



Mr Steve Beattie  
MUDFA Project Director  
Carillion Utility Services  
Western Harbour  
Leith Docks  
Edinburgh  
EH6 6QF

Our Ref:  
DEL.MUDFA.12164.G

Your Ref:  
CUS/tie/letter/TL/Project/1726

Date: 19 December 2008

Dear Steve,

#### **EDINBURGH TRAM PROJECT – MUDFA Extension of Time for Completion**

We confirm receipt of letter, referenced above, received 8 December 2008 regarding Extension of Time and note your comments contained therein.

As stated in our letters reference DEL.MUDFA.12123 and DEL. MUDFA.12124 both dated 16 December 2008 Carillion (CUS) have not complied with the requirements of Clause 38 of the Agreement in respect of Extension of Time and as such are not entitled to an extension of time.

Notwithstanding the above, the following comments are raised in respect of the content within your submitted correspondence.

Any revisions to the Construction Programme are to be developed in accordance with Clause 35 and Schedule 1 of the Agreement. tie have, in accordance with Clause 35.6.3, requested information and details to clarify and substantiate the CUS proposed revision 07.9 programme. The requested details and clarity required to satisfy tie's Representative regarding revision 07.9 remain outstanding.

As stated in our letters reference DEL.MUDFA.12123 and 12124 respectively, the reasons provided by CUS for the delay are not accepted by tie.

CUS have not complied with the full requirements of Clause 38.1 of the Agreement. To date, CUS have not provided all of the detailed particulars and justification required thus restricting tie from completing an assessment of any delay. The proposed assumptions/exclusions/caveats detailed within the CUS submission are unacceptable as confirmed previously.

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- CUS have an obligation to take all reasonable steps to mitigate the effects of any delay to the progress of the MUDFA Works (reference Clause 2). CUS are required to undertake all reasonable steps to mitigate the works may adversely affect any CUS entitlement for extension of time and any associated costs.
- The CUS submitted rates and prices include for connections, supply connections, thrust blocks, valves, testing and commissioning etc and as appropriate.
- The number of Work Sites concurrently active is the responsibility of CUS who have an obligation to meet the Completion Date for the MUDFA Works in a safe manner taking cognisance of the applicable regulations. The number of work sites concurrently active are not dependent upon the staff numbers. It is incumbent upon CUS to manage their work sites in a safe and competent manner throughout.
- The level of labour required to meet the Completion Date for the MUDFA Works is the responsibility of CUS. We have no record of any staff/labour ration clarification within the CUS tender and there is no such amendment or clarification within the Agreement. For the avoidance of doubt the labour required to meet the Completion Date for the MUDFA Works should be included in the Construction Programme if any amendment to same in accordance with Clause 35 and Clause 38 of the Agreement.
- Contrary to the CUS proposed position **tie** confirm that all Work Sites are required to be incorporated within Construction Programme, in accordance with Clause 35 and Schedule 1 of the Agreement. We confirm all Work Site are to be programmed on the basis of the best available information at the time of production.

Furthermore, the Construction Programme should be developed to ensure the interface and relationship with the commencement of the tramway construction works by the Infraco Contractor are clearly defined and identified, as required by the Agreement Clause 35, Schedule 1 Clause 2.7.19. Accordingly we await receipt of a revised Construction Programme which is fully in accordance with Clause 35 and Schedule 1.

In conclusion we confirm, based upon the inadequate and insufficient information provided by CUS to date, **tie** has been unable to assess or agree any extension of time.

Should you wish to discuss or obtain further clarity on any of the matter referred to above, please contact the writer.

Yours sincerely,



Graeme Barclay  
Construction Director – MUDFA

cc: Steven Bell, Dennis Murray, Jim McEwan, John Casserly, Thomas Caldwell