From: Katie.A.Howat@gtuk.com Sent: 10 October 2003 16:21

To: James.Papps@partnershipsuk.org.uk

Cc: Alex Macaulay; Andrew Callander; Andrew Fitchie; David Hand; Doug D Blenkey; Graeme

Bissett; Ian Kendall; John Watt; Lindsay Murphy; Sharon Fitzgerald; Andy.Clapp@gtuk.com

**Subject:** RE: Edinburgh Tram Draft Delivery programme

For information, for the purposes of the financial model, it has been agreed with tie that preinfraco signing spend predominantly on land and utilities diversion commences in Jan 06, 6 months before contract signature in June 2006. This amounts to a figure of £42million. The build period is assumed to commence in July 2006, and completion 41 months later in Nov 09, which is based on 3 years build plus 5 months in respect of Optimism bias.

Operations therefore commence on 1 Dec 2009, five months after this timetable currently shows.

The issue of how to fund the utilities and land purchase has yet to be resolved, they are currently wrapped up into the infraco contract.

Kind regards

Katie

"James Papps"
<James.Papps@partnership
<alex.macaulay@tiedinburgh.co.uk>, "David Hand"

suk.org.uk>

<iwandmkendall@</pre>

A Howat/Edinburgh/GrantThornton@GTUK, "Andrew 08/10/2003 14:47

"Graeme Bissett"

"Lindsay Murphy"

"Sharon Fitzgerald" <Sharon.Fitzgerald@dla.com>,

<doug.blenkey@fabermaunsell.com>

<andrew.callander@tiedinburgh.co.uk>

Delivery programme

To: "Alex Macaulay"

<DAH@mm-manc.mottmac.com>, "Ian Kendall"

Watt/Edinburgh/GrantThornton@GTUK, Katie

Fitchie" <Andrew.Fitchie@dla.com>,

<graeme.bissett@tiedinburgh.co.uk>,

<lindsay.murphy@tiedinburgh.co.uk>,

"Doug D Blenkey"

cc: "Andrew Callander"

Subject: RE: Edinburgh Tram Draft

Raises issue of bid cost support (always tricky) if we are asking for INFRACO bids ahead of Royal Assent - amount and terms will vary on how far away from Royal Assent we are, and what we are asking them to bid.

Possible alternative is paying for design ahead of pricing competition to build - but breaks down risk transfer that we'd seek to achieve under DBFM for example.

1

(Agree with Doug that prudent to add to 36 months construction timetable, based on experience elsewhere)

----Original Message----

From: Alex Macaulay [mailto:alex.macaulay@tiedinburgh.co.uk]

Sent: 08 October 2003 14:16

To: David Hand; Ian Kendall; John Watt; Katie. Howat; Andrew Fitchie; Graeme Bissett; Lindsay

Murphy; Sharon Fitzgerald; Doug D Blenkey; James Papps

Cc: Andrew Callander

Subject: RE: Edinburgh Tram Draft Delivery programme

Thanks for this David, it highlights what we always knew, the programme is very tight. I would like to discus this at the next available procurement group. I think there are ways of compressing the programme by sub division of packages but this will have associated risks. The objective from now till the end of this year must be to develop a programme which is deliverable and which minimises risk to tie.

Andrew, we need a separate session to discuss my procurement options for work which runs on beyond royal assent.

Alex

Alex Macaulay Projects Director transport initiatives edinburgh ltd. 91 Hanover Street Edinburgh EH2 1DJ

Direct Tel:

Fax:

Mobile Tel:

E-mail:

alex.macaulay@tiedinburgh.co.uk

Website: www.tiedinburgh.co.uk

----Original Message----

From: David Hand [mailto:DAH@mm-manc.mottmac.com]

Sent: 06 October 2003 10:47

To: Ian Kendall; John Watt; Katie.Howat; Alex Macaulay; Andrew Fitchie; Graeme Bissett; Lindsay

Murphy; Sharon Fitzgerald; Doug D Blenkey; James Papps

Cc: Andrew Callander

Subject: Edinburgh Tram Draft Delivery programme

Following and last months Steering Group meeting and discussions at Friday's DBOF meeting, attached first draft of an outline programme to construction for comment and review. The programme is based on Line 1 and Line 2 commencing operation mid-2009. Assuming a likely date for Royal Assent of Q1

2006 and a 3 year construction period, this indicates that procurement of a vehicle supplier and the InfraCo would need to commence in the order of

12

months prior to Royal Assent. (Preparation of the tender docs would need to commence even sooner).

The 3 year construction programme is based around a typical DBM contract.

This period may possibly be reduced by, for example, considering alternative forms of procurement contract, undertaking some of the utility or other

works as 'advanced works' and by preparing the tender designs to a higher level of detail than normally the case for D&B.

Commencing procurement of the Infraco prior to Royal Assent is obviously a high risk strategy in addition to funding issues. The programme indicates that If procurement of the Infraco has to await Royal Assent the overall

commencement of the operations could be delayed by at least 12 months.

I would be grateful for your comments. regards
David

Note: the programme also indicates a substantial overlap of DBOF phases A and B.

David A. Hand Divisional Director

Mott MacDonald
Spring Bank House
33, Stamford Street, Altrincham
Cheshire, United Kingdom, WA14 1ES
Tel: +44
Fax: +44
Direct 1:

Mott MacDonald Limited

Registered in England No. 1243967

Registered Office: St Anne House, Wellesley Road, Croydon, United Kingdom, CR9 2UL

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