DLA Piper Rudnick Gray Cary UK LLP

ATTENDANCE NOTE

CLIENT: TRANSPORT INITIATIVES EDINBURGH LIMITED

MATTER: EDINBURGH TRAM LINES 1 & 2

ATTENDING : TOM BLACKHALL AT TIE OFFICES, EDINBURGH

DATE : 25 FEBRUARY 2005

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The purpose of the meeting was an update following Tom's meeting the previous week with various utilities. In advance of the meeting he provided me with a flowchart he produced that day identifying the relevant utilities. The hard line indicates the works which they will allow the civils contractor to carry out. The broken lines identify the works which they currently advise will need to be carried out by those utilities companies themselves. In essence the work the utilities companies would seek to do would be the cable pulling and for the most part final connection. A copy of that flowchart is attached.

So far as relevant civils contractors were concerned. Tom had been able to identify with the utility 4 to 5 contactors who they would be happy to have carry out the works. These included Balfour Beatty, Robert McAlpine, AMEC and R J McLeod. Tom could not recall the fifth. It would obviously be an issue in relation to tendering this work and I confirmed that the question of any OJEU notice would need to be discussed with Sharon.

Tom did indicate that if a contractor won the tender with whom the utilities were happy it may be that that contractor would also be able to do the cable pulling part of the works and that may not need to go back to the specific utilities. Currently Telewest had indicated that they were not in a position to speak to Tie because their personnel were not able to deal with it but they would get back to Tie as soon as they possibly could. Cable and Wireless did not attend the meeting but Tom's impression was that they also seem to be on board to have a civils contractor carry out the bulk of the work.

Tom indicated that within a period over the next couple of months they would move with each of the utilities to C4 stage. Accordingly, we would be looking to get some form of draft contract for the utilities diversion works out for consideration by various parties around mid to end April. Accordingly, we are reaching the stage of putting together some contract drafting. Tom and I discussed briefly some possible options if we were not using a bespoke form of contract. In addition to NEC it would be worth considering the ICE form of contract and Tom indicated that he was aware of a form of ground works contract produced by the ICE which was a shorter form contract which might be suitable for use here.

Tom indicated that the utilities have indicated that they would be expecting Tie to engage and pay for a clerk of works in relation to this work. It was not entirely clear to Tom or I whether they would expect the clerk of works to be engaged separately for each diversion of each utilities services but that was a point which would (amongst others) need to be clarified during drafting and the revisals to the drafting.

Tom also mentioned to me the question of the Road Works Act and some potential 18% saving under that Act. I indicated that I did not have a clear understanding of what that might involve but would again raise that with SF/AF.

Finally, Tom indicated that he needed to have a survey undertaken to identify the location of various facilities and an appointment contract would probably need to be drawn up. This would cover three basic areas as follows:-

- (a) Ground permeation radar
- (b) An excavation survey
- (c) A street "furniture" survey

For example Tom indicated that not all the gas and water chambers were identified on available plans so the survey would need to cover these.

Engaged KSB

cc Andrew Fitchie

Colin Cleland

Sharon Fitzgerald