

Infrastructure Services

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19th February 2007

Ref: AMIS/tie/letter/KAG/Projects/103

For the Attention of Ms. Susan Clark

Mr. Alasdair Slessor tie MUDFA Utilities Project Manager tie Limited. Verity House, 19 Haymarket Yards, Edinburgh. EH12 5BH

Dear Alasdair,

Subject: <u>MUDFA Alfred McAlpine Infrastructure Services (AMIS) – Contract A150</u>
<u>AMIS MUDFA Early Warning – Potential Construction Delays, Clause 8.8.1</u>

Thank you for your letter Ref; DEL.MUDFA.044.SC dated 14th February 2007.

Approval of the tie Limited & Stakeholder Imposed Programme Revision 03 and all its constituent elements was granted by default on 26th January 2007, as confirmed under cover of AMIS MUDFA letter Ref, AMIS/tie/letter/AM/Projects/082 dated 6th February 2007.

As a consequence the lead in times set out in the tie Limited & Stakeholder Imposed Programme Revision 03 constitutes both a baseline and a resultant contractual requirement, against which Change Control will be managed, Clause 46 (Changes).

Furthermore the lead in times agreed on the baseline Programme reflects those contemplated in our Tender and CARP submissions, accepted by tie Limited under cover of letter dated 4th October 2007.

The Work Order provisions under Clauses 8.6 to 8.12 inclusive were agreed on the understanding and expectation that the detailed designs (IFC) for the full MUDFA works were available. Consequently tie Limited would have a library of completed Work Orders and issue same to AMIS MUDFA in recognition of the programme requirements together with what were termed "hospital" jobs, where resources could be re-deployed at very short notice to mitigate any additional costs arising as a consequence of unforeseen risk events, while ensuring progress was achieved and maintained.

Notifications, Opening Notices and the like, can be issued prior to receipt of the Works Order Confirmation Notice. However the risk of such a strategy must rest exclusively with tie Limited.

In the ongoing absence of design detail (IFC) and definition the opportunity for proactive forward planning under Construction Services is denied; the resultant impact of cost and timescale dependencies will therefore represent a Change under Clause 46.





Alfred McAlpine Infrastructure Services Limited, Registered in England No. 00728599 Registered Office: Kinnaird House, 1 Pall Mall East, London SW1Y 5AZ



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There is value in your wish to review the lead in times on a site by site basis; I consider the Work Order Process defined under Clauses 8.6 to 8.12 inclusive to be the vehicle under which this objective will be delivered.

Please note once the design detail (IFC) and definition is understood for each of the Work Sites and the impact of this clarity is reflected in ongoing iterations of the baseline programme, the precise requirements in respect of lead in times for each site will be identified.

Finally your comments in respect of the trial site and the dependencies associated with the Edinburgh Half Marathon are noted and your attention is drawn to AMIS MUDFA letter Ref; AMIS/tie/letter/AM/Projects/092 dated 16th February 2007.

Yours sincerely,

For and on behalf of Alfred McAlpine Infrastructure Services Ltd



Andrew Malkin
MUDFA AMIS Preject Director

Copies:-

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