

ATTACHMENT B

MANAGEMENT

B.1 GENERAL

- A. The Contractor shall be solely responsible for the management of the Contractor's personnel, subject to the terms of the Contract, to include all personnel of Subcontractors employed by the Contractor.
- B. In the performance of its obligations under the Contract, the Contractor is an independent contractor for, and not an agent of, VRE.
- C. The Contractor shall ensure throughout the term of the Contract, a sufficient number of management, supervisory, train operations, and maintenance personnel as well as other required support staff, having the requisite levels of training, skill, experience, and qualifications are employed to perform the Contract Services.

B.2 MANAGEMENT PLAN

- A. As part of the Offeror's Proposal, a Management Plan shall be submitted which clearly delineates how the work will be managed. The Management Plan shall include, at a minimum, the following.
 - 1. An organizational chart that identifies those staff that the Contractor will designate as "Key Personnel," each of whom must be approved by VRE. The General Manager shall be designated as one (1) of the Key Personnel on the organizational chart. The organizational chart must also include names, titles, and reporting relationships.
 - a. VRE must be immediately notified of any planned change in the Key Personnel.
 - b. Key Personnel must be dedicated to VRE service and shall not have duties or responsibilities other than to VRE.
 - c. College graduates with position specific degrees are preferred and may garner more points when Proposals are evaluated.
 - d. The Key Personnel must have one or more of the following:
 - i. Train operations experience in a multiple-user environment (i.e., freight, commuter rail, and intercity passenger operations).
 - ii. Experience with crew management and mechanical operations management.

- iii. Experience maintaining rolling stock (railcars and diesel-electric locomotives).
 - iv. Experience maintaining yard facilities.
 - v. Proficiency in developing and managing budgets.
 - vi. Knowledge of Class I timetables, operating rules and procedures, bulletin orders, and other official communications.
- 2. The responsibilities for oversight of the following areas shall also be addressed in the Management Plan.
 - a. General Management
 - b. Mobilization and Transition
 - c. Train Operations
 - d. Maintenance of Rolling Stock
 - e. Maintenance of Facilities
 - f. Finance, Accounting, and Administration
 - g. Safety, Regulatory Compliance, and Training
 - h. Environmental Services
 - i. Quality Assurance and Quality Control
- B. An annual update to the Management Plan is required along with updates to Key Personnel and/or other major changes and shall be submitted to VRE by July 1st of each calendar year.

B.3 KEY PERSONNEL

B.3.1 GENERAL MANAGER

- A. The Offeror shall designate a “General Manager” as part of its Proposal. This individual shall oversee the Contract Services on behalf of the Contractor.
- B. All written correspondence concerning the Contract shall be addressed to the General Manager.
- C. The General Manager shall act as the single point of contact for VRE regarding operational and maintenance issues, reporting, performance, and other contractual issues.
- D. The General Manager and/or their appointed representative shall serve as the Contractor’s representative in all meetings with VRE.
- E. At a minimum, the General Manager must:
 - 1. Have a local residence within the Commonwealth of Virginia that is within one (1) hour’s drive of the VRE service territory.
 - 2. Be available twenty-four (24) hours a day, seven (7) days a week.

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3. Be fully empowered to make all operating and maintenance decisions on behalf of the Contractor and have Contract signing authority subject to the Contractor's procedures.
- F. The General Manager presented in the Offeror's Proposal and approved by VRE must remain assigned to this position, dedicated to VRE, for no less than eighteen (18) months from the NTP, unless earlier removed at VRE's discretion.
- G. The replacement of the General Manager must be approved by VRE. Approval will not be unreasonably withheld.
- H. The General Manager must work directly with other VRE contractors to ensure VRE's service and maintenance commitments are achieved. The General Manager must maintain a multi-organization cooperative spirit.
- I. VRE will continuously monitor the effectiveness of the Contractor's General Manager. The General Manager shall continually demonstrate proficiency in this position for the duration of the Contract. Failure to do so will be grounds for removal from the position of General Manager by VRE.

B.3.2 OTHER KEY PERSONNEL

- A. In addition to the General Manager, the Contractor shall designate additional Key Personnel, which the Contractor deems essential to the Contract Services.
- B. These individuals shall have a local residence within the Commonwealth of Virginia, within one (1) hour's drive of the VRE service territory and shall be available twenty-four (24) hours a day, seven (7) days a week.
- C. On no occasion can more than one (1) of these individuals be absent from duty at a time and no more than one (1) of these positions can be left vacant at any given time.

B.4 CONTRACTOR EMPLOYEE INCENTIVE

- A. VRE reserves the right to initiate an incentive program with the Contractor for their employees working in VRE service. The performance incentives will take into consideration factors that encourage or reward safety, diligence, attendance, customer service, appearance, or other performance measures that are expected as part of the successful operation of VRE service and such incentives shall be pro-rated by time in VRE service.
- B. If VRE proposes a performance incentive, VRE shall coordinate with the Contractor on the basis and amount of the incentive.
- C. One hundred percent (100%) of the incentive will be provided by VRE with no cost to the Contractor. The Contractor shall provide reporting showing the distribution of the incentive to all employees.

B.5 EMPLOYEE TRAINING

B.5.1 TRAINING PROGRAM PLAN

- A. The Contractor is responsible for providing required training to all Contractor and Subcontractor personnel/employees who are providing Contract Services, including management and non-management level employees.
- B. Each Offeror shall include within its Proposal, a Training Program Plan including ongoing training programs for all Contractor and Subcontractor personnel involved in providing Contract Services, including, without limitation, any training required to meet and/or maintain FRA, VPRA, CSXT, NS, and/or Amtrak's qualification requirements for the performance of Contract Services.
- C. The Training Program Plan shall also include specific training related to Train Operations, Maintenance of Rolling Stock, Maintenance of Facilities, Safety, Security, Environmental Services, and Customer Service. The Contractor shall identify in the Training Program Plan, all legally required training and discretionary training for each functional area of the Contract Services.
- D. The Training Program Plan shall include a description of each training session/course, frequency of training, proficiency required to obtain certification/qualification, and methods for addressing failures and/or retraining. VRE reserves the right to evaluate the effectiveness of the Contractor's training programs and to make revisions to the programs.
- E. The Contractor shall provide training within VRE's service area, unless prior written approval to hold training elsewhere is provided by VRE. The Contractor shall schedule training activities such that they do not interfere with the provision of Contract Services, and in no event shall the number of employees performing Contract Services in any functional area fall below the staffing levels identified in the VRE approved Staffing Plan for that functional area.
- F. The Contractor is responsible for formulating and coordinating all training activities.
- G. The Contractor shall forward to VRE and post all training schedules prominently at VRE's MSF. The VRE Chief Executive Officer shall be offered the opportunity to address the Contractor's personnel during training sessions/courses. The Contractor shall reserve ten percent (10%) of the slots allotted in any Contractor-sponsored training program for VRE employees. VRE employees may attend the training at no charge.
- H. An annual update to the Training Program Plan is required and shall be submitted to VRE for approval by July 1st of each calendar year.

B.5.2 TRAINING COSTS

The cost of implementing the Training Program Plan shall be included in the Offeror's Price Proposal as part of Management Services. VRE may request supplemental Contractor training as needed and will negotiate the costs associated with such training with the Contractor on an as needed basis.

B.5.3 FAILURE TO COMPLETE TRAINING

The Contractor shall be required to remove from VRE service any Contractor personnel who fail to successfully complete training required by the approved Training Program Plan. The Contractor may reinstate the personnel removed from VRE service once the employee successfully completes the required training.

B.5.4 TRAINING REPORTS

The Contractor shall provide VRE with a Quarterly Training Report, which shall list and describe each training conducted during the quarter preceding. The report must include the courses completed, number of hours of training completed by each employee (by name), and the employee's test results (pass/fail). The Contractor shall maintain and make available for inspection by VRE, upon request, all records pertaining to employee training including syllabi, records of qualifications, certifications and grades.

B.5.5 SUBCONTRACTOR TRAINING

The Contractor shall provide required training to all Subcontractors working at VRE-owned facilities or providing Train Operations.

B.6 REPORTING AND RECORDKEEPING

B.6.1 GENERAL

- A. The Contractor shall keep, store, and maintain, during the term of the Contract, and for seven (7) years after the expiration of the Contract (unless first turned over to VRE following the termination/expiration of the Contract), full and accurate records of all aspects of the Contract Services carried out under this Contract. The Contractor shall furnish to VRE, without limitation, all reports and records identified in or required by the Contract.
- B. The Contractor's accurate management of books and records shall include equipment records and all investigative reports relating to safety violations along with companion investigative evidence to include maps, employee timecards, employee training received, employee training curriculum, employment records pertaining to promotions, etc.
- C. During the term of the Contract, the Contractor shall keep all records in the Commonwealth of Virginia both in hard copy format and electronically, hard copy and electronic records shall be geographically separated.

B.6.2 FINANCIAL RECORDS AND REPORTS

- A. The Contractor shall keep full and accurate accounting records, including source documentation, of all expenses and revenues related to the provision of Contract Services. All such records shall be prepared in accordance with Generally Accepted Accounting Principles.
- B. During the term of the Contract, all reports and records shall be accessible to VRE upon request.

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