

Michigan Sugar Company Invitation to Bid:
Sandusky Direct – Freight
2021-2022 Crop Years

Project Description

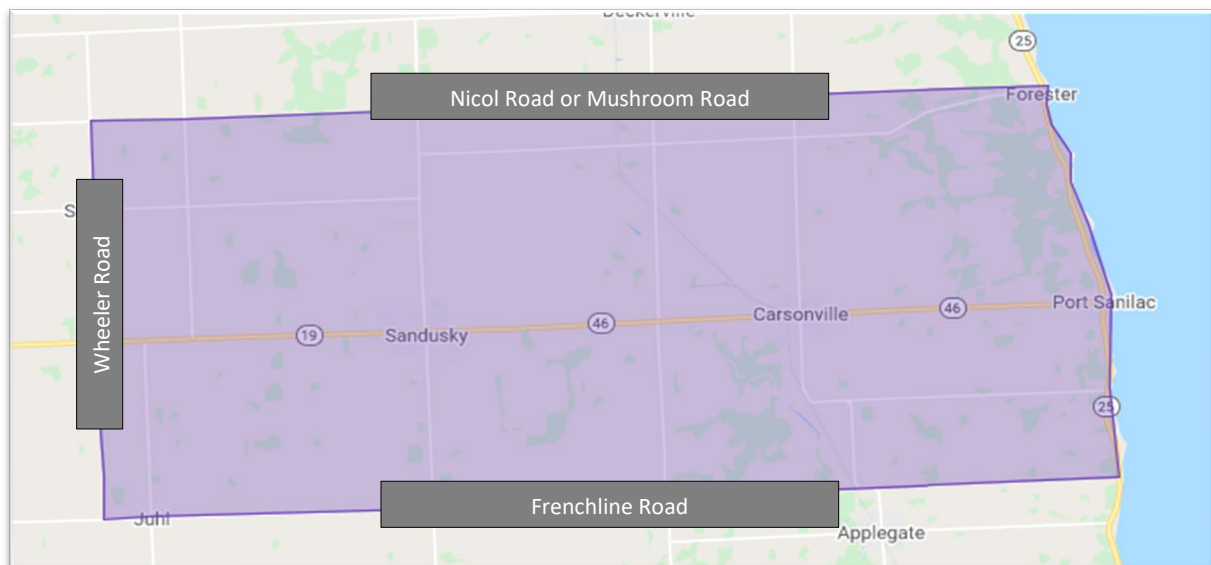
Michigan Sugar Company (“MSC”) is soliciting bids for the 2021 and 2022 early dig harvest seasons for sugar beet transportation of Maus beets in the Sandusky Direct operation.

Bid or Proposal Due Date

Friday, May 21st, 2021

Project Locations

- Sandusky Direct Area
 - o Fields will be located in a geographic zone (this area is not an exclusively defined area) by Nicol Road or Mushroom to the north, Lake Huron to the east, Frenchline Road to the south, and Wheeler Road to the west.
 - o Growers contact information can be obtained from the MSC employee managing the Sandusky Direct Operation.



Project Specifications

1. The Contract will be awarded for the 2021 and 2022 MSC early delivery harvest seasons. Hauling for the Sandusky Direct operation typically begins in mid-August and ends in mid-October. This schedule reflects MSC's early dig season.
2. Payment to the Contractor will be paid on a total of the first net tons hauled and weighed in at the load destination scale.

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- 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 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.

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

- b. Link to U.S. Energy Information Administration (EIA) website to monitor fuel prices: <https://www.eia.gov/petroleum/weekly/distillate.php>
3. Contractor is responsible for hauling the tonnage as designated by MSC.
- a. Daily tonnage hauled can range from 1,000 ton per day up to 3,500 ton per day. Daily tonnage hauled can vary for reasons listed but not limited to:
- Factory Slice
 - Grower Participation
 - Piling Ground Capacity
 - Weather Conditions
 - Crop Yields
 - MSC Discretion
- b. Contractor hauls quantities of beets from specific sugar beet fields as determined by MSC representative.
- c. Contractor will deliver to specific locations determined by MSC.
- d. MSC will determine the hauling schedule. Hauling will operate 2-6 days per week and may include 24-hour schedules (day or night shifts).
4. Contractor is responsible for any and all tasks related to hauling sugar beets:
- a. Truck Cards:
- Drivers will be required to carry a truck card with them to identify the carrier hauling the beets.
- b. Sampling:
- Drivers will be expected to handle one 25lb sample bag per load and deliver it the load destination.
 - Samples shall be placed in a tote box near the load destination truck scale.
 - Contractor is expected to maintain an ample supply of tare bags for drivers. Tare bags are on hand at MSC Factory location scales.

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- c. Roadside Loading:
 - i. Loading of the trucks via Maus machine will take place on the roadway adjacent to fields where sugar beets are piled.
 - ii. Contractor is expected to observe the loading of trucks to ensure it is done in a safe manner and in a manner that prevents the loss of sugar beets.
 - d. Roadside Safety:
 - i. Contractor shall observe that all safety guidelines are followed such as road signage or other safety measures.
 - ii. Contractor shall observe that loading is following all applicable laws of roadside loading within the right-of-way.
 - iii. It is the contractor's responsibility to comply with local directives when loading in the right-of-way.
5. Field Loading. The contractor is not expected to leave that portion of the roadway designed for vehicle use. MSC shall not under any circumstance be responsible for loss, expense, or the devotion of resources with regard to contractor's compliance with this obligation and any deviation from its obligation. If it is necessary to leave the roadway in order to load (field loading), regardless of whether such necessity was foreseeable or unforeseeable, any additional cost associated with field loading is contractor's responsibility.
 6. Contractor is responsible for any loss of harvested sugar beets due to contractor's acts or omissions, unexcused delay or non-performance caused spoilage. The determination of whether any delay is excused as referenced in this paragraph shall be within the sole discretion of MSC
 7. Contractor will supply all labor and equipment necessary to haul sugar beets from MSC's 'Sandusky Direct Area'.
 8. Project performance (hauling) will begin at time periods determined by MSC. Typical work hours may include weekends and holidays up to 24 hours a day.
 9. Any additional cost not specifically referenced in these Project Specifications and incurred during sugar beet hauling shall be the responsibility of the Contractor, including, but not limited to, costs that are related to events, conditions, or occurrences during hauling, non-foreseeable problems that may arise during hauling, as well as consequential and incidental cost associated with accidents, mishaps, loss of beets, and clean-up of accidents.
 10. Contractor will perform all work in a lawful and workmanlike manner and in accordance with these specifications.
 11. 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.

12. 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.
13. 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.
14. 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: Hauling from Sandusky Direct geographic area.

Bay City

Caro

Croswell

Sebewaing

Sandusky

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Bidder Authorization

Company

Signature

Date



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