

## Mainline through Riga design agreement amendments summary

### Agreement

Design and design supervision services for the construction of the mainline section through Riga No 8/2019-41 dated 5 July 2019 (**Agreement**).

### Amendments description

The Agreement amendments are made regarding the additional services pertaining to railways optimization study and necessity to establish the working group in order to assess, in parallel, improvements for both railway gauges 1435 mm and 1520 mm, for short (year 2026), medium (year 2036) and long (year 2046) term. As a result, amendments regarding additional services were made and it was agreed to establish the working group to proceed with eventual assessment while ensuring cost savings and more efficient railways design and further operations. The contracting authority is in a position to objectively note that outsourcing this case or handling it to any other designer would cause significant increase of the remuneration. Therefore, amendments are made under the provisions of Clause 2 of Section 3 of Article 61 of PPL, i.e. the amendments to the procurement contract are necessary due to need for additional services that were not included in the initial contract, and a change of the economic operator would cause significant increase of costs, or it cannot be made due to economic or technical reasons such as interchangeability or interoperability with the existing services purchased under the initial contract and the change of the economic operator would cause significant inconveniences, i.e.:

- current Agreement's deliverables for the design priority section 1 (**DPS1**) are directly linked with the additional services, due to dense urban territorial constraints and Rail Baltica design complexity they are inseparable. Riga Node design solutions will ensure compatible solutions to implement for design of railway under the Agreement in DPS1.;
- involving any new supplier without previous knowledge of affected DPS1 milestones in Riga city will possess a risk of necessity to re-work, supplement or re-design any design milestones towards DPS1, because the detailed technical design and all associated data cannot be reasonable transferred to any other entity without significant re-assessment/re-work ;
- involvement of new supplier will provide uncertainty on the delivery possibilities, quality and price and will affect timeline, noting also the additional risk and potential difficulties with the alignment of scope between the services if undertaken by different suppliers. This may, in addition, produce additional scope and expenses;
- engaging any new supplier will result in additional and significant burden on the Client which will have to administrate work of two (2) different interfaces concerning the same DPS1 and increase load on human resources as well as will increase costs due to double-work and interface management;
- implementation of this specific amendment will allow integration of major elements of railway gauge improvements study into effective design, thus facilitating eventual cost savings and more efficient railway gauge improvements implementation for 1520mm railway infrastructure.

Major additional services scope is:

- New milestones for 1520mm infrastructure in Zaslauks station - Concept Design for Building Design in Minimum Composition, Investigations including all geological investigations for DTD, Detailed Technical Design, Tender package documentation for LDz construction procurement.