THE CITY OF EDINBURGH COUNCIL

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Tom Aitchison CBE Chief Executive

Mr R J Walker Chairman – Infraco Consortium Board BSC Consortium Office 9 Lochside Avenue Edinburgh Park EDINBURGH EH12 9DJ

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Your Ref:

Date: 21 April 2010

## WITHOUT PREJUDICE

Dear Mr Walker

## EDINBURGH TRAM NETWORK PROJECT

Thank you for your further letter of 1 April.

As I have already indicated:

- the Council is extremely concerned about the lack of progress on this project;
- I do not agree with the analysis of the "facts" set out in your letter or the comments made in relation to tie; and
- this is a matter for the principal contracting parties to resolve.

I am in regular contact with **tie** about tram issues and take these extremely seriously. I am also aware that **tie**'s solicitors, DLA Piper, have responded directly to you in a letter of 19 April in relation to the points raised and I would encourage the contracting parties to seek early resolution. However, unless and until the guarantee is called upon, it is not appropriate for the Council to enter into separate discussions with the Infraco Consortium. My intention is to continue in regular dialogue with **tie** in order to ensure that the Council is fully informed as to the progress of the project (or lack thereof) and the parties' respective rights and responsibilities.

As with all matters relating to this contract I would be grateful if you would respect the confidential nature of this letter.

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Yours sincerely

TOM AITCHISON Chief Executive

cc: Councillor Jenny Dawe, Council Leader Councillor Gordon Mackenzie, Transport Convener Donald McGougan, Director of Finance Dave Anderson, Director of City Development David Mackay, Chairman of TEL Richard Jeffrey, Chief Executive, **tie** Ltd