

CONTRACT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made this 16th day of January, 2019 in the Territory of the Virgin Islands, by and between the **Government of the Virgin Islands, Department of Property and Procurement**, on behalf of the **Department of Education**, 1834 Kongens Gade, St. Thomas, U.S. Virgin Islands 00802 (hereinafter referred to as "Department" or "Government") **Varlack Auto Rental, Inc.** of 5G Cruz Bay, St. John U.S. Virgin Islands (hereinafter referred to as "Contractor"). Government and Contractor are collectively referred to as the "Parties".

WITNESSETH:

WHEREAS, Pursuant to 17 V.I.C. §101 and §102, the Commissioner of Education is authorized to prescribe rules and regulations towards applying for free transportation for school aged children in the Virgin Islands; and

WHEREAS, the Government is in need of the services of a Contractor to furnish pupil transportation for its regular education schedules and summer schedules to and from public schools and designated points on the island of St John, and other events and/or activities which duties and responsibilities are more particularly described in Addendum I (Scope of Services) attached hereto; and

WHEREAS, the Government solicited the services under Request for Proposal No. 024-T-2018(P); and

WHEREAS, the Contractor represents that it is willing and capable of providing such services; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound by this written instrument, the parties hereto do covenant and agree as follows:

1. SERVICES

The Contractor will provide the services described in Addendum I (Scope of Services) attached hereto and made a part of this Contract.

2. TERM

Upon execution of this Contract by the Governor of the Virgin Islands the Contract shall be effective for a term beginning from January 16, 2019 to September 30, 2020. The Government in its sole discretion, shall have the option to renew this Contract for three (3) additional one (1) year period subject to the same terms noted herein, by providing the Contractor with sixty (60) days written notice of the Government's election to renew.

3. COMPENSATION

The Government, in consideration of the satisfactory performance of the services described in Addendum I (Scope of Services), agrees to pay Contractor the sum of **FIVE HUNDRED NINETY FOUR THOUSAND, SEVENTY TWO DOLLARS AND ZERO CENTS** **\$594,072.00** in accordance with the provisions set forth in Addendum II (Compensation) attached hereto and made a part of this contract.

4. TRAVEL EXPENSES

Inclusive of the compensation for services as specified in Paragraph 3 (Compensation) above, the Government agrees to pay documented transportation, subsistence, lodging and other travel expenses, while in travel status, for trips which have been authorized in writing, in advance, by the Government. These costs shall be advanced or reimbursed on the same basis as is applicable to non-contract employees of the Government, or as agreed to by an addendum to this Contract, however, said costs and expenses shall not exceed N/A (\$ N/A).

5. RECORDS

The Contractor when applicable, will present documented precise records of time and/or money expended under this Contract.

6. PROFESSIONAL STANDARDS

The Contractor agrees to maintain the professional standards applicable to its profession and to consultants doing business in the United States Virgin Islands.

7. DOCUMENTS, PRINTOUTS, ETC.

All documents, books, records, instructional materials, programs, printouts and memoranda of every description derived therefrom and pertaining to this Contract shall become the property of the Government and shall be turned over to it at the termination of this Contract. The above described materials shall not be used by Contractor or by any other person or entity except upon the written permission of the Government.

8. LIABILITY OF OTHERS

Nothing in this Contract shall be construed to impose any liability upon the Government to persons, firms, associations, or corporations engaged by Contractor as servants, agents, or independent contractors, or in any other capacity whatsoever, or make Government liable to any such persons, firms, associations, or corporations for the acts, omissions, liabilities, obligations and taxes of Contractor of whatsoever nature, including but not limited to unemployment insurance, gross receipt, excise, and social security taxes for Contractor, its servants, agents or independent contractors.

9. ASSIGNMENT

The Contractor shall not subcontract or assign any part of the services under this Contract without the prior written consent of the Government.

10. INDEMNIFICATION

Contractor agrees to indemnify, defend and hold harmless Government from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges and expenses (including attorney's fees) and causes of action of whatsoever character which Government may incur, sustain or be subjected to, arising out of or in any way connected to the services to be performed by Contractor under this Contract and arising from any cause, except the sole negligence of Government.

11. INDEPENDENT CONTRACTOR

The Contractor shall perform this Contract as an independent contractor and nothing herein contained shall be construed to be inconsistent with this relationship or status.

12. GOVERNING LAW

This Contract shall be governed by the laws of the United States Virgin Islands and jurisdiction shall remain in the United States Virgin Islands.

13. WAIVERS AND AMENDMENTS

No waiver, modification or amendment of any term, condition, or provision of this Contract shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall in no event be construed to be a general waiver, modification or amendment of any of the terms, conditions or provisions of this Contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

14. ENTIRE AGREEMENT

This agreement constitutes the entire agreement of the parties relating to the subject matter addressed in this Agreement. This agreement supersedes all prior communications, contracts, or agreements between the parties with respect to the subject matter addressed in this agreement, whether written or oral.

15. RIGHT TO WITHHOLD

If work under this Contract is not performed in accordance with the terms hereof, Government will have the right to withhold out of any payment due to Contractor, such sums as Government may deem ample to protect it against loss or to assure payment of claims arising therefrom, and, at its

option, Government may apply such sums in such manner as Government may deem proper to secure itself or to satisfy such claims. Government will immediately notify the Contractor in writing in the event that it elects to exercise its right to withhold.

No such withholding or application shall be made by Government if and while Contractor gives satisfactory assurance to Government that such claims will be paid by Contractor or its insurance carrier, if applicable in the event that such contest is not successful.

16. CONDITION PRECEDENT

This Contract shall be subject to the availability and appropriation of funds and to the approval of the Governor.

17. TERMINATION

Either party will have the right to terminate this Contract with or without cause on thirty (30) days written notice to the other party specifying the date of termination.

18. PARTIAL TERMINATION

The performance of work under this Contract may be terminated by the Government, in part, whenever the Government shall deem such termination advisable by providing thirty (30) days written notice to the Contractor. This partial termination shall be effected by delivering to the Contractor a Notice of Partial Termination specifying the extent to which the term and/or duties under this Contract are terminated and the date upon which such termination becomes effective. The Contractor shall be entitled to receive payment for services provided to the date of termination, including payment for the period of the thirty (30) day notice.

19. NON-DISCRIMINATION

No person shall be excluded from participating in, be denied the proceeds of or be subject to discrimination in the performance of this Contract on account of race, creed, color, sex, religion, disability or national origin.

20. CONFLICT OF INTEREST

- (a) Contractor covenants that it has no interest and will not acquire any interest direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract.
- (b) Contractor further covenants that it is:
 - (1) not a territorial officer or employee (i.e., the Governor, Lieutenant Governor, member of the Legislature, or any other elected territorial official; or an officer or employee of the legislative, executive or judicial branch of the Government

- or any agency, board, commission or independent instrumentality of the Government, whether compensated on a salary, fee or contractual basis); or
- (2) a territorial officer or employee and, as such, has:
- (i) familiarized itself with the provisions of Title 3, Chapter 37 of the Virgin Islands Code, pertaining to conflicts of interest, including the penalties provision set forth in section 1108 thereof;
 - (ii) not made, negotiated or influenced this Contract, in its official capacity; and
 - (iii) no financial interest in the Contract as that term is defined in section 1101(1) of said Code chapter.

21. EFFECTIVE DATE

The effective date of this Contract shall be the day of execution of the Contract by the Governor of the U. S. Virgin Islands

22. NOTICE

Any notice required to be given by the Terms of this Contract shall be deemed to have been given when the same is sent by certified mail, postage prepaid or personally delivered, addressed to the parties as follows:

GOVERNMENT

Anthony D. Thomas, MBA
Commissioner
Department of Property and Procurement
8201 Sub Base, 3rd Floor, Suite 4
St. Thomas Virgin Islands 00802

Racquel Berry-Benjamin
Commissioner
Department of Education
1834 Kongens Gade
St. Thomas, U.S. Virgin Islands 00802

CONTRACTOR

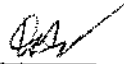
Delrise Varlack
Vice President
Varlack Auto Rental, Inc.
P.O. Box 1300
St. John, U.S. Virgin Islands 00831

23. LICENSURE

The Contractor covenants that it has:

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- (a) obtained all of the applicable licenses or permits, permanent, temporary or otherwise as required by Title 27 of the Virgin Islands Code; and
- (b) familiarized itself with the applicable provisions of Title 27 of the Virgin Islands Code pertaining to professions and occupations.

24. FALSE CLAIMS

Contractor warrants that it shall not, with respect to this Contract, make or present any claim upon or against the Government of the Virgin Islands, or any officer department, board, commission, or other agency thereof, knowing such claims to be false, fictitious or fraudulent. Contractor acknowledges that making such a false, fictitious or fraudulent claim is an offence under Virgin Islands law.

25. INSURANCE

Contractor shall maintain the following insurance coverages during the term of this Contract

- (a) **COMMERCIAL GENERAL LIABILITY:** Commercial general liability insurance, in a form acceptable to the Government, on a "per occurrence" basis with a minimum limit of not less than five hundred thousand dollars and zero cents (\$500,000.00) for any one person per occurrence for death or personal injury and five hundred thousand dollars and zero cents (\$500,000.00) for any one occurrence for property damage. Insurance policy (ies) shall name the Government of the Virgin Islands as the certificate holder and additional insured via an endorsement.
- (b) **AUTOMOBILE LIABILITY:** Automobile liability insurance, in a form acceptable to the Government, which covers the services being performed under this Contract, with policy limits of not less than five hundred thousand dollars and zero cents (\$500,000.00) for each occurrence and shall submit the Schedule of Vehicles. The Government shall be listed thereon as a certificate holder.
- (c) **WORKERS' COMPENSATION:** Contractor shall supply current coverage under the Government Insurance Fund or other form of coverage.

26. FORCE MAJEURE

Neither Party shall be liable to the other for any delays or failure to perform under this Contract, as a result of conditions reasonably beyond the Party's control including but not limited to war, terrorist acts, riot, strikes, fire, earthquakes, hurricanes, floods, or any act of God.

27. DEFAULT AND FAILURE TO PERFORM

In the event of any failure or refusal of the Contractor to perform its obligations under this Contract, except as defined in Paragraph 26, all costs, charges, and expenses that the Department

suffers shall be a part of the damages to be paid by the Contractor to the Department, as a result of such failure or refusal to perform

28. SEVERABILITY

If any of the provisions of this contract are determined to be invalid, such invalidity shall not affect or impair the validity of the other provisions, which shall be considered severable and shall remain in full force and effect.

29. OTHER PROVISIONS

Addendum I, Addendum II, Attachment(s) A, B, C and D; and the Contractor's eligibility documents are attached hereto, made a part of this Contract and are incorporated herein by reference. In the event of a conflict between the terms and conditions of the general provisions of the Contract as set out in Sections 1 through 28 of the Contract, and the terms and provisions of any Addenda or Attachment to this Contract, the terms and conditions of said general provisions of the Contract shall prevail.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year first above written.

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WITNESSES:

GOVERNMENT OF THE VIRGIN ISLANDS

<u>Felecia L. De</u>	<u>Racquel Berry-Benjamin</u>	<u>9/9/19</u>
<u>Jayson Francis</u>	Commissioner	Date
<u>[Signature]</u>	Department of Education	
<u>[Signature]</u>	<u>Anthony D. Thomas</u>	<u>9/12/19</u>
<u>[Signature]</u>	Commissioner	Date
	Department of Property and Procurement	

CONTRACTOR

<u>Opia Parsons</u>	<u>Delrise Varlack</u>	<u>9/8/19</u>
<u>Walter Palmer</u>	Vice President	Date
	Varlack Auto Rental, Inc.	

(Corporate seal, if Contractor is a Corporation)

APPROVED:

[Signature] Date: 9/25/19
Honorable Albert Bryan Jr.
 GOVERNOR OF THE VIRGIN ISLANDS

APPROVED AS TO LEGAL SUFFICIENCY
 DEPARTMENT OF JUSTICE BY: Paul E. McDonald, Esq. Date 9/16/19
 AAG

PURCHASE ORDER NO. _____