

**Michigan Sugar Company Invitation to Bid:  
Meade, Ruth, and Verona Transfer  
2021-2022 Crop Years**

**Project Description**

Michigan Sugar Company ("MSC") is soliciting bids for the 2021 and 2022 (ending May 2023) campaign seasons for sugar beet loading, transfer, and tube removal at the Meade, Ruth, and Verona piling grounds.

**Bid Due Date**

**Friday, May 21<sup>st</sup>, 2021**

**Project Locations**

- Meade - 400 Limerick Rd, Kinde, MI 48445
- Ruth - 7049 East Atwater Road, Ruth, MI 48470
- Verona - 251 North MacDonald Road, Harbor Beach, MI

**Project Specifications**

1. The Contract will be awarded for the 2021 and 2022 MSC campaign seasons. Sugar beet loading and transfer typically lasts from November through April. Tube Removal typically begins in February in addition to the loading and transfer operation.
2. Payment to the Contractor will be paid on a total of the first net tons loaded, transferred, and weighed in at the load destination scale.

- a. Fuel Surcharge: The freight rate will be increased or decreased in relation to the cost of fuel by one (1%) for every ten (\$0.10) increase or decrease in the cost of fuel. Fuel prices on the first

**Fuel Surcharge Table**

\$ 2.00	-5%	\$ 2.09
\$ 2.10	-4%	\$ 2.19
\$ 2.20	-3%	\$ 2.29
\$ 2.30	-2%	\$ 2.39
\$ 2.40	-1%	\$ 2.49
\$ 2.50	ZERO	\$ 2.59
\$ 2.60	1%	\$ 2.69
\$ 2.70	2%	\$ 2.79
\$ 2.80	3%	\$ 2.89
\$ 2.90	4%	\$ 2.99
\$ 3.00	5%	\$ 3.09

- Monday in August prior to harvest beginning will determine MSC's ["ZERO"] rate. By way of example the Fuel Surcharge table is based upon a ["ZERO"] rate of \$2.50 - \$2.59. Such determination shall be communicated by MSC to the Contractor. This fuel surcharge shall be updated on the last Monday of the month for the upcoming month. The cost of "on-highway diesel fuel" shall be monitored from posted prices on the U.S. Energy Information Administration website. Michigan Sugar Company will monitor pricing for the "Midwest" region. The fuel surcharge table attached to this paragraph is to be an example only of the rate adjustment based on fuel price increases and is not intended to be restricting or limited with respect to maximum percentage adjustments by way of fuel price increases or decreases.
- b. Link to U.S. Energy Information Administration (EIA) website to monitor fuel prices: <https://www.eia.gov/petroleum/weekly/distillate.php>

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3. Contractor is responsible for loading and transferring the tonnage as designated by MSC.
  - a. Daily tonnage loaded and transferred can range from 1,500 ton per day up to 8,000 ton per day.
  - b. Contractor loads quantities of beets from specific piling ground and pile determined by MSC.
  - c. Contractor will deliver to specific locations determined by MSC.
4. Contractor is responsible for any and all tasks related to loading and transferring sugar beets as well as removing tubes including:
  - a. Contractor shall minimize sugar beet loss while loading and minimize the amount of foreign material loaded into trucks (i.e.: gravel).
  - b. Contractor shall maintain sanitary loading conditions of the pile grounds while working within them.
  - c. Sweeping the roadway adjacent to the pile ground when buildup on roads occurs.
  - d. Cleaning any stray sugar beets that are left in the vent tubes, around the ventilation fan structure ("plenum"), and in the vented beet field.
  - e. Moving the plenums back to their original state as necessary
  - f. Contractor will use a two-person crew to remove tubes. A heavy loader to load trucks and an additional machine with fork attachments to move the tubes without damaging them.
  - g. Stacking the tubes in neat, organized piles with damaged tubes in separate piles. Piles should be organized by length and size of tube.
  - h. Hydraulic or oil leak cleanup in the event of a spill in piling grounds or at delivery site.
  - i. The determination of contractor's compliance with the obligations set forth in this paragraph shall be within the sole discretion of MSC.
5. Contractor is responsible to pay for the cost to replace any tube that is damaged beyond repair during the tube removal process. Contractor shall be responsible for the cost of a replacement tube that is the same or substantially similar to the make of the damaged tube to be replaced.
  - a. Contractor shall meet with MSC to assess condition of tubes prior to harvest. If a tube is considered seasoned, MSC will identify that.
  - b. MSC will determine the condition of tubes as they are being pulled from piles.
  - c. Tubes Conditions:
    - i. Good
    - ii. Damaged – Beyond Repair
    - iii. Damaged – Repairable (MSC will repair)
    - iv. Damaged – Seasoned (MSC will replace)
  - d. Damaged tube counts will be document by MSC on a daily basis.
  - e. The condition of the tube(s) shall be within MSC's sole discretion and determination.
6. Contractor will supply all labor and equipment necessary to load and transfer sugar beets from MSC's Meade, Ruth, and Verona piling grounds as well as remove all the ventilation tubes at MSC's Ruth piling ground.
7. Project performance (loading, transfer, and tube removal) will begin at time periods determined by MSC. Typical work hours may include weekends and holidays up to 24 hours a day. Tube removal begins typically in the last 30-60 days of campaign and the schedule usually runs 6-7 days per week up to 24 hours per day.

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8. Any additional cost not specifically referenced in these Project Specifications and incurred during sugar beet loading, transfer, and tube removal shall be the responsibility of the Contractor, including, but not limited to, costs that are related to events, conditions, or occurrences during transfer, non-foreseeable problems that may arise during transfer, as well as consequential and incidental cost associated with accidents, mishaps, loss of beets, and clean-up of accidents.
9. Contractor will perform all work in a lawful and workmanlike manner and in accordance with these specifications.
10. Insurance. Contractor will be required to procure and maintain during the term of the Contract (a) Workers' Disability Compensation Insurance as required by the laws of the State of Michigan; (b) Automobile Liability Insurance covering owned, hired, and non-owned vehicles with a limit of not less than two million (\$2,000,000.00) per accident for bodily injury and property damage; and (c) commercial general liability insurance and occurrence basis, including products and completed operations, property damage, and bodily injury with limits of no less than two million (\$2,000,000.00) per occurrence. Contractors shall assure that MSC, its officers, officials, and employees are covered as additional insureds under the policies of insurance Contractor procures in order to meet the obligations under the Contract. Contractor shall also share that such insurance policies contain appropriate endorsement providing coverage to Contractor and for the benefit of MSC of Contractors' indemnity obligation set forth in these specifications. Contractors' insurance coverage shall be primary.
11. Indemnity. Contractor will defend, indemnify, and hold harmless MSC and its employees from and against any and all claims, damages, loss and expense arising out of Contractors' performance of the Contract. The obligation shall survive the termination of the Contract.
12. Independent Contractor Relationship. Contractor is and shall be in the performance of all work, services, and activities under this Contract, an independent Contractor, and not an employee, agent, or servant of MSC. All persons engaged in any of the work or services performed pursuant to the Contract shall at all times, and in all places, be subject to the Contractors sole direction, supervision, and control as otherwise set forth in the Contract. The Contractor shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Contractors' relationship, and the relationship of its employees, to MSC shall be that of an independent Contractor.
13. Termination. MSC reserves the right, in its sole discretion, to terminate the Contractors services, with or without written notice.

## Notice to Bidder

Each bid or proposal will be submitted with the understanding that acceptance in writing by MSC of the offeror to furnish the service and equipment described therein shall constitute a Contract between the successful bidder or offeror and MSC, which shall bind the bidder or offeror to furnish and deliver the services and equipment at the bid and proposal prices in accordance with the bid specifications, general conditions and general requirements of the proposal specification as set forth below or subsequently added or made a part thereof by MSC.

Conditional bids or proposals, or those which take exception to the specifications, will be considered non-responsive and may be rejected unless a specific approval from MSC is requested in writing by the bidder or offeror at least three (3) business days prior to bid or proposal due date.

All other eligible bidders or offerors are to be notified of any approved exceptions to the specifications. MSC reserves the right to accept any bids or proposals, or to reject any and all bids or proposals or postpone bid or proposal due date or to Contract on such basis as MSC deems to be in its best interests.

Michigan Sugar Company, by written notification to Contractor, may make minor changes to the Contract terms. Minor changes are defined as modifications which do not substantially alter the scope, nature, or price of the specified goods or services. Such changes typically include, but are not limited to: place of delivery, method of loading or shipment, and administration of the Contract. Contractors shall not amend provision of the Contract without written notification to Michigan Sugar Company and written acceptance from Michigan Sugar Company. The understanding set forth in this paragraph shall become part of the Contract.

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**Contractor Information****Company****Owner Name****Address****City, State Zip****Preferred Phone****Email****Project Bid: Loading and Transfer from piling ground.****Bay City****Caro****Croswell****Sebewaing****Meade** \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton**Ruth** \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton**Verona** \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton \_\_\_\_\_ \$/ton**Project Bid 2: Additional rate for tube removal at Ruth.****Tube Removal****\$/Ton****Bidder Authorization**\_\_\_\_\_  
Company\_\_\_\_\_  
Signature\_\_\_\_\_  
Date**BIDS MUST BE RETURNED BY MAY 21, 2021**