

REQUEST FOR BIDS

WATAB TOWNSHIP

SNOWPLOWING SERVICES CONTRACT

2008

WATAB TOWNSHIP

8900 LAKEWOOD SHORES ROAD NW

RICE, MN 56367

320-255-8916

SNOWPLOWING SERVICES CONTRACT

Introduction

Pursuant to the powers given to it under Minnesota Statutes Chapter 365, Watab Township (the "Town") requests bids from qualified persons or entities (the "Contractors") to provide for snowplowing, sanding, snow and ice control for the Town's roads, and storage of sand, salt and other materials (the "Services"). This Request for Bids ("RFB") sets forth the bid process and establishes the general criteria the Town will use in evaluating each bid.

The Town requests all interested parties to submit all inquiries and bid responses via U. S. mail or hand delivery to:

**Watab Township
c/o Pat Spence, Town Clerk
8900 Lakewood Shore Rd NW
Rice, Minnesota 56367**

**The Township must receive all responses to this Bid Request
on or before 5:00 p.m. on July 23, 2008.**

Bid Submission Requirements

Contractors should submit to the Town **4 copies** of their signed **written** bid in response to this RFB. Each Bid should be prepared to a level of detail sufficient to allow the Town to determine whether the Contractor has a full understanding of and is responsive to this Bid's goals and objectives. Each Bid should identify the services which the Contractor would provide to meet the requirements of this RFB, and should contain all of the following information, which the Town will hold in confidence until the submission deadline:

1. The Contractor's name, address, telephone numbers, fax number, e-mail address (if any) and primary contact person.
2. The Contractor's qualifications, reputation and experience with similar contracts.
3. The Contractor's relationship and communication with the Town and its citizens during the performance of the Services, including a statement as to response time.
4. A list of the Contractor's other similar existing or prospective contracts, and a list of references.
5. A list of the equipment to be used performing the Services. Minimum required equipment established by the Town is one truck with wing and sander; one rubber tire 2 ½ yard front end loader, and 2 pickup trucks.
6. A description of the Contractor's ability to provide and store salt and sand on property owned by the Contractor.
7. The Contractor's insurance coverage, including the type, amount of coverage, dates of coverage and insurance company. Proof of insurance must be furnished prior to contract approval and must, at a minimum, provide \$1 million liability coverage, \$1 million per accident, and Workmen's Compensation Insurance. The Contractor must also furnish the Town a list of employees; this list will be kept confidential except in case of an accident.
8. A signed acknowledgment of all terms and conditions contained in the Snowplowing Services Contract (the "Contract") and the Town's Snow and Ice Control Policy (the "Policy"), copies of which are attached to this Bid Request.
9. Any other relevant information demonstrating the Contractor's ability to perform the services.

The Town reserves the right to amend, modify or waive any of this Bid Request's provisions and to request additional information or references to evaluate any or all submitted Bids. Contractors must submit all Bids according to this RFB'S instructions.

Contractor Selection Method

The Town will select a Contractor to perform the Services by reviewing the Bids submitted in response to this RFB. The Town's Board of Supervisors (the "Board") will select a Contractor for the Services based upon their review of all submitted Bids, interviews which the board deems necessary, and other pertinent data provided or generated through the RFB and review process. The Board will use the following general procedure to select a Contractor:

1. After the RFB submission deadline expires, the Town's clerk will distribute copies of each Bid to all Board members for review.
2. The Board will consider and discuss all Bids received and determine the Contractor with whom the Town is interested in negotiating a service contract for the Services at the August 5, 2008 Board meeting.

The Town reserves the right to reject all submitted Bids if the Board determines that no Contractor adequately responds to the Town's needs or the RFB. The Town also reserves the right to require or allow a Contractor to alter its Bid to meet the needs or desires of the Town in performing the Services.

Bid and Contract Information

Method of Compensation: Three Lump Sum Payments with one-third of the total contract paid at each of the regular board meetings of December, February and May (usually the first Tuesday of each month). A five (5) percent retainage will be withheld from each of the three payments until the regular Board meeting in June and will be paid the Contractor if all claims are satisfied.

Salt/Sand Mixture: Minimum of 80% sand and 20% salt or mixture equal to that used by Benton County.

Salt/Sand Storage: Salt and sand is stored by the Contractor on property owned by the Contractor.

There will be no fuel surcharge adjustment during the two-year contract.

Response Time: The Contractor must be able to respond to a request for Service within a two-hour time frame.

SNOWPLOWING SERVICES CONTRACT

Watab Township, Benton County, Minnesota, a Minnesota public corporation, with an address of 660 75th St NW, Sauk Rapids, MN (the "Town") and _____ (the "Contractor") make this Snowplowing Services Contract (this "Agreement") effective as of _____, 2008 (the "Effective Date").

RECITALS

- A. The Town, as road authority, is responsible for providing for maintenance of the Town's roads, including snowplowing, sanding, and snow and ice control.
- B. After undertaking the appropriate contracting procedures, the Town's Board of Supervisors (the "Board") has determined that the Contractor appears to have sufficient equipment, facilities, skill, and experience to provide snowplowing, sanding, snow and ice control services, and storage of all sand, salt and other materials used or supplied by the Contractor (the "Services").
- C. The Contractor desires to perform the Services, and the Town desires to contract with the Contractor for such Services.

In consideration of the parties' mutual promises and agreements herein, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree as follows:

1. **Snowplowing Services.** The Contractor agrees to perform the Services on the Town's roads according to the specific terms, conditions, and provisions of the Town's Snowplowing Policy established by Resolution 2006-2, as amended on June 30, 2008. A copy is attached as Exhibit A ("Snowplowing Policy"), and as otherwise directed by the Board.
2. **Materials Storage.** The Contractor agrees to store all sand, salt and other such materials (the "Materials") used or supplied by the Contractor under this Agreement on the Contractor's property. The Contractor shall use due care in the storage and handling of the Materials, and such storage shall be subject to this Agreement's requirements, including without limitation, the requirements of Sections 6 and 7 of this Agreement.
3. **Performance and Specifications.** The Contractor shall perform all Services directly or indirectly required under this Agreement in a good workmanlike manner consistent with industry standards and according to the specifications, performance standards and schedule set out in the Snowplowing Policy or as otherwise directed by the Board. The Contractor warrants that it has the necessary equipment to provide the Services. All Materials used or supplied by the Contractor under this Agreement shall be of good quality and meet the specifications established by the Town. The Town has the right to inspect and may reject any Services or Materials provided by the Contractor under this Agreement that, in the Town's determination, were not completed in a good workmanlike manner or that otherwise failed to satisfy the established specifications or performance standards.

4. **Term.** This agreement's term shall be from August 5, 2008 through June 30, 2010, unless terminated earlier by law or this Agreement's provisions.
5. **Payment.** The Town agrees to pay Contractor \$_____ for the Services performed under this Agreement with Lump Sum payments in three equal parts, paid at the regular board meetings (usually the first Tuesday of each month) in December, February and May. A retainage of five (5) percent of each payment will be withheld until the regular board meeting in June and will be paid to the Contractor when all claims are satisfied. The Contractor must submit detailed claims for payment in compliance with the requirements of Minnesota Statutes Sections 471.38 and 471.391, and other applicable law, to the Board in order to be eligible to receive payment from the Town for Services performed.
6. **Insurance.** The Contractor, and all subcontractors, shall maintain during this Agreement's entire term the following insurances with at least the indicated amounts of coverage and shall provide the Board with certificates of insurance showing such coverage before providing any Services under this Agreement, on an annual basis thereafter and otherwise as requested by the Board.
 - a. Commercial general liability insurance coverage with a policy limit of at least \$1,000,000 per occurrence providing coverage on an "occurrence" basis naming the Town as an additional insured.
 - b. Business automobile liability coverage with a total liability limit of at least \$1,000,000 per accident covering liability for bodily injury and property damage arising out of the ownership, use, maintenance or operation of all owned, non-owned and hired automobiles and other motor vehicles utilized by the Contractor in connection with its performance under this Agreement, and naming the Town as an additional insured.
 - c. Worker's compensation insurance required by law. If the Contractor is not required by law to carry workers' compensation insurance, in place of proof of workers' compensation insurance, the Contractor will provide a written statement of exemption specifying the particular provision of Minn. Stat. 176.041 that exempts the Contractor from having to carry such coverage.
 - d. A list of all employees must be furnished to the Town Clerk; the names will be held confidential except in case of an accident.
7. **Indemnification.** Any and all claims that arise or may arise against the Contractor, its agents, servants, or employees as a consequence of any act or omission on the part of the Contractor or its agents, servants, or employees while engaged in the performance of the Agreement shall in no way be the obligation or responsibility of the Town. The Contractor shall defend, indemnify, and hold harmless the Town, its officers, agents, and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney fees which the Town, its officers, agents, or employees may hereafter sustain, incur, or be required to pay, arising out of or by reason of any act or omission of the Contractor, its agents, servants or employee, in the execution, performance, or failure to adequately perform the Contractor's obligations pursuant to this Agreement. Nothing in this Agreement shall constitute a waiver by the Town of any statutory limits or immunities from liability.

8. **Warranty.** The Contractor warrants and guarantees all Services performed and materials provided under this Agreement against defects and faulty workmanship. The Contractor, at Contractor's expense, shall replace all materials which the Board finds defective, and shall re-perform at Contractor's expense any labor or Services which the Board finds defective, faulty or not in compliance with this Agreement's terms. The Contractor's warranty must be secured either by the Contractor's performance bond or such other security as is acceptable to the Town.
9. **Independent Contractor.** The Contractor acknowledges and agrees that it is an independent contractor and that nothing in this Agreement shall be construed to create the relationship of employer and employee between the Town and the Contractor. No employee related withholdings or deductions shall be made from payments due the Contractor and the Contractor shall be responsible to comply with all applicable provisions of state and federal laws. The Contractor shall not be entitled to receive any benefits from the Town and shall not be eligible for workers' compensation or unemployment benefits. The Contractor shall at all times be free to exercise initiative, judgment, and discretion in how best to perform or provide the Services.
10. **Default.** The occurrence of any of the following shall constitute an event of default by the Contractor and, if not corrected within ten (10) days of the Town providing the Contractor written notice of the default, shall allow the Town to terminate this Agreement:
 - a.** The Contractor fails to adequately perform or deliver services;
 - b.** The Contractor fails to follow the specifications or standards established by this Agreement;
 - c.** The Contractor fails to perform or complete the Services in a timely fashion as established by the Town and this Agreement;
 - d.** The Contractor fails to provide any required bonds or other security acceptable to Town before starting work;
 - e.** The Contractor's bankruptcy, assignment to a trustee, receiver or similar fiduciary;
 - f.** The Contractor makes a material misrepresentation;
 - g.** The Contractor persistently disregards laws, ordinances, rules, regulations or orders of the Town or any public authority having jurisdiction;
 - h.** The Contractor fails to make satisfactory progress towards completion of this Agreement; or
 - i.** The Contractor fails to perform any other material provision of this Agreement.

The Town may lawfully terminate the Agreement if, after providing Contractor ten (10) days written notice of the default, the Contractor does not correct the situation. Upon the Contractor's default of this Agreement, the Town may withhold any payment due the Contractor for purposes of set-off until such time as the exact amount of damages due is determined. Such withholding shall not constitute the Town's default or failure to perform.

11. **Remedies.** The Contractor's default or breach of this Agreement shall entitle the Town to seek remedies under law and as provided by this Agreement. If the Town terminates this Agreement because of the Contractor's default, the Town may recover the necessary termination costs, including but not limited to,

administrative, attorneys fees and legal costs, from the Contractor. Except when caused by uncontrollable circumstances, if the Contractor fails to meet any performance deadlines established by this Agreement, or fails to perform in accordance with this Agreement's specifications, terms, and conditions, the Town shall have the right to purchase the Services and materials from other sources on the open market or to purchase those items necessary to continue functioning until delivery from the Contractor is complete. The Town may deduct as damages from any money due or coming due to the Contractor the differences between the Contractor's price and the higher price or the costs of temporary Services or materials. The Town may require the Contractor, at the Contractor's sole expense, to re-perform any items of work or replace any materials provided for in this Agreement that do not meet the established specifications, standards, or Town directives.

Time is an essential element of the Agreement. If the Contractor fails for any reason, excepting delays caused by uncontrollable circumstances, to provide Services or provide materials as set forth in this Agreement, the Town shall have the right to deduct as liquidated damages from any money or monies due or coming due to the Contractor an amount equal to the damages incurred to the township. Any monies deducted are not to be construed as a penalty, but as liquidated damages to compensate for the additional costs and inconvenience incurred by the Town.

Any remedies available to the Town are cumulative and not exclusive. The Town's seeking or exercising of a remedy does not waive its right to seek or exercise any other remedy available to it at law, in equity, by statute, or under this Agreement.

12. **Modifications.** Any alterations, variations, modifications, or waivers of this Agreement's provisions shall only be valid when they have been reduced to writing, and signed by the Town and the Contractor.
13. **Termination.** The Town may terminate this Agreement, with or without cause, upon thirty (30) days written notice to the Contractor.
14. **Legal Compliance.** The Contractor shall abide by all federal, state, or local laws, statutes, ordinances, rules, and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs, and staff for which the Contractor is responsible. The Contractor shall procure, at the Contractor's sole expense, all permits, licenses, or other rights required for the provision of the Services contemplated by this Agreement. Any violation of federal, state, or local laws, statutes, ordinances, rules, or regulations, as well as loss of any applicable license, permit, or certification by the Contractor shall constitute a material breach of this Agreement, regardless of the reason and whether or not intentional, and shall entitle the Town to terminate this Agreement effective as of the date of such violation, failure or loss.
15. **Subcontracting and Assignment.** The Contractor shall not enter into any subcontract for performance of any Services or providing of any materials contemplated under this Agreement nor assign any interest in the Agreement, which shall include the sale or transfer of any the Contractor's stock, without the

prior written approval for the Town and subject to such conditions and provisions as the Town may deem necessary or desirable in its sole discretion. If the Town permits the use of subcontractors, no subcontractor may perform any work under this Agreement without first providing the Town with (a) a copy of the Contractor's subcontracting agreement, which incorporates this Agreement and includes an acknowledgment by the subcontractor to adhere to this Agreement in its entirety; and (b) certificates of insurance showing all of the coverage required by this Agreement. The Contractor shall be responsible for the performance of all subcontractors. The Contractor shall pay the subcontractors for undisputed Services provided by them within ten (10) days of receiving payment from the Town.

16. **Conflict of Interest.** The Contractor agrees that it will not during this Agreement's term enter into a contract or otherwise accept employment for the performance of any work or service with any individual, business, partnership, corporation, company, governmental entity or any other organization that would create a conflict of interest in the performance of its obligations under this Agreement.
17. **Non-Exclusivity.** This Agreement is not exclusive between the Town and the Contractor. The Town may retain additional contractors to perform any or all of the Services.
18. **Minnesota Law Governs.** Minnesota law shall govern this Agreement. All proceedings related to this Agreement shall be venued in Benton County, Minnesota.
19. **Severability.** This Agreement's provisions shall be deemed severable. If any part of this Agreement is rendered void, invalid or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement.

The parties have executed this Agreement as of the Effective Date.

TOWN: Watab Township

By _____
Craig Gondeck, Chairperson

Attest _____
Pat Spence, Town Clerk

CONTRACTOR: _____

By _____

Its _____