

PART I

SCHEDULE

SECTION**TITLE**

A	Purpose/Background
B	Special Terms and Conditions
C	Insurance and Bond Requirements
D	Invoicing and Payments
E	Contract Closeout



SECTION A

PURPOSE/BACKGROUND

A.1 PURPOSE

- A. The purpose of this Invitation for Bids (IFB) is to establish a Contract with one (1) qualified primary source to furnish all qualified and certified labor, materials, equipment, permits, and licenses to purchase, deliver and complete infrastructure repairs to the South Platform and the North Platform, as an alternate bid, at the Fredericksburg Station in Fredericksburg, Virginia.
- B. The Contractor shall comply with **ATTACHMENT P.1 - GENERAL TERMS AND CONDITIONS**, **ATTACHMENT P.2 – TECHNICAL SPECIFICATIONS**, and **ATTACHMENT P.3 – CONSTRUCTION DRAWINGS** included in this solicitation.

A.2 BACKGROUND

- A. The Virginia Railway Express (VRE) operates commuter rail service to the District of Columbia from Northern Virginia. The Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC) are the transportation districts established under Virginia law that jointly own and operate this service.
- B. VRE began operations in 1992 and carries an average of 16,500 daily passengers. In addition, growth and service changes have added many new facilities and infrastructure enhancements to VRE's program of projects. VRE is committed to continued infrastructure and operational improvements, as the future growth of VRE will depend upon service reliability and the ability to expand to accommodate additional passengers.



SECTION B

SPECIAL TERMS AND CONDITIONS

B.1 TYPE OF CONTRACT

This is a firm-fixed unit price Contract.

B.2 CONTRACT COMPLETION (BENEFICIAL USE)

Within **two hundred and forty (240)** calendar days from the date of the "Notice-To-Proceed", the Contractor shall provide to VRE, beneficial use of all phases of the project as specified by this Contract.

B.3 CONFORMITY WITH PLANS AND SPECIFICATIONS

All deviations from the plans, drawings, scope of work and/or technical specifications shall be authorized in writing by VRE. It is further agreed that no extra compensation for material or labor shall be allowed for work evidently necessary within the general intent of these specifications and the accompanying plans (if any) for the proper construction and thorough completion of the work.

B.4 LIQUIDATED DAMAGES

- A. It is hereby understood and agreed by the Contractor that time is of the essence for the completion of this Contract. In the event of failure to comply with any of the stipulated time period(s) established under SECTION B.2 CONTRACT COMPLETION (BENEFICIAL USE), VRE is authorized to assess liquidated damages in the sum of **Seven Hundred and Fifty Dollars (\$750) for each and every calendar day** of delay beyond the time specified. These damages are not intended as a penalty, but rather as a fair and reasonable measure of loss or delay to VRE. Upon receipt of a written request and justification for an extension from the Contractor, VRE may extend the time for performance of the Contract at VRE's sole discretion.
- B. Payment of liquidated damages shall not release the Contractor from obligations in respect to the fulfillment of the entire Contract, nor shall the payment of such liquidated damages constitute a waiver of VRE's right to



collect any additional damages which may be sustained by failure of the Contractor to carry out the terms of the Contract, it being the intent of the parties that said liquidated damages be full and complete payment only for failure of the Contractor to complete the work on time.

B.5 WARRANTY

- A. The Contractor shall guarantee that the associated parts/equipment pursuant to the scope of work and/or technical specifications to be free of defective workmanship and material for one (1) year from the final inspection and acceptance.
- B. If any portion of the work performed, replacement parts, or rehabilitated parts furnished by the Contractor proves to be defective within **one (1) year** from the date of installation, the Contractor will be notified by VRE. Upon receipt of such notification, the Contractor shall immediately correct all defects covered by the warranty at no expense to VRE.
- C. Any material or labor applied by the Contractor to correct warranted defects to all associated parts/equipment shall be warranted for the remaining portion of the warranty.

B.6 SUPERINTENDENCE BY CONTRACTOR

- A. The Contractor shall give his personal superintendence to the work or have a competent foreman or superintendent, and necessary assistants, satisfactory to VRE. The Contractor shall, at all times, enforce strict discipline and order among the workers on the project, and shall not employ on the work any unfit person or anyone not skilled in the work assigned to him.
- B. The foreman or superintendent and attendants shall be in attendance at the project site during working hours of operation for the duration of the project to represent the Contractor.
- C. VRE reserves the right to suspend the work until such time as a competent foreman or supervisor satisfactory to VRE is assigned to the project and this section is being complied with in all respects. The Contract time shall not be extended for such suspension nor shall the Contractor be entitled to any additional payment of any kind whatsoever as a result of such suspended work.



- D. Written communications given by VRE or his authorized designee to the Foreman or Superintendent shall be binding.

B.7 NEW MATERIALS

Unless noted otherwise, the Contractor shall furnish all materials required to produce the work in accordance with the Contract documents, and said materials shall meet the requirements of the plans, drawings and/or specifications for the kind of applications involving their use. Only quality materials, which are generally accepted in the industry and conform to the requirements of these plans, drawings and/or specifications shall be used in the work.

B.8 DOCUMENT AND SAMPLES ON-SITE

The Contractor shall maintain at a pre-determined site, one (1) record copy of the drawings, specifications, addenda, change orders or other modifications. These documents shall be current and in good order so that field changes and selections made during construction can be recorded. One (1) record copy of approved shop drawings, product data, samples and similar required submittals must also be available on-site for VRE. These documents shall be delivered to the VRE Project Manager for submittal once work is complete.

B.9 USE OF SITE

- A. The Contractor shall confine work to the areas specified and not unreasonably impact the site with materials or equipment. The Contractor shall perform all services between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday (except federal holidays) unless otherwise authorized in advance by VRE or stipulated otherwise on the drawings or specifications.
- B. Unless noted otherwise, the Contractor shall keep the site free from accumulation of waste materials. When the project is complete, the Contractor must remove from and about the project site, waste materials, tools, construction equipment, machinery and surplus materials. If a dispute arises regarding maintenance or clean-up of the premises, VRE may maintain and clean the site and assess actual damages to the Contractor.



- C. The Contractor must remain aware that the areas of work are active rail lines. Extreme caution and safety must be exercised at all times. At no time shall the Contractor obscure, block, or place objects across or on the rail.

B.10 CONTRACTOR RESPONSIBILITIES

- A. The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that it may utilize, using adequate skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that it is as fully responsible for the acts and omissions of its Subcontractors and of persons employed by the Contractor as it is for the acts and omissions of its own employees.
- B. The Contractor shall submit to VRE for approval and attachment to this Contract, a list of subcontractors and their required signed certifications/contracts and contact information. During the period of performance, the Contractor shall not substitute subcontractors and/or key personnel without the written approval of VRE. The Contractor shall notify VRE within five (5) calendar days after the occurrence of any of these events and provide information as to the circumstances necessitating the proposed change, new subcontractor information and other information as requested.
- C. Proposed substitutions must have comparable qualifications and experience to those being replaced. VRE will notify the Contractor within ten (10) calendar days after the receipt of all required information if this change is approved and VRE and the Contractor shall subsequently amend the required Contract documents.
- D. The Contractor shall coordinate his work with VRE's ongoing operations and other construction activities performed by VRE or other Contractors.
- E. All permits with associated fees that are required by the Contract work, and all jurisdictional inspections shall be the sole responsibility of the Contractor. The Contractor shall provide a copy of all permits and all jurisdictional inspections.



B.11 TESTING/INSPECTION/REVIEW OF WORK

- A. The VRE reserves the right to conduct any test/inspection it may deem advisable to assure supplies and services conform to specifications. The Contractor is responsible for performing work according to plans and specifications in a professional, high quality standard. Authorized representatives or agents of VRE, the Commonwealth of Virginia and/or the Federal Transit Administration (FTA) may, during normal office hours, review and inspect the project activities, data, reports/studies, drawings, specifications, estimates, maps, computations and financial records of the contractor or subcontractor at their offices. Any imperfect work or materials that may be discovered before the final acceptance of the work, shall be corrected or replaced immediately on the requirements of VRE or his representative, notwithstanding that it may have been previously overlooked by the proper inspector.

- B. The Contractor shall cooperate with VRE and facilitate the inspection activity by providing necessary equipment for access to aid in the inspection and verification activity. The VRE inspector shall have the authority to reject materials or workmanship that do not meet the Contract requirements. The inspector has no authority to make changes; no orders given by him, either written or verbal, will be considered basis of any claim by the Contractor for extra work or compensation. It is not the duty of the inspector to layout any work for the Contractor.

B.12 PARTIAL USE OR OCCUPANCY

Virginia Railway Express may occupy or use any completed or partially completed portion of the site as determined by the schedule of beneficial occupancy.

B.13 SAFETY

- A. The Contractor is responsible for initiating, maintaining and supervising all safety precautions and programs in connection with this Contract. This includes Contractor employees and other persons who may be affected thereby, as well as materials and equipment, both in storage and on-site.

- B. In an emergency, the Contractor shall act at its discretion to prevent threatened damage, injury or loss. Prior to the start of work, the Contractor shall submit a safety and security work plan to VRE for review and approval within ten (10) days after the date of the Notice-To-Proceed.



- C. At a minimum, the Contractor shall have the Foreman/Superintendent or designated representatives attend a railroad safety class presented by VRE, not to exceed four (4) hours per person per class. The Contractor shall be responsible for training its employees after attending class. The class location is to be determined. Federal Railroad Administration safety training may also be required. Payment of employees for time spent in class and any expenses incurred is the sole responsibility of the Contractor and is not eligible for reimbursement from VRE.
- D. In the performance of this Contract, the Contractor shall comply with the following safety rules included herein:
 - 1. **ATTACHMENT P.4 - VRE'S RULES TO LIVE BY**
 - 2. **ATTACHMENT P.5 - CSXT'S SAFE WAY STANDARDS**

B.14 CUTTING AND PATCHING

The Contractor is responsible for cutting, fitting, or patching as required. The Contractor shall not damage any portion of the project work by cutting, fitting, or patching during construction or excavation. Any damages resulting from cutting, fitting, or patching in the project shall be borne by the Contractor.

B.15 CONTRACTOR'S MATERIAL QUALIFICATION

It is the responsibility of the Contractor to furnish a complete project. The Contractor shall be fully responsible for the satisfactory completion of construction of work required by the Contract documents whether performed by the Contractor or its subcontractors.

B.16 LITIGATION AND NOTIFICATION

The Contractor shall notify the VRE Contract Administration Manager if any of the following occur:

- A. The Contractor or any of the subcontractors are served with notice of violation of any law, regulation, permit or license which relates to this Contract;



- B. Proceedings are commenced which could lead to revocation of related permits or licenses;
- C. Permits, licenses or other Government authorizations relating to this Contract are revoked;
- D. Litigation is commenced in which the Contractor is a named party and which also involves as a named party any subcontractor of the Contractor who is otherwise a provider of indirect services or products under this Contract; or
- E. The Contractor or any of the subcontractors become aware that their equipment or facilities or actions are not in compliance or may fail to comply in the future with applicable laws or regulations.

B.17 LABELING OF HAZARDOUS SUBSTANCES

If the items or products requested by this solicitation are “Hazardous Substances” as defined by § 1261 of Title 15 of the United States Code (U.S.C.) or “Pesticides” as defined in § 136 of Title 7 of the United States Code, then the Bidder, by submitting its proposal, certifies and warrants that the items or products to be delivered under this contract shall be properly labeled as required by the foregoing sections and that by delivering the items or products the Bidder does not violate any of the prohibitions of Title 15 U.S.C. §1263 or Title 7 U.S.C. §136.

B.18 HAZARDOUS MATERIALS

If reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance on-site, the Contractor shall stop work in the affected area and report the condition to VRE in writing.

B.19 SUBSTITUTIONS

- A. The Contract is based on the materials, equipment and methods described in the Contract documents that allow for compliance to all Federal, State, and Local rules and regulations. No substitutions or cancellations shall be permitted after award without the written approval of VRE. VRE will consider requests for substitutions of materials, equipment and methods only when requests are accompanied by full and complete technical data and all other information required to evaluate the proposed substitution.



- B. The Contractor shall not substitute materials, equipment or methods unless VRE has specifically approved such substitutions in writing. Substitutions, if approved, shall be without any additional compensation from VRE, unless approved otherwise.

B.20 WARRANTY OF MATERIALS AND WORKMANSHIP

- A. The Contractor warrants that, unless otherwise specified, all materials and equipment incorporated in the work under the Contract shall be new, in first class condition, and in accordance with the Contract documents. The Contractor further warrants that all workmanship shall be of standard industry practice and quality and in accordance with Contract documents and shall be performed by persons qualified at their respective trades.
- B. Work not conforming to these warranties shall be considered defective.
- C. This warranty of materials and workmanship is separate and independent from and in addition to any of the Contractor's other guarantees or obligations in this Contract.

B.21 WORK SITE DAMAGES

Any damage resulting to VRE or Railroad property, existing utilities, or finished surfaces from the performance of this Contract shall be repaired to the satisfaction of VRE at the Contractor's expense.

B.22 DELAYS

When delay occurs due to reasonable causes beyond the control of the Contractor, including but not limited to acts of God, acts of government or any governmental agency, war or war conditions, riot or civil conditions, sabotage, strikes, lockouts, accident, fire, flood, typhoons, hurricanes, explosion, damage to equipment, or facilities, the time for performance and completion of work may be adjusted and extended as required to accommodate those delays and their effect. Upon written receipt of a request and justification for an extension from the Contractor, the VRE Contracting Officer may extend the time for performance of the Contract or delivery of work herein specified at the VRE Contracting Officer's sole discretion. The Contractor shall use reasonable diligence to remove or overcome any such causes as expeditiously as possible.



B.23 DELIVERY FAILURES

Should the Contractor fail to deliver work or products at the specified time, or within a reasonable period of time thereafter, as determined by VRE, or should the Contractor fail to make timely replacement of rejected items when so requested, VRE may purchase items of comparable quality in the open market to replace the rejected or undelivered items. The Contractor shall reimburse VRE for all costs above the Contract price when purchases are made in the open market.

B.24 PROTECTION OF EXISTING VEGETATION, STRUCTURES, EQUIPMENT, UTILITIES, AND IMPROVEMENTS

- A. The Contractor shall preserve and protect all existing structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the work site, which are not to be removed and which do not unreasonably interfere with the work required under this Contract. The Contractor shall only remove trees when specifically authorized to do so, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during Contract performance, or by the careless operation of equipment, or by workmen, the Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree-pruning compound as directed by VRE or its authorized representative.
- B. The Contractor shall protect from damage all existing improvements and utilities:
 - 1. At or near the work site; and
 - 2. On the adjacent property of a third party, the locations of which are made known to or should be known by the Contractor.
- C. The Contractor shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this Contract or failure to exercise reasonable care in performing the work. If the Contractor fails or refuses to repair the damage promptly, the Contracting Officer may have the necessary work performed and charge the cost to the Contractor.



B.25 SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK

The Contractor agrees that to the fullest practical extent it has satisfied itself by its own investigation and research regarding all conditions affecting the work to be performed, the labor and materials needed, and that its decision to execute this Contract is based on such investigation and research in addition to the estimate of the quantities or other information presented herein.

B.26 DAVIS-BACON WAGE DETERMINATION

The wage determination applicable to this procurement is found in **ATTACHMENTS P.6 and P.7 - DAVIS-BACON WAGE DETERMINATIONS**. The Contractor shall pay the appropriate prevailing wage rates (including fringe benefits) reflected in the U.S. Department of Labor wage determination for the City of Fredericksburg.

B.27 REGULATORY COMPLIANCE WITH LAWS AND PERMITS

The Contractor agrees it shall comply with all applicable Federal, State and Local regulations. In addition to the requirements described in the preceding Sections, any additional regulatory compliance required by the Federal Transit Administration (FTA), the Environmental Protection Agency, and/or related State and Local Laws, Rules and Regulations shall be complied with.

B.28 VALUE ENGINEERING PROPOSALS

- A. The Contractor may submit to VRE written proposals for modifying the plans, specifications or other requirements of the contract for the purpose of reducing the total cost of construction without reducing the design capacity or quality of the finished product. If the proposal is accepted by VRE, the net savings will be equally divided by VRE and the Contractor.

- B. Each proposal shall result in a net savings over the contract cost without impairing essential functions and characteristics of the item(s) or of any other part of the project, including but not limited to, service life, reliability, economy of operations, ease of maintenance, aesthetics, and safety.



- C. At minimum, the following information shall be submitted with the proposal:
1. Statement that the proposal is submitted as a Value Engineering Proposal;
 2. Statement describing the basis for the proposal and benefits attained as a result of such;
 3. An itemization of the contract items and requirements affected by the change;
 4. Detailed estimate of cost under the existing contract and the change;
 5. Proposed specifications and recommendations as to the manner in which the changes are to be accomplished; and
 6. Statement as to the time by which a contract work order adoption of the proposed change must be issued so as to obtain the maximum cost savings.
- D. VRE shall determine the acceptability of the Value Engineering Proposal. The cost to develop such a proposal regardless of acceptability shall be borne by the Contractor.

B.29 USE OF DOCUMENTS

The Contractor agrees that all reports, drawings, studies, specifications, estimates, maps, computations, and other data prepared by or for it under the resultant Contract shall be made available to VRE at all reasonable times during the period of the Contract and upon termination or completion of the work. VRE shall have the right to use the same without restriction or limitation and without compensation to the Contractor other than that provided for in the Contract.

B.30 STORAGE OF MATERIALS

All materials intended for use on this project shall be marked and stored by the Contractor so as to be readily identified and shall be protected during handling and storage.



SECTION C

INSURANCE AND BOND REQUIREMENTS

C.1 VRE INSURANCE COVERAGES

- A. By signing and submitting a bid under this solicitation, the Contractor certifies that if awarded the Contract, the Contractor will have the insurance coverages identified and described in **SECTION O.1** at the time of Contract award. The Contractor further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia.
- B. Proof of compliance with these insurance requirements shall be furnished to VRE in the form of an original certificate of insurance signed by an authorized representative or agent of the insurance company(ies) within ten (10) calendar days of notice of award of Contract and before any work under the resultant Contract will be allowed to commence.
- C. Failure to provide the Certificate(s) when required may be cause for VRE to award a Contract to the next responsible and responsive Contractor. However, in no event shall work be performed until the required Certificates of Insurance have been furnished and approved by VRE.
- D. All insurance must be raised to an amount approved by VRE as change orders are made to the Contract.

C.2 RAILROAD PROTECTIVE LIABILITY INSURANCE

When required, the Contractor shall carry Railroad Protective Liability Insurance in the amounts of \$5 million per person, \$10 million per incident, and name the “Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission together known as the Virginia Railway Express” as insured. An additional Certificate shall name CSX Corporation as insured. CSX insurance requirements are included in **ATTACHMENT P.12 – CSX PERMITTING INFORMATION PACKET** herein. A certified copy of Certificates shall be provided to the VRE Contract Administration Manager within ten (10) calendar days upon request. The insurance policy shall require advance thirty (30) days written notice of cancellation to VRE.



C.3 **BUILDER'S RISK INSURANCE**

A Builder's Risk Insurance Policy covering all risks of physical loss or damage, including flood and earthquake, must be issued to cover the liability of the Contractor in performance of the work under this Contract. The coverage limits under such policy shall be for not less than 100 percent of the completed value of the facility for each occurrence. Such coverage shall continue in force and effect until delivery to and acceptance by the Contract Officer or his designated recipient. VRE shall also be named as loss payee on the Builder's Risk Policy. Unless VRE determines that further construction is not economically feasible, VRE shall forward the proceeds of the policy to the Contractor so that the construction of the facility can proceed to completion.

C.4 **POLLUTION LIABILITY INSURANCE**

- A. The Contractor shall obtain at no additional cost to VRE, pollution liability insurance in an amount no less than the value of the Contract, with preference for a one (1) year extended reporting endorsement.
- B. The Contractor shall assume full responsibility and liability for the compliance with Federal, State, and Local regulations pertaining to training, work practices, hauling, disposal, and protection of workers, visitors to the site, and persons occupying areas adjacent to the site.

C.5 **PERFORMANCE AND PAYMENT BONDS**

- A. The Contractor whose bid is accepted agrees to enter into a written Contract with VRE. The Contractor shall furnish both a Performance Bond and Payment Bond or Irrevocable Letters of Credit.
- B. The prospective Contractor shall deliver to VRE within ten (10) calendar days of the notification of award a duly executed Performance and Payment Bond or Irrevocable Letters of Credit payable to the "Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission, together known as the Virginia Railway Express."
- C. The **Performance Bond** shall be in the amount equal to one hundred percent (100%) of the Contract as guarantee to the faithful performance of the Contract.



- D. The **Payment Bond** shall be in the amount of the value of subcontractors listed in the Bid package as guarantee for the payment to all persons who have and fulfill contracts, which are directly with the Contractor.
- E. The Sureties of all bonds shall be of such surety company or companies as are approved by Virginia and are authorized to transact business in the Commonwealth of Virginia. No Contract shall be deemed to be in effect until the bonds have been approved by VRE.
- F. The Contractor shall provide appropriate bond forms prior to or at the time of Contract award to the VRE for review and approval. The Contractor may use the American Institute of Architects (AIA) bond forms or a format that is substantively similar.
- G. VRE may require additional performance bond protection when a Contract price is increased. The increase in protection shall generally equal 100% of the increase in Contract price. Upon the Contractor's request, the VRE may decrease bond amounts as deliverables are received.
- H. A copy of the revised bonds shall be provided by the Contractor to VRE. The Contractor shall execute change orders with the consent of the surety or sureties on the Performance and Payment Bonds unless otherwise directed by the surety or sureties.

C.6 MAINTENANCE BOND

- A. The Contractor agrees it shall maintain and keep in good repair all the work executed under this Contract for a period of twelve (12) months from the time of its completion and final acceptance. The Contractor will make any and all repairs deemed necessary by VRE within five (5) days from the date of notice.
- B. The Contractor agrees to furnish a maintenance bond to VRE in the sum equal to five percent (5%) of the amount of the final Contract price, executed by a surety company authorized by the Commonwealth of Virginia to execute such a bond. The maintenance bond shall be held to insure maintenance and repairs as indicated above for a period of twelve (12) months from final acceptance. In default of the filing of such bond, a sum of money equal to five percent (5%) may be retained out of any monies due to the Contractor, and be held for a period of twelve (12) months or until the maintenance bond is filed.



SECTION D
INVOICING AND PAYMENTS

D.1 INVOICE REQUIREMENTS

- A. Invoices for services/goods ordered, delivered, and accepted shall be submitted monthly by the Contractor directly to the payment address shown below:

Attn: Accounts Payable
Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314-2730

- B. Invoices at a minimum, shall contain the following information:

1. Name, Address and Telephone Number of Contractor;
2. VRE Contract Number;
3. Invoice Number (submitted per the Schedule of Values);
4. Date of Invoice;
5. Description of Services Performed;
6. Total Invoice Amount;
7. Total Cumulative Amounts Invoiced;
8. Contractor's Signature; and
9. Certified Payroll for Davis-Bacon Compliance.

- C. The following documents shall be attached to each invoice:

1. Subcontractors invoice;
2. Personnel: Names, Titles, Hours, Billing Rates; and



3. Details of reimbursable expenses, including receipts.
- D. If invoices fail to satisfy the above criteria, they will not be processed for payment and will result in the invoice being returned to the Contractor for correction.

D.2 PROGRESS PAYMENTS

- A. Payment will only be made for work that has been delivered and which the VRE has approved and accepted. With advance VRE approval, progress payments may be authorized based on a set schedule of values for work specifically resulting in deliverable products.
- B. The Contractor shall follow the payment application procedure as stated below:
1. Submit schedule of project delivery dates and anticipated schedule of values once project schedule is established.
 2. Review pencil draft of Application with VRE for compliance with work accomplished on site. After acceptance of the draft by VRE, type the application and forward three (3) copies and one (1) original with notarized signature to VRE.
 3. Application for payment for stored materials will require VRE inventory and submittal of data substantiating product delivery. Payments shall only be made on account of materials incorporated in the work and/or stored and insured in a local warehouse, under conditions acceptable to VRE.
 4. Payment Period: Submit monthly on schedule developed with VRE. Maintain payment schedule throughout duration of the project, unless directed otherwise.
 5. VRE may require substantiating information such as Release of Liens, Contractor's Affidavit of Payments, Subcontractor's Affidavit of Payments, invoices, etc.
 6. Five percent (5%) of all progress payments will be held as retainer by the VRE.



D.3 FINAL PAYMENT

- A. Final payment and release of retained payment is dependent on completion of the work and submission of the Contract deliverables. This approval will constitute a representation that, to the best of VRE's knowledge, information and belief, and on the basis of observations and inspections, the work has been completed in accordance with the Terms and Conditions of the Contract Documents and that the entire balance is found to be due the Contractor.
- B. The final payment shall be made after the Contractor submits to the VRE:
1. An affidavit that all payrolls, bills for materials and equipment, and other indebtedness connected with the work for which VRE or VRE's property might be in any way responsible, have been paid or otherwise satisfied.
 2. Consent of surety, if any, to final payment.
 3. If required by VRE, other data establishing payment or satisfaction of all such obligations, such as receipts, releases and waivers of liens arising out of the Contract, to the extent and in such form as may be designated by VRE. If any subcontractor refuses to furnish a release or waiver required by VRE, the Contractor may furnish a bond satisfactory to VRE to indemnify VRE against any such lien. If any such lien remains unsatisfied after all payments are made, the Contractor shall refund to VRE all monies that the latter may be compelled to pay in discharging such lien, including all costs and reasonable attorney's fees.
 4. A maintenance bond.
- C. All provisions in this Contract, including without limitation those establishing obligations and procedures, shall remain in full force and effect, notwithstanding the making or acceptance of final payment prior to the date of completion of the project.



SECTION E

CONTRACT CLOSEOUT

E.1 SUBSTANTIAL COMPLETION

When the Contractor considers the work or designated portions of the work substantially complete, the Contractor shall submit written notice to the VRE including a list of items to be completed or corrected. Upon receipt of the notice, VRE or designee shall inspect the work and notify the Contractor of any deficiencies. When it has been determined that the work is substantially complete, VRE will prepare a certificate of substantial completion listing minor deficiencies, if any, to be corrected.

E.2 FINAL COMPLETION

When the Contractor considers the work to be complete, the Contractor shall submit written certification to VRE indicating:

- A. Contract documents have been reviewed and work has been inspected and found to be in compliance;
- B. Deficiencies listed in the certificate of substantial completion have been corrected;
- C. Equipment and systems have been tested, adjusted and balanced and are fully operational;
- D. Operations of systems have been demonstrated to VRE; and
- E. Work is complete and is ready for final inspection and acceptance by VRE.

E.3 CLOSEOUT SUBMITTALS

The Contractor shall submit the following documentation to close the Contract and receive final payment:

- A. Evidence of compliance with requirements of governing agencies such as: certificates of inspection and certificate of occupancy;



- B. Project record documents such as: stamped shop drawings (working drawings), one (1) set of red-line drawings, product data/catalog and survey records;
- C. Manufacturer's operations and maintenance data;
- D. Warranties and Bonds;
- E. Labor certification;
- F. Spare parts;
- G. Evidence of payment and release of liens such as:
 - 1. Contractor's affidavit of payment of debts and claims;
 - 2. Contractor's and Subcontractor's Affidavit of Release of Liens, consent of surety to final payment, maintenance bond;
- H. Final adjustment of accounts; and
- I. Final application for payment.

E.4 FINAL CLEANING

The Contractor shall execute final cleaning to remove all waste and surplus materials and equipment caused by the work prior to final inspection.

E.5 PRODUCTS

The Contractor shall turn over all salvaged materials to VRE as indicated on the plans and specifications.

