

Meeting Date
March 15, 2016



AGENDA	
Section	Consent
Item No.	<i>II.C.1</i>

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Permission to Execute Integrated Supply Agreement, National Joint Purchasing Alliance (NJPA) Contract #061015-GPC
DEPT/OFFICE:	Central Services/Fleet Services

Requested Action:

It is requested that the Board authorize Central Services/Fleet Services to enter into Agreement with Genuine Parts Company, d/b/a NAPA Auto Parts to establish a source of supply for certain auto and truck parts; and to provide an Integrated Business Solutions services. It is further requested that the Board approve the Chair to execute resulting contract, amendments and contract renewals upon approval by the County Attorney's Office and Risk Management.

Summary Explanation & Background:

Central Services Department recommends utilizing the National Joint Purchasing Agreement (NJPA) to manage the Central Fleet parts inventory, thus allowing technicians more time to work on vehicles, and reduce the true cost of vehicle parts.

National Joint Powers Alliance (NJPA) is a Minnesota-based Service Cooperative created by Minnesota Legislative Statute 123A.21. NJPA is a public agency that serves as a member-focused cooperative for over 50,000 member agencies nationally.

The Brevard County Purchasing Group Cooperative has acknowledged the value of the contract, and the service benefits of the NAPA Auto Parts -Integrated Business Solution (NAPA IBS). The City of Melbourne has entered into the agreement proposed herein, and the City of Titusville and Cocoa both are interested in contracting with NAPA IBS in the near future. Therefore, the Purchasing Cooperative Group recommends using the NJPA agreement in lieu of advertising a joint RFP for a fleet inventory business solution contract. It is the Group's consensus that government fleet services will save time and money, obtain higher quality products and services, and standardize products and services by using this cooperative contract.

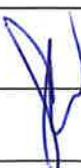
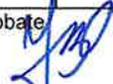
Central Fleet Services is responsible for the preventive maintenance and repair of 720 County vehicles. The parts stock room is managed in-house by one employee who maintains approximately \$31,000 in preventive maintenance inventory. Additional parts are acquired daily by special order, and either delivered by a vendor, UPS or FedEx (which often includes shipping fees), or picked up by a Central Fleet employee. Using an employee to pick up parts may result in a quicker turnaround for the customer, but reduces the mechanics productive hours.

The NAPA IBS utilizes partnerships to provide parts, service and expertise that will assist Brevard County Central Fleet in providing a reliable and complete dedicated on-site source of repair parts and services. Central Fleet will sell its existing inventory to NAPA IBS, and NAPA IBS will provide a larger onsite parts inventory, a full-time parts manager, a vendor-owned inventory. Central Fleet will no longer own the inventory on hand, and will not pay for a part until it is used.

Continued on Page 2.

Clerk to the Board instruction:

Exhibits Attached: **Business Case Study**

Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Assistant County Manager, Frank Abbate		Department Director / Extension				
Stockton Whitten		Assistant County Manager, Venetta Valdengo		Teresa Camarata, Central Services Director 637-5492, ext. 52543				

Advantages of the program are:

- Reduction in administrative functions in preparing and processing data entry of parts purchased from multiple vendors. NAPA IBS will eliminate the need for 45 open purchase orders, and the processing of over 200 invoices per month. Reallocate a minimum of 320 hours annually (8 man-weeks) to other responsibilities.
- Increase on-demand parts availability; supplying 95% onsite parts availability within four hours, and 99% availability within 48 hours. The NAPA IBS inventory, customized to the County's vehicle inventory, will stock the top ten to 15 most frequently used repair parts. NAPA IBS expects its onsite inventory will be valued at between \$150,000 and \$200,000. County-owned inventory average value is \$31,000, and parts availability is approximately 50% of mostly preventive maintenance parts.
- Increase fleet technician overall productivity by eliminating or reducing wait-time for parts, and redirecting workforce to core functions of repairing and servicing County vehicles and equipment. Time lost daily by technicians is currently estimated at 400 hours (10 weeks) annually.
- Improve operational efficiency by reducing parts-related downtime; return County vehicles to service more quickly.
- Eliminate inventory losses due to obsolescence and shrinkage. The last annual inventory revealed that the value of obsolete parts on hand was 3%.
- Significantly reduce the cost of parts and warehouse inventory ownership. **Estimated annual savings: \$127,100.00.**
 - The NAPA IBS contract will provide a turn-key parts sourcing service to Central Fleet. Average discount on NAPA parts is estimated at 25%; and 3.4% on original equipment parts. **Annual estimated cost of parts savings: \$65,000.00.**
 - Eliminate one vacant storekeeper position. Parts stockroom will be operated by a NAPA IBS employee who will order/purchase parts, manage inventory, process invoices, and post parts to Central Fleet work orders. **Annual savings: \$52,300.00.**
 - All parts in stock will belong to NAPA IBS. The County will have no financial investment in parts, and will no longer incur inventory expenses associated with priority freight charges, defective parts credits, obsolescent parts, and items not posted to work orders. **Estimated eliminated annual inventory expense savings: \$8,600.**
 - Added benefit will be annual training for fleet technicians, **an annual cost avoidance of \$1,200.00.**

Cost/Benefit Comparison (Hard Costs)

Annual Expenses	IBS NAPA Program	County Savings
Parts Discount		\$65,000.00
Operational Costs	\$ (85,810.00)	52,300.00
NAPA IBS Management Fee	(40,800.00)	
Inventory ownership expense		8,600.00
Added Value- Training		1,200.00
	\$ (126,610.00)	\$ 127,100.00
Annual Estimate of Net Difference of Utilizing NAPA IBS Program		\$490.00

In addition to the service provided to Central Fleet, NAPA IBS will evaluate the inventories maintained by Public Works, Solid Waste, and Fire Rescue Fleet. A customized inventory of frequently used parts for each user will be added to the Central Fleet store. NAPA IBS has also agreed to emulate establishing a separate store at additional County garages as required to meet the needs of the technicians. The vendor-managed parts stores will be staffed during the County's hours of operation, and can include on-call service for in case of nighttime or weekend vehicle maintenance emergencies.

Fiscal Impact: The County's annual savings will pay the NAPA IBS' operational cost. The vendor will purchase all inventory on hand, estimated \$31,000. The elimination of one FTE will save \$52,300.00 annually (\$32,185 in 2016). **Total fiscal impact for the remainder of 2016 is a savings of \$61,243.00.**



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

March 16, 2016

MEMORANDUM

TO: Teresa Camarata, Central Services Director Attn: Rob Biller

RE: Item II.C.1., Permission to Execute Integrated Supply Agreement, National Joint Purchasing Alliance (NJPA) Contract #061015-GPC

The Board of County Commissioners, in regular session on March 15, 2016, authorized Central Services/Fleet Services to enter into an Agreement with Genuine Parts Company d/b/a/ NAPA Auto Parts, to establish a source of supply for certain auto and truck parts; approved providing an Integrated Business Solutions services; and authorized the Chairman to execute resulting contract, amendments, and contract renewals, upon approval by the County Attorney's Office and Risk Management.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

cc: Finance
Budget

**BREVARD COUNTY
BOARD OF COUNTY COMMISSIONERS**

INITIAL CONTRACT FORM

SECTION I - The following information must be completed on all new contracts submitted to the Board.

1. Contractor: <u>Genuine Parts Company dba NAPA Auto Parts</u>	
2. Fund/Account #:	Department Name: <u>Central Services</u>
4. Contract Description: <u>Supply auto, truck and bus parts and provide Integraed Business Solutions services</u>	
5. Contract Monitor: <u>Robert Biller</u>	6. Mail Stop #:
7. Dept./Office Director: <u>Teresa Camarata</u>	8. Contract Type: <u>service</u>
ACTION DATE: <u>30 days from entry</u>	ACTION REQUIREMENT: <u>Need complete data</u>

SECTION II - The following departments must approve all contracts submitted to the Board:

<u>COUNTY OFFICE</u>	<u>APPROVAL</u>		<u>INITIALS</u>	<u>DATE</u>
	<u>YES</u>	<u>NO</u>		
User Agency	_____	_____	_____	_____
Risk Management	<u>✓</u>	_____	<u>[Signature]</u>	<u>4/15/2014</u>
County Attorney	<u>[Signature]</u>	_____	<u>[Signature]</u>	<u>4/21/2016</u>

If any office denies approval, the package will be returned immediately to the User Agency.

SECTION III - CONTRACT MANAGEMENT DATABASE CHECKLIST

<u>DATABASE REQUIRED FIELDS</u>	<u>Complete</u> ✓
Department Information	<input type="checkbox"/>
Department	<input type="checkbox"/>
Program	<input type="checkbox"/>
Contact Name	<input type="checkbox"/>
Cost Center, Fund and GL Account	<input type="checkbox"/>
Vendor Information (SAP Vendor #)	<input type="checkbox"/>
Contract Status	<input type="checkbox"/>
Contract Title	<input type="checkbox"/>
Contract Type	<input type="checkbox"/>
Contract Amount	<input type="checkbox"/>
Storage Location (SAP)	<input type="checkbox"/>
Contract Approval Date	<input type="checkbox"/>
Contract Effective Date	<input type="checkbox"/>
Contract Expiration Date	<input type="checkbox"/>
Contract Absolute End Data (No Additional renewals/extensions)	<input type="checkbox"/>
Material Group	<input type="checkbox"/>
Contract Documents Uploaded in database (Initial Contract Form with County Attorney/Risk Management Approval; Signed/Executed Contract)	<input type="checkbox"/>
Monitored items Uploaded to database (Insurance, Bonds, etc.)	<input type="checkbox"/>
Note: <u>Insurance Certificates uploaded under collapsible/expandable Monitor Bar Section</u> <u>Change Order/Task Order uploaded under collapsible/expandable Monitor Bar Section</u> <u>Contract Renewal documents uploaded under collapsible/expandable Renewal /Bar Section</u>	

NOTE: This form should be attached to all new contracts being submitted to the Board for approval. After the contract has been approved, the contract package, including this form, will go to the Clerk to the Board. The Clerk's office will return the Initial Contract Form, Executed/Attested Contract to department for contract to be entered and uploaded into the Contract Management System. See AO-29 for additional information.



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Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

cc: Finance
Budget

RECEIVED

MAR 18 2016

**BREVARD COUNTY
PURCHASING SERVICES**

INTEGRATED SUPPLY AGREEMENT

THIS INTEGRATED SUPPLY AGREEMENT (this "Agreement") is made by and between the Board of County Commissioners of Brevard County, Florida, a political subdivision of the State of Florida (hereinafter the "CUSTOMER"), and Genuine Parts Company, a Georgia corporation (d/b/a NAPA Auto Parts) ("NAPA"), to be effective as of the 24 day of June 2016 (the "Effective Date").

WITNESSETH:

WHEREAS, pursuant to a competitive bidding and selection process by the National Joint Powers Alliance (hereinafter, "NJPA"), a Minnesota-based Service Cooperative created by Minnesota Legislative Statute 123A.21, NJPA and NAPA executed contract #061015 on July 21, 2015 (hereinafter, "NJPA Contract"), attached hereto as Exhibit A, to establish a source of supply for certain auto, truck and bus parts as well as to provide Integrated Business Solutions services; and

WHEREAS, by becoming a participating member of NJPA (hereinafter, "Member"), CUSTOMER and its related entities (hereinafter, "User Agencies") are authorized to utilize the pricing and incentives available to NJPA Members set forth in the NJPA Contract; and

WHEREAS, CUSTOMER desires to become a User Agency under such NJPA Contract and desires to receive integrated business solutions services from NAPA; and

WHEREAS, CUSTOMER and NAPA agree that the NJPA Contract is a vehicle by which CUSTOMER may contract directly with NAPA for parts and services, but that the terms and conditions of this Agreement and not the terms and conditions of the NJPA Contract shall govern the relationship of the parties; and

WHEREAS, NAPA desires to provide integrated business solutions services and to establish inventories in CUSTOMER's locations to service the fleet parts needs of CUSTOMER and to serve as the primary supplier of automotive replacement parts and other supplies and/or equipment (the "Inventory") to serve the needs of CUSTOMER; and

WHEREAS, CUSTOMER desires to provide space for the Inventory on the premises of CUSTOMER for use by NAPA ("On Site Store") and agrees that NAPA will be its primary supplier of the Inventory pursuant to the terms herein.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. **DEFINITIONS.** For purposes of this Agreement, the following terms shall have the meanings set forth below:

- (a) **Primary Supplier** shall mean the parts supplier that provides a minimum of ninety percent (90%) of the Inventory needs of CUSTOMER.

- (b) **NAPA Owned Store** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" which is wholly owned by NAPA.
- (c) **NAPA Jobber** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" with respect to which NAPA maintains no ownership interest.

2. **CUSTOMER'S CURRENT LOCATIONS.** NAPA will establish On Site Store(s) at the CUSTOMER'S following location(s):

4694 N. Wickham Road, Melbourne, FL 32935
Manager: Central Fleet Systems Manager

Additional locations of the CUSTOMER may be added to this Agreement but only by a written amendment executed and agreed to by both the CUSTOMER and NAPA. Notwithstanding the foregoing language, CUSTOMER agrees to, and hereby grants, NAPA the right of first refusal on any and all new or additional locations of CUSTOMER that are to be serviced by a similar supply entity.

3. **SCOPE OF THE WORK.**
DUTIES AND RESPONSIBILITIES OF NAPA. NAPA shall have the following duties and responsibilities during the term of this Agreement:

(a) NAPA will operate the On Site Store(s) and provide the Inventory to CUSTOMER's now existing location(s). NAPA shall provide all personnel required to operate the On Site Store(s).

(b) In those circumstances when delivery is required by CUSTOMER, NAPA will provide parts to CUSTOMER's locations on a route operated by NAPA on a daily schedule. In addition, NAPA will accelerate delivery on those items CUSTOMER requires to be delivered on an expedited basis. NAPA will make all reasonable efforts to ensure prompt delivery to the CUSTOMER's location(s) which are requesting part(s).

(c) NAPA shall provide all computers and reports necessary to monitor monthly expenses as they pertain to the daily operation of the On Site Store(s). NAPA shall provide computer ordering and cataloging to each On Site Store through its proprietary TAMS (Total Automotive Management System), which it cannot assign nor leave with CUSTOMER upon termination or expiration of this Agreement.

(d) NAPA shall provide an Operating Costs Statement of the parts operations to the CUSTOMER on approximately the 25th day of each month for each On Site Store.

(e) NAPA shall provide back-up emergency service during non-working hour contingencies. The overtime expense (calculated at time and one half) will be charged on a cost basis to CUSTOMER. NAPA will provide a list of personnel, including telephone numbers, who will respond to emergency service requests.

DUTIES AND RESPONSIBILITIES OF CUSTOMER. CUSTOMER shall have the following duties and responsibilities during the term of this Agreement:

(a) CUSTOMER shall provide, at its sole expense, usable space for NAPA's On Site Store(s) and the Inventory. CUSTOMER shall provide access to restroom facilities for NAPA employees. Further, CUSTOMER shall furnish, at its sole expense, all utilities for the On Site Store(s) including: water, sanitation, sewer, light, telephone, heat, gas, electricity, power, fuel, janitorial and all other utilities and services rendered or delivered to the On Site Store(s) whatsoever.

(b) CUSTOMER shall use NAPA as its Primary Supplier of the Inventory under this Agreement. CUSTOMER reserves the right to purchase any item outside this Agreement where it is determined to be more economical or timely so long as the purchase of aforesaid part or parts does not result in NAPA no longer being CUSTOMER's Primary Supplier.

(c) Each On Site Store location shall be appropriately secured or otherwise maintained separate and apart from the business of CUSTOMER. There shall be no intermingling of CUSTOMER's parts or other inventory with NAPA's parts or inventory. Access to the secured On Site Store(s) shall be restricted to NAPA employees and authorized NAPA representatives only. Once per year NAPA shall utilize a third party to perform an Inventory count in the On Site Store while accompanied by NAPA. CUSTOMER'S employees, contractors or agents shall not be permitted to enter the secured On-Site Store area unless accompanied by a NAPA employee or other authorized NAPA representative.

(d) CUSTOMER shall, at all times during the term of this Agreement, at CUSTOMER'S sole expense, maintain in good condition and repair (so as to prevent any damage or injury to NAPA's employees, the Inventory or other personal property located in the On Site Store(s)) the roof, exterior walls, foundation, and structural portions of the On Site Store(s) and all portions of the electrical and plumbing systems lying outside of the On Site Store(s) but serving the On Site Store(s).

(e) CUSTOMER shall provide information regarding equipment and fleet changes to NAPA as soon as possible. Fleet changes include but are not limited to the removal of types of vehicles from the fleet and the addition of new vehicles to the fleet.

4. **TERM.** This Agreement shall begin on the Effective Date and shall end when the NJPA Contract terminates or expires or when terminated earlier in accordance with the applicable terms and conditions stated herein. As the NJPA Contract is renewed or extended, this Agreement may be renewed or extended for a period of time equal to or shorter than the period of time the NJPA Contract is renewed or extended upon the mutual written agreement of the Parties.

5. **PAYMENT TERMS/PRICING.** NAPA shall invoice the CUSTOMER for all Inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. CUSTOMER shall remit payment to NAPA for all invoices in accordance with the Florida Prompt Payment Act, Florida Statute section 218.70, et seq. No prompt pay discount is available under this Agreement.

The overall goal of CUSTOMER's pricing plan is to achieve a ten percent (10%) net profit for NAPA (the "Net Profit Target") based on the following elements:

- (a) **Product Costs.** Product Costs shall be further divided into “**NAPA Product Costs**,” which is the pricing of NAPA supplier manufactured products, and “**Non-NAPA Product Costs**,” which is the pricing of products which have not been manufactured by NAPA suppliers but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement.
- (b) **Outside Purchases or Services Costs.** Outside Purchases or Services Costs is the pricing of those parts or services not traditionally stocked or performed by NAPA.
- (c) **Operational Costs.** Any and all costs and expenses associated with the operation of the On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, salary and benefits payable to NAPA employees at the On Site Store(s), worker’s compensation benefits and insurance, unemployment insurance, personal property insurance for the On Site Store(s) and Inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, and all equipment supplied by NAPA. An example of an Operating Costs Statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the Operating Costs Statement set forth on Exhibit B are subject to change based on actual monthly costs and expenses incurred relative to the operation of the On Site Store(s).
- (d) **Management Fee.** CUSTOMER shall be billed a Management Fee (as defined below) on a monthly basis in accordance with the terms below.

PRICING PLAN SUMMARY

NAPA Product Costs	Billed to CUSTOMER at current jobber net store acquisition cost.
Non-NAPA Product Costs and Outside Purchases and Services	Billed to CUSTOMER at NAPA’s cost plus a zero percent (0%) gross profit rate.
Operational Costs	Billed to CUSTOMER at cost.
Management Fee	Billed to CUSTOMER in accordance with the terms below.
Net Profit Target	10% Net Profit for NAPA

NAPA Product Costs shall be billed to the CUSTOMER at current jobber net store acquisition cost. Non-NAPA Product Costs and Outside Purchases/Services shall be set by NAPA to yield a gross profit of zero percent (0%). Operational costs will be charged to CUSTOMER at cost, with all such charges for Operational Costs to be included in CUSTOMER’s monthly billing statement. CUSTOMER will be billed at the end of each month for operational costs on an “in arrears” basis.

CUSTOMER shall pay to NAPA on a monthly basis a management fee equal to ten percent (10%) of the Total Monthly Net Sales (as defined below) during the preceding month (the "Management Fee"). For purposes hereof, "Total Monthly Net Sales" means the total dollar amount of all products (both NAPA and Non-NAPA) and outside purchases and services sold to the CUSTOMER during the preceding month at the costs set forth in the pricing plan summary above less purchase returns.

The parties agree to work together in good faith to promptly resolve any disputed invoices. NAPA will provide parts credit to the CUSTOMER for any defective or warranty parts at the time they are returned to NAPA (through the parts counter) with a credit memo invoice issued to the CUSTOMER.

6. **INDEMNIFICATION.** NAPA shall indemnify and hold harmless CUSTOMER and its agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorney's fees arising out of or resulting from: (i) the negligent acts or omissions or intentional misconduct of NAPA, its employees, officers, directors or agents hereunder; (ii) the breach of any provisions hereunder by NAPA; and (iii) NAPA's violation of any applicable laws, rules and regulations. NAPA's indemnification obligation under this paragraph shall not be limited in any way by a limitation on the amount or type of damages, compensation or benefits payable by or for NAPA, under workers' compensation acts, or other related policies of insurance. The parties acknowledge specific consideration has been exchanged for this provision. NAPA shall in no way be liable to CUSTOMER for the negligent acts or omissions or intentional misconduct of CUSTOMER, its employees, officers, directors or agents.

7. **MODIFICATIONS TO CONTRACT.** This Agreement, together with any exhibits, constitutes the entire Agreement between the CUSTOMER and NAPA and supersedes all prior written or oral understandings. This Agreement and any exhibits may only be amended or supplemented by a written instrument duly executed by the parties hereto.

8. **INSURANCE - NAPA.** NAPA shall keep in force and at all times maintain during the term of this Agreement:

(a) **General Liability Insurance:** General Liability Insurance issued by responsible insurance companies and in a form reasonably acceptable to CUSTOMER, with limits of not less than One Million Dollars (\$1,000,000) per occurrence for Bodily Injury and Property Damage, Personal Injury, and Products and Completed Operations.

(b) **Automobile Liability Insurance:** Automobile Liability coverage shall be in the minimum amount of One Million Dollars (\$1,000,000) combined single limits for Bodily Injury and Property Damage per accident.

(c) **Workers' Compensation Coverage:** Full and complete Workers' Compensation Coverage, including coverage for its employees located at the On Site Store(s), as required by State of Florida law, shall be provided.

(d) **Insurance Certificates:** NAPA shall provide CUSTOMER with Certificate(s) of Insurance on all the policies of insurance and renewals thereof in a form(s) reasonably acceptable to the CUSTOMER. Said Liability Policies shall provide that the

CUSTOMER be an additional insured to the extent of NAPA's indemnification obligations herein. The CUSTOMER shall be notified in writing by the Carrier of any reduction, cancellation or substantial change of policy or policies at least thirty (30) days prior to the effective date of said action. All insurance policies shall be issued by responsible companies who are reasonably acceptable to the CUSTOMER and licensed and authorized under the laws of the State of Florida.

(e) **Personal Property:** In addition, NAPA shall maintain personal property insurance during the term of this Agreement in an amount sufficient to cover any loss or damage to the Inventory and any other personal property owned by NAPA that is located at the On Site Store(s).

9. **INSURANCE – CUSTOMER.**

(a) CUSTOMER shall provide at its sole expense "all risks" fire and property insurance on all buildings and/or improvements in which the On Site Store(s) are located throughout the term of the Agreement. Further, CUSTOMER shall, throughout the term of this Agreement, at CUSTOMER'S expense, obtain and maintain in force a policy of commercial general liability insurance in the name of CUSTOMER as insured but with NAPA named as an additional insured, such insurance to be written on an "occurrence" basis with combined single limits for any one injury, including death, and for property of not less than \$1,000,000.00 per occurrence. Said policy shall be issued by a reputable insurance company authorized to transact business in all states where On Site Store(s) are located. CUSTOMER shall further maintain during the term of this Agreement worker's compensation insurance coverage in amounts required by law. CUSTOMER shall provide to NAPA, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above.

(b) Nothing in this Agreement shall be construed to waive sovereign immunity, the limited waiver set forth in Florida Statute 768.28, or any of the provisions/caps on payment of claims/judgments set forth in sec. 768.28(5).

10. **NO LIENS; UCC-1.**

(a) CUSTOMER warrants that it shall take no action, including but not limited to the granting of a security interest, or fail to take any action, which would operate or does operate in any way to encumber the Inventory of NAPA located in the On Site Store(s).

(b) CUSTOMER agrees and acknowledges that Inventory that is delivered and stored on CUSTOMER's property pursuant to this Agreement is Inventory owned by NAPA and further acknowledges and agrees that NAPA may send notice to CUSTOMER's creditors notifying such creditors of the ownership rights of the Inventory.

(c) CUSTOMER acknowledges and agrees that NAPA shall file a UCC-1 statement covering NAPA's Inventory on CUSTOMER's premises, noting that such Inventory is consignment inventory, in order to protect NAPA's interests in its Inventory.

11. **PERSONNEL.** NAPA and CUSTOMER shall attempt in good faith to mutually agree upon the identity of the persons that will be selected to staff the On Site

Store(s). In the event that CUSTOMER for any reason wishes to remove or replace any of the NAPA personnel in the On Site Store(s), the parties will attempt to resolve CUSTOMER's request by mutual agreement. However, CUSTOMER may require NAPA to remove any person(s) from employment at the On Site Store that the CUSTOMER deems at its sole and reasonable discretion is necessary in order to comply with Federal or State statutes and regulations.

12. **WARRANTY/LIABILITY DISCLAIMER.** All items supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each part, and NAPA shall use reasonable commercial efforts to assist the CUSTOMER in processing all warranty claims that the CUSTOMER may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the CUSTOMER in connection with any claims concerning the parts supplied to CUSTOMER pursuant to this Agreement. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Copies of the manufacturers' warranties are available to CUSTOMER upon request. For suppliers (or categories of suppliers) of Non-NAPA products that CUSTOMER instructs NAPA to utilize or consider for future purchases, NAPA is under no obligation to (and NAPA disclaims all liability in connection with) investigate product quality, management, ownership, reputation, certifications, qualifications, price competitiveness, or any other related characteristics of the products, individuals or entities at issue.

Notwithstanding the foregoing, in the event that any product does not conform to the manufacturer's warranty, CUSTOMER may return such product to NAPA, and NAPA will at the time of return, as CUSTOMER's sole and exclusive remedy and NAPA's sole liability, process CUSTOMER's warranty claim with the manufacturer of the defective/non-conforming product and issue a credit or refund to CUSTOMER for the price of the defective/non-conforming product. If, however, the manufacturer later rejects the CUSTOMER's warranty claim, NAPA will bill the CUSTOMER for the amount of the credit or refund issued to the CUSTOMER for the returned product, and CUSTOMER will pay such amount to NAPA in accordance with the payment terms set forth in Section 5 above.

13. **ATTORNEY'S FEES.** In the event of any legal action to enforce the terms of this Agreement, each party shall bear its own attorney's fees and costs.

14. **GOVERNING LAW.** This Agreement shall be governed, interpreted and construed according to the laws of the State of Florida.

15. **COMPLIANCE WITH STATUTES.** It shall be the Contractor's responsibility to be aware of and comply with all applicable federal, state and local laws.

16. **VENUE.** Venue for any legal action by any party to this agreement to interpret, construe or enforce this Agreement shall be in a court of competent jurisdiction in and for Brevard County, Florida and any trial shall be nonjury.

17. **ASSIGNMENTS/ALTERNATIVE SUPPLIERS.**

(a) NAPA shall not assign any portion of this agreement without the written permission of the CUSTOMER. Likewise, CUSTOMER shall not assign any portion of this Agreement without the written permission of NAPA.

(b) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective officers, directors, employees, successors and assigns. Notwithstanding the foregoing, the rights and obligations of either party to this Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. If CUSTOMER and NAPA mutually agree that it is in the best interest of the parties for CUSTOMER to be serviced by a NAPA Jobber, then CUSTOMER, NAPA and the NAPA Jobber will execute that certain Assignment in the form of Exhibit C attached hereto.

18. **TERMINATION.**

(a) This Agreement may be terminated immediately, unless otherwise stated in this Section 18, by either party for cause: (i) in the event that the other party fails or refuses to pay any amounts due under this Agreement, and such failure or refusal continues for thirty (30) days after written notice thereof; (ii) in the event that the other party fails or refuses to perform any other obligation required under this Agreement, and such failure or refusal continues for thirty (30) days after written notice thereof; or (iii) in the event that the other party files any bankruptcy petition, has any bankruptcy petition filed against it, makes any assignment of its assets for the benefit of creditors, or admits in writing its inability to pay its debts as they become due.

(b) Immediately upon termination of the Agreement for any reason, CUSTOMER shall pay to NAPA all undisputed amounts due and owing to NAPA at the time of termination.

(c) Each party shall immediately return to the other party all equipment, software, books, records, tools and any other personal property or information owned by the other party that are in such party's possession.

(d) CUSTOMER shall allow NAPA full and unrestricted access to enter into the On Site Store(s) and immediately remove all equipment and other items of personal property owned by NAPA without being deemed guilty of trespass or any other violation of the law. All inventory records, sales history, sales analysis and all other information generated by NAPA under this Agreement will be returned to CUSTOMER.

19. **TERMINATION FOR CONVENIENCE.**

(a) Either party may terminate this Agreement at any time for its convenience by giving the other party sixty (60) days prior written notice of such termination.

(b) Final payment and return of property, etc., shall be as provided in Paragraph 18(b) through (d) above.

20. **BUY-BACK OF INVENTORY.** Upon termination, expiration, or non-renewal of the Agreement, NAPA shall have the option to require CUSTOMER to purchase all non-NAPA Inventory owned by NAPA and located in the On Site Store(s) at NAPA's current acquisition cost, and CUSTOMER shall have the option to purchase all NAPA Inventory, owned by NAPA and located in the On Site Store(s) at NAPA's current acquisition cost. Upon CUSTOMER's request, NAPA shall provide CUSTOMER with a listing of all NAPA and non-NAPA Inventory owned by NAPA and located in the On Site Store(s).

21. **INDEPENDENT CONTRACTOR.** NAPA shall perform the services under this Agreement as an independent contractor and nothing contained herein shall be construed to be inconsistent with this relationship or status. Nothing in this Agreement shall be interpreted or construed to constitute NAPA or any of its agents or employees to be the agent, employee or representative of the CUSTOMER.

22. **RIGHT TO AUDIT RECORDS.** The CUSTOMER and its auditors, at CUSTOMER's sole cost and expense, shall be entitled to audit the books and records of NAPA to the extent that such books and records relate to the performance of this Agreement upon providing to NAPA at least ten (10) days prior written notice. Said records shall be made available, upon request, for audit purposes to the CUSTOMER and its auditors. Such books and records shall be maintained by NAPA for a period of five (5) years from the date of final payment under this Agreement unless a shorter period is otherwise authorized in writing. Audits will be limited to once per calendar year.

23. **PUBLIC RECORDS.** Both parties understand that Brevard County/Customer is subject to the Florida Public Records Law, Chapter 119, Florida Statutes and all other applicable laws. If records provided or created by NAPA under this Agreement do not fall under a specific exemption under Florida or federal law, the records provided, created or maintained by NAPA under this Agreement must be provided to anyone making a public records request. It will be NAPA's duty to identify the information which it deems is exempt under Florida or federal law and identify the statute number which requires the information be held exempt.

Should any person or entity make a public records request of the Customer which requires or would require the Customer to allow inspection or provide copies of records which NAPA maintains are exempt under the Public Records Law or otherwise confidential, it shall be NAPA's obligation to provide the County within 72 hours (not including weekends and legal holidays), of notification by the Customer to NAPA of the records request, of the specific exemption or confidentiality provision to allow the Customer to comply with the requirements of Florida Statute 119.07(1)(e) and (f). Should the Customer face any kind of legal action to require or enforce inspection or production of any records provided by NAPA to the Customer which NAPA maintains are exempt or confidential from such inspection/production as a public record, NAPA shall hire and compensate attorney(s) who shall represent the interests of the Customer as well as NAPA in defending such action. NAPA shall also pay any costs to defend such action and shall pay any costs and attorneys fees which may be awarded pursuant to Fla. Stat. 119.12.

24. **FORCE MAJEURE / DAMAGE OF PREMISES.**

(a) Whenever performance by either party of any of their respective obligations (other than the obligation to make payment of money due hereunder) is substantially prevented by reason of any act of God, other industrial or transportation disturbance, fire, floods, riots, acts of enemies, national emergencies or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter.

(b) NAPA may terminate this Agreement immediately in the event that the CUSTOMER's premises are damaged by any casualty, or such portion of the premises is condemned by any legally constituted authority, such as will make the CUSTOMER's premises unusable for the On Site Store(s) in the reasonable judgment of NAPA.

25. **SUCCESSORS AND ASSIGNS.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective officers, directors, employees, successors and assigns. Notwithstanding the foregoing, the rights and obligations of either party to this Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld

26. **UNAUTHORIZED ALIEN WORKERS.** CUSTOMER will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e)(Section 274A(e) of the Immigration and Nationality Act "INA"). The CUSTOMER shall consider NAPA's intentional employment of unauthorized aliens as grounds for immediate termination of this Agreement.

27. **FEDERAL TAX ID NUMBER.** NAPA shall provide to the CUSTOMER its Federal Tax ID Number.

28. **EMPLOYMENT.** NAPA shall not engage the services of any person or persons now employed by the CUSTOMER, including any department, agency, board or commission thereof, to provide services relating to this Agreement without written consent from the CUSTOMER.

29. **PUBLIC ENTITY CRIMES.** A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of thirty six (36) months from the date of being placed on the convicted vendor list.

30. **CONSTRUCTION OF AGREEMENT.** The parties hereby acknowledge that they fully reviewed this Agreement, its attachments and had the opportunity to consult with legal counsel of their choice, and that this Agreement shall not be construed against any party as if they were the drafter of this Agreement.

31. **NOTICE.** Notice under this Agreement shall be given by certified mail or hand delivery as follows: Brevard County 2725 Judge Fran Jamieson Way C303, Viera, FL 32940 and Notice shall be given to NAPA by certified mail or hand delivery as follows: Patrick Wolfe, Division Office, 11718 N. Florida Avenue, Tampa, FL 33612.

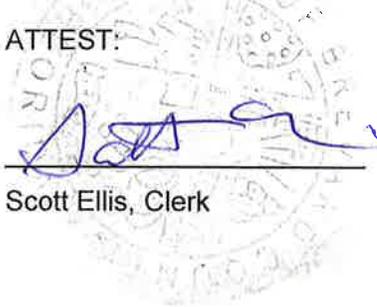
32. **COUNTERPARTS**. This Agreement may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

33. **NJPA CONTRACT**. CUSTOMER and NAPA acknowledge and agree that the NJPA Contract is a vehicle by which CUSTOMER may contract directly with NAPA for parts and services, but that the terms and conditions of this Agreement and not the terms and conditions of the NJPA Contract shall govern the relationship of the parties.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

ATTEST:



[Signature]
Scott Ellis, Clerk

BOARD OF COUNTY COMMISSIONERS OF
BREVARD COUNTY, FLORIDA

By: [Signature]
Jim Barfield, Chairman

Date: 5/26/16

GENUINE PARTS COMPANY dba NAPA Auto
Parts

By: [Signature]
Signature

Date: 5-11-16

Patrick Wolfe Division Vice President
Name & Title, Typed or Printed

Genuine Parts Company
Name of Company, Corp., etc.

5420 Peachtree Industrial Blvd
Mailing Address

Worcross, GA, 30071
City, State, Zip

678-934-7220
Area Code/Telephone Number

SEAL

ATTEST:

[Signature]
Signature

BONNIE GANAS EXECUTIVE ASSISTANT
Name & Title, Typed or Printed

EXHIBIT A

NJPA CONTRACT

See attached.



Contract Acceptance and Award

(To be completed only by NJPA)

NJPA 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS

**Genuine Parts Company/NAPA Integrated Business Solutions (IBS)
Proposer's full legal name**

Your proposal is hereby accepted and awarded. As an awarded Proposer, you are now bound to provide the defined product/equipment and services contained in your proposal offering according to all terms, conditions, and pricing set forth in this RFP, any amendments to this RFP, your Response, and any exceptions accepted or rejected by NJPA on Form C.

The effective start date of the Contract will be July 21st, 20 15 and continue for four years from the board award date. This contract has the consideration of a fifth year renewal option at the discretion of NJPA.

National Joint Powers Alliance® (NJPA)

NJPA Authorized signature:

NJPA Executive Director

Dr. Chad Coquette

(Name printed or typed)

Awarded this 21st day of July, 20 15 NJPA Contract Number 061015-GPC

NJPA Authorized signature:

NJPA Board Member

Scott Veronen

(Name printed or typed)

Executed this 21st day of July, 20 15 NJPA Contract Number 061015-GPC

Proposer hereby accepts contract award including all accepted exceptions and NJPA clarifications identified on FORM C.

Vendor Name GENUINE PARTS Company / NAPA IBS

Vendor Authorized signature:

(Name printed or typed)

Title: VICE PRESIDENT - NAPA IBS

Executed this 22nd day of July, 20 15 NJPA Contract Number 061015-GPC

EXHIBIT B

SAMPLE OPERATIONAL COSTS STATEMENT

See attached.

Brevard County				
OPERATING STATEMENT	MONTHLY	Month Percentage to Sales	YEARLY	EXPENSE DESCRIPTION
Cost of Parts Purchases	\$ 34,500.00		\$ 414,000.00	Cost of Parts Sold
Markup	\$ -	10.00%	\$ -	Profit earned with Sales
TOTAL SALES	\$ 34,500.00		\$ 414,000.00	Total Part Sales
Executive Salaries	\$ 300.00	1.00%	\$ 3,600.00	Set Fee based on 1.00% of Sales for Management Personnel
Acctg & Data Proc.	\$ 200.00	0.50%	\$ 2,400.00	Set Fee based on 0.50% of Sales for Accounts Receivable and Payable Office Personnel
General Office	\$ 200.00	0.50%	\$ 2,400.00	Set Fee based on 0.50% of Sales for HR, LP, Inventory Control Office Personnel
Manager Payroll	\$ 3,600.00	10.43%	\$ 43,200.00	Gross Pay for Store Manager
Driver Payroll	\$ -	0.00%	\$ -	Gross Pay for Driver
Pensions	\$ 200.00	0.45%	\$ 2,400.00	Set Fee based on 0.45% of Sales for Pension, 401K
Payroll Taxes	\$ 315.00	0.91%	\$ 3,780.00	Combined Employer Paid Payroll Taxes for All Store Employees
Group Insurance & Benefits	\$ 700.00	2.03%	\$ 8,400.00	Combined Employer Paid Benefits for All Store Employees
TOTAL PAYROLL	\$ 5,515.00	15.99%	\$ 66,180.00	Total Payroll Expenses
Delivery Insurance	\$ -	0.00%	\$ -	Insurance for Delivery Vehicle
Maintenance & Fuel	\$ -	0.00%	\$ -	Vehicle Expenses- Fuel, Repairs, Toll
Depreciation - Vehicles	\$ -	0.00%	\$ -	Monthly Depreciation of Vehicles (incl. Tag, Tax Title)
Depreciation - Fixed Assets	\$ -	0.00%	\$ -	Monthly Depreciation of Stockroom Refurbishment Costs and/or Equipment
Freight & Postage	\$ 50.00	0.14%	\$ 600.00	Freight & Postage
Insurance	\$ 80.00	0.23%	\$ 960.00	General Liability Insurance, Workman's Comp, Liability for Assets
Store Expense	\$ 350.00	1.01%	\$ 4,200.00	Store Operating Expenses
TAMS	\$ 900.00	2.61%	\$ 10,800.00	Computers (Lease or Depreciation) and Support fees
Taxes (Not Income)	\$ 45.00	0.13%	\$ 540.00	Taxes: Sales and use, Personal Property (Inv)
TOTAL MISC. EXPENSES	\$ 1,425.00	4.13%	\$ 17,100.00	Total Misc Operating Expenses
		0.00%	\$ -	
TOTAL EXPENSES	\$ 6,940.00	20.12%	\$ 83,280.00	Total Payroll and Misc Operating Expenses
IBS Management Fee	\$ 3,450.00	10.00%	\$ 41,400.00	
GRAND TOTAL PARTS AND EXPENSES	\$ 44,890.00		\$ 538,680.00	Total of Parts, Expenses, and Management Fee

Note: The above numbers represent a calculated projection of monthly and yearly expenses, parts usage, and corresponding IBS management fee. These numbers will vary monthly per actual costs and demand. The County will receive documentation to support the actual charges upon receipt.

EXHIBIT C
ASSIGNMENT

See attached.

ASSIGNMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, GENUINE PARTS COMPANY, a Georgia corporation (hereinafter "Assignor"), hereby assigns, transfers, sets over and delivers to [JOBBER/POP], a _____ (hereinafter "Assignee"), all of Assignor's rights, obligations and interest, including any options to renew or extend the contract term, in those certain location(s) as set forth below, as governed by the Integrated Supply Agreement dated _____ by and between Genuine Parts Company and _____ [CUSTOMER] (the "Integrated Supply Agreement").

Location(s): _____

Assignee hereby accepts the assignment of the Integrated Supply Agreement, agrees to provide the services and perform all other obligations required to be performed by "NAPA" in said Integrated Supply Agreement at the times and in the manner set forth in said Integrated Supply Agreement, and shall be bound by all other terms, covenants and conditions of said Integrated Supply Agreement with regard to the location(s) set forth above, all with the same force and effect as if Assignee were originally named as "NAPA" therein.

[CUSTOMER] hereby consents to the above assignment of the Integrated Supply Agreement on the terms set forth herein.

The parties hereto agree that the assignment as set forth herein shall be effective as of midnight on _____.

IN WITNESS WHEREOF, the undersigned have set their hands this _____ day of _____, 20____.

ASSIGNOR:

ASSIGNEE:

GENUINE PARTS COMPANY

_____ [JOBBER/POP]

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Agreed and acknowledged:

_____ [CUSTOMER]

By: _____
Name: _____
Its: _____