

STATE OF NORTH CAROLINA NC Department of Administration Division of Purchase and Contract	INVITATION FOR BIDS NO. 201088	
	Bids will be publicly opened: July 30, 2002	
	Contract Type: Statewide Term Contract	
<i>Refer ALL Inquiries to:</i> Bill Needham Telephone No. 919-733-7590 Ext. 114	Commodity: Tire Retreading	
E-Mail: bill.needham@ncmail.net	Using Agency Name: ***PURCHASE AND CONTRACT***	
(See page 2 for mailing instructions.)	Agency Requisition No.: TC 060E-2	
INTERNET ADDRESS: http://www.state.nc.us/PandC/		

NOTICE TO BIDDERS

Sealed bids, subject to the conditions made a part hereof, will be received at this office (116 W. Jones St., Raleigh, NC) until **2 o'clock p.m.** on the day of opening and then opened, for furnishing and delivering the commodity as described herein. Refer to page 2 for proper mailing instructions.

Bids submitted via facsimile (FAX) machine in response to this Invitation for Bids will not be acceptable. Bids are subject to rejection unless submitted on this form.

EXECUTION

In compliance with this Invitation for Bids, and subject to all the conditions herein, the undersigned offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein. By executing this bid, I certify that this bid is submitted competitively and without collusion (G.S. 143-54).

Failure to execute/sign bid prior to submittal shall render bid invalid. Late bids are not acceptable.

BIDDER:		FEDERAL ID OR SOCIAL SECURITY NO.	
STREET ADDRESS:		P.O. BOX:	ZIP:
CITY & STATE & ZIP:		TELEPHONE NUMBER:	TOLL FREE TEL. NO (800)
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO BIDDERS ITEM #21):			
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING:		FAX NUMBER:	
AUTHORIZED SIGNATURE:	DATE:	E-MAIL:	

Offer valid for 45 days from date of bid opening unless otherwise stated here: ____ days (See Instructions to Bidders, Item 6). Prompt Payment Discount: _____ % _____ days (See Instructions to Bidders, Item 7).

ACCEPTANCE OF BID

If any or all parts of this bid are accepted by the State of North Carolina, an authorized representative of the Division of Purchase and Contract shall affix their signature hereto and this document and the provisions of the Instructions to Bidders, special terms and conditions specific to this Invitation for Bids, the specifications, and the North Carolina General Contract Terms and Conditions shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful bidder(s).

<p><u>FOR STATE USE ONLY</u></p> <p>Offer accepted and contract awarded this ____ day of _____, 20____, as indicated on attached certification,</p> <p>by _____ (Authorized representative of the Division of Purchase and Contract).</p>
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In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort.

It is desirable that all responses meet the following requirements:

- All copies are printed **double sided**.
- All submittals and copies are printed on **recycled paper with a minimum post-consumer content of 30%** and indicate this information accordingly on the response.
- Unless absolutely necessary, all bids and copies should **minimize or eliminate use of non-recyclable or non re-usable materials** such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
- Materials should be submitted in a format which allows for **easy removal and recycling** of paper materials.

MAILING INSTRUCTIONS: Mail only one fully executed bid document, unless otherwise instructed, and only one bid per envelope. Address envelope and insert bid number as shown below. It is the responsibility of the bidder to have the bid in this office by the specified time and date of opening.

<u>DELIVERED BY US POSTAL SERVICE</u>	<u>DELIVERED BY ANY OTHER MEANS</u>
BID NO. _____ NC DEPARTMENT OF ADMINISTRATION DIVISION OF PURCHASE AND CONTRACT 1305 MAIL SERVICE CENTER RALEIGH NC 27699-1305	BID NO. _____ NC DEPARTMENT OF ADMINISTRATION DIVISION OF PURCHASE AND CONTRACT 116 WEST JONES STREET RALEIGH NC 27603-8002

TABULATIONS: The Division has implemented an Interactive Purchasing System (IPS) that allows the public to retrieve bid tabulations electronically from our Internet web site: < <http://www.state.nc.us/pandc/> >. Click on the IPS BIDS icon, click on Search for Bid, enter the bid number, and then search. Tabulations will normally be available at this web site not later than one working day after opening. Lengthy tabulations may not be available on the Internet, and requests for these verbally or in writing cannot be honored.

VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM: Vendor Link NC allows vendors to electronically register free with the State to receive electronic notification of current procurement opportunities for goods and services available on the Interactive Purchasing System. Online registration and other purchasing information are available on our Internet web site: < <http://www.state.nc.us/pandc/> >.

ATTENTION: This is an e-procurement solicitation. See paragraph #19 of the attached General Contract Terms and Conditions.

The Terms and Conditions made a part of this solicitation contain new language necessary for implementation of North Carolina's Statewide e-procurement initiative.

It is the offeror's responsibility to read these terms and conditions carefully and consider them in preparing the offer. By signature offeror acknowledges acceptance of all terms and conditions, including those related to e-procurement.

General information on the e-procurement service can be found at: <http://eprocurement.ncgov.com/>

NON-STATE AGENCIES ELIGIBLE TO PARTICIPATE IN THIS CONTRACT

In accordance with North Carolina General Statutes, certain non-state entities described below, may participate in this contract on a voluntary basis. Any of the non-state entities that choose to participate in this contract must abide by the terms and conditions that are set forth in this contract.

Nonprofit corporations operating charitable hospitals, local nonprofit community sheltered workshops or centers that meet standards established by the Division of Vocational Rehabilitation of the Department of Health and Human Services, private nonprofit agencies licensed or approved by the Department of Health and Human Services as child placing agencies, residential child-care facilities, private nonprofit rural, community, and migrant health centers designated by the Office of Rural Health and Resource Development,

private higher education institutions, counties, cities, towns, governmental entities, volunteer fire departments, rescue squads, and other subdivisions of the State and public agencies thereof.

CATALOG DATA PROVISIONS:

Refer to the paragraph entitled Electronic Procurement (Term Contracts Only) in the standard Terms and Conditions of this IFB. This information shall be provided by the contractor in the format specified by the Supplier Manager, or as otherwise provided in a template or format required by the State. This template is posted on the Internet at the following address:

<http://www.state.nc.us/pandc/clogtemp.htm>

USAGE AND DURATION: This contract is intended to cover the State's normal requirements for Tire Retreading for use by all State agencies, departments, institutions, public schools units (except those exempted by statute) and certain Non-State agencies for the period from September 1, 2002 or date of award, whichever is later, to August 31, 2004. (2 year contract). (See abnormal quantities and contract continuation paragraphs below). The estimated dollar value of this contract is approximately \$4,000,000, but is not guaranteed, and is submitted merely as a guide. Estimates given herein are submitted for the purpose of evaluation and are not guaranteed. Tires to be retread under this contract are of various sizes, of radial construction, and will need various tread designs for different applications.

NOTE: It shall be understood and agreed that users under this contract may test certain retreader's products from time-to-time, whether they are the current contractor or not. Also, the State reserves the right to purchase retread tires outside the contract for retread methods/products/sizes not available from the current contractor.

CONTRACT CONTINUATION: The State may at its option extend this contract beyond the initial contract period, for a period of up to 24 months in 12 months increments, subject to the same price, terms and conditions as provided for herein.

DELIVERY SERVICE: Within each geographical area, contractor(s) shall pickup casing(s) and deliver the retread tire(s) to all agencies. The number of casings at each location may be one or more. While certain agencies need delivery service at least once every two weeks, some agencies may require it less frequently. In either case, it is to be the contractor's responsibility to work out a mutually satisfactory schedule with each using agency.

ABNORMAL QUANTITIES: For purpose of this Invitation for bids and any resulting contracts, any agency, single one time requirement that exceeds \$50,000.00 must be forwarded to the Division of Purchase and Contract for processing. The Division, at its sole discretion, may process any such requirement in one of the following ways:

- 1) Purchase may be authorized at the current level of pricing with the current contract vendor(s).
2. Additional discounts from current level of pricing may be negotiated with the current contract vendor(s).
3. A separate Invitation for bids may be issued for the requirement.

QUARTERLY REPORTING OF SALES: During the contract period it shall be the responsibility of the successful contractor(s) to advise in writing to the Purchase and Contract Division, on quarterly basis, a record of total dollar amount for all sales under this contract during the quarterly period. Reports are to be sent to: Bill Needham, N.C. Department of Administration, Division of Purchasing and Contract, 116 West Jones St., Raleigh, NC 27603.

BIDDER QUALIFICATIONS: Bidder shall meet the following minimum qualifications:

- (1) The retread process offered must be a proven source for safe and premium quality retread tires. The retread tires will be used on vehicles and equipment operated by personnel, as well as on school buses for transporting children, and safety is of the utmost importance.
- (2) There must be a proven track record of satisfactory performance of the bidder and the retread process with large users of retread tires.
- (3) The bidder shall provide adequate facilities to handle the retread process and prompt delivery of tires for the agencies.
- (4) The bidder shall provide sufficient number of trained personnel to visit agencies, upon request, to advise and assist in the application of good tire maintenance practices.
- (5) The facilities to be used to retread tires under the proposed contract and the proposed retread process shall be inspected by a nationally recognized retread association or by the producer/manufacturer of the retread process being offered, and be certified as meeting their minimum qualifications for the total retread process. This certification shall be maintained throughout the contract; otherwise the contract is subject to cancellation by the State immediately upon written/fax notification.

(6) The entire retreading process for retreading truck and equipment tires, current at the time the work is performed, from initial inspection of the casing to final inspection of the retread tire, shall be in full compliance with the publication "Industry Standards For Tire Retreading & Repairing" distributed by The Tire Retread Information Bureau. The State has the permission of The Tire Retread Information Bureau to reference this publication. This same standard shall also apply to off-the-road type tires, where applicable. In cases of conflict between specific provisions referenced in this bid, the order of precedence shall be (1) Federal or State of North Carolina Law, (2) specifications or requirements of this bid invitation, and (3) the "Industry Standards For Tire Retreading & Repairing".

The State reserves the right to satisfy itself by whatever means to insure the bidder's qualifications are satisfactory for this contract. Upon request for information regarding a bidder's capability to satisfy the qualifications, the bidder shall furnish the information promptly or the State may reject that bid for failure to meet that qualification. The state will give the bidder reasonable time to respond, but bidders are cautioned to be prepared to furnish, upon request, additional information to satisfy the State as to their qualifications.

GOVERNMENTAL REQUIREMENTS: The contractor shall comply with all workmanship, material, and retread practices required by regulations/laws of the Federal and North Carolina Governments.

ADDITIONAL INSURANCE COVERAGE:

(1) Perils: While in possession (from pickup until return) of the contractor/his subcontractor, casings/tires covered by this contract shall be protected against the perils of fire, extended coverage, vandalism, malicious mischief, and theft, while in the care, custody and control of the contractor/his subcontractor.

(2) Product Liability: Contractor shall provide coverage for the retread product furnished under this contract under a Product Liability policy in the amount of one (1) million dollars per occurrence.

(3) Coverage: If required by the State, the contractor shall furnish a certificate(s) of insurance certifying as to the above coverage's. The coverage as stated shall not be canceled during the life of the contract.

CASING AND TIRE IDENTIFICATION:

(1) When picking up the casing at the agency, the contractor's representative shall "identify" each casing to assure return of the exact tire to the rightful agency. A written itemized list of the casings picked up shall be completed by the contractor's representative, signed by him and the agency representative, and a copy given to the agency representative. The retread tire shall be on the same casing picked up at each agency. The contractor shall take precautionary measures to guarantee correct and full returns. If a shortage does occur, the contractor shall either (a) provide equal replacement or (b) reimburse the agency full market value for the casing, whichever the agency elects to choose, at no charge to the agency.

(2) The retread company's name or other easily identifiable trade mark shall be permanently marked on the retread tire for identification purposes. In addition, the number of times the casing has been retread shall be marked on the retread tire or other means provided to show this result. If the casing has been retread before, the number is on the casing/tire.

TESTING/STATE INSPECTIONS: The State reserves the right to require the bidder prior to award of contract, or the contractor after award of contract, to furnish complete test reports on the retread product offered, that was conducted by an independent laboratory. The actual test(s) conducted shall be determined by the State. The contractor shall be responsible for the cost of the report(s), up to one per calendar year. If additional reports are required by the State, the State will be responsible for any cost of those reports. The State reserves the right to have its representatives to pick the random sample to have tested, and to utilize any additional laboratory in its discretion. The State reserves the right to inspect the bidder's/contractor's production facility at any time, with or without notice, to verify bidder's capability, or contract compliance. State representatives attending any inspections will do so with the utmost caution to not interrupt the operations of the facility.

TIRE INSPECTION: The contractor shall inspect the casing at his facility at time of receipt, during the retread process and upon completion to insure the tire will be premium quality and safe to use. If the casing/tire is rejected by the contractor, it shall be returned to the agency clearly marked as rejected and why. Regardless of the work performed on the casing/retread, if a casing/tire is rejected at any point of the retread process, there shall be no charge and the rejected casings/tires shall be returned.

If the State finds that the contractor is rejecting casings/tires that the State determines could be retread, it will be grounds for cancellation of the contract by the State, immediately upon written/fax notice.

WARRANTY: All retread tires shall be warranted to be free from defects in workmanship and materials and to give satisfactory service under normal operating conditions for the life of the tread. Should the retread fail while in service and the cause is faulty workmanship and/or materials, the tire shall be returned to the contractor and be adjusted on the following scale:

Tread life Remaining	% of Credit to Agency
100-80%	100%
79-60%	75%
59-40%	50%
39-20%	25%
19-0%	0%

The contractor will not be liable for failures due to road hazards (cuts, punctures, etc.), improper inflation, wheel misalignment, vehicle damage, improper mounting or damage caused by abuse, neglect, collision, vandalism, fire or chemical corrosion.

If the State determines that there have been sufficient failures or premature wearing to question the quality of retreads being supplied, the State may cancel the contract immediately upon written/fax notice.

AWARD OF CONTRACT:

(1) In addition to discounted prices, consideration will be given to other factors, such as, but not limited to: bidder's qualifications; information obtained from references; tire types, sizes, skid depths, weights, and tread designs being offered; specification compliance; and compliance with the requirements identified herein.

(2) There are two Sections, one Section for standard retreads (including wing tread at no additional charge), and one Section for Bead-to-Bead retread. It shall be understood and agreed that there is no guarantee as to the quantity that will be ordered under either retread method, by geographical area, or tire type, size or tread design. The quantity listed in the examples are estimates and are given merely for the purpose of determining the low overall bidder for each geographical area.

(3) Bids are invited on both Sections, by geographical areas (by type tire), as specified herein. The State reserves the right to award each geographical area within each Section individually or to one bidder, and to award the Sections individually or to one bidder, whichever shall be determined by the State to be in its best interest.

(4) For each geographical area (within each Section), only one bidder will be awarded the on-the-road (Mostly truck and bus-Regular and Drive Position treads) and off-the-road (Mostly heavy equipment such as motor graders) type tires, so within each geographical area, bidder must bid on both the on-the-road and off-the-road tires. The discounts for the two different type tires do not have to be the same. To determine the low bid for each geographical area, the examples shown will be computed, using the price offered (price list less discount offered) and the estimated quantities (1/3 for each area), to determine the low overall bidder for that geographical area for both type tires.

CANCELLATION OF CONTRACT: If the State exercises its option to cancel the contract as provided herein, the contractor shall deliver all agency casings and retread tires in its possession, to the agencies within four weeks after receipt of the cancellation notice, at no charge to the agency or the State.

TIRE PERFORMANCE: The State expects to receive a premium retread that will provide optimum tire mileage/service, and safety. The tire mileage/service expected is the same as a new tire of similar design and function. If the State determines that the mileage/service of the retread is not meeting its needs or expectations, the State may cancel the contract immediately upon written/fax notice to the contractor.

RETREAD RUBBER SPECIFICATIONS: This specification is intended to describe the cured physical properties of a premium tread rubber. All rubber on retreads shall meet the following specifications:

	Minimum	Maximum	Typical
Tensile Strength (PSI)	2350	2700	2400
Elongation (%)	450	600	480
Modulus @ 300%	1250	1750	1300
Hardness*	61	70	64
Specific Gravity	1.115	1.145	1.125
Hydrocarbons by Weight (%)	50	60	50
Polybutadine Content (%)	30	40	35
Acetone Extract (%)		22	
Carbon Black	N200 or better		

* Measured using a Shore Durometer, at scale.

NOTES:

1) Allowable variations apply only to the typical values given. These typical values shall apply to overall plant production of the formulation offered; however, it is expected that the shipments of State contract materials will be representative of plant production and that tests of material as received will meet the above requirements.

2) Tread rubber shall contain no reclaimed rubber.

RETREADING METHODS:

(1) Under Section I: Bidder shall offer precure retreads or mold cure retreads, or both retread methods. The discount offered shall be the same regardless of the method(s) offered. Contractor shall advise the agency which method they recommend based on the type tire and its use. The bidder should indicate on the Price Page which one they are offering, or both. If a particular retread method is not awarded under Section I, the State reserves the right to contract for that method at a later date.

Under Section II: Bidder shall offer mold cure Bead-to-Bead retread only.

(2) In addition, it will be the agency's decision to determine if they want a standard retread (Section I) or a bead-to-bead retread (Section II). For the purpose of this contract, a standard retread is one that meets the minimum requirements and specifications of this contract but the sidewalls are not retread from bead-to-bead, and a bead-to-bead is one that meets the requirements and specifications of this contract but the retread also includes sidewall veneering from bead-to-bead.

SKID DEPTH: Skid depth of retread tires furnished shall meet or exceed the skid depths of equivalent tires (tread design) shown in the price lists specified in this bid. If a skid depth is not shown, then industry standards shall apply, and the State reserves the right to consider the skid depth and weight of retread offered in determining the award of contract.

TREAD WIDTH: The actual tread width of retreads tires furnished under this contract to be no less than the tread width of the original tire tread width.

TIRE SIZES, PLY, SKID DEPTHS, AND TREAD DESIGNS BY SECTION:

Depending on which Section is being bid, each bidder shall have the capability of retreading, at a minimum, the following radial tires.

All regular tread tires section I & II shall be per Goodyear price list, page 8.

All drive position/traction tread tires section I shall be per Goodyear price list pages 24 & 25.

All drive position / traction tread tires section II shall be per Goodyear price list page 18.

All non directional tires shall be per Michelin price list page 10.

Section I:

265/75Rx22.5 14 ply, 16/32, Regular Tread

295/75Rx22.5 14 ply, 16/32, Regular Tread

1000Rx20 14 ply, 16/32, Regular Tread

1000Rx20 14 ply, 18/32, Drive Position/Traction Tread

1000Rx22 14 ply, 16/32, Regular Tread

1000Rx22 14 ply, 18/32, Drive Position/Traction Tread

825Rx20 10 ply, 16/32, Regular Tread

LT235/85Rx16 10 ply, 15/32, Drive Position/Traction Tread
900Rx20 12 ply, 16/32, Regular Tread
11Rx22.5 16 ply, 16/32, Regular Tread
11Rx22.5 16 ply, 18/32, Drive Position/Traction Tread
255/70Rx22.5 14 ply, 16/32, Regular Tread
LT215/85R16 8 ply, 15/32, Drive Position/Traction Tread
1400Rx24 12 ply, 31/32, Non Directional

Section II:

265/75Rx22.5 14 ply, 16/32, Regular Tread
295/75Rx22.5 14 ply, 16/32, Regular Tread
1000Rx20 14 ply, 16/32, Regular Tread
1000Rx20 14 ply, 22/32, Drive Position/Traction Tread
1400Rx24 12 ply, 31/32, Non Directional
900Rx20 12 ply, 16/32, Regular Tread
11Rx22.5 16 ply, 16/32, Regular Tread
11Rx22.5 16 ply, 22/32, Drive Position/Traction Tread

Although the actual tread designs offered by bidders will be different, the State will evaluate tread designs offered to determine if they will meet the agency's needs. Upon request, each bidder shall furnish within 5 work days a complete listing of the tire sizes, skid depths, and tread designs being offered.

HIGH PRESSURE TESTING: The contractor shall perform high pressure testing at no additional charge. Each final retread shall be high pressure tested using a high pressure machine designed for testing casings/tires To insure safety and proper test results, contractor is to follow the high pressure machine manufacturer's testing procedures. The high pressure testing shall be performed to identify problems with the finished tire before delivery to the using agency. If the tire fails the test, it shall be rejected and reworked or returned to the agency with no charges.

REPAIRS: If any repairs are required during the retread process, the cost for repairs may be charged only as shown below::

All charges for repairs shall be based on the Goodyear Price List, Truck Tire Repairing (Page 56), less the discount offered by the bidder for retreading, with the following exceptions:

Spot Repairs: Maximum 3 per tire for on-the-road type tires and maximum 12 per tire for off-the-road type tire, motor grader. These are the maximum number that the contractor may charge for. If more are needed, those over the maximums shall be repaired at no charge. If less than the maximums are needed, only those repaired shall be charged and invoiced.

Section Repairs: Off-the-road type tires shall be charged based on the list price identified for "Section Repair Heavy Truck", less the retread discount.

Any other repair: If it is not shown in the Goodyear Price List, Truck Tire Repairing (Page 56), it shall be done at no charge.

WITH THE EXCEPTION OF SPOT REPAIRS, NO CHARGEABLE REPAIR SHALL BE DONE WITHOUT THE CONTRACTOR FIRST CONTACTING THE AGENCY AND RECEIVING AUTHORIZATION FOR THE ADDITIONAL COST.

DISCOUNTS:

(1) In order to put all proposals on an equal basis, bidders are required to offer their discounts from the following price lists only, regardless of the company(s) or process they represent. The price lists shall be:

- (a) For on-the-road truck type tires: Goodyear Published Price List B252, dated October 1, 2001.
- (b) For off-the-road type tires: Michelin Earthmover Price List MEZ 41783, dated January 1, 2002.

If a duplication of tires on the price lists arises, the State shall determine which price list shall be used.

(2) For each geographical area, a space is provided herein for bidder to offer a single discount for on-the-road type tires and a single discount for off-the-road type tires. The discounts for the two different type tires do not have to be the same. Bidders are required to bid on the single discount basis for each type tire individually as provided, for a given geographical area. The single discount shall

apply to all tires listed in the price list for that type tire and which bidder is offering. Bids which do not comply with this provision shall be rejected.

(3) If a type and size tire is not shown in the referenced price lists, it shall not be covered by this contract. However, if a type and size tire is shown in the price list under one type retread method but not the other, it shall be provided at the listed price for the shown method, less the discount offered (Example: The contractor under Section II must price his retread on the 265/75Rx22.5 14 ply, 16/32, regular tread, based on the procure method section of the Goodyear price list, since that tire is not listed in the Mold Cure section of the price list. This same rational shall also apply if a contractor under Section I offers only the mold cure method and only the procure method is shown in the price list.) All tires shall be priced at the list price of the tire nearest matching the tread design shown in the referenced priced lists, less the discount offered.

PRICE LISTS: The contractor shall provide each requesting agency with a price list, showing the sizes, skid depth, illustrated tread design(s), and list (or net) prices of retreads offered.

PRICE CHANGES: Any price changes, downward or upward, which might be permitted during the contract period must be by reason of Goodyear or Michelin price list change, and such price change must be in full compliance with the N.C. General Contract Terms and Conditions, paragraph entitled " Price Adjustments ".

REFERENCES: Please list up to five references that the State may contact to inquire as to bidder's qualifications. These should be large customers of the bidder for the type retread tires being offered.

Company name	Representative	City/State	Phone Number
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

QUESTIONNAIRE

Please complete the following questions:

- 1) Name of Tread Rubber Compounder ? _____
- 2) Name/manufacture of retread process used? _____
- 3) How many completed retreads can be processed within a normal work day? _____
- 4) How long has the facility being offered been in operations? _____
If more than one location, list other facilities, length of time in operation and their normal daily production. _____

- 5) List DOT shop code for retreading plants. _____
- 6) Name of organization or the producer/manufacture which has inspected your facility and certified that you meet the minimum qualifications for the total retread process _____
- 7) Subcontractors that will be used (if any): _____

(Contractor cannot change subcontractor without prior written consent from the Division of Purchase and Contract. Insurance requirements shall remain the same as provided herein if a change in subcontractor is approved.

AREA I, II & III CONSIST OF THE FOLLOWING COUNTIES:

AREA I: Covers Highway Divisions 1 through 5, School Bus Garages and other using agencies in the following counties.

Currituck, Camden, Pasquotank, Perquimans, Gates, Hertford, Northampton, Bertie, Chowan, Martin, Washington, Tyrell, Dare, Hyde, Halifax, Nash, Edgecombe, Wilson, Johnston, Wayne, Green, Lenoir, Jones, Carteret, Pamlico, Craven, Beaufort, Pitt, Onslow, Duplin, Sampson, Pender, New Hanover, Brunswick, Wake, Durham, Franklin, Warren, Vance, Granville and Person.

AREA II: Covers Highway Divisions 6 through 10, School Bus Garages and other using agencies in the following counties.

Harnett, Cumberland, Robeson, Bladen, Columbus, Rockingham, Caswell, Guilford, Alamance, Orange, Randolph, Chatham, Montgomery, Moore, Lee, Richmond, Hoke, Scotland, Stokes, Forsyth, Davie, Davidson, Rowan, Mecklenburg, Cabarrus, Stanley, Union and Anson.

AREA III: Covers Highway Divisions 11 through 14, School Bus Garages and other using agencies in the following counties.

Yadkin, Surry, Alleghany, Ashe, Watauga, Avery, Caldwell, Wilkes, Alexander, Iredell, Catawba, Lincoln, Gaston, Cleveland, Rutherford, Burke, Mitchell, Yancy, Madison, Buncombe, McDowell, Polk, Henderson, Transylvania, Haywood, Jackson, Swain, Graham, Cherokee, Clay and Macon.

PRICE PAGE

SECTION I - Standard Retread (including wing tread at no additional charge)

	On-The-Road Type Tires (Goodyear Price List)	Off-The-Road Type Tires (Michelin Price List)
Discount Offered:	Area 1: _____ % Area 2: _____ % Area 3: _____ %	Area 1: _____ % Area 2: _____ % Area 3: _____ %
Bidder Offers: (precure or mold cure, or both)	_____	_____

SECTION II - Bead-to-Bead Retread

	On-The-Road Type Tires (Goodyear Price List)	Off-The-Road Type Tires (Michelin Price List)
Discount Offered:	Area 1: _____ % Area 2: _____ % Area 3: _____ %	Area 1: _____ % Area 2: _____ % Area 3: _____ %

EXAMPLES: The following examples are estimates only and will be used by the State to determine the low overall bidder for each geographical area within each Section. The bidder does not have to compute the results of their offered discount, as the State will do the calculations.

Estimated (Two year)
Quantity Description

On-The-Road Type Tires

24,000	265/75Rx22.5 14 ply, 16/32, Regular Tread	(List price \$227.63, page 8)
9,000	11Rx22.5 16 ply, 16/32, Regular Tread	(List price \$257.75, page 8)

Off-The-Road Type Tires

900	1400Rx24 12 ply, 31/32, Non Directional Grader	(List price \$714.00, page 10)
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INSTRUCTIONS TO BIDDERSINTERNET ADDRESS – <http://www.state.nc.us/pandc/>

1. **READ, REVIEW AND COMPLY:** It shall be the bidder's responsibility to read this entire document, review all enclosures and attachments, and comply with all requirements specified herein.
2. **NOTICE TO BIDDERS:** All bids are subject to the provisions of the Instructions to Bidders, special terms and conditions specific to this Invitation for Bids, the specifications, and the North Carolina General Contract Terms and Conditions. The State objects to and will not evaluate or consider any additional terms and conditions submitted with a bidder response. This applies to any language appearing in or attached to the document as part of the bidder's response. **DO NOT ATTACH ANY ADDITIONAL TERMS AND CONDITIONS.**
By execution and delivery of this document, the bidder agrees that any additional terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect.
3. **DEFINITIONS:**
 - **BIDDER:** Company, firm, corporation, partnership, individual, etc., submitting a response to an Invitation for Bids.
 - **TERM CONTRACT:** A contract generally intended to cover all normal requirements for a commodity for a specified period of time based on estimated quantities only.
 - **STATEWIDE TERM CONTRACT:** A Term Contract for all agencies, unless exempted by statute, rule, or special term and condition specific to this bid.
 - **AGENCY SPECIFIC TERM CONTRACT:** A Term Contract for a specific agency.
 - **OPEN MARKET CONTRACT:** A contract for the purchase of a commodity not covered by a term contract.
4. **EXECUTION:** Failure to sign under EXECUTION section will render bid invalid.
5. **ORDER OF PRECEDENCE:** In cases of conflict between specific provisions in this bid, the order of precedence shall be (1) special terms and conditions specific to this bid, (2) specifications, (3) North Carolina General Contract Terms and Conditions, and (4) Instructions to Bidders.
6. **TIME FOR CONSIDERATION:** Unless otherwise indicated on the first page of this document, bidder's offer shall be valid for 45 days from the date of bid opening. Preference may be given to bids allowing not less than 45 days for consideration and acceptance.
7. **PROMPT PAYMENT DISCOUNTS:** Bidders are urged to compute all discounts into the price offered. If a prompt payment discount is offered, it will not be considered in the award of the contract except as a factor to aid in resolving cases of identical prices.
8. **SPECIFICATIONS:** Any deviation from specifications indicated herein must be clearly pointed out; otherwise, it will be considered that items offered are in strict compliance with these specifications, and bidder will be held responsible therefore. Deviations shall be explained in detail. **The bidder shall not construe this paragraph as inviting deviation or implying that any deviation will be acceptable.**
9. **INFORMATION AND DESCRIPTIVE LITERATURE:** Bidder is to furnish all information requested and in the spaces provided in this document. Further, if required elsewhere in this bid, each bidder must submit with their bid sketches, descriptive literature and/or complete specifications covering the products offered. Reference to literature submitted with a previous bid will not satisfy this provision. Bids which do not comply with these requirements will be subject to rejection.
10. **RECYCLING AND SOURCE REDUCTION:** It is the policy of this State to encourage and promote the purchase of products with recycled content to the extent economically practicable, and to purchase items which are reusable, refillable, repairable, more durable, and less toxic to the extent that the purchase or use is practicable and cost-effective.
We also encourage and promote using minimal packaging and the use of recycled/recyclable products in the packaging of commodities purchased. However, no sacrifice in quality of packaging will be acceptable. The company remains responsible for providing packaging that will protect the commodity and contain it for its intended use.
Companies are strongly urged to bring to the attention of the purchasers in the Division of Purchase and Contract those products or packaging they offer which have recycled content and that are recyclable.
11. **CLARIFICATIONS/INTERPRETATIONS:** Any and all questions regarding this document must be addressed to the purchaser named on the cover sheet of this document. Do not contact the user directly. Any and all revisions to this document shall be made only by written addendum from the Division of Purchase and Contract. The bidder is cautioned that the requirements of this bid can be altered only by written addendum and that verbal communications from whatever source are of no effect.
12. **ACCEPTANCE AND REJECTION:** The State reserves the right to reject any and all bids, to waive any informality in bids and, unless otherwise specified by the bidder, to accept any item in the bid. If either a unit price or extended price is obviously in error and the other is obviously correct, the incorrect price will be disregarded.
13. **REFERENCES:** The State reserves the right to require a list of users of the exact item offered. The State may contact these users to determine acceptability of the bid. Such information may be considered in the evaluation of the bid.

14. TAXES:

- **FEDERAL:** All agencies participating in this contract are exempt from Federal Taxes, such as excise and transportation. Exemption forms submitted by the contractor will be executed and returned by the using agency.
- **OTHER:** Prices offered are not to include any personal property taxes, nor any sales or use tax (or fees) unless required by the North Carolina Department of Revenue.

15. AWARD OF CONTRACT: As directed by statute, qualified bids will be evaluated and acceptance may be made of the lowest and best bid most advantageous to the State as determined upon consideration of such factors as: prices offered; the quality of the articles offered; the general reputation and performance capabilities of the bidders; the substantial conformity with the specifications and other conditions set forth in the bid; the suitability of the articles for the intended use; the related services needed; the date or dates of delivery and performance; and such other factors deemed by the State to be pertinent or peculiar to the purchase in question. Unless otherwise specified by the State or the bidder, the State reserves the right to accept any item or group of items on a multi-item bid.

In addition, on TERM CONTRACTS, the State reserves the right to make partial, progressive or multiple awards: where it is advantageous to award separately by items; or where more than one supplier is needed to provide the contemplated requirements as to quantity, quality, delivery, service, geographical areas; other factors deemed by the State to be pertinent or peculiar to the purchase in question.

16. HISTORICALLY UNDERUTILIZED BUSINESSES: Pursuant to General Statute 143-48 and Executive Order #150, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.

17. CONFIDENTIAL INFORMATION: As provided by statute and rule, the Division of Purchase and Contract will consider keeping trade secrets which the bidder does not wish disclosed confidential. Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL" by the bidder. Cost information shall not be deemed confidential. In spite of what is labeled as a trade secret, the determination whether it is or not will be determined by North Carolina law.

18. SAMPLES: Sample of items, when required, must be furnished as stipulated herein, free of expense, and if not destroyed will, upon request be returned at the bidder's expense. Request for the return of samples must be made within 10 days following date of bid opening. Otherwise the samples will become State property. Each individual sample must be labeled with the bidder's name, bid number, and item number. A sample on which an award is made, will be retained until the contract is completed, and then returned, if requested, as specified above.

19. PROTEST PROCEDURES: When an offeror wants to protest a contract awarded pursuant to this solicitation, that is over \$10,000, they must submit a written request to the State Purchasing Officer at the address given in the solicitation document entitled "Mailing Instructions". This request must be received in the Division of Purchase and Contract within thirty (30) consecutive calendar days from the date of the contract award, and must contain specific reasons and any supporting documentation for the protest. **Note:** Contract award notices are sent **only** to those actually awarded contracts, and not to every person or firm responding to this solicitation. Bid status and Award notices are posted on the Internet at <http://www.state.nc.us/PandC/>. **All protests will be handled pursuant to the North Carolina Administrative Code, Title 1, Department of Administration, Chapter 5, Purchase and Contract, Section 5B.1519.**

20. MISCELLANEOUS: Masculine pronouns shall be read to include feminine pronouns, and the singular of any word or phrase shall be read to include the plural and vice versa.

21. RECIPROCAL PREFERENCE: G.S. 143-59 establishes a reciprocal preference law to discourage other states from applying in-state preferences against North Carolina's resident bidders. The "Principal Place of Business" is defined as the principal place from which the trade or business of the bidder is directed or managed.

NORTH CAROLINA GENERAL CONTRACT TERMS AND CONDITIONSINTERNET ADDRESS – <http://www.state.nc.us/pandc/>

1. **DEFAULT AND PERFORMANCE BOND:** In case of default by the contractor, the State may procure the articles or services from other sources and hold the contractor responsible for any excess cost occasioned thereby. The State reserves the right to require performance bond or other acceptable alternative guarantees from successful bidder without expense to the State.
2. **GOVERNMENTAL RESTRICTIONS:** In the event any Governmental restrictions are imposed which necessitate alteration of the material, quality, workmanship or performance of the items offered prior to their delivery, it shall be the responsibility of the contractor to notify, in writing, the issuing purchasing office at once, indicating the specific regulation which required such alterations. The State reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the contract.
3. **AVAILABILITY OF FUNDS:** Any and all payments to the contractor are dependent upon and subject to the availability of funds to the agency for the purpose set forth in this agreement.
4. **TAXES:** Any applicable taxes shall be invoiced as a separate item.

G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors if the vendor or its affiliates meet one of the conditions of G. S. 105-164.8(b) and refuse to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G. S. 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the bid document the vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.

5. **SITUS:** The place of this contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation and enforcement shall be determined.
6. **GOVERNING LAWS:** This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.
7. **INSPECTION AT CONTRACTOR'S SITE:** The State reserves the right to inspect, at a reasonable time, the equipment/item, plant or other facilities of a prospective contractor prior to contract award, and during the contract term as necessary for the State's determination that such equipment/item, plant or other facilities conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the contract.
8. **PAYMENT TERMS:** Payment terms are Net not later than 30 days after receipt of correct invoice or acceptance of goods, whichever is later. The using agency is responsible for all payments to the contractor under the contract. Payment by some agencies may be made by procurement card and it shall be accepted by the contractor for payment if the contractor accepts that card (Visa, Mastercard, etc.) from other customers. If payment is made by procurement card, then payment may be processed immediately by the contractor.
9. **AFFIRMATIVE ACTION:** The contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or disability.
10. **CONDITION AND PACKAGING:** Unless otherwise provided by special terms and conditions or specifications, it is understood and agreed that any item offered or shipped has not been sold or used for any purpose and shall be in first class condition. All containers/packaging shall be suitable for handling, storage or shipment.
11. **STANDARDS:** All manufactured items and/or fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving a connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate state inspector which customarily requires the label or re-examination listing or identification marking of the appropriate safety standard organization; such as the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and /or National Electrical Manufacturers' Association for electrically operated assemblies; or the American Gas Association for gas operated assemblies, where such approvals of listings have been established for the type of device offered and furnished. Further, all items furnished shall meet all requirements of the Occupational Safety and Health Act (OSHA), and state and federal requirements relating to clean air and water pollution.
12. **PATENT:** The contractor shall hold and save the State, its officers, agents and employees, harmless from liability of any kind, including costs and expenses, on account of any copyrighted material, patented or unpatented invention, articles, device or appliance manufactured or used in the performance of this contract, including use by the government.

13. **ADVERTISING:** Contractor agrees not to use the existence of this contract or the name of the State of North Carolina as part of any commercial advertising.
14. **ACCESS TO PERSONS AND RECORDS:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7.
15. **ASSIGNMENT:** No assignment of the contractor's obligations nor the contractor's right to receive payment hereunder shall be permitted.
However, upon written request approved by the issuing purchasing authority and solely as a convenience to the contractor, the State may:
- Forward the contractor's payment check directly to any person or entity designated by the contractor, and
 - Include any person or entity designated by contractor as a joint payee on the contractor's payment check.
- In no event shall such approval and action obligate the State to anyone other than the contractor and the contractor shall remain responsible for fulfillment of all contract obligations.
16. **INSURANCE:**
- COVERAGE** - During the term of the contract, the contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the contractor shall provide and maintain the following coverage and limits:
- Worker's Compensation** - The contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$150,000.00, covering all of contractor's employees who are engaged in any work under the contract. If any work is sublet, the contractor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the contract.
 - Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$500,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability.)
 - Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The minimum combined single limit shall be \$150,000.00 bodily injury and property damage; \$150,000.00 uninsured/under insured motorist; and \$1,000.00 medical payment.
- REQUIREMENTS:** Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.
17. **YEAR 2000 COMPLIANCE/WARRANTY:** Vendor shall ensure the product(s) and service(s) furnished pursuant to this agreement ("product" shall include, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) which perform any date and/or time data recognition function, calculation, or sequencing, will support a four digit year format, and will provide accurate date/time data and leap year calculations on and after December 31, 1999, at the same level of functionality for which originally acquired without additional cost to the user. This warranty shall survive termination or expiration of the agreement.
18. **GENERAL INDEMNITY:** The contractor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses, with the exception of consequential damages, accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the contractor in the performance of this contract and that are attributable to the negligence or intentionally tortuous acts of the contractor provided that the contractor is notified in writing within 30 days that the State has knowledge of such claims. The contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of contractor goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.
19. **ELECTRONIC PROCUREMENT (APPLIES TO ALL CONTRACTS THAT INCLUDE E-PROCUREMENT AND ARE IDENTIFIED AS SUCH IN THE BODY OF THE SOLICITATION DOCUMENT):** Purchasing shall be conducted through the Statewide E-Procurement Service. The State's third party agent shall serve as the Supplier Manager for this E-Procurement Service. The contractor shall register for the Statewide E-Procurement Service within two (2) business days of notification of award in order to receive an electronic purchase order resulting from award of this contract.

THE SUCCESSFUL BIDDER(S) SHALL PAY A TRANSACTION FEE OF 1.75% (.0175) ON THE TOTAL DOLLAR AMOUNT (EXCLUDING SALES TAXES) OF EACH PURCHASE ORDER ISSUED THROUGH THE STATEWIDE E-PROCUREMENT SERVICE

This applies to all purchase orders, regardless of the quantity or dollar amount of the purchase order. The transaction fee shall not be stated or included as a separate item in the proposed contract or invoice. There are no additional fees or charges to the contractor for the services rendered by the Supplier Manager under this contract. Contractor will receive a credit for transaction fees they paid for the purchase of any item(s) if an item(s) is returned through no fault of the contractor. Transaction fees are non-refundable when an item is rejected and returned, or declined, due to the contractor's failure to perform or comply with specifications or requirements of the contract.

Contractor or its Authorized Reseller, as applicable, will be invoiced monthly for the State's transaction fee by the Supplier Manager. The transaction fee shall be based on purchase orders issued for the prior month. Unless Supplier Manager receives written notice from the Contractor identifying with specificity any errors in an invoice within thirty (30) days of the receipt of invoice, such invoice shall be deemed to be correct and Contractor shall have waived its right to later dispute the accuracy and completeness of the invoice. Payment of the transaction fee by the Contractor is due to the account designated by the State within thirty (30) days after receipt of the correct invoice for the transaction fee, which includes payment of all portions of an invoice not in dispute. Within thirty (30) days of the receipt of invoice, contractor may request in writing an extension of the invoice payment due date for that portion of the transaction fee invoice for which payment of the related goods by the governmental purchasing entity has not been received by the Contractor. If payment of the transaction fee is not received by the State within this payment period, it shall be considered a material breach of contract. The Supplier Manager shall provide, whenever reasonably requested by the contractor in writing (including electronic documents), supporting documentation from the E-Procurement Service that accounts for the amount of the invoice.

The Supplier Manager will capture the order from the State approved user, including the shipping and payment information, and submit the order in accordance with the E-Procurement Service. Subsequently, the Supplier Manager will send those orders to the appropriate contractor on State Contract. The State or State approved user, not the Supplier Manager, shall be responsible for the solicitation, bids received, evaluation of bids received, award of contract, and the payment for goods delivered.

Contractor agrees at all times to maintain the confidentiality of its user name and password for the Statewide E-Procurement Services. If a contractor is a corporation, partnership or other legal entity, then the contractor may authorize its employees to use its password. Contractor shall be responsible for all activity and all charges by such employees. Contractor agrees not to permit a third party to use the Statewide E-Procurement Services through its account. If there is a breach of security through the contractor's account, contractor shall immediately change its password and notify the Supplier Manager of the security breach by e-mail. Contractor shall cooperate with the State and the Supplier Manager to mitigate and correct any security breach.

20. **ELECTRONIC PROCUREMENT (APPLIES ONLY TO STATEWIDE TERM CONTRACTS):** Within ten (10) calendar days of notice, the contractor shall provide supplier information, contract pricing and other product-related information requested by the State or the Supplier Manager. This information shall include such information as contractor name, SKU, brand/manufacturer, product name and a brief description, unit of measure, price, and other similar information or properly requested by the State or the Supplier Manager to facilitate purchasing from the contract. This information shall be posted by the contractor in the format provided by the Supplier Manager, or as otherwise provided in a template or format required by the State. No costs or expenses associated with providing this information shall be charged to the State, its agents (including Supplier Manager) or State approved users of the contract. For the purposes of this contract, the contractor warrants that it is authorized and empowered to and hereby grants the State and the Supplier Manager the right and license to use, reproduce, transmit, distribute and publicly display this information. In addition, for the purposes of this contract, the contractor warrants that it is authorized and empowered to and hereby grants the State and the Supplier Manager the right and license to reproduce and display contractor's trademarks, service marks, logos, trade dress or other branding designation that identifies the goods available under the contract. The Supplier Manager shall create and maintain, with contractor's timely assistance, web-based placement of contract information, where appropriate, that includes the contract items distributed by the contractor within the appropriate contract categories. The State shall provide any price adjustment/product modification information that it has approved during the course of the contract, to the Supplier Manager immediately upon such change.

If the contractor is not the manufacturer, then it shall be the contractor's responsibility to obtain authorization from the manufacturer to comply with the provisions of this contract, including any appropriate intellectual property rights of the manufacturer. If the contractor is the manufacturer, then the manufacturer shall only authorize dealers, outlets, distributors, value added resellers, etc. (together, "Authorized Resellers") within their network that can comply with the provisions of this contract.

CONTRACTOR IS AND SHALL REMAIN RESPONSIBLE FOR PAYING THE TRANSACTION FEE ON BEHALF OF ITS AUTHORIZED RESELLERS IN THE EVENT THAT THE AUTHORIZED RESELLER(S) DEFAULTS.

21. **CANCELLATION (TERM CONTRACTS ONLY):** All contract obligations shall prevail for at least 180 days after the effective date of the contract. After that period, in addition to the provisions of the paragraph entitled Price Adjustments, for the protection of both parties, this contract may be canceled in whole or in part by either party by giving 30 days prior notice in writing to the other party. Such notice of cancellation, as required herein, shall be transmitted via U.S. MAIL, Certified, Return Receipt Requested. The 30 days notice for cancellation shall begin on the day the return receipt is signed and dated.
22. **QUANTITIES (TERM CONTRACTS ONLY):** The award of a term contract neither implies nor guarantees any minimum or maximum purchases thereunder.
23. **PRICE ADJUSTMENTS (TERM CONTRACTS ONLY):** Any price changes, downward or upward, which might be permitted during the contract period must be general, either by reason of market change or on the part of the contractor to other customers.
 - a. **Notification:** Must be given to the issuing purchasing authority, in writing, concerning any proposed price adjustments. Such notification shall be accompanied by copy of manufacturer's official notice or other acceptable evidence that the change is general in nature.
 - b. **Decreases:** The State shall receive full proportionate benefit immediately at any time during the contract period.
 - c. **Increases:** All prices shall be firm against any increase for 180 days from the effective date of the contract. After this period, a request for increase may be submitted with the State reserving the right to accept or reject the increase, or cancel the contract. Such action by the State shall occur not later than 15 days after the receipt by the State of a properly documented request for price increase. Any increases accepted shall become effective not later than 30 days after the expiration of the original 15 days reserved to evaluate the request for increase.
 - d. **Invoices:** It is understood and agreed that orders will be shipped at the established contract prices in effect on dates orders are placed. Invoicing at variance with this provision will subject the contract to cancellation. Applicable North Carolina sales tax shall be invoiced as a separate item.