

PART I
SCHEDULE

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SECTION A

PURPOSE/BACKGROUND

A.1 PURPOSE

- A. The purpose of this Invitation for Bids (IFB) is to establish a firm-fixed unit price Contract for the delivery of locomotive lube oil and other railroad lubricating products to VRE yards in both Manassas and Fredericksburg, Virginia.
- B. The Contractor shall comply with **ATTACHMENT P.1 - GENERAL TERMS AND CONDITIONS** and **ATTACHMENT P.2 - SCOPE OF WORK**, 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) jointly sponsor this service.
- B. The VRE began operations in 1992 and carries over 17,000 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 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 TERM OF CONTRACT

- A. The term of the Contract shall be for a Base Year with the option to extend for two (2) one-year periods. The Base Year will commence on the date the Notice-To-Proceed is issued. The exercise of a Contract option will be at the sole discretion of VRE. The Contract will be extended by VRE under the terms and conditions of the original Contract.
- B. The Contractor shall make delivery upon VRE's request within **two (2) calendar days**.

B.2 TYPE OF CONTRACT

This is a firm-fixed unit price Contract.

B.3 CONFORMITY WITH SCOPE OF WORK/SPECIFICATIONS

All deviations from the plans, drawings, scope of work (**ATTACHMENT P.2**) and/or technical specifications shall be authorized in writing by VRE.

B.4 LIQUIDATED DAMAGES

- A. It is hereby understood and agreed by the Contractor that time is of the essence in the delivery of this Contract. In the event of failure to comply with any of the stipulated time period(s) established under Section B.1B. above, VRE is authorized to assess liquidated damages in the sum of **Five Hundred Dollars (\$500) for each calendar day** or part thereof 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.
- B. 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 the VRE's sole discretion.



- C. 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 the 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 CONTRACTOR RESPONSIBILITIES

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.6 SUBCONTRACTOR RESPONSIBILITIES

- A. 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.
- B. 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.
- C. The Contractor shall coordinate his work with VRE's ongoing operations and other construction activities performed by VRE or other Contractors.
- D. 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.7 REGULATORY COMPLIANCE WITH LAWS AND PERMITS

The Contractor agrees it shall comply with all applicable Federal, State and Local regulations. Any regulatory compliance required by the United States Department of Transportation, the Environmental Protection Agency, and/or related State and Local Laws, Rules and Regulations shall be complied with.

B.8 QUALITY ASSURANCE

Any part of the equipment/materials which fail to meet any of the requirements in the Specifications, shall be subject to rejection and shall be replaced, or brought up to specification, free of charge, by the Contractor, if so directed by the VRE Project Manager.

B.9 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.10 DELAYS

- A. 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.
- B. 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.
- C. The Contractor shall use reasonable diligence to remove or overcome any such causes as expeditiously as possible.



B.11 SAFETY

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.12 VRE YARD ACCESS POLICY

VRE will issue an ID badge and provide the access code to the Contractor for entry into the yard gate. The Contractor shall be responsible for control of this code among the Contractor's employees. The Contractor's personnel must sign the VRE Key, Fare Exempt Pass and Badge Agreement Form included in **ATTACHMENT P.3** herein. This agreement form must be submitted with the bid package.

B.13 OIL PRICES

- A. Products of United States domestic origins shall be given a 1% price advantage based upon their bid price.
- B. Current ISO ratings for either the Contractor or the supplier will give them a 1/2% price advantage each based upon the Contractor's proposed price.

B.14 ECONOMIC PRICE ADJUSTMENT

Economic price adjustments for increases shall be administered in accordance with the following procedures:

- A. The Contractor shall submit a base price per gallon. That initial price shall be fixed for the first one hundred and fifty (150) days following the submission of the bid. Thereafter, the Contractor may submit a request for a price adjustment once every ninety (90) days, ten (10) days prior to the expiration of the preceding period.
- B. If approved by VRE, it shall be effective on the 91st day. If rejected by VRE, the parties may either settle on a new price through negotiation or terminate the Contract. This exchange may occur through electronic mail. Any proposed upward price change must be supported by a demonstrated index-related adjustment of the same amount.



- C. The reference index must be commonly known and accessible to VRE and, unless otherwise agreed, shall remain the governing index throughout the life of the Contract. The Contractor's index proposal must be submitted with the bid. If too complicated, not readily available, or a non-standard source, the Contractor's bid will be rejected as non-responsive.

- D. VRE shall modify the Contract to include the price adjustment and its effective date.



SECTION C

INSURANCE 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. The Contractor's insurance shall be primary to all other coverages VRE may possess.
- 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 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.



SECTION D

BOND REQUIREMENTS

D.1 PAYMENT BOND

- A. The Contractor whose bid is accepted agrees to enter into a written Contract with VRE. The Contractor shall furnish a 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 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 **Payment Bond** shall be in the amount of the value of subcontracted work as guarantee for the payment to all persons who have and fulfill contracts, which are directly with the Contractor.
- D. 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.
- E. 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.
- F. VRE may require additional bond protection when a Contract price is increased. Upon the Contractor’s request, the VRE may decrease the bond amount as deliverables are received.
- G. 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 on the Payment Bond unless otherwise directed by the surety.



SECTION E

INVOICING

E.1 GENERAL 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;
 4. Date and period of invoice;
 5. Description of services/goods furnished (for materials, provide quantity, unit of measure, unit price, and extended price of the items delivered);
 6. Total invoice amount;
 7. Contractor's signature.
- C. The following documents shall be attached to each invoice:
1. Copies of the driver's delivery ticket for each product delivered. The ticket shall include, at a minimum:
 - a. Date of delivery;
 - b. Product description;
 - c. Volume/quantity; and



- d. Signature or initials of VRE representative affirming receipt of delivery.
 - 2. Subcontractors invoice
 - a. Personnel: Names, Titles, Hours, Billing Rates; and
 - b. 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.
- E. VRE does not pay Virginia Sales Tax.

