

PART I
SCHEDULE

SECTION

TITLE

| | |
|---|--|
| A | Purpose/Background |
| B | Special Terms and Conditions |
| C | Bond and Security Deposit Requirements |
| D | Insurance Coverage Requirements |
| E | Payment Terms |



SECTION A

PURPOSE/BACKGROUND

A.1 PURPOSE

- A. The Virginia Railway Express (VRE) is seeking a qualified and experienced party or business with whom to establish a Lease Agreement for the use and management of the “South Room” located within the VRE Quantico Station. The successful Offeror shall utilize the leased premises for lawful business purposes to benefit and provide value to VRE passengers and others using the station, as well as Quantico residents and the public generally.
- B. See the General Terms and Conditions included in **ATTACHMENT P.1** and the Scope of Work included in **ATTACHMENT P.2** herein.

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 16,000 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 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 TERM OF CONTRACT

- A. The term of the Contract shall consist of a Base Year with the option to extend for up to four (4) additional one-year periods. The Base Year will commence on the date the Contract is executed. The exercise of an 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. A written notice of VRE's intention to exercise an option will be given approximately thirty (30) days prior to the expiration date of the Base Year or each Option Year.

B.2 BUILD-OUT PLAN

- A. The Contractor shall complete the build-out of the potential space within the timeframe specified in the proposal. Failure to meet the schedule specified in the Contractor's proposal will result in termination of the Contract/Lease.
- 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.

B.3 SUBCONTRACTING

- A. The Lessee shall be solely responsible for the performance of this Contract. Subcontracting shall only be permitted for cleaning services or for the purpose of making construction improvements/structural alterations to the leased premises. Transfer of the Lease from one proprietor to another is not allowed.
- B. In the event that the Contractor desires to subcontract some part of the work as specified above in paragraph A, the Contractor shall identify in the proposal, the names, qualifications and experience of the proposed Subcontractors. Any changes in Subcontractors after award of the Contract shall be subject to approval by VRE.



- C. No portion of the work shall be subcontracted without prior written consent of VRE, and any Subcontractors must be identified as specified above in paragraph B.
- D. 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.
- E. 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.
- F. 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.
- G. The Contractor agrees that it is fully responsible for the acts and omissions of its Subcontractors and of persons employed by the Subcontractor as it is for the acts and omissions of its own employees.

B.4 REGULATORY COMPLIANCE WITH LAWS AND PERMITS

The Lessee and its employees or representatives shall comply with Federal, State, and Local laws and regulations, as applicable to the performance of this Contract.

B.5 WORK SITE

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



B.6 LITIGATION AND NOTIFICATION

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

- A. The Lessee is 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 which would affect this Contract; and
- E. The Lessee becomes aware that its equipment or facilities or actions are not in compliance or may fail to comply in the future with applicable laws or regulations.



SECTION C

BONDS AND SECURITY DEPOSIT REQUIREMENTS

C.1 GENERAL REQUIREMENTS

- A. The Contractor who is selected to enter into a written Contract with VRE shall furnish a security deposit or Performance Bond and Payment Bond or Irrevocable Letters of Credit.
- B. The Performance Bond or security deposit shall be furnished as guarantee to the faithful performance of the Contract.
- C. The Contractor shall deliver to VRE within ten (10) calendar days of the notification of award a security deposit in the form of a certified or cashier's check, or a duly executed Performance Bond 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."
- D. The **security deposit** shall be in the amount of five hundred dollars (\$500). Following expiration of the Contract, VRE shall return the security deposit to the Lessee less any applicable deductions, which shall be delivered within 45 days of the Contract expiration.
- E. The **Performance Bond** shall be in the amount of five hundred dollars (\$500).
- F. The **Payment Bond** shall be in the amount of the value of subcontracted work for cleaning services or construction improvements/structural alterations to the leased premises, as applicable, as guarantee for the payment to all persons who have and fulfill contracts, which are directly with the Contractor.
- G. 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.



- H. The Contractor shall provide appropriate bond forms prior to or at the time of Contract award to VRE for review and approval. The Contractor may use the American Institute of Architects (AIA) bond forms or a format that is substantively similar.
- I. VRE may require additional bond protection when a Contract price is increased.
- J. 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 sureties.



SECTION D

INSURANCE COVERAGE REQUIREMENTS

D.1 GENERAL INSURANCE COVERAGE REQUIREMENTS

- A. By signing and submitting an offer, the Contractor certifies that if awarded the Contract, it will have the insurance coverage identified and described in **SECTION 0.1 – VRE INSURANCE COVERAGE REQUIREMENTS** at the time of Contract award and prior to the occupancy or use of the leased premise.
- B. The Contractor further certifies that the Contractor and any Subcontractors will maintain the insurance coverage specified herein 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 coverage VRE may possess.
- C. 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 prior to the occupancy or use of the leased premises.
- D. 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.
- E. All insurance must be raised to an amount approved by VRE as change orders are made to the Contract.

D.2 REQUIREMENTS FOR OCCUPATION OR USE OF THE PREMISES

- A. The Lessee shall procure, and shall also maintain during continuance of the Lease, at its sole cost and expense, a policy of Owners and Contractors Protective Liability insurance or Commercial General Liability insurance, naming the Lessee as insured and VRE as additional insured, covering liability assumed by Lessee under this Lease.



- B. A Combined Single Limit Coverage policy of not less than THREE MILLION DOLLARS (\$3,000,000) per occurrence for personal injury and property damage is recommended to the Lessee as a prudent minimum to protect the Lessee's assumed obligations hereunder. If said policy does not automatically cover the Lessee's contractual liability under this Lease, a specific endorsement adding such coverage shall be purchased by the Lessee. The said policies shall be written on an "occurrence" basis.

**D.3 REQUIREMENTS FOR CONSTRUCTION IMPROVEMENTS/
STRUCTURAL ALTERATIONS TO THE PREMISES**

- A. If the Lessee contracts for construction improvements or structural alterations to the leased premises, the Lessee shall provide or shall cause its contractor to provide, prior to the commencement of any construction activity, and shall maintain during the period of construction and all related activities, at no cost to VRE, a policy of Commercial General Liability insurance designating VRE and CSX Transportation as additional insured, with a limit of not less than TWO MILLION DOLLARS (\$2,000,000) Combined Single Limit per occurrence for all bodily injury and property damage liability and Excess or Umbrella Liability insurance in an amount of not less than THREE MILLION DOLLARS (\$3,000,000).
- B. The Lessee shall also provide Builder's Risk insurance covering all risks of physical loss or damage, including flood and earthquake, issued to cover the liability of the contractor in the performance of construction or structural alterations to the leased premises. The coverage limits under such policy shall be not less than TWO MILLION DOLLARS (\$2,000,000). Such coverage shall continue in force and effect until delivery to and acceptance of the contractor's work by the Lessee. 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 Lessee so that the construction of the leased premises can proceed to completion.



SECTION E

PAYMENT TERMS

E.1 PAYMENT FOR USE OF THE LEASED PREMISES

The Lessee shall make lease payments to VRE on the first of each calendar month to the following address:

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

