

Geoff Gilbert

From: LAING Ian [Ian.Laing@pinsentmasons.com]
Sent: 19 March 2008 16:44
To: Bob Dawson; MOIR Suzanne
Cc: Geoff Gilbert; Dennis Murray; Richard.Walker@bilfinger.co.uk; Scott.McFadzen@bilfinger.co.uk; Flynn.Michael@siemens.com; herbert.fettig@siemens.com; Andrew.Fitchie@dlapiper.com; mgallagher@biggartbaillie.co.uk; OWENS Christopher
Subject: RE: Schedule 4 - Pricing
Attachments: ETN - SCHEDULE 4 18 MARCH.DOC

*1/ Build up and back up to be added.
 2/ That when ~~the~~ expressly stated in PA's price. Includes for requirements of ERs and IRs.*

Bob

In advance of our meeting tomorrow, I attach our mark-up of Schedule 4 in relation to the Pricing Assumptions. This is extensive simply to align the content with the outcome of recent discussions.

I have sought to amend the VE wording to bring this in line with the discussions between me, Scott and Dennis. I hope that this is honest to the principles that we agreed, certainly there is no intention to be otherwise!

I look forward to meeting with you tomorrow.

Please note that I have issued this without Siemens having the opportunity to review as time simply did not allow this. Accordingly, it is subject to any comments that they may have.

Regards

Ian Laing
 Partner
 Pinsent Masons LLP

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 Internal Ext - [REDACTED]

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From: Bob Dawson [mailto:Bob.Dawson@tie.ltd.uk]
Sent: 12 March 2008 19:23
To: MOIR Suzanne
Cc: Geoff Gilbert; Dennis Murray; Richard.Walker@bilfinger.co.uk; Scott.McFadzen@bilfinger.co.uk; Flynn.Michael@siemens.com; herbert.fettig@siemens.com; Andrew.Fitchie@dlapiper.com; LAING Ian; mgallagher@biggartbaillie.co.uk
Subject: RE: Schedule 4 - Pricing

Suzanne,

Further to our meetings yesterday and today I attach an updated version of what we discussed. I haven't yet compared with notes from Geoff, Dennis and Steven as yet and thus apologies if I've missed something. Obviously I haven't put anything in lawyer speak.

There are several areas that were not finally concluded that are still noted in red, such as the tram technical issues and the like.

I understand that the Network Rail immunisation is being discussed at the moment.

19/03/2008

I've noted a few 'trigger dates' in the Provisional Sums appendix. These are either as suggested by Scott or an amendment based on my guesswork. We need to check the programme implications as some were clearly not practical. I have also noted a few as 'not applicable' where it is simply drawing down the expenditure or referenced it to 20 BDs after BBS has responded to something e.g. the ballast saga.

I look forward to concluding tomorrow.


Regards

Bob Dawson
Procurement Manager

tie Limited
Citypoint
65 Haymarket Terrace
Edinburgh EH12 5HD

Tel: [REDACTED]
Mobile [REDACTED]
Email: bob.dawson@tie.ltd.uk

www.tramsforedinburgh.com
www.tie.ltd.uk

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(12 March 08)

Schedule 4

PRICING

NOTE : This mark-up reflects recent agreements reached between tie and BBS in relation to Schedule 4 as amended as a consequence of discussions on 18/3/08.

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NOTE: updated 12th March following meetings on 11th & 12th March 2008¶

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SCHEDULE FOUR PRICING

CONTENTS

- 1.0 Generally
- 2.0 Definitions used in this Schedule
- 3.0 Construction Works Price **NOTE: Tramco and SDS TO BE ADDED**
- 4.0 Provisional Sums
- 5.0 Value Engineering taken into firm price – but conditional
- 6.0 Further Value Engineering
- 7.0 Utilities Diversions to be carried out by Infraco
- 8.0 Schedules of Rates and Quantified Schedules of Rates
- 9.0 Phase 1B
- 10.0 Final Account Requirements

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- A Construction Works Price
- B Provisional Sums and the Mechanism for their Adjustment
- C Value Engineering taken into firm price – but conditional
- D Further Value Engineering
- E Utilities Diversions to be carried out by Infraco
- F Schedules of Rates and Quantified Schedules of Rates
- G Process for the agreement of Value of Variations
- H Base Date Design Drawings
- I

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1.0 GENERALLY

1.1 The Infraco Construction Works Price is detailed in Appendix A to this Schedule 4.

1.2 The Construction Works Price is on a lump sum basis that is fixed until completion of the Infraco Works and not subject to variation except in accordance with the provisions of this Agreement.

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1.3 This Part 4 of the Schedule sets out the various categories of items that may be subject to change, together with a mechanism for adjustment of the Contract Price including the Construction Works Price.

1.4 No provision within this Part 4 of the Schedule shall entitle the Infraco to more than one payment for any item or other entitlement under the Infraco Contract.

1.5 References to clause numbers in this Schedule are to clauses in the Infraco Contract unless otherwise stated.

1.6 All rates, lump sums and the like contained in this Schedule 4 are exclusive of Value Added Tax and are in Pounds Sterling.

2.0 DEFINITIONS USED IN THIS SCHEDULE

2.1 Archaeological Officer means [●]

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2.2 The "Base Case Assumptions" means the Base Date Design Information, the Base Tram Information, the Pricing Assumptions and the Specified Exclusions.

2.3 The "Base Date Design Information" means the by the design information drawings issued to Infraco up to and including 25th November 2007 listed in Appendix [●] to this Schedule Part 4 save for where design information has been superseded prior to the above date [as listed [●]].

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2.4 The "Base Tram Information" means the information contained in CAF's technical response in relation to the Employer's Requirements and the Tram Supply Agreement. CHECK with Andy + Robert.

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2.4 The "Contract Price" comprises the following:

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Construction Works Price	
SDS Price (as defined in the SDS Agreement and the Novation Agreement)	
Tram Supply Price (as defined in the Tram Supply Agreement)	
Sub-total of capital expenditure	
ADD revenue expenditure	
Infraco Maintenance Price	
Tram Maintenance Price (as defined in the Tram Maintenance Agreement)	
Contract Price	
NB excluding Value Added Tax	

2.5 "Defined Provisional Sum" means a sum included in the Construction Works Price which is provisional but for which Infraco has deemed to have made a provisional allowance for programming, planning and pricing Preliminaries.

2.6 "Issued for Construction" shall have the meaning as used in the SDS Novation Agreement CHECK.

2.7 A "Notified Departure" is where now at any time the facts or circumstances differ in any way from the assumptions and exclusions set out in the Base Case Assumptions, save to the extent caused by a breach of contract by the Infraco NOTE: tie has accepted the principle of Notified Departure but have kept matters simple and as a tie Change as per Richard Walker / Geoff Gilbert discussions – Pinsent Masons to check for consistency

2.8 "Pricing Assumptions" means the assumptions in respect of the Contract Price as noted in Section 3.4 below.

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Deleted: are subsequently changed in a manner that results in a tie Change in accordance with this Agreement

Deleted: and not as a result of an Infraco Change or as a result of an Infraco Breach. Where Infraco or tie becomes aware of a Notified Departure they are to notify the other Party.

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For avoidance of doubt ~~construction~~ ~~NP~~ ~~overlooked~~

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3.4 Pricing Assumptions are:

1 The design prepared by the SDS Provider will not (other than amendments arising from the normal development and completion of designs);

1.1 in terms of design principle, shape, form and/or specification be amended from the drawings forming the Base Date Design Information (except in respect of Value Engineering identified in Appendices C or D). 1.2 be amended from the drawings forming the Base Case Design Information as a consequence of any Third Party Agreement (except in connection with changes in respect of Provisional Sums identified in Appendix B) and 1.3 be amended from the drawings forming the Base Case Design Information as a consequence of the requirements of any Approval Body.

For the avoidance of doubt normal development and completion of designs means the evolution of design through the stages of preliminary to construction stage and excludes changes of design principle, shape and form and outline specification.

2 Design delivery by the SDS Provider has been aligned with the Infracore construction delivery programme as noted in Schedule [15]. 3 That the nature and extent of the Infracore Works is as set out in the Base Case Design Information.

4 That the Design Delivery Programme (as defined in the SDS Agreement) shall not be amended from [version 26].

5 That the design prepared by the SDS Provider shall be Issued for Construction to the Infracore in accordance with the [Design Delivery] Programme

6 The tram fleet shall initially comprise 27 trams. 7 NOTE: BBS (Michael Flynn to provide further wording for agreement here in respect of power, DKE etc.

8 There shall be no impact on the traction power supply system (as demonstrated by the power simulation modelling) as a consequence of a change to the vertical alignment of the track as compared against the alignment input into the [last simulation] needs to be settled by Andy + Robert

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which SDS or

2.9 "Ready for Construction" means (NOTE: check any conflict or overlap with Issued for Construction Definition) that the design satisfies the following requirements:

- It has been prepared in accordance with and satisfies the requirements of the Employer's Requirements and the Third Party Agreements; and
- That the SDS Provider has procured that all Consents necessary to allow construction of the relevant part of the Infraco Works have been obtained including, without limitation, those necessary to satisfy the requirements of the Third Party Agreements.

2.10 "Specified Exclusions" means items for which Infraco has made no allowance within the Construction Works Price as noted in Section 3.3 below.

2.11 An "Undefined Provisional Sum" means a sum included in the Construction Works Price which is provisional but for which Infraco has not deemed to have made due allowance for programming, planning and pricing Preliminaries.

3.0 CONSTRUCTION WORKS PRICE

3.1 The Construction Works Price is a lump sum, fixed and firm price for all elements of work required as specified in the Employer's Requirements as Schedule 2 and the Infraco Proposals as Schedule [33] and is not subject to variation except in accordance with the provisions of this Agreement.

Deleted: save only those items for which Provisional Sums are included within the Construction Works Price as noted in 4.0 below and excluding the Specified Exclusions listed in 3.3 below.

3.2 It is accepted by tie that certain Pricing Assumptions have been necessary and these assumptions are listed and defined in 3.4 below.

3.3 Specified Exclusions from the Construction Works Price are:

- a) Utilities diversions (including both the diversion of Utilities and the diversion of any other utilities) and protective works associated with utilities, save for the Provisional Sums for those identified utilities diversions that are to be undertaken by Infraco.
- b) Work in connection with the St Andrew Square public realm project beyond the tram works. For the avoidance of doubt tramstops, trackform, track bed, OHLE, road surface refurbishing, associated systems and link works together with any other work shown on the Base Case Design Information are included.
- c) Ground conditions that require works that could not be reasonably foreseen by an experienced civil engineering contractor based on the ground conditions reports provided to BBS on 20th and 27th of November and 6th December 2007. Additionally the BBS price does not include for dealing with replacement of any materials below the earthworks outline or below ground obstructions/voids, soft material or any contaminated materials. However the price for excavation and earthworks are inclusive of any differences between differing sub-soils that may prevail.
- d) Bernard Street public realm project [as information provided on 28th November 2007].

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Refer to 2 letter on the assumption

9 There shall be no changes to the design resulting from the impact of the kinematic envelope of the CAF tram vehicle on the civils design. **NOTE:** to be deleted when the DKE issue is resolved

10 **The Urban Traffic Controls (UTC) will allow and have no and have no adverse impact on the Tram operations including run time and punctuality of services as set out in the Employer's Requirements.**

11 That in carrying out the Infraco Works in accordance with this Agreement, it shall not be necessary to undertake any works outwith the "earthworks outline" (as defined in the Method of Measurement for Highways Works version [●]) The Infraco shall not encounter any below ground obstructions or voids, soft materials or any contamination (not including differing sub-soils within the earthworks outline).

12 The track and vertical alignment in the design prepared by the SDS Provider will allow road construction to be carried out by planing the existing surface to underside of new surface course and laying the new surface course as provided for in the Infraco Proposals and there shall be no requirement for full depth reconstruction.

13 In respect of the Highways and Drainage works at Picardy Place, London Road and York Place and St Andrew Square, Infraco's price is based on the scope as at the Base Date Design Information.

14 Road construction shall be 40mm or 25mm HRA on 60mm DBM binder course on 100mm DBM base as shown on [●]. **NOTE:** BBS (Scott McFadzen) to amplify

15 The roads as reconstructed in accordance with the SDS design will be adopted by CEC and 'handed back' on or prior to Service Commencement and thereafter CEC shall undertake routine maintenance (sweeping, litter, salting, normal wear and tear and the like) at no cost to Infraco. However for the avoidance of doubt, Infraco remains responsible for any defects in design or construction.

16 Flexible footpath surfacing shall be 30mm HRA on 50mm DBM on 150mm Type 1 base

17 In respect of footways, existing kerbs and flags can be re-used where available and minimal reinstatement behind kerb lines is required, i.e. not wall to wall.

18 [Full footway reconstruction in Leith Walk is not required beyond the allowance made in areas where kerb lines are being re-sited.]

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19 In respect of Tower Place Bridge, Victoria Dock Bridge and Lindsay Road retaining wall, Infraco shall only be obliged to carry out works to the extent shown in accordance with the Base Date Design Information.

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20 In respect of Morrison Supermarket the Infraco shall not be required to carry out any works in respect of the retaining wall.

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21 In respect of the Depot excavation works, the price is fixed [against the quantities advised by BBS to tie], and on the assumption that the depot excavation will be handed over to Infraco [pumped dry with a firm sound foundation][with no major standing water and with any soil that may have been damaged by standing water being above formation level.]

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Network Rail pricing assumptions to be discussed and agreed to the extent that these are necessary as a consequence of recent discussions and agreement as to the approach to Immunisation Works.

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22 The programme for delivery of Phase 1A is as Schedule [15]

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23 That work will be permitted outside the hours of working stated in the Code of Construction Practice where such a requirement is provided for in the Programme.

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24 That in relation to Utilities that the MUDFA Contractor and/or Utility shall have completed the diversion of any utilities in accordance with the requirements of the Infraco Programme save for utilities diversions to be carried out by the Infraco pursuant to the expenditure of the Provisional Sums noted in Appendix B;

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25 The Network Rail Possessions shall be as noted in the Programme;

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26 Network Rail shall comply with its obligations under the Asset Protection Agreement;

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27 That the APA Works Commencement Date occurs on the date identified in the Programme (as such date shall be extended as a consequence of a breach by the Infraco of it's obligations under this Agreement); *15 jk*

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28 The depth (to sub-formation) of track slab and grass track construction is based on cross sections and soil bearing capacity shown on figs 4.6a and 4.6b in the document entitled "Trackform Technology Review V6" prepared by the SDS Provider and dated 1 March 2007;

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29 There shall be no special floating track measures required for noise or vibration;

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30 No protective measures are required in relation to [protected trees] however new trees will be provided for any trees removed in accordance with the [Environmental Management Plan];

31 The Archaeological Officer shall not delay or disrupt the Infraco Works.
32 The programming assumptions set out in Schedule 15 are and remain accurate in all respects.

33 Third parties shall not carry out works which interfere with the Infraco Works.

34 Stray current protection proposals as contained within the Infraco Proposals shall be approved by all relevant Approval Bodies except in respect of immunisation of Network Rail which shall be dealt with in accordance with that noted in the Pricing Assumptions in [?] above and Infraco shall provide all management support and technical back-up to achieve the approvals;

35 That Consent shall be obtained (within a reasonable time having regard to the progress of the Infraco Works) for the use of Railway Ballast from Markle Mains Quarry;

36 Demolition or alteration of existing buildings shall only be required as follows:

Demolition

- Caledonian Ale House (Plot 33)
- Redpath McLean Office Russell Road (Plot 68)
- Simloch Property Roseburn Street (Plot 75)
- Viking International Roseburn Street (Plot 79)
- JB McLean lean-to Roseburn Street (Plot 92)
- National Car Rental Roseburn Street (Plot 103)
- Busy Bee Catering Balgreen Road (Plot 130)
- ATC Hut Stenhouse Drive (plot 150)

Alteration

- Old bus depot on Leith Walk (Plot 15), altered to accommodate new sub-station
- Murrayfield Wanderers, alterations to side of club house NOTE: check what allowed and is Infraco doing this work? Susan is checking, is yes do we need to add a provisional sum?

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37 Asbestos shall not be discovered or identified in buildings to be demolished or altered (and if discovered or identified will be shall be adjusted in accordance with the provisions of Clause 80 (tie changes)).

38 All CCTV cameras and other road equipment will be connected back to the nearest Open Transport Network (OTN) node in either a sub-station or Tramstop and onward to the Depot Control Room.

39 That compliance with the Infraco's obligation to give due a proper cognisance wo third party requirements (and similar obligations such as to have "sue and proper regard to such third party requirements) under the Third Party Agreements shall not cause any delay or disruption to the carrying out of the Infraco Works (Infraco having used reasonable endeavours to mitigate the impact of such compliance).

40 That any conditions attaching to any licence or similar arrangement entered into between tie and a third party pursuant to the Third Party Agreements shall not cause any delay or disruption to the carrying out of the Infraco Works.

3.5 The Contract Price has been fixed on the basis of inter alia the Base Case Assumptions noted herein. If now or at any time the facts or circumstances differ in any way from the Base Case Assumptions (or any part of them) such Notified Departure will be deemed to be a Mandatory tie Change requiring the Infraco to [•] in respect of which tie will be deemed to have issued a tie Change on the date that such Notified Departure is notified by either Party to the other.

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4.0 PROVISIONAL SUMS

4.1 Provisional Sums have been allowed for items listed in Appendix B.

4.2 These are in two tables. The first table represents Defined Provisional Sums, The second table represents Undefined Provisional Sums.

4.3 The procedure for the expenditure of the Provisional Sums is as set out in this section 4.4 Provisional Sums requiring Instruction

4.4.1 Not later than the dates set out in column [] of the Provisional Sums Tables tie shall issue a tie Notice of Change instructing the works to which the Provisional Sums requiring Instruction apply, which tie Change shall be a Mandatory tie Change. Failure by tie to issue a tie Notice of Change in accordance with this paragraph shall be a Compensation Event to which Clause 65 applies

4.4.2 After agreement or determination of a tie Change for works to which a Provisional Sum applies, the Provisional Sum and, in the case of Defined Provisional Sums the provisional allowance for programming, planning and pricing Preliminaries shall be removed from the Contract Price and Milestone Schedule and the Programme and shall be replaced by the value of the tie Change and programme adjustment determined in accordance with Clause 80.

4.5 Provisional Sums not requiring an Instruction

4.5.1 If any of the events or circumstances covered by Provisional Sums which are not Provisional Sums requiring Instruction occurs, such occurrence will be deemed to be a Notified Departure.

4.5.2 After agreement or determination of the tie Change resulting from a Notified Departure which is deemed to have occurred pursuant to paragraph 5.5.1, the Provisional Sum and, in the case of Defined Provisional Sums the provisional allowance for programming, planning and pricing Preliminaries shall be removed from the Contract Price and Milestone Schedule and the Programme and shall be replaced by the value of the tie Change and programme adjustment determined in accordance with Clause 80.

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4.4 . Within 60 Business Days of the execution of the Infraco Contract, tie and the Infraco will jointly agree the timescales for this process, failing which tie's Representative shall set the timescale.

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5.0 VALUE ENGINEERING (VE) THAT HAS BEEN TAKEN INTO FIRM PRICE

5.1 The Parties have agreed Value Engineering opportunities / savings as noted in Appendix C.

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5.2 Subject to the provisions applying to Value Engineering opportunities which are Design to Cost these VE opportunities / savings are not simply targets but are fixed and firm reductions which are reflected in the Contract Price as at the date of this Agreement.

5.3 Subject to Clause 5.4, Infraco shall use reasonable endeavours to implement a Value Engineering opportunity provided that:

5.3.1 where the implementation of the Value Engineering opportunity requires instruction by tie, tie have issued such instruction (which shall be a tie Change) sufficiently ahead of the Programme to allow the Value Engineering opportunity to be realised;

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5.3.2 the Value Engineering opportunity is technically feasible;

5.3.3 any Consents required for the implementation of the Value Engineering opportunity are obtained and designs Issued for Construction by the date set out in the Programme

5.3.2 any other Key Qualification applying to the Value Engineering opportunity have been achieved.

5.5 Where a Value Engineering opportunity is implemented:

5.5.1 the Employer's Requirements and Infraco Proposals shall be amended to take into account the changes to the Infraco Works as a result of such implementation; and

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5.6 Where a Value Engineering opportunity is not implemented:

5.6.1 Infraco shall carry out the Infraco Works without the amendment to the Employer's Requirements and Infraco Proposals which would have been made had the Value Engineering opportunity been implemented; and

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5.6.2 Infraco and tie shall agree amendments to the Milestone Schedule to increase the Contract Price by the saving applying to the Value Engineering opportunity set out in Appendix [] and Infraco shall be entitled to include in its next Application for Payment and tie shall pay to Infraco the design costs incurred by Infraco in considering the Value Engineering opportunity up to a maximum amount of £25,000 per Value Engineering opportunity.

5.7 Where a Key Condition to achieving a Value Engineering opportunity is "Design to Cost":

5.7.1 before implementing the Value Engineering opportunity Infraco shall deliver to tie an Estimate setting out the net cost or saving of implementing the Value Engineering opportunity (including design costs).;

5.7.2 tie shall confirm within 10 Business Days of receipt of the Estimate if tie wishes Infraco to proceed with the Value Engineering opportunity.

5.7.3 If tie confirms that it wishes Infraco to proceed with the Value Engineering opportunity,

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(a) the Employer's Requirements and Infraco Proposals shall be amended to take into account the changes to the Infraco Works as a result of such implementation; and

(b) Infraco and tie shall agree amendments to the Milestone Schedule to increase the Contract Price by the difference (if any) between the saving applying to the Value Engineering opportunity set out in Appendix [] and the actual saving set out in the Estimate provided to tie in accordance with paragraph [] (where the actual saving is less than the saving set out in the Appendix) and Infraco shall be entitled to claim in its next Application for Payment and tie shall pay to Infraco the design costs incurred by Infraco in considering the Value Engineering opportunity up to a maximum amount of £25,000 per Value Engineering opportunity.

5.7.4 If tie confirms that it does not wish Infraco to proceed with the Value Engineering opportunity paragraph 5.6 shall apply. tie shall be deemed not to wish Infraco to proceed with a Value Engineering opportunity which is design to cost if it fails to respond to an Estimate in accordance with Clause 5.7.2;

5.7.5 Infraco shall use reasonable endeavours to achieve the savings for each Value Engineering opportunity.

6.0 FURTHER VALUE ENGINEERING (VE)

6.1 Further Value Engineering opportunities / savings as noted in Appendix D

6.2 This further VE represents that which either one or both Parties is unable to commit to at this stage and will still be considered as a potential target. There are two sub-categories, those with an estimated saving carried to the summary and those as an unspecified item.

6.3 These will be adjusted by applying the provisions of Clause 80 (*tie Changes*). For the avoidance of doubt, no VE that has already be considered by the Parties or that may subsequently be proposed by tie will be considered as a shared saving under Clause 81.3 (*Infraco Changes*).

Deleted: 5.1. The parties have agreed Value Engineering opportunities / savings as noted in Appendix C.¶
<#>These VE opportunities / savings are not simply targets but are fixed and firm reductions, save for conditions (Key Qualifications) noted in Appendix C.¶
<#>In the event that the Key Qualifications noted cannot be achieved, any adjustment to the Contract Sum will be made by applying the provisions of Clause 80 (*tie Changes*).¶

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7.0 UTILITIES DIVERSIONS TO BE CARRIED OUT BY INFRACO

7.1 Although tie has let the MUDFA Contract [Multiple Utilities Diversion Framework Arrangement] to carry out the diversion of utility apparatus in the path of the proposed tram route prior to Infraco Works, it will be necessary for some of these works to be delivered by Infraco for the following reasons:

- they may be unrecorded and not discovered until the Infraco Works are commenced

- they may be discovered under MUDFA but left to avoid a programme overlap or other technical reason
- they may be intrinsically linked to the Infraco Works
- they may require such significant reinstatement work that to carry out under MUDFA may result in significant abortive works

7.2 Where Infraco has been advised of the existence of utility apparatus in advance, whether identified to date or following discovery by MUDFA, any adjustment to the Contract Sum will be made by applying the provisions of Clause 80 (*tie Changes*).

7.3 Those identified to date are noted in Appendix F. **NOTE:** appendix to be developed / could be in Schedule 41

8.0 SCHEDULES OF RATES AND QUANTIFIED SCHEDULES OF RATES

8.1 Rates for certain items have been established for determining the value of *tie Changes* as noted in Appendix H. These include:

- Rates for utilities diversions
- Rates for Additional Trams and other items related to the Trams

8.2 The rates contained in the appendix are inclusive of overheads and profit are to be used for the purpose of agreeing changes (positive and negative) noted in Clause 1.2 of this Schedule 4.

8.3 The Quantified Schedules of Rates are also contained in Appendix F and they are included for reference only in determining the value of changes as outlined in Appendix H herein. For the avoidance of doubt the quantities have not been prepared in accordance with any Standard Method of Measurement, are not re-measurable and any errors or omissions contained therein are entirely at the risk of Infraco.

8.4 Rates for SDS are as noted in the SDS Agreement / SDS Novation Agreement which also set out the mechanism that shall apply in respect of any design associated with *tie Changes*.

9.0 PHASE 1B

9.1 Under Clause 85 of the Contract *tie* can instruct execution of the Phase 1B Works as an option.

9.2 The basis of the option is set out in Schedule [37].

9.3 **NOTE:** this section requires further development

10.0 FINAL ACCOUNT REQUIREMENTS

10.1 The final account for the Works and Services shall be prepared progressively though the duration of the Agreement and the Infracore shall provide all necessary information in support within two months of Service Commencement such that :

a) the final account for the Construction Works is prepared within 3 months of Service Commencement

and

b) the final account for Maintenance Services delivered in respect of the foregoing Year is prepared within 3 months of the end of that Year.

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**APPENDIX A
CONSTRUCTION WORKS PRICE ANALYSIS**

**A1 CONSTRUCTION WORKS PRICE ANALYSIS
A2 DETAILED SUMMARY OF CONSTRUCTION WORKS PRICE**