



State of Idaho Statewide Contract

Parties

Agency	Contractor
Department of Administration 650 W. State St. Boise, ID 83702	Les Schwab Group Holdings, LLC PO Box 7125 Bend, OR 97708-7125

Contract Summary

Contract Name: Les Schwab SBPO Contract Description: Tires, Tubes & Related Services Original Effective Date: 8/15/2023 Current Expiration Date: 8/14/2025	Current Contract Value: \$2,000,000.00 Estimated Lifetime Value: \$4,000,000.00 Contract Usage Type: Statewide
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Agency Contacts

Contact Name	Contact Phone	Contact Email
Mike Gwinn	(208) 332-1617	Contractadmin@adm.idaho.gov

Contractor Contacts

Contact Name	Contact Phone	Contact Email
Scott Robbins	(503) 705-9810	scott.m.robbins@lesschwab.com

STATEWIDE CONTRACT SBPO

1. PURPOSE

- 1.1. The purpose of this Price Agreement (Agreement) is to establish a source for tires, tubes, and services (Services) not available through the NaspoValuePoint (NASPO) tire contracts and other price agreements, with all Services as described below.

2. TERM

- 2.1. The term of this Agreement is for two (2) years (08/15/2023 – 08/14/2025). This Agreement is not renewable or extendable. The agreement may be terminated by either party upon written notice.

3. PUBLIC AGENCY CLAUSE

3.1. Prices shall be extended to other "Public Agencies" as defined in Idaho Code 67-2327, which reads:

"Public Agency" means any city or political subdivision of the state, including, but not limited to counties; school districts; highway districts; port authorities; instrumentalities of counties; cities or any political subdivision created under the laws of the state of Idaho; any agency of the state government; and any city or political subdivision of another state."

4. TERMS AND CONDITIONS

4.1. The current version of the State of Idaho Standard Contract Terms and Conditions - May 2021 is incorporated by reference into this Agreement, as if set forth in its entirety. This document may be downloaded at https://purchasing.idaho.gov/wp-content/uploads/Standard-Terms-and-Conditions_May-2021.pdf.

5. ADMINISTRATIVE FEE AND USAGE REPORT

5.1. Fee - The prices to be paid by the State (the prices provided by Contractor) shall be inclusive of a one and one-quarter percent (1.25%) Administrative Fee. On a quarterly basis, Contractor will remit to State of Idaho, Attn: Division of Purchasing, PO Box 83720, Boise, Idaho 83720-0075 an amount equal to one and one-quarter percent (1.25%) of Contractor's net (sales minus credits) quarterly sales.

For Example: If the total Contractor's net sales to the Agency for one quarter= \$10,000, Contractor would remit \$10,000 x 0.0125 = \$125 to the Division of Purchasing for that quarter, along with the required quarterly usage report.

5.2. Report - The Contractor shall furnish a detailed quarterly usage report, supplying to the State the agency (State or political subdivision), the tire(s) and/or service provided, and the cost of the tire(s) and/or service. The Contractor shall submit the quarterly usage report from the Agreement to the State to purchasing@adm.idaho.gov in Excel format.

Reporting Timeline (Fiscal Year Quarters):

Fee and Report Date Due:

1st Quarter	July 1 – September 30
2 nd Quarter	Oct. 1 – December 31
3 rd Quarter	Jan. 1 – March 31
4 th Quarter	April 1 – June 30

October 3
January 3
April 30
July 31

Mail your check, in the amount of the Quarterly Administrative Fee, to: State of Idaho, Attn: Division of Purchasing, PO Box 83720, Boise, Idaho 83720-0075.

5.3 If the Contractor fails to submit the required quarterly usage report or timely remit the Administrative Fee, as provided above, the State, at its discretion, may declare the Contractor in default and may be cause for disqualification of Contractor for future agreements or may include other action by the State.

6. GENERAL TIRE REQUIREMENTS

- 6.1. All tires and tubes shall be of quality not less than the tires normally furnished in representative quantities by Original Equipment Manufacturers (OEM) as original equipment for automobiles, trucks, tractors, buses, backhoes, loaders, motor graders, and all other heavy equipment. Tires supplies shall be marked with "DOT" compliance symbol. Tires shall conform to all applicable Federal specifications.
- 6.2. All tires shall be nationally branded and marketed by major tire manufacturers. Private label or private branded will not be accepted (e.g., Big O, Wild Country, Douglas, etc.).
 - 6.2.1. Exceptions may include specific winter grade tires designed for studding, trailer tires, implement tires, industrial tires, and other specialty tires that are not produced by major tire manufacturers and are approved by the State.
- 6.3. All tires and tubes shall be new, not used, and manufactured within one (1) year from the date in which an order is placed by an agency.
- 6.4. All tires shall have the size (including load range), manufacturer's name, DOT number, serial number, and indication of body material molded in sidewall at time of cure. The application of any of the above by any other means such as branding, application of decals, etc. will not be acceptable.
- 6.5. All tires shall meet or exceed American Society of Testing and Materials (ASTM) Standard F1922 for highway tires, F1923 for Off Road/Low Speed tires, and meet operational performance levels and marking requirements of Federal Standards FMVSS 109 for new pneumatic passenger tires and FMVSS 119 for new pneumatic non-passenger MPV's, trucks, buses, and trailers.
 - 6.5.1. Pursuit and Performance Tires - These tires include tires commonly used for police, pursuit vehicles and for other high-speed, performance vehicles. This subcategory includes any tire that is "H", "V", "W", "Y", or "ZR" rated, or above. An "H" rating is the minimum speed rating for tires in this subcategory. Tires shall be standard production tires expressly designed for high-speed operation and shall exhibit exceptional safety, stability, test, and size requirements of Federal Standards MVSS 109.
 - 6.5.2. Automobile/Passenger Vehicles - These tires include tires commonly used for passenger cars and mini vans and designated with a "P" at the beginning of the tire size.
 - 6.5.3. Light Duty Trucks Radial and Bias - These tires include tires commonly used for pickup trucks, sport utility vehicles, full size vans and some trailers, and can typically be identified by the letter's "LT" at the beginning of the tire size.
 - 6.5.4. Medium Commercial/Heavy Duty Truck/Buses - These tires include tires commonly used for medium and heavy trucks, buses, semi-trucks, cargo vans and trailer tires, and do not have a letter at the beginning of the tire size. Tires in the subcategory have a diameter that is equal to, or greater than, twenty (20) inches.
 - 6.5.5. Off-the-Road (OTR) Radial and Bias - These tires include tires commonly used for heavy construction equipment such as wheel loaders, backhoes, graders, and trenchers.
 - 6.5.6. Agricultural/Farm Radial and Bias - These tires include tires that are commonly used for farm tractors, harvesters, and other farm implements, requiring tires with high traction qualities and tires with high

flotation qualities at low inflation pressures.

6.5.7. Industrial - These tires include tires commonly used for specialty industrial equipment, some construction equipment, and material handling equipment such as skid loaders and forklifts, and include pneumatic, non-pneumatic, and press on tires.

6.5.8. Specialty- These tires include, but are not limited to, recreational, all-terrain-vehicle (ATV), boat trailer, yard and garden, and aviation tires. This category also includes all other tires not identified above.

6.5.9. Tubes - All tubes shall be standard production, first line, heavy duty butyl tubes, or natural rubber of fresh stock.

7. GENERAL SERVICE REQUIREMENTS

7.1. Use of these Services by ordering agencies for non-Agreement Services, shall be at the discretion of the Contractor.

7.2. Product installation and repairs, such as mounting, rotation, and balancing, shall be in accordance with manufacturer's recommended procedures of warranted new tires for each product subcategory. If there is a different price for larger tires, this shall be noted. If not, the prices offered for each service shall apply to all tires and services.

7.3. The Contractor shall provide complete twenty-four (24) hour roadside service. Dispatch response time (arrival time by Contractor to ordering agency identified location), shall occur within the time parameters requested by the ordering agency at the time of contact (one (1) hour, two (2) to five (5) hours, twenty-four (24) hours, etc.).

7.4. Contractor shall plan accordingly to have all necessary tools, replacement materials and labor on hand at time of repair, to make all roadside repairs and tire replacements(s) in a safe, cost-efficient manner.

7.4.1. In the event that the Contractor is unable to provide the services or Contractor is unwilling to respond within the required dispatch time after telephone notification of the emergency, the ordering agency reserves the right to procure the products or services or a combination of products and services elsewhere.

7.5. Tire Pressure Monitoring System (TPMS) - When tires equipped with a TPMS are mounted on a vehicle, the system will be reinstalled with a new washer, valve, and valve cap.

7.6. The Contractor shall provide pricing for the Services associated to this Agreement. If Contractor does not offer any of the below listed items shall be marked as N/A.

7.6.1. Tire installation (purchase in store) includes dismount of used tires and tubes.

7.6.2. Change tire, dismount, and mount.

7.6.3. Flat repair, remove, repair, and mount.

7.6.4. Rotate mounted tires (per tire).

7.6.5. New valve stem rubber or metal.

7.6.6. Wheel balance: Computer spin balance (per tire).

7.6.7. Wheel balance/Valve stem combo.

7.6.8. Alignment services - Prices will be listed as a percentage discount from list price for parts and price per hour for labor.

7.6.9. Studding - Metal implants in the surface of the tread to improve traction on ice.

7.6.10. Siping - Small slots that are cut or molded into a tire tread surface. These slots are meant to aid in increasing traction in snow, ice, mud, and wet road surfaces.

7.6.11. Used tire recycle/disposal fee (per tire).

8. GENERAL REQUIREMENTS

8.1. The Contractor shall communicate to all Contractor locations of the existence of this Agreement.

8.2. Availability - All tires not carried in stock shall be available within thirty (30) calendar days after receipt of order.

8.3. Shipping to Ordering Agency - Ordering agencies may require tires to be shipped to their location. Orders of this type shall be shipped, FOB Destination Prepaid and Allowed, at Agreement price(s), with no additional fees or freight charges added.

8.4. Returns - The Contractor shall not charge return fees for inaccuracies, or other errors, on the part of the Contractor.

8.5. Product Guarantee and Adjustment - Tires shall be free from defects in workmanship and material for original tread life, or forty-eight (48) months, whichever comes first. Any tire which fails this guarantee shall either be repaired by the Contractor or replaced with a new tire, charging only for the mileage used based on the tread depth, or as agreed upon by the ordering agency. Allowances and replacement charges shall be based upon the Agreement tire price(s). All transportation costs on both the defective tire(s) and replacement tires(s) shall be paid by the Contractor.

8.6. Emergency Vehicle Service Priority- Contractor shall give emergency vehicles (e.g., police, snow removal equipment, firefighting equipment, ambulance, etc.) during emergency operations, priority service over all other customers including both private and public customers. If there is no emergency, the Contractor shall service emergency vehicles in their normal priority manner.

8.7. Service Areas - Contractor shall provide a list of locations, with full location addresses, contact information, and services that are currently provided by each location.

8.8. Contact Person - Contractor shall provide the name of the person who will work with DOP for the term of the Agreement. This person shall be authorized to coordinate with all service locations to correct pricing for tires, tubes, and services.

9. PRICING

9.1. The pricing in this Agreement is the maximum price that an ordering agency will be required to pay. The Contractor and State agree that the Contractor may offer lower "sale" prices normally offered to the public, quantity discounts, bulk purchases, etc. to ordering agencies.

9.2. Prices for tires shall be based on a discount from the Manufacturers Published List Prices (MPL). A copy of the most

current MPL for each tire manufacturer shall be included with this Agreement. All prices listed will be inclusive of the Administrative Fee (**Section 5**). Tire manufacturer may have different trade names for their MPL or list prices that shall be referred to as MPL for this Agreement.

- 9.3. Tires and tube price increases or decreases will only be allowed when a manufacturer publishes a new MPL. A new copy of the MPL(s) shall be sent to DOP as soon as the Contractor is notified by the manufacturer of an increase or decrease. In no case will a retroactive price increase be allowed due to failure of the Contractor or manufacturer to provide pricing information. In no case will a change in the discount from MPL be allowed during the term of this price agreement.
- 9.4. No increases for the cost of providing any services outlined in **Section 7** will be allowed without an agreed upon amendment to the agreement.

10. WARRANTY

- 10.1. All tires, regardless of manufacturer, shall be warranted against all defects in material and workmanship by the manufacturer.
- 10.2. Warranty documentation, including contact information for warranty claims, shall be provided to the State for each transaction made.

11. INSURANCE

- 11.1. The Contractor shall carry all insurance which may be required by federal and state laws, state and city ordinances, charters, regulations, and codes. The required insurance shall be subject to the approval of the State, but any acceptance of insurance by the State shall in no way limit or relieve Contractor of the duties and responsibilities stipulated in the Agreement.

The Contractor will maintain, at its sole expense, the required insurance purchased from an insurer licensed/authorized to transact business in the State of Idaho. Insurance carriers shall have an AM Best's Rating of A-VII or better. Policies shall provide a minimum of 30 days' advance written notice of cancellation, material change, or nonrenewal of policies required under the contract to the State. In situations where the insurance carrier does not provide notice to the State, the Contractor shall notify the State of any cancellation or reduction in coverage or limits of any insurance within seven (7) days of receipt of insurer's notifications to that effect.

The Contractor's insurance shall be issued on a primary basis, non-contributory with any other insurance coverages and or self-insurance carried by the State.

Self-insured retentions shall be declared to and approved by the State. The State may require the Contractor to provide proof of ability to pay losses and related investigations, claim, administration, and defense expenses within the retention.

- 11.1.1. Commercial General Liability Insurance (CGL) - Contractor shall maintain commercial general liability on an occurrence basis to include premises and operations, personal and advertising injury, products and completed operations, liability assumed under an insured contract, and independent contractors. The limits of liability shall not be less than:

\$1,000,000 each occurrence bodily injury and property damage

\$1,000,000 personal and advertising injury

\$2,000,000 general aggregate

\$2,000,000 products/completed operations aggregate

11.1.2. Commercial Automobile Liability Insurance – The Contractor shall maintain commercial liability insurance with limits not less than \$1,000,000.00 combined single limit each accident for bodily injury and property damage including coverage for all owned, hired, and non-owned automobiles. Where applicable, coverage should include personal injury protection. Coverage shall include additional insured status in favor of the State, its officers, directors, employees, agents, and volunteers.

11.1.3. Worker's Compensation (Statutory) and Employer's Liability - Coverage shall include additional insured status and a waiver of subrogation in favor of the State, its officers, directors, employees, agents, and volunteers. Coverage shall include a waiver of subrogation in favor of the State, its officers, employees, agents, and volunteers.

12. PAYMENT METHOD

12.1. The Contractor shall accept payment under this Agreement in the form of a Purchase Order (PO) issued by an agency, or a government issued credit card (PCard). The Contractor agrees to accept Peard payments without any additions or surcharges to the State.

13. NON-EXCLUSIVITY

13.1. The Contractor and the State agree that this agreement does not imply an exclusive agreement for products and services listed on this Agreement. State, public agencies, and political subdivisions may, at their option, choose to use this Agreement as they see fit and in their best interests. State, public agencies and political subdivisions may utilize additional or alternate Agreements and state contracts.

*****SIGNATURE PAGE FOLLOWS*****

Department of Administration

Signature: Mike Gwinn

Name: Mike Gwinn

Title: Contract Administration Supervisor

Date: 8/15/2023

Les Schwab Holdings Group, LLC

Signature: 

Name: Scott Robbins

Title: Manager, Fleet Tire

Date: 8/14/2023