for approval (traffic flow modelling to be undertaken by tie Limited). Revision 08 of the Programme.
- Consider MUDFA and INFRACO inter-dependencies in future traffic management planning.
- Prepare Traffic Management plans for Morrison Street trial holes.
- Procure / install revised Leith Walk wide area signage as per tie Limited change requests.
- Continue traffic plan preparation and approvals in support of the works as the work progresses / changes; re-institute Traffic Management and Operations rules of engagement.

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- Finalise Traffic Management arrangements with respect to Leith Walk centre reservation removal (including clock removal by CEC and CCTV relocation by others).

Areas of Concern & Key Highlights

- Continue traffic plan discussions in advance of formal submissions and improve adherence to Traffic Management Plans and Requirements.

4.3 Materials, Supply Chain Management & Site Services

Main Achievements Within the Reporting Period

- **tie** Limited provided financial approval for the purchasing of 500m 800mm Dia. Ductile Iron Water Main and fittings to support Construction Services at Gogar Depot. Protection of these pipes over the period of demobilisation is being considered.
- Long lead materials for Leith Walk require technical and financial approval by SDS Provider and **tie** Limited respectively.
- The order has been placed for power cable as approved by **tie** Limited of value £283,587.99.
- Bill of Materials (BOM's) from SDS Provider will assist AMIS MUDFA to establish jointing materials required for construction services (Action – **tie** Limited).

Activities Planned for Next Reporting Period

- Compare SDS Provider Bill of Materials (BOM's) for first IFC drawings against AMIS MUDFA advanced estimates to assess any AFA and commercial discrepancies.

Areas of Concern & Key Highlights

- No early visibility of Bill of Materials (BOM's) with materials being purchased at risk. **tie** Limited requested to accept and underwrite commercial exposure.

5. Communications and Stakeholders

Main Achievements Within the Reporting Period

- Attendance at **tie** Limited frontager, Leith Walk retailer community and Edinburgh Retail Committee meetings ongoing.
- Weekly communication meetings continue between **tie** Limited and AMIS MUDFA teams with integrated working and weekly attendance at Traffic Management Review Panel meetings (Proving beneficial).

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- AMIS MUDFA communications team, with assistance from **tie** Limited, delivered customer information packs to residents and businesses surrounding Section 1B for work starting 8th October 2007.
- 7 No. customer complaints received in association with the closure of McDonald Road and Jane Street. The AMIS MUDFA Tram Helpers have dealt with the key issues to the satisfaction of all concerned.
- 22 No. customer inquiries and general requests for information were sought via telephone, special needs card and e-mail.
- Electrical earthing notices distributed to 1800 businesses and residences on Leith Walk.
- Flyers provided for businesses in Jane Street to advise customers of diversion.
- Media interest surrounding Jane Street road diversion and the electrical earthing notices.
- Additional AMIS MUDFA Tram Helper recruited, start date to be confirmed.

Activities Planned for Next Reporting Period

- Leith Walk retailer community assistance being provided by AMIS MUDFA in the form of leaflets and flyers for regular customers whilst Construction Services work causes minor disruptions.
- Consideration to be given to the recruitment of a further AMIS MUDFA Tram Helper.
- Schedule 13, 3rd Party stakeholder agreements to be reviewed with specific attention being given to the retailer requirements associated with advertising and ongoing construction operations and planned notifications.
- Training day for the AMIS MUDFA Tram helpers in conjunction with **tie** Limited in relation to the handling of the general public, media challenges and completion of risk appraisals for Tram helpers (Considered very important).
- Ongoing support to AMIS MUDFA Operations teams at all worksite locations.

Areas of Concern & Key Highlights

- Last minute changes to work schedules impacting on customer notifications already issued, or contravening the four week lead in cycle.

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6. Construction Planning and Project Controls

Main Achievements Within the Reporting Period

- **tie** Limited and Stakeholder Constrained Programme, Revision 06 approved by default, as no formal responses issued by **tie** Limited within the 10 day approval period stipulated in the MUDFA Agreement, subject to review and agreement.
- **tie** Limited and Stakeholder Constrained Programme, Revision 07 issued on 26th November 2007 incorporating **tie** Limited amendments for review and agreement at Revision 08 required following Stakeholder meeting.
- In the four week reporting period up to and including the monthly report cut-off date of Friday 26th October 2007 AMIS MUDFA has achieved accumulative "Actual" progress of 7.0% against a "Planned" requirement of 10.0% overall for all current work sections and worksites. The deviation of 3.0% is attributable to several design, technical and operational factors and will be discussed at the forthcoming Monthly Progress review meeting.
- During the reporting period the delta has been reduced from 3.76% (as shown in last months report) to 3.0% showing an overall recovery of 0.76%, this equates to 20% of the delta recovered in this reporting period.
- Programmes in P5 XER format are being issued to **tie** Limited on a weekly basis.
- Anticipated Final Account (AFA) has been fully integrated in the P5 master programme showing both GBP and man hour allowances.
- Detailed Level 3 integrated programmes completed and issued to **tie** Limited for the following worksites
 - 1C 001/001 (The Mound junction),
 - 1C 001/002, 1C 002/002 and 1D 005/002 (Princes Street)
 - Risk and Trade off proposal for 7A
 - Risk and Trade off proposal for 7B
 - 6A 001/001 (Gogar Depot)
- AMIS MUDFA Operations interactive planning sessions continued on a regular basis.

Activities Planned for Next Reporting Period

- **tie** Limited and AMIS MUDFA to approve Construction Services Programme at Revision 07 and undertake stakeholder reviews.
- P5 Programme detailed development and cost resourcing will continue once SDS Provider utility design details are received from SDS Provider.



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- Detail Level 3 integrated programmes for plates 22-26 (bottom end of Leith Walk).
- Complete detailed technical audit of SDS Provider utility design progress.
- Review late delivery of Schedule 13, 3rd Party agreements and impact on planning and ongoing operations (i.e. Embargoes and operating constraints).

Areas of Concern & Key Highlights

- Availability of accurate utility design technical definition and associated design details to support detailed planning and cost estimating to meet **tie** Limited expectations.

7. Contract and Commercial Management

Main Achievements Within the Reporting Period .

- AMIS MUDFA change control issues being progressively identified. AMIS MUDFA estimated value £6,762,846.15; subject to review.
- AMIS MUDFA payment application (No.11) for £11,078,765.99 submitted for review and certification due in the period between 29th October and 9th November 2007.
- Schedule 13 requirements and potential programme impacts to be dealt with under Clause 46. Full suite of Schedule 13 agreements published by **tie** Limited in the period.

Activities Planned for Next Reporting Period

- AMIS MUDFA preliminaries to be revisited to support agreed Construction Services, Revision 06 / 07 / 08; awaiting Steven Bell and Steve Hudson final agreement.
- The commercial agreement and MUDFA Contractor Incentivisation Proposals remain to be resolved, together with confirmation that shared trenching applies to the Incentivisation Agreement. (Action – Steven Bell and Steve Hudson).
- **tie** Limited and AMIS MUDFA to finalise and bind all commercial agreements for formal execution.
- Resolution and execution of MUDFA Contract Agreement in relation to Schedule 4 (i.e. Bill of Quantities and agreed Addendum to Preambles to reflect AMIS MUDFA CARP submission).



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- Formal acceptance, by **tie** Limited, of agreements and technical requirements of the Demarcation Schedule submitted in February 2007 (**tie** Limited did not respond by the agreed deadline of 25th October 2007). Now critical to operations and delivery; (i.e. cable jointing, etc and effective Risk Management).

Areas of Concern & Key Highlights

- Non Conformance Report Ref; 005 raised against **tie** Limited for non adherence to Clauses 8.8 and 8.9 of the MUDFA terms and conditions; Work Ordering. £6,749,501.58 of Works assessed as underway without appropriate authorisation and approval via Work Order Confirmation Notice(s). (WOCN).
- The ongoing non adherence to Clauses 8.8 (Work Order protocol) and 8.9 (Work Order Requirements) compromise the fundamental principles of the MUDFA terms and conditions and impact in all aspects of the Contract delivery.
- Payment Certificate No.9, for the period ending 31st August 2007, in the total amount of £2,401,158.47, was received on the 24th October 2007, one week after the due date; interest charges circa £5,000.
- Advanced procurement of materials (AMIS MUDFA considers high risk due to lack of technical definition and design details, and no Bill of Materials produced by SDS Provider).
- Incorporation of **tie** Limited Statutory Utility Company agreements into the MUDFA Contract under Clause 46 (Still outstanding).
- Magnitude of change deemed excessive when measured against the Tender programme, Schedule 4 Bill of Quantities, and the IFC design drawings by SDS Provider (i.e. Incorrect, inaccurate and insufficient).
- Development of a jointly agreed "Method of Measurement" considered critical to commercial success and to alleviate protracted arguments and dispute resolution action; no response received to AMIS MUDFA proposal; letter Ref; AMIS/tie/letter/KAG/Projects/517 dated 19th October 2007.
- Change Control correspondence being generated by **tie** Limited, as opposed to the agreed protocol of discussing the issues at weekly and/or adhoc meetings. Predominately the conclusions and assertions made in this correspondence proves to be in appropriate and/or erroneous.



Infrastructure Services



MULTI-UTILITY DIVERSION FRAMEWORK AGREEMENT (MUDFA)

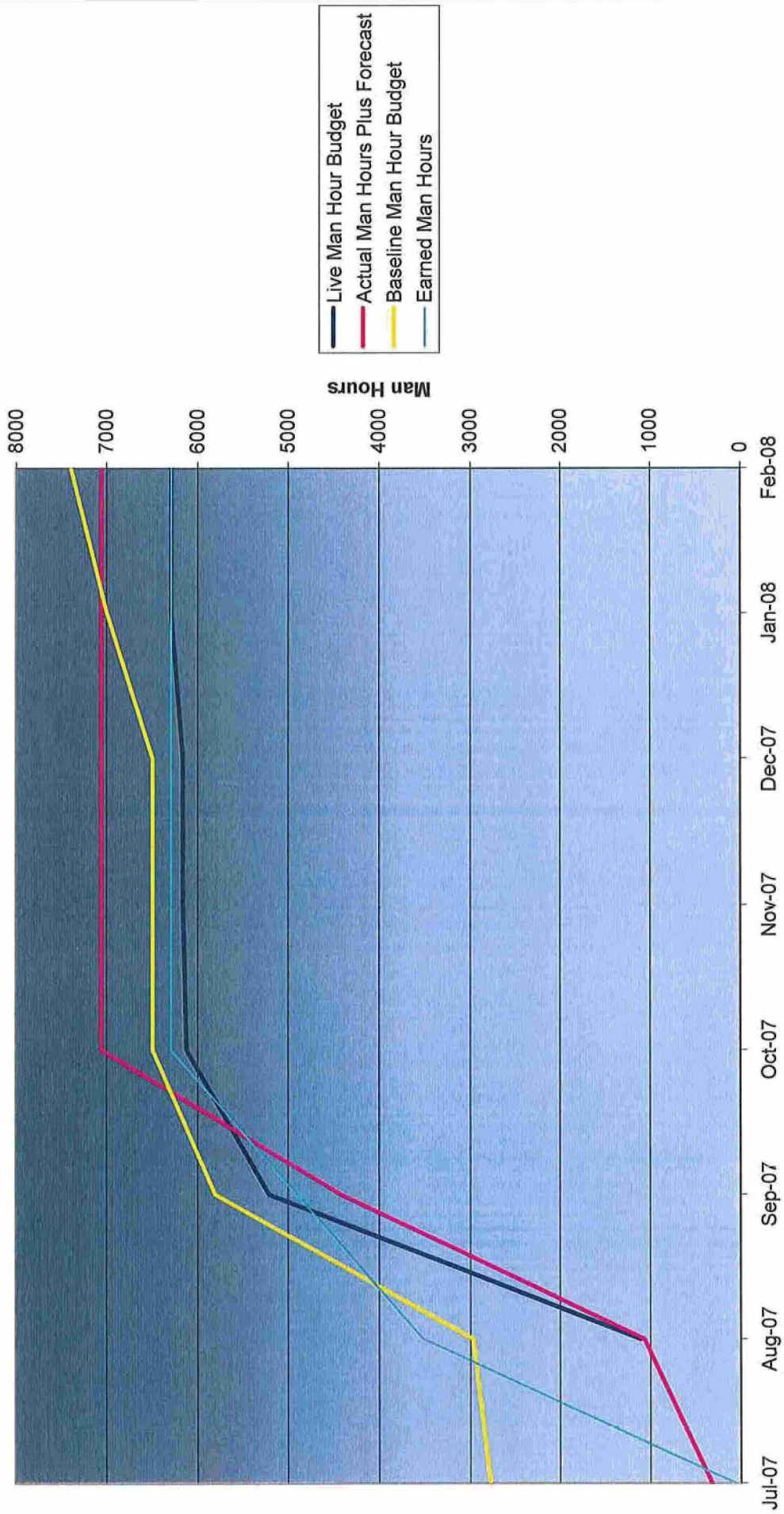
8. Future Business Opportunities & Developments

- Potential INFRACO Civil / Track Form construction works (£140 to 160 Million).
- Leith Walk Central Reservation Removal: Approximately £400k.
- St. David Street (North/South): Approximately £950k (Under Review).
- Morrison Street Trial Holes: Approximately £26k.
- Morrison Street Main Utility Works: Approximately £550k.
- Cable Jointing and Cap Ending (CDM Obligation): Approximately £1.75M.

Appendices :

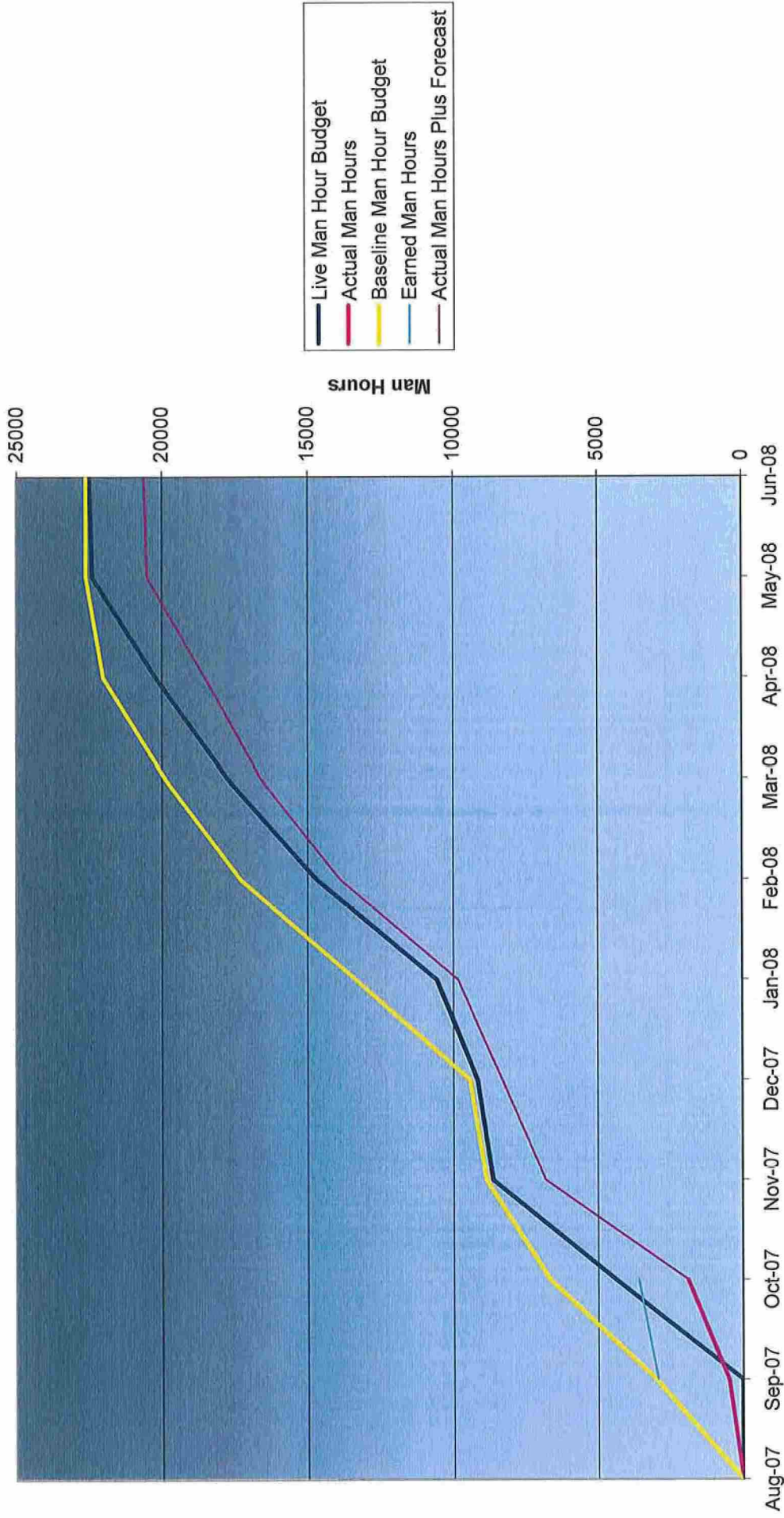
1. Construction Services – Section 1A WSI 003/002 “S” Curve (1 Page) Completed.
2. Construction Services – Section 1B WSI 001/002 “S” Curve (1 Page) Ongoing.
3. Construction Services – Section 5A WSI 008/002 “S” Curve (1 Page) Completed.
4. Construction Services – Overall Progress “S” Curve (1 Page).

1A WSI 003/002 Man Hour Data
26th October 2007



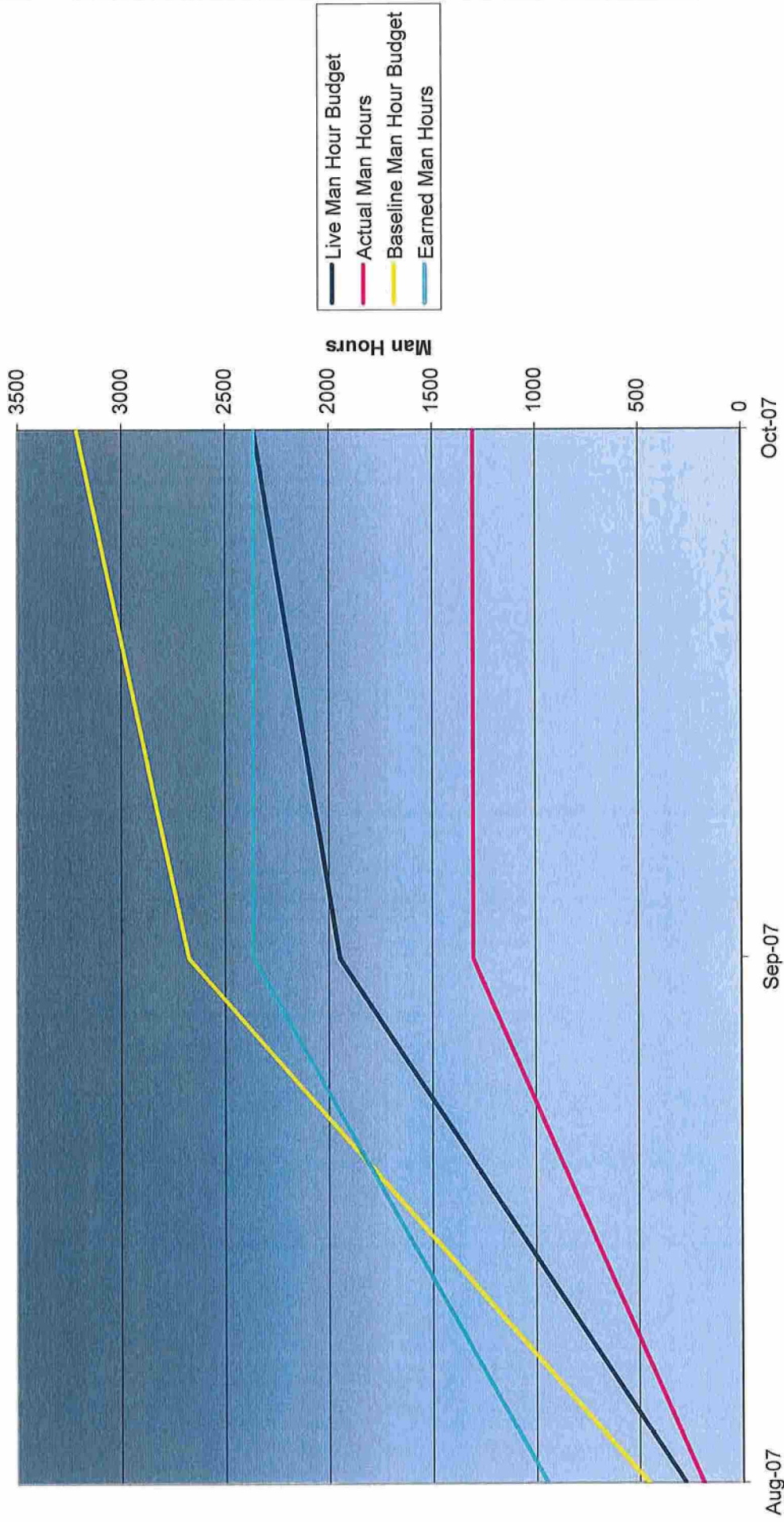
19/22

1B WSI 001/001 Man Hour Data
26th October 2007



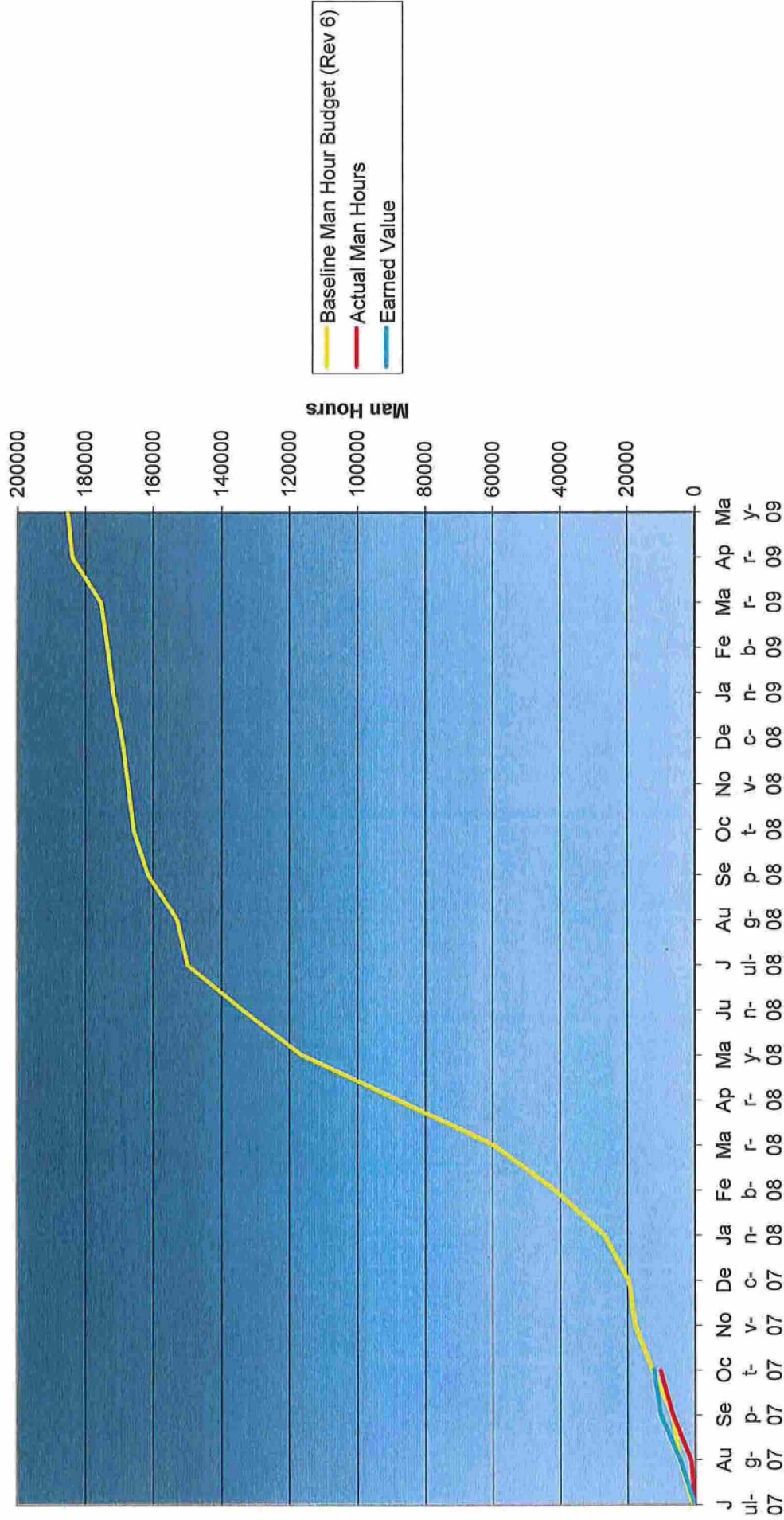


5A WSI 008/002 Man Hour Data
28th September 2007





Programme Overview
26th October 2007



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