
From: Stewart McGarrity
Sent: 11 December 2006 07:55
To: Geoff Gilbert
Subject: RE: Advance Infraco and Tramco works

Does this mean the funding requirements for April to Sep 06 are unchanged at £60m? Its all too late now anyway as I'm required to submit the final DFBC to CEC today.

Stewart

Stewart McGarrity
Finance & Performance Director
tie Limited
[REDACTED]

From: Geoff Gilbert
Sent: 08 December 2006 15:23
To: Stewart McGarrity
Cc: Andie Harper; David Carnegy; John Pantony - TSS; Bob Dawson
Subject: Advance Infraco and Tramco works

Stewart

Further to our discussions the estimated costs for undertaking elements of the Infraco and Tramco scope early is £7m. The purpose of doing this is to take the pressure off the programme to give us a fighting chance of achieving the programme dates set out in Business Case. Discussion with one of the Infraco bidders confirms this requirement. The Infraco work to be undertaken allowed is the piled wall along the A8, site clearance and a proportion of the dig (50%). In the case of Tram I have allowed £500k for advance design work and £500k in the event that our Infraco returns give us financial flexibility to add back in the Tram mock up.

We will also need to put in place a mobilisation agreement allowing Tramco to make limited mobilisation and procurement commitments. This would essentially underwrite Tramco's exposure up to a defined limit of approximately £5m, although the value would not be accrued until sometime after contract award when the appropriate milestone is achieved. In the event of no contract being awarded then tie would be liable for cancellation costs. The value up to this cap would depend on timing of the decision not to award.

Regards

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