NOTICE OF AWARD OF CONTRACT

TO: MCCARTHY TIRE SERVICE CO. INC.
9073 EUCLID AVENUE
MANASSAS, VA 20110
DATE ISSUED: JANUARY 9, 2012
CURRENT CONTRACT NO: 618-12
CONTRACT TITLE: TIRE RECAPping SERVICES
PRIOR CONTRACT NO: 463-10

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

Your firm is awarded the above referenced contract in accordance with the response submitted by you on DECEMBER 6, 2011. The contract term covered by this Notice of Award is effective JANUARY 1, 2012 and expires on DECEMBER 31, 2012.

This is the FIRST year award notice of a possible FOUR year contract.

The contract documents consist of the terms, conditions, and specifications of Invitation to Bid No. 618-12 and the bid of the Contractor, incorporated herein by reference.

CONTRACT PRICING:
1) REFER TO BID FORM ATTACHED
2) PRICE ADJUSTMENTS FOR EXTENSION OPTIONS BASED ON SEPTEMBER CPI-U

ATTACHMENTS:
BID FORM
SPECIFICATION EXCERPT

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: JOSEPH HARDCASTLE
TELEPHONE NO.: 703-998-8002

VENDOR PAYMENT TERMS: NET 30 DAYS

TAX IDENTIFICATION NUMBER (EIN/SSN): 54-1979794

COUNTY CONTACT: ALVIN BOYD
TELEPHONE NO.: 703-228-4942

CONTRACT AUTHORIZATION
Delphine Lambert
Buyer
09/01/12
Date

DISTRIBUTION
VENDOR: 1
BID FOLDER: 2
It is the intent of this specification to outline the minimum requirements for recapping tires for the Arlington County, Department of Environmental Services ("DES"), Equipment Bureau.

A. The Contractor shall pick up Arlington County's tire casings, mark all casings and inventory all picked up tire casings.

B. The Contractor shall inspect all casings for recapping. The Contractor shall return to the County all casings marked for scrap and shall indicate the reason or defect that exists with each casing.

C. **Type of tread/Selection of casings**
   All recapping performed by the Contractor under this contract shall be highway traction "mud and snow" design suitable for local surfaced road use and shall comply with Federal, State, and Local noise performance standards. The quality of tread rubber shall be as specified below. Selection of casings to be recapped shall be the responsibility of the Contractor. Radial casings shall be recapped using the "precure" method. The Contractor shall inspect all tires to be recapped with an ultrasonic sound wave inspection device, or other similar method, to detect any hidden casing damages.

D. **Retreading facility**
   Equipment used by the Contractor to retread tires shall be of modern design, in good working order, and capable of producing a tread design of good appearance, dimension, and performance. Retreading performed under this contract shall have essentially the same shoulder design and dimensions as the tire had when new, and the tread width of the recap shall meet the tire manufacturer's recommendations for recapping. [No section repairs to the following tires: 10R22.5 - 11R22.5 - 255/70R22.5] The retread facility shall have an operating procedure conforming to those established by the Tire Retreading Institute, Retreading Industry Action Committee, American Retreaders Association, or other recognized procedure. Such procedures shall include:
   1. Initial inspection shall be done through electronic inspection similar to the Not Destructive Testing (known as NDT) to find tire penetrations in the crown and side wall areas. In addition, inspections shall be by Shearography which is an inspection that determines the condition within the casing. The process involves subjecting the casing to a vacuum while lasers measure surface anomalies (i.e. expanding pockets of air). An animated visual of the anomalies aids in determining the casings condition for retreading and detects any casing separations.
   2. Buffing
   3. Cementing
   4. Tread rubber application
   5. Curing
   6. Trimming and finishing
   7. Final inspection shall include a visual hands-on inspection from bead to bead, inside and out to assure that the tire has been properly retreaded.

E. **Guarantee**
   The Contractor shall guarantee all tires recapped or retreaded under this contract against defects in materials and workmanship for the tread-life of the tire. For the purpose of this contract, "tread-life" shall mean the period of wear between the original tread design depth and when the remaining tread design depth measures 3/32 inch. Tread design depth shall be determined by measurements taken at three
(3) points within each tire groove and equally spaced around the circumference of the tire and the results averaged.

If a tire is found to be defective in material or workmanship, the Contractor shall either repair or retread such tire again at no cost to the County.

Should a defective condition develop in the tire body or carcass which prevents retreading or repairing again, the Contractor shall provide to the County an allowance, either in the form of a refund or in the form of a credit toward future orders for recapping service, in the amount of the contract price for retreading at the time of allowance.

F. Type of process and tread design (APPROVED PRODUCT LIST)

For the purpose of this solicitation, the acceptable recapping processes shall be "PRECURE." The grade of rubber accepted shall only be major brand premium, first tier, such as Bandag, Michelin, Goodyear or equivalent. The major brand name must be stamped (cured) into the tread rubber of all retreaded tires. Tread depth shall be as designated in the Proposal Section. Tread rubber used in this process shall be previously cured and ready for application to the casing.

Bids offering other processes will not be considered for award.

G. Undertread

The rubber between the base of the tread design and the buffed carcass, known as undertread, shall be equal to not less than twenty percent (20%) of the tread of the retreaded tire. The tread depth of the retreaded tire shall be no less than that specified for the applicable size listed below.

H. Mold flash/Rejected recaps

Completed products shall meet and/or exceed the requirements of Federal Specification ZZ-T-441. Prior to delivery by the Contractor, retreaded tires shall be trimmed of mold flash and mold vent extrusions and shall be painted in accordance with accepted industry practices. Any evidence of inferior workmanship, defect, or imperfection, as determined by the County staff, shall be a reason for rejection of the retreaded tire. The Contractor shall replace any such rejected retreaded tire with a like retreaded tire meeting these specifications, at the Contractor's expense.

The following are some examples of reasons for rejection:

- Ply, tread, and sidewall separation
- Tread folds or tread element rounding; with radii over one-half of tread depth or over one inch long
- Mold folds or mold tearing
- Sidewall light or thin areas
- Off register treads; treads radially off register, and/or mold sections in misalignment on the periphery
- Balance defect
- Off-center treads
- Smooth area in tread caused by use of spacer with no design configuration
- Soft porous, or incomplete cure (tread hardness)
- Mold flash in excess of .002 inch in thickness

I. Buffing of tire casings

Casings being prepared for recapping shall be buffed to a texture as outlined by the Rubber Manufacturer's Association Texture Specifications 4 or 5. The buffing radius shall be minimum 18” to 22”. Recapped tires buffed down below the standard
manufacturer's specified width shall not be recapped again.

**NO BUFFING MARKS SHALL BE VISIBLE BEYOND THE EDGE OF THE RECAPPED TREAD.**

**J. Pickup and delivery**
The Contractor shall pickup casings to be recapped at the Arlington County Equipment Division, 2701 S. Taylor Street, Arlington, Virginia, and deliver back to the same site upon completion of recap. The Contractor shall provide all labor and equipment necessary to affect service, and provide, at the time of pickup, an accurate inventory count by size of the tires being removed from the County premises. The County shall provide one employee to assist the Contractor with selection and inventory of tires. Pickup shall be made by the Contractor on a scheduled basis as mutually agreed by the Contractor and the County.

**K. Product quality**
The safe operation and maintenance of the County school bus fleet is of paramount importance. Only recaps of the highest quality, equal to the original equipment quality, or better, can be used/installed on the buses.

Loss of recap treads has been known to cause severe vehicular body damage and broken brake lines which has resulted in brake failure. If, after acceptance and use of a tire recapped by the Contractor under this contract, a failure or loss of the recap occurs, such failure shall be cause for immediate review of all aspects of Contractor's compliance with the specifications and requirements set forth in this specification.

All tires recapped under this contract must bear the retreader's DOT identification number, molded or engraved next to the new tire manufacturer's DOT identification number.

The Contractor shall provide to the County, prior to start of any work under this contract, a name and telephone number of a contact person in the case of emergency 24 hours a day, 7 days a week.
ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
INVITATION TO BID NO. 612-12

B ID F ORM
B ID F ORM, PAGE 1 OF 5

SUBMIT TWO (2) FULLY-COMPLETEO AND SIGNED BID FORMS TO THE OFFICE OF THE BID CLERk, SUITE 511, 2100 CLARENDON BLVD., ARLINGTON, VIRGINIA, 22201 (ONE (1) FORM SHALL CONTAIN AN ORIGINAL LONGHAND SIGNATURE; THE OTHER SHALL BE A PHOTOCOPY OF THE SIGNED ORIGINAL)

BIDS WILL BE OPENED AT 2:00 P.M., ON DECEMBER 6, 2011

FOR PROVIDING TIRE RECAPPING SERVICES PER THE TERMS, CONDITIONS AND SPECIFICATIONS OF THIS SOLICITATION:

<table>
<thead>
<tr>
<th>TIRE SIZE</th>
<th>ESTIMATED QUANTITY</th>
<th>RECAP UNIT PRICE</th>
<th>TOTAL PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>10R22.5</td>
<td>255 EA</td>
<td>$98.37 EA</td>
<td>$25,084.35</td>
</tr>
<tr>
<td>11R22.5</td>
<td>150 EA</td>
<td>$113.00 EA</td>
<td>$16,980.00</td>
</tr>
<tr>
<td>255/70R22.5</td>
<td>60 EA</td>
<td>$99.50 EA</td>
<td>$5970.00</td>
</tr>
</tbody>
</table>

TOTAL BID: $48,034.35

Minimum # of Tires per Pick Up: 1

TIME REQUIRED FOR DELIVERY OF TIRE(S) WITH COMPLETED RRCAP: 8-7 CONSECUTIVE CALENDAR DAYS AFTER PICK UP OF CASING(S) FROM THE COUNTY.

The undersigned understands and acknowledges the following:

The official, true, and complete copy of the solicitation documents, WHICH SHALL INCLUDE ALL AMENDMENTS THERETO, is the hard copy of the documents available from the Office of the Purchasing Agent.

An electronic copy of the solicitation documents provided at the County Purchasing Agent's website (https://www.arlingtonva.us/purchasing) is subject to an important disclaimer which must be acknowledged online before the documents can be downloaded.

Each bidder is responsible for determining the accuracy and completeness of all solicitation documents they receive, including documents obtained from the County by either of the methods described above, and documents obtained from all other sources.

BIDDER NAME: McCarthy Tire
TRADE SECRETS OR PROPRIETARY INFORMATION:
Trade secrets or proprietary information submitted by an bidder in connection with a procurement transaction shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, Section 4-111 of the Arlington County Purchasing Resolution states that the bidder must invoke the protection of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

Please mark one:

[X] No, the bid I have submitted does not contain any trade secrets and/or proprietary information.

( ) Yes, the bid I have submitted does contain trade secrets and/or proprietary information.

If Yes, you must clearly identify below the exact data or other materials to be protected and list all applicable page numbers of the bid containing such data or materials:

State the specific reason(s) why protection is necessary:

If you fail to identify the data or other materials to be protected and state the reasons why protection is necessary in the space provided above, you will not have invoked the protection of Section 4-111 of the Purchasing Resolution. Accordingly, effective upon the award of contract, the bid will be subject to public inspection consistent with applicable law.

DECLARATION OF NON-COLLUSION: The undersigned certifies that this bid is not the result of, or affected by, any act of collusion with another person as defined in the Code of Virginia § 59.1-68.6 et seq., engaged in the same line of business or commerce, or any act of fraud punishable under the Virginia Governmental Fraud Act (Code of Virginia § 18.2-478.1 et seq.).

[Signature]
[Date]
CONTACT PERSON AND MAILING ADDRESS FOR DELIVERY OF NOTICES

Provide the name and address of the person designated by the Bidder to receive notices and other communications (Refer to section headed Notices in the Contract Terms and Conditions of this solicitation for further details):

McCarthy Tire
9073 Euclid Ave
MANASSAS VA, 20110
Attn: JOE HARDCASTLE

THE PROPER LEGAL NAME OF THE FIRM OR ENTITY SUBMITTING THIS BID MUST BE WRITTEN IN THE SPACE PROVIDED BELOW. THIS BID FORM, AND ALL OTHER DOCUMENTS REQUIRED BY THE INVITATION TO BID TO BE SUBMITTED WITH THIS BID FORM, INCLUDING, BUT NOT LIMITED TO ALL ISSUED AMENDMENTS, MUST BE FULLY AND ACCURATELY COMPLETED AND SIGNED BELOW BY A PERSON AUTHORIZED TO LEGALLY BIND THE BIDDER, OR THE BID MAY BE REJECTED:

AUTHORIZED SIGNATURE
______________________________

PRINT NAME AND TITLE
______________________________
Regional Sales Manager

INDICATE THE NAME AND CONTACT INFORMATION OF THE PERSON WHO CAN RESPOND AUTHORITIATIVELY TO ANY QUESTIONS REGARDING THIS BID (I.E. PROJECT MANAGER):

NAME (PRINTED): JOSEPH HARDCASTLE  TITLE: Govt. Sales
E-MAIL ADDRESS: jhardcastle@mccty.com  TEL. NO.: 703-898-8002

BIDDER NAME: McCarthy Tire
| **SUBMITTED BY:** (LEGAL NAME OF ENTITY) | McCarthy Tire Service of VA |
| **ADDRESS:** | 9073 Euclid Ave |
| **CITY/STATE ZIP:** | Manassas, VA 20110 |
| **TELEPHONE NO:** | 703-368-9288 |
| **FACSIMILE NO:** | 703-368-4416 |
| **TAX ID NUMBER (EIN, SSN):** | 54-1979794 |
| **VA. CONTRACTOR LICENSE #:** | |

- **THIS FIRM IS A:**
  - [x] CORPORATION
  - [ ] GENERAL PARTNERSHIP
  - [ ] LIMITED PARTNERSHIP
  - [ ] UNINCORPORATED ASSOCIATION
  - [ ] LIMITED LIABILITY COMPANY
  - [ ] SOLE PROPRIETORSHIP

- **IS FIRM AUTHORIZED TO TRANSACT BUSINESS IN THE COMMONWEALTH OF VA?** | YES |

- **IDENTIFICATION NO. ISSUED TO THE FIRM BY THE SCC:** 05363148

- **ANY BIDDER EXEMPT FROM SCC AUTHORIZATION REQUIREMENT SHALL INCLUDE A STATEMENT WITH ITS BID WHY THEY ARE NOT REQUIRED TO BE SO AUTHORIZED** |

- **IS YOUR FIRM OR ANY OF ITS PRINCIPALS CURRENTLY DEBARRED FROM SUBMITTING BIDS TO ARLINGTON COUNTY, VIRGINIA, OR ANY OTHER STATE OR POLITICAL SUBDIVISION?** | NO |

- **BIDDER STATUS:**
  - MINORITY OWNED: |
  - WOMAN OWNED: [x] NEITHER: |
Rider Clause

The contract, as determined by the bidder, resultant contractor(s) will be extended to any or all of the listed jurisdictions designated by the bidder to purchase at contract prices in accordance with contract terms. Any successful bidder(s) will place its own order(s) directly with the successful bidder. There will be no obligation on the part of any participating member to utilize the contract.

A negative reply will not necessarily affect consideration of your bid/proposal.

It is the standard vendor's responsibility to notify the members shown below of the availability of the contract.

Each participating jurisdiction has the option of executing a separate contract with the awardee. Contracts entered into with a participating jurisdiction may contain general terms and conditions unique to that jurisdiction including, by way of illustration and not limitation, clauses covering minority participation, nondiscrimination, indemnification, naming the jurisdiction as an additional insured under the awardee's comprehensive general liability policies, and venue. If, when preparing such a contract, the terms and conditions of this contract are unacceptable to the awardee, the awardee may withhold the extension of the award to that jurisdiction.

The procuring jurisdiction shall not be held liable for any costs or damages incurred by another jurisdiction as a result of any award extended to that jurisdiction by the awardee.

Department Authorization to Extend Contract

Mark Watkins

Yes No Jurisdiction

- Alexandria, Virginia
- Alexandria Public Schools
- Alexandria Sanitation Authority
- Arlington County, Virginia
- Arlington County Public Schools
- Arlington, Maryland
- Charles County Public Schools
- College Park, Maryland
- Prince George's County, Maryland
- District of Columbia County
- District of Columbia Public Schools
- District of Columbia Water & Sewer

Yes No Jurisdiction

- Manassas Park, Virginia
- Metropolitan Washington Airports Authority
- Metropolitan Washington Council of Governments
- Montgomery College
- Montgomery County, Maryland
- Montgomery County Public Schools
- Northern Virginia Community College
- Germantown
- Potomac & Rappahannock Transit Commission
- Prince George's County, Maryland
- Prince George's Public Schools
- Prince William County, Virginia
- Prince William County Public Schools
- Prince William County Public Schools
- Alexandria, Virginia
- Fairfax County, Virginia
- Fairfax County School Authority
- Fairfax County School Authority
- Fairfax County Schools
- Fairfax, Virginia
- Falls Church, Virginia
- Fairfax County, Virginia
- Loudoun County, Virginia
- Loudoun County Public Schools
- Loudoun County Sanitation Authority
- Loudoun Public Schools

YES NO JURISDICTION

- Washington Metropolitan Area Transit Authority