



AGENDA
Committee of the Whole
Monday, February 29, 2016 – 5:00 p.m.
City Council Chambers, City Hall 10th Floor

Councilmember Judi Brown Clarke, Chair
Councilmember Jessica Yorke, Vice Chair

1. **Call to Order**
2. **Roll Call**
3. **Approval of Minutes:**
 - February 22, 2016
4. **Public Comment on Agenda Items** (limited to 3 minutes)
5. **Discussion/Action:**
 - A.) DISCUSSION- Address the potential violations of UAW 2256 Collective Bargaining Agreement
 - B.) RESOLUTION – Appointment of Interim City Attorney
 - C.) Ingham County Drain Commissioner Conservation Easement
 - D.) Ingham County Drain Commissioner Ranney Park Drain Easement for Montgomery Drain
 - E.) Ingham County Drain Commissioner Red Cedar Park Drain Easement for Montgomery Drain
 - F.) DISCUSSION – Payment in Lieu of Taxes (PILOT) Policy
6. **Other**
7. **Adjourn**

The City of Lansing's Mission is to ensure quality of life by:

- I. Promoting a vibrant, safe, healthy and inclusive community that provides opportunity for personal and economic growth for residents, businesses and visitors
- II. Securing short and long term financial stability through prudent management of city resources.
- III. Providing reliable, efficient and quality services that are responsive to the needs of residents and businesses.
- IV. Adopting sustainable practices that protect and enhance our cultural, natural and historical resources.
- V. Facilitating regional collaboration and connecting communities



MINUTES
Committee of the Whole
Monday, February 29, 2016 @ 5:00 p.m.
City Council Chamber

CALL TO ORDER

The meeting was called to order at 5:01 p.m.

PRESENT

Councilmember Brown Clarke
Councilmember Jessica Yorke
Councilmember Patricia Spitzley- arrived at 5:09 p.m.
Councilmember Adam Hussain
Councilmember Kathie Dunbar- arrived at 5:05 p.m.
Councilmember Carol Wood
Councilmember Jody Washington -excused
Councilmember Tina Houghton - excused

OTHERS PRESENT

Sherrie Boak, Council Staff
Chad Gamble, Executive Assistant
Janene McIntyre, City Attorney
Dennis Parker, UAW President
Mary Ann Prince
Larry Krause, Auto Value
Tom Edmiston, Cinnaire
Pat Lindemann, Ingham County Drain Commissioner
Dennis Louney, Spicer
Brian Cenci, Ingham County Drain Office
Gary Dannemiller, Triterra
Jon Miles
Treesa Lovely

Public Comment

Mr. Krause highlighted document the Committee had that reflected the NAPA contract and spoke in opposition to the bid process, contract, cost savings, timing of NAPA on site, and control over the pricing.

Retired UAW Vice Chairperson spoke in opposition to the stated cost savings and asked the Committee to require that the Administration follow the rules.

Ms. Prince spoke in opposition to contracting out labor and in support of the Union.

Mr. Edmiston offered his assistance to the Committee on the agenda item on the PILOT policy.

DISCUSSION/ACTION

DISCUSSION- Address the potential violations of UAW 2256 Collective Bargaining Agreement

Mr. Gamble starting by assuring Council his belief that there are no violations of the UAW 2256 contract. The Administration is trying to save the City money and make tactical decisions about the business of the City. Mr. Gamble began an overview on the specifics which he stated started with a presentation 3 years ago, then they again met with NAPA and Mr. Gamble stated that the Union was evident and aware of the City's decision. There was an intended expansion of the garage, and they hope to maintain the experienced talented UAW work force at the garage, therefore this has been a tactical decision. NAPA's assistance during emergencies is part of their contract and is beneficial. Mr. Gamble admitted that this contract with NAPA does affect two full time employees and the administration is working to transfer them to open positions. Mr. Gamble stated that his office did notify the union in a memo 1 week and 3 days before NAPA took control, however he admitted that NAPA did come in 1 week early, and prior to their start date of February 22, 2016 to set up. There was reference to material in the packet that was provided by Mr. Gamble which referenced a flyer on NAPA quality, and Mr. Gamble clarified that their decision was not made only on that flyer but a well-studied process. The parts issue is beneficial to the City however a challenge with the fleet currently working on older vehicles. The contract in front of Council was a National Joint Alliance of the contract, a process the City does frequently. There are reciprocal contracts the City can use and that are why they utilized NAPA in this regard. Mr. Gamble concluded that it is in the City's management rights in the UAW contract.

Mr. Parker spoke on alleged contract violations and read the language on sub contracts and layoffs. Mr. Parker did not consider a meeting 3 years ago as notice to the Union. At that time his understanding was they were looking at a business model and had assumed they had convinced the Administration to not do it. There were no savings in the view of the Union and at that point the Union believed it was done, and they had not heard about it again until the memo of February 12, 2016. Mr. Parker cited Article 7 in the UAW contract. Mr. Parker went on to update the Council on dates of events including the notice start date of NAPA as February 22, 2016; however they were in there February 13, 2016. This was the first Saturday in months the City employees had not worked overtime, so they were not present, and when they came in Monday, NAPA was in the parts department. Mr. Parker clarified to the Council that with other employees in other jobs this did not happen, did not happen beforehand, and that is why they have discussions beforehand so that it is addressed and both parties can discuss the options. There have been no conversations until February 22 when the effected employee were in the HR department, and as the date of this meeting there is still nothing in writing or options presented to the person. The other effected employee is training the NAPA employee. Mr. Parker gave an example of the recent snow storm where the City union employee worked 40 hours and NAPA rotated 12 hour shifts. Mr. Parker questioned the stated \$120,000 savings when they are adding staff. In the contract under the layoff language, they are to provide 30 days' notice, however the Administration is not calling this a lay off but not finding these employees new positions either. Mr. Parker stated his belief that there was no information of the study as it went along, and the cost analysis that was asked for at the last meeting has still not been provided.

Council Member Dunbar noted there was no comprehensive analysis, and it did reflect a return on investment for NAPA, when the cost to the City for outsourcing was a 10% markup

on the cost of goods. The documents reflect a guaranteed profit to NAPA and not about the cost to the City. The amendment appears to reflect \$85,000 per month, 8.42%, \$7,157 but the mark up is higher. NAPOA guarantees a profit so they look at the cost of parts to get 10% back, so in turn they will charge more. This will make their increase 9% not 8.42%. It appears the cost is actually a management fee not a markup. Council Member Dunbar noted from the documents received from Administration that the net profit NAPA needs to make in order to agree is \$7,800 per month. Based on the payroll, their pension, workers comp, etc., freight, postage, they are losing \$6,500 a month. Council Member Dunbar then noted that under the contract the City won't just pay 10% markup of the product and then the City will have to guarantee of the profit and in turn eating the difference. Because they lose money in other areas it ends up being 16.8%. It appears their total expenses will be \$14,000 and losing \$6,500 so the City will be making up the difference of \$5,000. Council Member Dunbar asked Mr. Gamble what part of the 10% or percentage profit pays for NAPA employees. Council Member Dunbar then referenced other jurisdiction contracts with NAPA, citing a concern with the City of Lansing contract being standardized. In example given was Palm Beach, CA where it stated they (Customer) desired to provide space for service to NAPA and offered a term and termination. They also noted performance of the customer should be by the availability of the funds, in the event funds not approved the contract is terminated upon the funding. This represents where the legislative funding tied to contract. Council Member Dunbar continued to go thru the contract stopping at "Duties" which states NAPA will operate the onsite store, inventory with NAPA personnel. Palm Beach contract notes that within 48 hours the customer and NAPA will category account for the inventory. Audit categories were referenced in the Palm Beach contract and noted they needed to be added to the City contract. Council Member Dunbar reflected on the Palm Beach contract section on payment to NAPA and requested the same be added to the City which stated following confirmation of all costs there is a review. The Palm Beach contract also noted that no overtime was charged against them by NAPA until it was over 40 hours week, this too should be added. Palm Beach contract reflects that if there is a dispute it will be resolved within 60 days. In regards to the inventory, the contract should reflect a statement that clarifies that upon customer request, they buy back inventory and therefore NAPA should list the NAPA inventory in storage and on the floor. Council Member Dunbar did not agree with a cost savings measure based on what the information reflects so far and requested more information. How can anyone guarantee to a group when we pay non-union to do the job.

Council Member Wood asked Mr. Gamble how the City knew about NJPA and what his knowledge of the group was, including how it is funded. It appeared to her research that If NAPA gets a contract thru NJPA they pay NJPA and admin fee. Along with request for proposals there is nothing talking about deficiencies with the company. Council Member Wood listed cities such as Glendale, Louisville, and Polk County Florida that dealt with NAPA and had issues where NAPA did not fulfill their promises. Council Member Wood asked for the research that was done on NJPA and NAPA. Lastly Council Member Wood reflected on an earlier comment from Mr. Gamble on NAPA helping during the recent storm; however she received a photo of the NAPA employee sleeping.

Council President Brown Clarke asked Mr. Gamble to review the cost analysis, information and matrix.

Council Member Yorke stepped away from the meeting at 5:55 p.m.

Included in the questions from the Committee included an inquiry into how they determined to be a member with NJPA and what was the criteria to choose NAPA. Council Member Wood added that the City does have their own procurement policy ordinance and asked why the City did not use that.

Mr. Gamble confirmed for Council Member Wood the procurement process was followed and added that the City is a member of NJPA. Because of that membership the City can join because of the joint contracting allowed. Mr. Gamble noted that this process is how the City purchases equipment.

City Attorney McIntyre stepped away from the meeting at 5:57 p.m.

Mr. Gamble continued noted that the City could save and procure equipment faster. Council President Brown Clarke asked Mr. Gamble if this was the first time the City has NJPA. Mr. Gamble could not answer that question but would ask purchasing. He did note that a study was done by the City using average monthly sales in parts, and the City uses \$1.4 million in parts per year. With the cost for NAPA employees that was a calculation that yielded a savings. They can have more than two employees. Council President Brown Clarke asked for that study, and Mr. Gamble stated it was the one page spreadsheet in the documents. Council Member Dunbar referenced the spreadsheet noting the amount of people they bring in, no matter how efficient, that is part of the NAPA calculation on their profit.

City Attorney McIntyre returned to the meeting at 5:59 p.m.

Council Member Dunbar asked how if anything changes in the % of their guaranteed profit margin, how the City addresses that. Mr. Gamble clarified to the Committee that the contract is standard language; they purchase parts on a volume scale and therefore pass along the savings. Council Member Dunbar asked Mr. Gamble where the long term savings projections were, a 5 years of escalated cost, because it reflects no long term savings. Also it was asked of Mr. Gamble if the union was given the opportunity to see the projected savings so they too could find savings. Mr. Gamble noted the numbers are current numbers, and the City did not do a 3-5 year projection because they do not know what parts they will need. With NAPA able to purchase nationwide it will be cheaper. Mr. Gamble concluded that the contract does not require the City to only purchase NAPA products. Council Member Dunbar pointed out to Mr. Gamble that with the cost of parts, mark up on parts, cost of their payroll there is nothing in the form that compares or projects what the City costs would be over time. This is based on estimate of salary also. If it is a projection on parts, Council Member Dunbar would like to see City staff time, and what is procurement cost over NAPA value. There needs to be more discussions on where these costs savings are.

Council President Brown Clarke asked Mr. Gamble why if the conversations started 3 years ago they then stopped, and then were revisited in 2015. Mr. Gamble stated at the time they were working thru the construction for the new garage, were discussing parts, and interviewed NAPA with the option of doing this during the project. Council President Brown Clarke asked if NAPA was one of many. Mr. Gamble clarified he did not personally talk to NAPA, but did believe there were more vendors. Council President Brown Clarke asked then if those other vendors were revisited 3 years later. Mr. Gamble referenced the national bid process with NJPA which the city felt that any firms could go thru the bid on this process.

Council Member Yorke returned to the meeting at 6:09 p.m.

Council President Brown Clarke asked if the bidder can determine or request where the bid is posted, and if NJPA asked the City if they had recommendations where to post, or does NJPA only RFP only in their process. Mr. Gamble stated he knew only of USA Today publication. Council Member Wood informed the Committee that her research determined it was published in Oregon, Utah, Salt Lake City News, and nothing locally. She also informed Mr. Gamble that even though he stated the City belonged to the NJPA, her research provided not membership. The City does belong to MITTEN, which is the State of Michigan procurement where the City pays to belong but the vendors do not, in comparison to NJPA.

This was an organization we belong to, but in research City of Lansing not a member. The City does participate in MITTEN, which is procurement plan with the State of Michigan which the City pays to belong to, but the vendors do not pay a fee. Council President Brown Clarke asked what was the City's relationship was with NJPA. Mr. Gamble was not sure of the NJPA relationship, but the MITTEN is a bidding process and NJPA is a joint procurement process which is a contract that is issued.

Council Member Spitzley asked what the effective date of the agreement was since it was not dated, and Mr. Gamble clarified February 19, 2016. Council Member Spitzley asked for confirmation that NAPA was in the City building on February 13, 2106 before the effective date of the contract, and Mr. Gamble confirmed. Council Member Spitzley then referenced Article 7 of the UAW contract which was requiring advanced notice. Mr. Gamble again confirmed their memo was distributed to Mr. Parker and Union Steward on February 12, 2106. Council Member Spitzley then asked if during the notice they provided a reason for subcontracting per the union contract. Mr. Gamble referenced the paragraph prior to Article 7 which says "may" include, not shall, and so many. Council Member Spitzley read Article 7 to Mr. Gamble., and Mr. Gamble answered the inquiry by stating the NJPA contract was bid in June 2015.

Council President Brown Clarke asked if the contract was dated February 19 and they started February 13, what their understanding was. Mr. Gamble stated NAPA was in early setting up while the contract was getting revisions. The contract was signed before they showed up. Council President Brown Clarke then asked if NAPA was paid in those 6 days, and Mr. Gamble said no.

Council Member Brown Clarke inquired about the inventory and if the City owns it or we sold it to NAPA. Mr. Gamble stated the City is slowing distributing it to itself, and then once they exhaust supply it will be replaced on the shelf with potential cost savings. They are looking at inventory to see what barely used, and working to get credit back for those parts.

Council Member Dunbar asked whose insurance covered the NAPA employees during the February 13 date. Mr. Gamble stated NAPA.

Council President Brown Clarke asked how the City buys back if there is a clause in the contract on that. Mr. Gamble stated his belief that if the City elects to terminate with NAPA there is ability for the City to buy that inventory. The next question was whose inventory will be on the shelf, and Mr. Gamble confirmed it would NAPA, but the City does not pay for it until they utilize the part.

Council President Brown Clarke inquired ask to how Council can do performance based budgeting resources on this process, how they can continue to be cost effective in their replacement of and be fiscally diligent to get best cost per part. How does Council know NAPA is being diligent. Mr. Gamble answered the question by confirming that the City has a short list of parts, what they are provided from inventory, what their cost is and what the City cost is. These are efficiencies in savings. Council Member Spitzley asked for the details on the inventory. Mr. Gamble stated that in the information sent to Council there was a letter that states the partnership with NAPA and the ownership on how things will be done on the independent audit of parts. The City does have the approximate value of inventory they currently have. Council Member Spitzley asked if the City will use the half million inventory before we purchase from NAPA. Mr. Gamble confirmed that staff will utilize the inventory on shelf, and then inventory will be back filled by NAPA. Council Member Spitzley then asked how long it takes to go thru the inventory. Mr. Gamble confirmed it could take approximately one year, which is \$1.4 million in one year. Council Member Spitzley then asked Mr. Gamble how the City is making money that first year if we have to use ½ million. The question was

then asked how the City would be paying for parts they are not using, with the NAPA 8.4% profit and not purchasing parts, but the City is also paying for services that they are not getting for a period of time. Mr. Gamble detailed that 8.4% of 0 is 0, and when the City sells parts off to themselves they charge 0 since we already have. The first year will be a good year for the City since the City already owns the parts.

Council Member Dunbar detailed what appeared to be the breakdown, with the City doing \$1.2 million a year, half million now, and in 6 months NAPA pays their employees and no payments by the City to NAPA. Mr. Gamble corrected the details stating that the City bill will mostly be for personnel at reduced cost, and no long term.

Council Member Dunbar reference the line item sheet which noted that in addition the 8.4% the City is paying for their employees. Mr. Gamble confirmed that detail. Council Member Dunbar asked why the City would be paying the whole bill on top of employees, when the City owns the inventory and then buying back the inventory from itself. Mr. Gamble informed the Committee that the current inventory will be issued back at \$0 since they have already paid for, and NAPA is not making a profit on parts the City has already purchased. The majority of the cost the City will be at the front of the contract and will be their personnel. They will then transition over to paying for parts.

Council Member Dunbar asked that NAPA have insurance with limits and holds the City as additionally insured and on file before commencement. Mr. Gamble agreed they will, but Council Member Dunbar asked how was the NAPA employee covered when they were working before the contract start date. Mr. Gamble informed them that NAPA and they were there at their own risks. Council Member Dunbar then asked for a list of parts with costs used for cost analysis the Council can compare. Mr. Gamble stated he could provide that. Council Member Dunbar added that she would like for information on long term salary projections for City. Mr. Gamble assured they will perform an audit with their audit, however his experience will be with just the contract, so any more detailed analysis would need to be asked of the auditor. Council Member Dunbar clarified her question was what the administration used, assuming they used city costs, and asked for the analysis that was used. Mr. Gamble referenced the spreadsheet in the documents which was a one year analysis, which included a personnel savings. Council Member Dunbar and Brown Clarke asked for something that represents the City payroll for cross savings. Mr. Gamble referenced the comparison sheet again which outlined the NAPA projected savings. The first year will be lower cause not buying the inventory. The costs listed are labor of two city employees, fringe, and longevity. Council Member Dunbar asked for more details on a 2-5 year comparison, and then asked Mr. Parker what a union employee gets in an annual increase, and Mr. Parker it will be 2% this year.

Council Member Dunbar reminded the Committee and Mr. Gamble that 3 years ago the City was going to get rid of inventory because they were going to expand and the City only had real time parts. Now it sounds like they are still in the same space but Council is being told they need more space for mechanics. Mr. Gamble noted that they are looking at future mechanics, and train the current, while working within space provided.

Council President Brown Clarke pointed out that with the one year savings, labor savings and fringe savings appears impressive, but what is the total number.

Council President Brown Clarke if the numbers represented appeared accurate. City Attorney McIntyre stated she could not support or deny it since there was no comparison, however also stated it did not appear high.

Council Member Hussain voiced his concerns with contract language, issues with NAPA and the conflict with not adhering to the language in the collective bargaining agreement approved by the UAW. Based on the terms of requirements of Article 7 and 9 the collective bargaining agreement has been violated. Lastly it was asked if there was a meeting 3 years ago, did they violate the agreement.

Council Member Brown Clarke asked City Attorney McIntyre if there was violation of the UAW contract. Ms. McIntyre replied by stating she cannot speak to a true violation. There is a process in the collective bargaining agreement and outcome, which would be something under the HR department.

Council Member Yorke stated her concern with the treatment of the City workers, and also a concern with that Council was not made aware of the whole NAPA action.

Council Member Wood distributed a proposed resolution for action by the Committee on ceasing action on the NAPA contract until it can be reviewed.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION THAT WOULD REQUIRE FURTHER REVIEW OF THE CONTRACT WITH NAPA. MOTION CARRIED 7-0.

RESOLUTION – Appointment of Interim City Attorney

Council President Brown Clarke acknowledged the presence of City Attorney McIntyre, and noted that because of her attendance this request is no longer needed and disposed of.

Council Member Spitzley stepped away from the meeting at 6:55 p.m.
Council Member Dunbar stepped away from the meeting at 6:56 p.m.

Ingham County Drain Commissioner Conservation Easement

Ingham County Drain Commissioner Ranney Park Drain Easement for Montgomery Drain

Ingham County Drain Commissioner Red Cedar Park Drain Easement for Montgomery Drain

Mr. Lindemann distributed handouts on the drainage district and plan.

Council Member Spitzley returned to the meeting at 6:57 p.m.
Council Member Yorke stepped away from the meeting at 6:58 p.m.

Before Mr. Lindeman went thru the presentation he mentioned that within 3-4 months the design will be 60% done and then will have a public hearing. The first step is to obtain the land and the rights to build on it. If there are no easements from the City the County will have to seek private property.

Council Member Yorke returned to the meeting at 7:00 p.m.
Council Member Dunbar returned to the meeting at 7:00 p.m.

The presentation began with the initial problem and the project goal. The design concept for the Montgomery Drain can manage and clean 95.7% of all the storm events. Included in the hand out was a map of the intensive land use of the plan and the 80% of impervious. This project and other drain projects address issues and the federal law prohibits them from discharging pollutants. Mr. Lindemann moved onto a slide on SAW grants and looking at \$500,000 from the DNR to use for river rebuild from Kalamazoo, allowing cleanup of the banks. Council Member Wood asked if the SAW grant was part of the planning or the work later. Mr. Lindemann confirmed it would be planning money and they hope to have in 2017.

Council Member Spitzley stepped away from the meeting at 7:11 p.m.
Council Member Yorke stepped away from the meeting at 7:11 p.m.

Council Member Spitzley returned to the meeting at 7:12 p.m.

In outline of the design it was noted they are trying to use low impact design and are negotiation with Frandor and other merchants. There are no plans drawn up yet except the conceptual plans and DEQ plans, but currently they are negotiating easements, and they cannot proceed with the design without the easements. Council President Brown Clarke asked for the timeline. Mr. Lindemann stated it will take 60 days to secure the easements, and they want all the easements at the same time. The process started January 11, 2016 which is when the 60 days started. They have already applied for a 30 day extension.

Council Member Wood asked if the easement have gone thru the Planning Board for approval. Mr. Gamble stated they were introduced but he was not sure if they are scheduled for a meeting. Mr. Gamble was asked to provide that schedule. Council Member Wood then asked if the Parks Board had reviewed it, and if the City has signed off with Mr. Ferguson on possession of the land, and Mr. Gamble confirmed. Council Member Wood then asked if the skate park in Ranney Park would be affected, and Mr. Lindemann noted they would not be touching it.

Council Member Yorke returned to the meeting at 7:20 p.m.

Council Member Wood asked if there were payments for the easements they are looking to obtain, and Mr. Lindemann noted they are not paying for any easements. Council Member Wood then asked Ms. McIntyre where her office was on the review of the documents. Ms. McIntyre noted they received the information and the course of action is the preferred approach. While the process goes thru the Planning Board and Parks Board, Law will do their due diligence. Council Member Dunbar asked for the procedures in the process, and it was reiterated that Council cannot take action on the easements until the Parks Board and Planning Board, along with legal have signed off.

Council Member Brown Clarke asked what would happen if they miss the extension. Mr. Lindemann stated with confidence that the DEQ was pleased with what they have done so far. The detailed planning process can't start until the easements are provided. The County hopes that the DEQ sees good faith effort, and they are aware the County is pursuing.

DISCUSSION – Payment in Lieu of Taxes (PILOT) Policy

Council President Brown Clarke noted that at the last Committee of the Whole meeting and Council there was an evident request for clarification on the PILOT policy and current PILOT's. Council President Brown Clarke informed the Committee that the City Attorney has offered to look at prior meeting minutes and resolutions to provide Council with the guidance and what the prior Resolution charged Council with and sees if it now needs to be amended.

Council Member Wood added that she has found additional information and will provide that to Law. Council Member Yorke also added that Mr. Edmiston with Cinnarie was present earlier in the meeting and offered to reach out individually to each Council member. Council Member Yorke directly asked for the legal opinion also on the current PILOT Policy, any determination on the age of the residents, dollars, etc. Council President Brown Clarke acknowledged the request and confirmed a legal written opinion was requested. Currently there are 6 project pending and Council needs clarity on how was the past resolution framed for Council and how does it work today. The FHT was also asked to give an opinion on how PILOT projects will affect their projections. Once any information is provided Council President Brown Clarke stated she would set another meeting within the next two weeks. Council Member Spitzley asked if there was a current policy on PILOT's. Council Member Wood confirmed there is one, and Council President Brown Clarke added she has formally asked for clarification from

the City Attorney and for them to provide an opinion on where Council currently is, and then Council will discuss where they want to be. Council Member Yorke asked for Law to also clarify if the PILOT policy is codified.

Minutes

To be moved to the next agenda.

ADJOURN

The meeting was adjourned at 7:30 p.m.

Respectfully Submitted by, Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on March 28, 2016



MINUTES
Committee of the Whole
Monday, February 22, 2016 @ 5:30 p.m.
City Council Chamber

CALL TO ORDER

The meeting was called to order at 5:30 p.m.

PRESENT

Councilmember Brown Clarke
Councilmember Jessica Yorke
Councilmember Patricia Spitzley
Councilmember Adam Hussain
Councilmember Kathie Dunbar- arrived at 5:35 p.m.
Councilmember Carol Wood
Councilmember Jody Washington -excused
Councilmember Tina Houghton - excused

OTHERS PRESENT

Sherrie Boak, Council Staff
Chad Gamble, Executive Assistant- arrived at 5:34 p.m.
Joseph Abood, Deputy City Attorney- arrived at 5:31 p.m.
Gina Lee, LFD
Mark Mello
Robert Long, Local Glass Workers and Painters
Marc Crance, UAW
Jeffrey Green, TWG
Bob Trezise, LEAP
Steve Willobee, LEAP
Dennis Parker, UAW President

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM FEBRUARY 2, 2016 AS PRESENTED. MOTION CARRIED 6-0.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM FEBRUARY 8, 2016 AS PRESENTED. MOTION CARRIED 6-0.

Public Comment

Ms. Lee, a former LFD who was injured in 2002 and put on duty disability since then addressed the Committee on recent issues she had encountered with her file and status of

DRAFT

back to active work in full duty in August, 2015, unbeknownst to her. Ms. Lee was contesting the paperwork, the doctor and wants Council to research if this process that was used is legal. Council President Brown Clarke asked Ms. Lee to email her questions and concerns to Council staff so that they may forward those onto all of Council. Council Member Wood confirmed Ms. Lee had already spoken at the Retirement Board meeting, and that Board is researching and investigating the situation.

Mr. Long spoke on behalf of the Local Glass Workers and Painters in regards to their opposition to the Sky Vue project. Mr. Long believes that Sky Vue was offered incentives however there were no local bidding process practiced, and therefore Council should not issue incentives and they need to find people that have worked in the City. The Council needs to create checks and balances regularly not annually on these developers.

Mr. Mello spoke in opposition to the Sky Vue project and questioned if they installed monitoring wells and who from the City has checked that process.

Mr. Parker referenced a draft resolution he sent to all Council Members regarding the opinion on the violation the UAW contract and asked for an opinion on the violation prioritizing contract. Council Member Spitzley asked for clarification on the violation, and Mr. Parker referenced Article 9, Section K of the UAW Local 2256 contract.

Mr. Crance spoke in support of the general contractors in Lansing and that there appears to be out of state contractors coming into the City doing local work. Mr. Crance asked for clarification on what tax breaks were given to Sky Vue and why they are offered to out of state and out of town contractors.

Presentations

Council President Brown Clarke noted for the people present that she has invited Departments to present a bi-annual update on their budget highlighting where things are and any potential expectations for the upcoming budget.

Police Department Bi-Annual Update

Chief Yankowski acknowledged the LPD and the support from the residents in 2016. The approved FY6 budget allowed them to fulfill their mission to make the City a better place to live and work. With the \$39 million budget they have 242 officers; they implemented initiatives in the communities and continued their work on crime prevention. Both Unions came to budget ratification that allowed for cost savings with salary and benefits. Another aspect of the budget was the 21st Century Policing Task Force. Community policing continued to be a huge impact, and the LPD continued with a Citizen Police Academy which is in its 2nd session with over 20 participants. The LPD has training programs to engage officers and provide them with tools. The department is moving towards a crisis intervention team, and a regional effort. In FY 2017 the LPD will expand on their training hours in addition to expanding on the Violent Crime Initiative expansion identifying those responsible and using resources. In FY 16 the Department had a cold case officer and this will continue to expand. Talks continue on a regionalization team to work together on mutual aid agreements. With FY2016 there was an officer wellness program; in the future there will be random drug testing and physical agility tests. The LPD will have a large focus in FY16 and FY17 on hiring. They have already put extra money for recruiting and hiring in place, and did hire 13 police officers so far in FY16, three (3) thru the certifiable process, and 10 thru a sponsorship program to go to the police academy. It was acknowledged that they still have 14 vacancies. Two hiring processes are underway, with the completion of one in the next two weeks. The Department is also currently going thru interviews. In FY174 the LPD will be need to ask for an addition process, but they

DRAFT

currently plan to fill 14 vacancies. In FY17 there will be some detentions office vacancies (2), unexpected resignations and one more vacancy by July 1st.

Council Member Spitzley stepped away from the meeting at 6:05 p.m.

LPD has made adjustment to make sure core services are not affected.

Council Member Spitzley returned to the meeting at 6:08 p.m.

The Chief then outlined the purchase of body cameras in FY16 and FY17, confirming that the Pilot program was completed, and now LPD is on the equipment from Taser Exxon, with the expected delivery within the next two weeks, and implement 30-60 days. There was an increase in the amount even though they had set aside \$75,000. They will have 120 cameras, and the additional money LPD will need is for storage, redaction. They will utilize the JAG Grant funds to finish the project in year one, and will make a budget adjustments in 2017 to sustain.

Chief Yankowski lead into any unexpected items in FY16 in relation to cost increase and this included the initiative they took to send applicants to the academy. Instead of 3 they sent 10. The LPD also implemented the Police Court Feasibility Study with the County and are looking at the next 50 years facility. Their current work involves working with Ingham County to find a partnership for effectiveness and courts and lock up. They have set aside funds from FY16 for that study. Other projections for increases included dry cleaning expenditures, over time adjustments expected to be over \$250,000 projected. Chief Yankowski concluded by informing the Committee that there was an unexpected item occurrence with the tactical vehicle. The armored rescue vehicle was an unexpected removal from the Federal Government. LPD is currently looking at using forfeiture dollars to buy Tahoe's for rapids response vehicles. Council Member Dunbar asked for more details on why the President recalled the armored vehicle. Chief Yankowski noted that the President recalled all items that the military loaned out because it appeared too military. They did offer a replacement, however it is not a law enforcement friendly vehicle, it is designed for IUD not a rescue vehicle.

Council Member Dunbar asked in the hiring of new officers, how the department decides who are sponsored for the academy and who aren't. The Chief noted that it is the same process as certified and certifiable as sponsored. Those being certified have already gone thru the academy, for those looking for sponsorship they have met criteria which are a 2 yr. associate. LPD has exhausted the list and have found 10. It is same criteria; just the education requirement makes them different. Council President Brown Clarke asked if the sponsored have a clause that state they have to stay with the City of Lansing Department. Chief Yankowski confirmed there is a clause and if they leave before they fulfill the four (4) years, they are not certified by the State and they have to pay back their sponsorship. Council Member Dunbar asked what the steps are for requesting sponsorship and it was confirmed that LPD recruits year round, and work with HR. They also go to all the universities and job fairs, in addition have info on the website. Council Member Dunbar asked why, if they are successfully recruiting, there has been a long period of time on filling the vacancies. Chief Yankowski noted they have been working with HR to stream line and look at other ways to attract the qualified and best in a timely manner. There are 18 academies in the State with spring and winter graduation. Some processes took 9 months, and now LPD is looking to down size that, along with looking at having an open ended process, and always filing.

Council Member Spitzley asked if there is a program for military veterans and their qualifications. The Chief confirmed and added that if applicants have military back ground or a Lansing resident they get extra points on the process.

DRAFT

Council President Brown Clarke asked with the increase of body camera, if they will need funds for FOIA requests and review. Chief Yankowski noted the anticipated and has made adjustments. One advantage with the company they went with is that the prosecutors can view the files from their office and so will the City Attorney office. The Department will make adjustments in FY17 from part time to full time for central records positions.

Human Resources Community Services Bi-Annual Update

Dr. Joan Jackson Johnson acknowledged the Council invitation. The overview included an update on a vacant position that is being filled within the next three (3) weeks. The department also has a \$1.52 million which they have \$383,000 remaining, and that balance is explained by the disbursement date of their grants for the agencies in July and January, assuming the agencies report in. Some grants paid quarterly. The Department continues with the daily challenges with constant walk ins, constant calls and this year with the closing of Beechfield. The department continues to work with community partners and different veterans groups. The most recent project was the placement of 14 families including 44 kids from the Magnuson Hotel. They have met with community partners on site and decided to have weekly visits, and work on rehouse that environment. Council Member Spitzley asked if the City provides funding to Magnuson, and Dr. Jackson Johnson confirmed they do not. Challenges continue on trying to partner with other agencies.

The Department is working changing Public Act 615 which is for utility shut offs.

Council Member Wood asked if the Department was aware of recent issues with bed bugs and the Housing Commission efforts to assist people, however the seniors and disabled cannot move things so spraying can occur. Dr. Jackson Johnson is aware but also cannot currently find anyone to assist them however DHS has been working with them. In the situation of bed bugs the challenge is to educate the public. No one can afford to replace everything in the apts.

Council Member Wood asked who in the department handles the follow up checks on prevailing wage and groups paying taxes. Dr. Jackson Johnson confirmed she has staff that does perform that task and reviews it. There is also a follow up process for employers who don't collect. Before those packages are closed out we make sure they are qualified. Council Member Wood asked the Council President to place on an upcoming Ways and Means agenda to review.

Council Member Yorke asked for confirmation on the number of homeless people and a statement of 5,000 individual calls for services. Dr. Jackson Johnson pointed to the point in time when the count is done which is the last Wednesday in January, then they do counts in shelters and transition housing. They look at people in the homeless management systems and how they are funded. Biggest housing program is the permanent supportive housing, which is handled by Lansing Housing Commission. A street count is performed and reported to the Federal Government.

Council Member Spitzley acknowledges Dr. Jackson Johnson on their continued efforts with the mobile food pantry.

DISCUSSION/ACTION

Discussion - Developer RFP Process

Mr. Trezise and Mr. Willabee began a quick overview of the RFP process for developers.

Council Member Dunbar stepped away from the meeting at 6:48 p.m.

Council President Brown Clarke asked them if a developer says one thing, then something else happens is there a consequence, and what can Council do and not do. Mr. Trezise

DRAFT

acknowledged the topic was the Sky Vue development, acknowledged Council for the opportunity to discuss this and lasted noted that LEAP follows the City of Lansing Policy. There are two (2) kinds of agreements, when Council does an incentive package there is a universal agreement that accompanies, which comes from an executive order with the Mayor's office. When the project involves a sale of property there is a development agreement.

Council Member Dunbar returned to the meeting at 6:40 p.m.

In regards to Sky Vue, Mr. Trezise confirmed the have and universal agreement, typical with a Brownfield, OPRA, etc. which is typical with that kind of project. Rise Group the developer informed LEAP they did work with a local major contractor in the beginning stages, however that contractor did not end up bidding on the project so they went with the next and that was Wolverine. There are signed agreements which say they will make attempts to hire local labor. Council President Brown Clarke asked if a developer does not select a particular contractor in initial discussion, is there a second attempt on bids. Mr. Trezise confirmed there is no policy in place, however they are encouraged. LEAP wants to analysis if a project needs and deserves incentives, and they want to increase the number living and working in the City and generate sustainability. LEAP does set up phone conferences and made introductions between developers and local workers in an attempt to bring people together, but they have to do business together. In this case the incentive was normal. Mr. Trezise went on to confirm with the Committee that upon a request to Rise Group, Rise did submit a letter (attached) summarizing the process they took. Mr. Trezise then listed companies that are working on the project from the Lansing area which include United Electric, Quality Hearing and Cooling, McCauley Glass, Builders Hardware, Glasers Lumber, Home Acres Building Supply, Grander, High Grade Materials and United Flooring. The bids were on the Builders Exchange open site and sent to 3,000 contractors. Once the bids were received bidders were notified and they issued 60 contracts to contractors 40% of which were local. Mr. Trezise could not speak to the bid process the developer used, however when they speak to developers they follow the City policy, however State laws are controversial because they take away from some local laws. Mr. Trezise concluded by stating that the City Council sets the policy on what LEAP can do, and this project is good development.

Council Member Yorke stepped away from the meeting at 7:03 p.m.

Council Member Wood handed out copies of the Draft Ordinance on transparency that the Committee on Development and Planning stard in 2013.

Council Member Yorke returned to the meeting at 7:05 p.m.

Council President Brown Clarke referred the Draft Policy back to the Committee on Development and Planning. Mr. Trezise acknowledged LEAP's consideration and open to any conversation. The question was asked if there is currently a municipality that already has this in place so that they can make sure Lansing is competitive.

CLOSED SESSION – Michigan Tax Tribunal Litigation Update
Committee went into closed session at 7:12 p.m. by a roll call vote.

RECONVENE

Committee reconvened Committee of the Whole meeting at 7:22 p.m.

RESOLUTION – Approval of Outside Legal Counsel for the City of Lansing

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR OUTSIDE LEGAL COUNSEL OF LAURA M. HALLAHAN OF HALLAHAN & ASSOCIATES, P.C. FOR A MICHIGAN TAX TRIBUNAL LITIGATION CASE. MOTION CARRIED 6-0.

DRAFT

ADJOURN

The meeting was adjourned at 7:24 p.m.

Respectfully Submitted by, Sherrie Boak, Recording Secretary
Lansing City Council

Approved by the Committee on



February 23, 2016

**CONTACT: Council President
Judi Brown Clarke**

517-483-7683

IMMEDIATE RELEASE

The recent issues brought before the City Council on Monday, February 22, 2016 regarding an agreement with NAPA for the City owned Fleet Garage will be discussed at the following meeting:

**Committee of the Whole
Monday, February 29, 2016
5:00 p.m.
City Council Chambers
124 W. Michigan Avenue, 10th Floor**

This is an updated Committee, date and time from what was stated at the Council meeting on February 22, 2016. There was a conflict with staff and Administration attending the earlier stated time. Council strongly believes that the attendance of staff and Administration at this meeting will allow Council to obtain all the information, timelines and background to make their decision.

This is a public meeting and the public is encouraged to attend. Input will be appreciated however there may not be a decision made at this time. In addition this will not be the only item on the agenda.

The agenda for the meeting will be available prior to the meeting on the City website:
<http://www.lansingmi.gov/Committees>

Agreement Between
CITY OF LANSING, MICHIGAN

And

UAW LOCAL 2256,
LANSING CITY UNIT

October 7, 2008 – September 30, 2013



Virg Bernero, Mayor

FOR DISCUSSION
NOT INTERPRETATION

SECTION 2. Permanent Transfers	9
SECTION 3. Transfer Out of and Back into the Bargaining Unit.....	10
SECTION 4. Shift Preference.....	10
SECTION 5. Layoffs and Recalls	11
A. General Provisions.....	11
B. Layoff and Bumping Procedures	13
C. Recall.....	15
SECTION 6. Layoffs and Recalls/Seasonal and Part-Time Employees	16
 ARTICLE 7.....	16
SUBCONTRACTING	16
SECTION 1. Subcontracting.....	16
SECTION 2. Joint Committee on Outsourcing.....	16
ARTICLE 8.....	16
CLASSIFICATIONS	16
SECTION 1. New Positions	16
SECTION 2. Classification Reviews.....	17
SECTION 3. Procedures for Classification Review.....	17
SECTION 4. Reclassification Appeal Procedure	19
 ARTICLE 9.....	19
HOURS OF WORK AND WAGE RATES.....	19
SECTION 1. Hours of Work.....	19
A. The Normal Work Week and Work Day	19
B. Overtime - Time and One-Half.....	20
C. Overtime - Double Time.....	20
D. Computation of Overtime.....	20
E. Distribution of Overtime.....	20
F. Work Breaks	21
G. Night Premium.....	21
H. Pyramiding.....	21
I. General.....	21
J. Computation of Pay	21
K. Bargaining Unit Work.....	22
L. Clean-up Time.....	23
M. Compensatory Time.....	23
SECTION 2. Wage Rates.....	23
SECTION 3. Implementation of Step Increase.	24
ARTICLE 10.....	24
WAGE SUPPLEMENTS.....	24
SECTION 1. Bereavement Time, With Pay	24
SECTION 2. Holidays.....	25

ARTICLE 7

SUBCONTRACTING

SECTION 1. Subcontracting. In the event the City proposes that an operation being performed by this bargaining unit be turned over to an authority or non-profit corporation or any subcontracting of bargaining unit work shall be the subject of advance notice to the Union. The Union shall receive advance notice which may include, where appropriate, a copy of the Invitation for Bids (I.F.B.) to enable it to have full opportunity to engage in discussions with the City which may include, but need not be limited to, the following topics:

- A. The reason for the City's interest in subcontracting.
- B. Alternatives to subcontracting.
- C. The placement or transfer of affected employees into other City jobs.
- D. Other relevant topics.

In no event shall any seniority employees who perform the work in question be laid off as the result of work being subcontracted.

SECTION 2. Joint Committee on Outsourcing. The City and the Union will engage in cooperative discussions to establish a procedure to review work being outsourced and discuss possible alternatives thereto.



ARTICLE 9

HOURS OF WORK AND WAGE RATES

SECTION 1. Hours of Work.

- A. The Normal Work Week and Work Day. Forty (40) hours shall constitute a normal work week and eight (8) hours a normal work day, for which the regular hourly rate shall be paid as set forth in Appendix A of this Agreement. No employee shall have his/her work.

week schedule altered for the purpose of avoiding the payment of overtime. No employee shall be required to work on his/her scheduled day off in lieu of his/her scheduled work day. Nothing herein shall be construed as meaning that any employee shall receive overtime pay for Saturday and Sunday work unless such work is performed according to B and/or C of this Section. PROVIDED, this Section shall not be construed to prevent the implementation of special shift arrangements in operational units different from the above, which incorporates the concepts of core time, compressed time or flexible work schedules, where the change is initiated by the Labor Relations Manager in writing and approved by the Union President. In addition, a four (4) 10-hour day work week may be implemented in work groups by mutual agreement between the City and the Union.

- B. Overtime - Time and One-Half. Time worked in excess of an employee's regularly scheduled shift per day or forty (40) hours per week, or on a holiday recognized in this Agreement (in addition to holiday pay therefore), shall be compensated for at the rate of one and one-half (computed at one hundred fifty-two [152%] percent) times the employee's regular hourly rate of pay, exclusive of shift or premium pay. Employees working on six (6) continuous day operations will receive one and one-half (computed at one hundred fifty-two [152%] percent) times the employee's regular hourly rate of pay for all hours worked on the sixth (6th) day, if he/she has worked forty (40) hours on the previous five (5) days of the employee's work week.
- C. Overtime - Double Time. Double time will be paid for all hours worked on Sunday, except for employees working on seven (7) continuous day operations who will receive double time for all hours worked on the seventh (7th) day of the employee's work week.
- D. Computation of Overtime. For the purpose of computing overtime, holidays as defined in this Agreement, paid sick leave days, paid personal leave days and paid vacation leave days shall be considered as days worked. For the purpose of computing overtime work on Saturday or sixth (6th) day, and Sunday or seventh (7th) day, the normal starting time of each employee's regular shift shall be used for the twenty-four (24) hour period on Saturday or sixth (6th) day, and the twenty-four (24) hour period on Sunday or seventh (7th) day, to define B and C of this Section. In no case shall any employee be paid for any time not actually worked.
- E. Distribution of Overtime. When overtime is required, it shall be approved by the employee's immediate supervisor, and it shall be equalized as nearly as practical among employees holding like job classifications within a single Departmental Division, or among employees holding classifications within a negotiated division or section equalization group. An up-to-date equalization chart showing overtime hours (recorded in a manner to reflect the applicable time and a half or double time rate) will be posted weekly in a prominent place in each Departmental Division. This equalization chart shall be kept on a continuous basis and may be jointly reviewed from time to time as necessary by special conference as provided by Article 16, Section 9 of this Agreement. This chart

may be replaced monthly, but when it is, the accumulated number of overtime hours will be carried forward to the chart next posted. However, on January 1st each calendar year, the hours of the employee who has the fewest hours on the equalization of hours (E.O.H.) chart shall be reduced to zero (0). The hours of all other employees within the same E.O.H. group shall be reduced by an amount equal to that which the employee with the least hours was reduced.

Whenever overtime is required, the person with the least number of overtime hours in that classification within a single Departmental Division or negotiated equalization group will be called first, and so on down the list in an attempt to equalize the overtime hours. For the purpose of this clause, time not worked because the employee was unavailable, or did not choose to work will be charged the average number of overtime hours of the employees working during that period, excluding employees on vacation or sick leave. Employees newly entered in a group as a new hire, a transferred or a promoted employee shall be credited with the highest number of hours of the equalization group which he/she enters.

- F. Work Breaks. An employee shall receive a twenty (20) minute break in the first half and a twenty (20) minute break in the second half of his/her regular shift, at times scheduled by his/her immediate supervisor, consistent with current practices.
- G. Night Premium. Employees who work between 6:00 p.m. and 6:00 a.m. shall receive, in addition to their regular rate of pay, seventy five cents (\$.75) per hour night premium. This shift premium does not apply to employees working overtime.

Employees at the Wastewater Treatment Plant are eligible for shift differential for their entire shift provided that at least part of their shift occurs between the hours of 6:00 p.m. and 6:00 a.m. This does not include any hours that the employee receives overtime.

Employees outside the Wastewater Treatment Plant shall also be eligible for shift differential for their entire shift, provided that at least four (4) hours of their shift occurs between the hours of 6:00 p.m. and 6:00 a.m. This does not include any hours that the employee receives overtime.

- H. Pyramiding. Premium payments shall not be duplicated for the same hours worked nor shall overtime or premium hours be included in the computation of a forty (40) hour work week under any of the terms of this Section. It is the intent of the parties through this provision to ensure that an employee is paid the single, best applicable wage premium. For example, an employee working overtime on the night shift shall be paid the applicable overtime rate but not the night shift premium.
- I. General. The foregoing provisions of this Section 1 are intended to indicate the usual hours of work and shall not be construed as a guarantee of hours of work.
- J. Computation of Pay. Employees who report late for work or who leave work early, or

who work overtime shall have all such hours computed for pay purposes to the nearest one tenth of an hour including any fraction thereof.

~~A~~

K. Bargaining Unit Work.

1. General Standards. Supervisory employees or non-bargaining unit members shall not be permitted to perform work within the bargaining unit if in doing so it would reduce the size of the bargaining unit or circumvent the overtime provision. A standard of reasonableness shall be used in evaluating situations.
 - (a) Standard of reasonableness shall be determined by the Labor Relations Manager and the Union.
 - (b) This provision does not apply to a supervisor's training of employees or to exigent circumstances.
 - (c) City agrees that violations of this provision will result in appropriate, progressive disciplinary action taken against the offender. Any disputes regarding this topic shall be submitted to step 3 of the grievance procedure.

2. Special Program(s). Green Thumb, Neighborhood Youth Corp, Diversion Programs, volunteer handicapped parking enforcement or their successor programs, that may perform bargaining unit work, shall be the subject of advance notice to the Union. Upon receipt of such notice, the Union shall be granted full opportunity to engage in discussions with the City which may address, but need not be limited to, the following topics:
 - (a) The reason for the City's interest in said program;
 - (b) Alternatives to the program;
 - (c) Anticipated impact upon the bargaining unit; and
 - (d) Other relevant topics.

Disputes under this paragraph, K. 2, shall be subject to paragraph K.1.

In no event shall any seniority employees who perform work impacted by such programs be laid off as the result of bargaining unit work being performed by participants of such special program(s).

3. Light Duty Assignments. The City and the Union agree to extend the current Memorandum of Understanding (M.O.U.) to other City of Lansing non-

bargaining unit employees. The City and the Union shall meet and jointly determine the appropriate use of light duty assignments in other City operations.

- L. Clean-up Time. Each department has established its own policy for clean-up time before lunch and before quitting time for employees covered under this collective bargaining agreement. However, in no event shall employees covered hereby be provided less than five (5) minutes clean-up time before lunch and before quitting time.

- M. Compensatory Time. In lieu of receiving pay for overtime which is worked, an employee may, with prior approval of the department representative, request to receive compensatory time off earned at the rate of one and one-half (1/2) hours compensatory time off for one (1) hour of overtime worked. Compensatory time earned hereunder shall be cumulative up to a maximum total of eighty (80) hours. Employees may not use compensatory time in excess of their balance; employees that exceed their compensatory balances will be subject to docked pay. Accrued compensatory time will be paid at the employee's authorized regular rate of pay on the date it is used or paid. Accrued compensatory time shall not be paid upon an employee's retirement; however, accrued compensatory time, up to the maximum of eighty (80) hours may be taken prior to the employee's last scheduled work day.

Compensatory time off shall be scheduled in advance, upon written request from the employee submitted not later than the end of the employee's previously scheduled work shift. In unusual or emergency situations, a written request to use compensatory time submitted to the department head or designee later than the end of the employee's previously scheduled work shift shall not be unreasonably denied. Compensatory time use will not be approved in cases where it will be necessary to pay another employee at overtime rates to cover the employee's time off.

SECTION 2. Wage Rates. Full-time employees in the bargaining unit shall receive a two and two-tenths percent (2.20%) cash payment (no base pay roll-up) based upon an employee's salary in 2004 effective the first pay period beginning on or immediately following October 1, 2004; a two and two-tenths percent (2.20%) wage increase effective the first pay period beginning on or immediately following October 1, 2005; an additional two and five-tenths percent (2.50%) wage increase effective the first pay period beginning on or immediately following October 1, 2006; and an additional two and five-tenths percent (2.50%) wage increase effective the first pay period beginning on or immediately following October 1, 2007. (Note: Full-time employees making more than the rate negotiated for their classification in the new system shall be paid the rates applicable on November 30, 1989 plus the negotiated wage rate increases.

Effective upon ratification of the 2008-2013 agreement, full-time employees in the bargaining unit shall receive a one thousand (\$1000.00) signing bonus; a one and three-quarters percent (1.75%) wage increase effective the first pay period beginning on or immediately following October 7, 2010; an additional one and one-quarter percent (1.25%) wage increase effective the first pay period beginning on or immediately following October 7, 2011; and an additional one and one-quarter percent (1.25%) wage increase effective the first pay period beginning on or immediately following October 7, 2012.

SECTION 3. Implementation of Step Increase.

- A. Employees who are hired or promoted are eligible for the first Step Increase six (6) months from their respective date of hire or promotion, and annually thereafter.
- B. All Step Increases are effective the beginning of the pay period following the eligibility date.

ARTICLE 10

WAGE SUPPLEMENTS

SECTION 1. Bereavement Time, With Pay. At the time of death of a spouse, child, step-child, parent, step-parent, and parent of a current spouse, an employee will be entitled to use a maximum of the next five (5) work days with pay, not to be deducted from the accumulated sick leave, to arrange for and/or attend the funeral.

An employee will be entitled to use a maximum of three (3) work days with pay, not to be deducted from accumulated sick leave, to make arrangements and attend the funeral for any other immediate family member as defined below.

A period of time taken off for bereavement under this Section which is less than or equal to one-half (1/2) of a day, shall only be considered one-half (1/2) day. A period of time taken off in excess of one-half (1/2) day shall be considered a full day.

"Other immediate family" shall mean niece, nephew, brother, sister, brother-in-law, sister-in-law, grandparents, grandparents-in-law, and grandchild.

The City may require verification of the death and/or of the relationship of the employee to the deceased, at its discretion, following the leave and before making payment for the bereavement time. The City may withhold payment if the employee did not make proper request for leave, prior to taking the time off, so that his/her work could be covered in his/her absence.

In the event of the death of a member of the immediate family, including spouse, child, step-child, parent, step-parent and parent of current spouse, additional time may be taken off, with the approval of the department head. This time off may be charged to vacation, personal leave, or sick leave time earned.

SECTION 3. Implementation of Step Increase.

- A. Employees who are hired or promoted are eligible for the first Step Increase six (6) months from their respective date of hire or promotion, and annually thereafter.
- B. All Step Increases are effective the beginning of the pay period following the eligibility date.



OFFICE OF MAYOR VIRG BERNERO
124 W. MICHIGAN AVENUE – NINTH FLOOR
LANSING, MI 48933

To: Council President Judi Brown Clarke

From: Chad Gamble, P.E., COO

Date: February 24, 2016

Re: Requested information about the City's new partnership with NAPA-IBS

The City is very excited about the new partnership that was forged between the City and NAPA-Integrated Business Solutions (IBS). This opportunity has been discussed openly with the union as far back as the winter of 2013/2014. Meetings at that time were held with the current UAW Local 2256 president and parts room employees.

The opportunities of expansion of the Fleet Services Division will be based in part by our ability to supply parts to our mechanics. This is no more important during times of extended operations of the Fleet Services Building. The fact that the parts room only has two employees, who have served the parts room well, limits our ability to keep pace with the needs of the garage floor.

This partnership with NAPA – IBS, that was formally entered into last week, will eliminate the cost of owning on average \$500,000 worth of inventory, reduce obsolesce, lower transaction costs (via by fewer purchase orders, fewer receipts, fewer invoices, fewer backorders) and an increase in overall efficiencies as this is NAPA's core function that they have been performing for decades.

NAPA will provide dedicated parts professionals including supervision and standby staffing that would be utilized during extended events, thus avoiding staffing the parts room with a mechanic.

Per your request please find attached the following documentation help answer your questions about this new partnership.

1. The press release announcing the partnership
2. The memo sent to the UAW President
3. Background literature from NAPA-IBS (City of Boston Case Study)
4. Bid information and Response from NAPA-IBS
5. The contract between the City of Lansing and NAPA-IBS
6. Projected NAPA Store Savings



OFFICE OF MAYOR VIRG BERNERO
124 W. MICHIGAN AVENUE – NINTH FLOOR
LANSING, MI 48933

FOR IMMEDIATE RELEASE
Friday, February 19, 2016

CONTACT: Chad A. Gamble
517/ 483-4146

City of Lansing Announces New Partnership with NAPA-IBS

*Lansing Joins Chicago, New York, Boston and Louisville in utilizing the
Integrated Business Solution offered by NAPA.*

(LANSING) – The City of Lansing Department of Public Service announced today that starting Monday, February 22, 2016, NAPA will open an Integrated Business Solution (NAPA-IBS) store within the City of Lansing’s fleet services facility. The new partnership will supply the city’s vehicle maintenance garage with an efficient and cost-effective flow of parts that are needed to keep Lansing’s fleet in good working order.

“This private-public partnership is a key next step in providing a higher level of service to our customers and creates the opportunity for future expansion of the fleet services division,” said Chief Operating Officer and Public Service Director Chad Gamble.

NAPA-IBS has been successfully implemented across the country in city, county, DOT and school garages. This partnership will reduce the city’s inventory investment, increase the fleet’s productivity, connect instantly to a national parts network, and reduce the overall parts room cost. Dan Bigham, Integrated Supply Manager for NAPA, stated: “This type of integration places the full function of a NAPA store right in the City’s fleet services building. This integration and enhanced service leverages NAPA’s national parts contracts, connection with regional parts warehouses and a national parts database at the tip of our fingers.” Another key area of savings will be the streamlining of invoice processing, reducing them from hundreds monthly to just one.

Gamble noted that the city is making better use of limited resources by implementing the most timely, efficient and cost-effective systems possible for repairing the city’s vehicles. Currently, two employees support the existing parts acquisition process. This has been a source of limitation during an extended work hours or sickness by either of these employees. “This new partnership will avoid the need for other mechanics to work in the parts room and keep them on task repairing the city’s fleet,” Gamble said. The two affected city employees will be transferred to other currently vacant positions.



Virg Bernero, Mayor

PUBLIC SERVICE DEPARTMENT

7th Floor City Hall
124 West Michigan Avenue
Lansing, Michigan 48933
(517) 483-4455
FAX: (517) 483-6082
www.lansingmi.gov/pubserv



MEMORANDUM

TO: Dennis Parker, UAW Local 2256 President

FROM: Chad A. Gamble, P.E., Director of Public Service

DATE: February 12, 2016

SUBJECT: Parts Room Sub-Contracting to NAPA

In accordance with Article 7 of the UAW Collective Bargaining Unit Agreement (CBA), this is the Union's notice that on February 22, 2016 the functions of the parts room will be performed by NAPA – IBS via the National Joint Powers Alliance (NJPA) cooperative contract. The current employees working in the part room will be transferred in accordance with the CBA.

As you are aware the City has been investigating the opportunity of partnering with NAPA and/or other parts room management vendors for several years. We have held meetings with City parts room staff and UAW representatives to discuss concerns and or avail UAW members to ask questions of the services that may/would be offered by NAPA. It is my vision and a necessary step to increase the number of City employees (mechanics) that service the City's fleet. This may take the form of additional mechanics on 1st shift or the possibility of an additional shift.

The formation of the partnership with NAPA is a necessary next step in establishing our ability to expand in all work areas of the Fleet Services Division. NAPA has demonstrated, via the implementation of the Integrated Business Solution program, in dozens of applications ranging from City, County, DOT, school and federal, that this partnership has reduced unnecessary inventory, increased the amount of work orders processed, increased national real time quick access to specialized long lead time parts, overall work group and inventory cost savings, and a reduction in vendor management and invoice processing.

I hope that you see that this step will allow us to expand our services, increase our preventative maintenance delivery, reduce times when mechanics are called to fill in when all parts employees are unavailable, and increase overall service to our customers. I look forward to discussing this and other expansion and Fleet Services opportunities in the near future.



IBS

POWERED BY 

CASE STUDY: CITY OF BOSTON, MA FLEET



CITY OF BOSTON FLEET

Nationally Recognized Fleet

#78 "100 Best Fleets" in 2013

#42 "100 Best Fleets" in 2014



Fleet Stats

Departments Served

19 City Departments served including Central Fleet, Sanitation, and Public Works

Number of Technicians

40+ Staff Members

Fleet Size

1200+ vehicles/pieces of equipment

Fleet Makeup

Central Fleet: Elgin Pelican Sweepers
Freightliner 108 SP & M2-106 Dump Trucks
International 4900 Trucks
Ford E/F Series

Hours of Operation

Monday – Friday 7:00am – 8:30pm
Saturdays as needed for Preventive Maintenance Support

Fleet Software

Dossier Fleet Management

Results after using IBS

93% OF PM SERVICE COMPLETED WITHIN 24 HOURS

INVENTORY INVESTMENT REDUCED **\$236,000+** ↓

90% ↑ ON-DEMAND RATE

Productivity:

- Cost savings with IBS resulted in extra funding/hiring of three additional technicians
- 93% of Preventative Maintenance service completed within 24 hours
- Procure/manage bulk fluid and lubrication dispensing equipment
- 90%+ on-demand rate by year 2 of IBS operation

Inventory:

- City inventory investment was reduced \$236,000+ in year 1 of IBS operation
- \$650,000+ in available on-hand NAPA owned inventory
- Liquidate obsolete inventory and reinvest in applicable inventory for current fleet
- Cost savings with competitive vendor sourcing by NAPA IBS

Staffing:

- Coordinate structured training for Technicians, Shift Floor Supervisors and Shop Managers
- Implementation of NAPA Autotech and non-NAPA vendor training customized for both Light Duty and Heavy Duty Shops
- ASE Certification training (both classroom and online)

Transaction Cost Reduction:

- Complete accountability of all materials, shifts and technician usage
- 1400+ invoices per month consolidated into one statement for The City

For More Information on the City of Boston Contact:

Jim McGonagle
Dir. of Central Fleet Maintenance

MA Public Works Dept.
400 Frontage Rd, Boston, MA

Office: 617-635-1281
jim.mcgonagle@cityofboston.gov

Home > Corporation > Business Solutions > Fleet > Fleet Services, Parts & Equipment > NAPA Genuine Parts Company



NAPA-Genuine Parts Company

NJPA AWARDED

Contract#: 061015-GPC

Category: Fleet Services, Parts & Equipment

Description: Customized Vendor Managed Inventory Supply Services - Fleet Light, Medium and Heavy Duty Parts and Supplies -- and Warehousing

Maturity Date: 07/20/2019

Overview

Contract Documentation

Pricing

Marketing Materials

NJPA Contact Information

HOW TO PURCHASE ?

Our step by step guide

Vendor Contact Info

Jett Kuntz

Direct Phone: 770-855-2221

jett_kuntz@genpt.com

www.genpt.com

NAPA Auto Parts -Integrated Business Solutions (IBS) program brings the substantial combined corporate assets of Genuine Parts Company's family of supply and distribution enterprises, company and small-business independent stores along with extensive experience into play in 23+ years of running successful on-site and offsite vendor managed inventory operations with government fleet and warehousing facilities.

NAPA Auto Parts, utilizing their own resources and strategic partnerships with numerous additional local and national resources currently provides parts, service and expertise necessary to provide a reliable and complete "dedicated" on-site source of repair parts and services for NJPA members to:

- Achieve a significant reduction in administrative procedures
- Reduce transactional costs through centralized billing across multiple vendors
- Deliver increase in on-demand parts availability
- Drive increases in fleet technician performance
- Reduce vehicle downtime in fleet operations
- Eliminate obsolete parts and shrinkage costs through efficient parts room management technologies
- Significantly reduce the cost of parts and warehouse inventory ownership
- Provide a turn-key sourcing solution service that will enable government agencies to operate the repair and warehouse facilities more efficiently, resulting in savings of funds through cost avoidance

Genuine Parts Company/ NAPA IBS more than 380 active vendor managed parts warehousing partnership locations across the United States and Canada. With our 23+ years of experience in operating these integrated supply operations NAPA can provide some key added-value help to a government fleet organization to help their shops parts operation run smoothly and efficiently.

Our customers today consist of many City, County, School, Higher Ed, Utility, Transit, and MRO Warehousing facilities. NAPA has alliances formed with outside vendors in order to provide the best possible customized service at a competitive price.

Contact us at: <http://www.napa-ibs.com>



National Joint Powers Alliance® (herein NJPA)

REQUEST FOR PROPOSAL (herein RFP)

for the procurement of

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

RFP Opening

JUNE 11, 2015

8:00 a.m. Central Time

At the offices of the

National Joint Powers Alliance®

202 12th Street Northeast, Staples, MN 56479

RFP #061015

The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of # 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. Details of this RFP are available beginning MAY 1, 2015. Details may be obtained by letter of request to Jonathan Yahn, NJPA, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479, or by e-mail at RFP@njpacoop.org. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 8:00 a.m. Central Time.

RFP Timeline

MAY 1, 2015	Publication of RFP in the print and online version of the <i>USA Today</i> , in the print and online version of the <i>Salt Lake News</i> within the State of Utah, in the print and online version of the <i>Daily Journal of Commerce</i> within the State of Oregon (note: OR entities this pertains to: http://www.njpacoop.org/oregon-advertising), in the print and online version of <i>The State</i> within the State of South Carolina, the NJPA website, MERX, Noticetobidders.com, PublicPurchase.com, Biddingo, and Onvia.
MAY 20, 2015 10:00 a.m. Central Time	Pre-Proposal Conference (the webcast/conference call. The connection information will be sent to all inquirers two business days before the conference).
JUNE 3, 2015	Deadline for RFP questions.
JUNE 10, 2015 4:30 p.m. Central Time	Deadline for Submission of Proposals. Late responses will be returned unopened.
JUNE 11, 2015 8:00 a.m. Central Time	Public Opening of Proposals.

Direct questions regarding this RFP to: Jonathan Yahn at jonathan.yahn@njpacoop.org or (218)895-4144.

TABLE OF CONTENTS

-
1. DEFINITIONS
 - A. Contract
 - B. Currency
 - C. Exclusive Vendor
 - D. FOB
 - E. Hub Partner
 - F. Proposer
 - G. Request for Proposal
 - H. Sourced Goods
 - I. Time
 - J. Total Cost of Acquisition
 - K. Vendor
 2. ADVERTISEMENT OF RFP
 3. INTRODUCTION
 - A. About NJPA
 - B. Joint Exercise of Powers Laws
 - C. Why Respond to a National Cooperative Procurement Contract
 - D. The Intent of This RFP
 - E. Scope of This RFP
 - F. Expectations for Equipment/Products and Services Being Proposed
 - G. Solutions Based Solicitation
 4. INSTRUCTIONS FOR PREPARING YOUR PROPOSAL
 - A. Inquiry Period
 - B. Pre-Proposal Conference
 - C. Identification of Key Personnel
 - D. Proposer's Exceptions to Terms and Conditions
 - E. Proposal Format
 - F. Questions & Answers About This RFP
 - G. Modification or Withdrawal of a Submitted Proposal
 - H. Proposal Opening Procedure
 - I. NJPA's Rights Reserved
 5. PRICING
 - A. Line-Item Pricing
 - B. Percentage Discount From Catalog or Category
 - C. Cost Plus a Percentage of Cost
 - D. Hot List Pricing
 - E. Ceiling Price
 - F. Volume Price Discounts/ Additional Quantities
 - G. Total Cost of Acquisition
 - H. Sourced Equipment/Products/ Open Market Items
 - I. Price and Product Changes
 - J. Payment Terms
 - K. Sales Tax
 6. EVALUATION OF PROPOSALS
 - A. Proposal Evaluation Process
 - B. Proposer Responsiveness
 - C. Proposal Evaluation Criteria
 - D. Other Considerations
 - E. Cost Comparison
 - F. Marketing Plan
 - G. Certificate Of Insurance
 - H. Order Process and/or Funds Flow
 - I. Administrative Fees
 - J. Value Added
 - K. Waiver of Formalities
 7. POST AWARD OPERATING ISSUES
 - A. Subsequent Agreements
 - B. NJPA Member Sign-up Procedure
 - C. Reporting of Sales Activity
 - D. Audits
 - E. Hub Partner
 - F. Trade-Ins
 - G. Out of Stock Notification
 - H. Termination of a Contract resulting from this RFP
 8. GENERAL TERMS AND CONDITIONS
 - A. Advertising a Contract Resulting From This RFP
 - B. Applicable Law
 - C. Assignment of Contract
 - D. List of Proposers
 - E. Captions, Headings, and Illustrations
 - F. Data Practices
 - G. Entire Agreement
 - H. Force Majeure
 - I. Gratuities
 - J. Hazardous Substances
 - K. Licenses
 - L. Material Suppliers and Sub-Contractors
 - M. Non-Wavier of Rights
 - N. Protests of Awards Made
 - O. Suspension or Disbarment Status
 - P. Affirmative Action and Immigration Status Certification
 - Q. Severability
 - R. Relationship of Parties
 9. FORMS
 10. PRE-SUBMISSION CHECKLIST
 11. PRICE & PRODUCT CHANGE REQUEST FORM
 12. APPENDIX A
- L. Shipping Requesting Pricing Changes

I DEFINITIONS

A. CONTRACT

“Contract” as used herein shall consist of: this RFP, pricing, fully executed forms C, D, F & P from the Proposer’s response pursuant to this RFP, and a fully executed form E (“Acceptance and Award”) with final terms and conditions. Form E will be executed on or after award and will provide final clarification of terms and conditions of the award.

B. CURRENCY

All transactions are payable in U.S. dollars on U.S. sales. All administrative fees are to be paid in U.S. dollars.

C. EXCLUSIVE VENDOR

A sole Vendor awarded in a product category. NJPA reserves the right to award to an Exclusive Vendor in the event that such an award is in the best interests of NJPA Members nationally. A Proposer that exhibits and demonstrates the ability to offer and execute an outstanding overall program, demonstrates the ability and willingness to serve NJPA current and qualifying Members in all 50 states and comply with all other requirements of this RFP, is preferred.

D. FOB

FOB stands for “Freight On Board” and defines the point at which responsibility for loss and damage of product/equipment purchased is transferred from Seller to Buyer. “FOB Destination” defines that transfer of responsibility for loss is transferred from Seller to Buyer at the Buyer’s designated delivery point. FOB does not identify who is responsible for the costs of shipping. The responsibility for the costs of shipping is addressed elsewhere in this document.

E. HUB PARTNER

An organization that a member requests to be served through with an Awarded Vendor for the purposes of complying with a Law, Regulation, or Rule to which that individual NJPA Member deems to be applicable in their jurisdiction.

F. PROPOSER

A company, person, or entity delivering a timely response to this RFP.

G. REQUEST FOR PROPOSAL

Herein referred to as RFP.

H. SOURCED GOODS

A Sourced Good or Open Market Item is a product within the RFP’s scope - generally deemed incidental to the total transaction or purchase of contract items - which a member wants to buy under contract from an Awarded Vendor that is not currently available under the Vendor’s NJPA contract.

I. TIME

Periods of time, stated as number of days, shall be in calendar days.

J. TOTAL COST OF ACQUISITION

The Total Cost of Acquisition for the equipment/products and related services being proposed is the cost of the proposed equipment/products and related services delivered and operational for its intended purpose in the end-user’s location.

K. VENDOR

A Proposer whose response has been awarded a contract pursuant to this RFP.

2 ADVERTISEMENT OF RFP

2.1 NJPA shall advertise this solicitation: 1) once each in Oregon's Daily Journal of Commerce, South Carolina's The State and Utah's Salt Lake Tribune; 2) on NJPA's website; 3) in the hard copy print and online editions of the USA Today; and 4) on other third-party websites deemed appropriate by NJPA. Other third party advertisers may include Onvia, PublicPurchase.com, MERX and Biddingo.

2.2 NJPA also notifies and provides solicitation documentation to each State level procurement departments for possible re-posting of the solicitation within their systems and at their option for future use and to meet specific state requirements.

3 INTRODUCTION

A. ABOUT NJPA

3.1 The National Joint Powers Alliance® (NJPA) is a public agency serving as a national municipal contracting agency established under the Service Cooperative statute by Minnesota Legislative Statute §123A.21 with the authority to develop and offer, among other services, cooperative procurement services to its membership. Eligible membership and participation includes states, cities, counties, all government agencies, both public and non-public educational agencies, colleges, universities and non-profit organizations.

3.2 Under the authority of Minnesota state laws and enabling legislation, NJPA facilitates a competitive bidding and contracting process on behalf of the needs of itself and the needs of current and potential member agencies nationally. This process results in national procurement contracts with various Vendors of products/equipment and services which NJPA Member agencies desire to procure. These procurement contracts are created in compliance with applicable Minnesota Municipal Contracting Laws. A complete listing of NJPA cooperative procurement contracts can be found at www.njpacoop.org.

3.3 NJPA is a public agency governed by publicly elected officials that serve as the NJPA Board of Directors. NJPA's Board of Directors calls for all proposals, awards all Contracts, and hosts those resulting Contracts for the benefit of its own and its Members use.

3.3.1 Subject to Approval of the NJPA Board: NJPA contracts are awarded by the action of NJPA Board of Directors. This action is based on the open and competitive bidding process facilitated by NJPA. The evaluation and resulting recommendation is presented to the Board of Directors by the NJPA Proposal Evaluation Committee.

3.4 NJPA currently serves over 50,000 member agencies nationally. Both membership and utilization of NJPA contracts continue to expand, due in part to the increasing acceptance of Cooperative Purchasing throughout the government and education communities nationally.

B. JOINT EXERCISE OF POWERS LAWS

3.5 NJPA cooperatively shares those contracts with its Members nationwide through various Joint Exercise of Powers Laws or Cooperative Purchasing Statutes established in Minnesota, other States and Canadian Provinces. The Minnesota Joint Exercise of Powers Law is Minnesota Statute §471.59 which states "Two or more governmental units...may jointly or cooperatively exercise any power common to the contracting parties..." This Minnesota Statute allows NJPA to serve Member agencies located in all other states. Municipal agencies nationally have the ability to participate in cooperative purchasing activities as a result of specific laws of their own state. These laws can be found on our website at <http://www.njpacoop.org/national-cooperative-contract-solutions/legal-authority/>.

C. WHY RESPOND TO A NATIONAL COOPERATIVE PROCUREMENT CONTRACT

3.6 National Cooperative Procurement Contracts create value for Municipal and Public Agencies, as well as for Vendors of products/equipment and services in a variety of ways:

3.6.1 National cooperative contracts potentially save the time and effort of Municipal and Public Agencies who would have been otherwise charged with soliciting vendor responses to individual RFP's, resulting in individual contracts, to meet the procurement needs of their respective agencies. Considerable time and effort is also potentially saved by the Vendors who would have had to otherwise respond to each of those individual RFPs. A single, nationally advertised RFP, resulting in a single, national cooperative contract can potentially replace thousands of individual RFPs for the same equipment/products/services that might have been otherwise advertised by individual NJPA member agencies.

3.6.2 NJPA contracts offer our Members nationally leveraged volume purchasing discounts. Our contract terms and conditions offer the opportunity for Vendors to recognize individual member procurement volume commitment through additional volume based contract discounts.

3.7 State laws that permit or encourage cooperative purchasing contracts do so with the belief that cooperative efficiencies will result in lower prices, better overall value, and considerable time savings.

3.8 The collective purchasing power of thousands of NJPA Member agencies nationwide offers the opportunity for volume pricing discounts. Although no sales or sales volume is guaranteed by an NJPA Contract resulting from this RFP, substantial volume is anticipated and volume pricing is requested and justified.

3.9 NJPA and its Members desire the best value for their procurement dollar as well as a competitive price. Vendors have the opportunity to display and highlight value added attributes of their company, equipment/products and services without constraints of a typical individual proposal process.

D. THE INTENT OF THIS RFP

3.10. National contract awarded by the NJPA Board of Directors: NJPA seeks the most responsive and responsible Vendor relationship(s) to reflect the best interests of NJPA and its Member agencies. Through a competitive proposal and evaluation process, the NJPA Proposal Evaluation Committee reviews and recommends vendors for to award a national contract by the action of the NJPA Board of Directors. NJPA's primary intent is to establish and provide a national cooperative procurement contract which offer opportunities for NJPA and our Member agencies to procure quality product/equipment and services as desired and needed. The contracts will be marketed nationally through a cooperative effort between the awarded vendor(s) and NJPA. Contracts are expected to offer price levels reflective of the potential and collective volume of NJPA and the nationally established NJPA membership base.

3.11 Beyond our primary intent, NJPA further desires to:

3.11.1 Award a four year term contract with a fifth year contract option resulting from this RFP;

3.11.2 Offer and apply any applicable technological advances throughout the term of a contract resulting from this RFP

3.11.3 Deliver "Value Added" aspects of the company, equipment/products and services as defined in the "Proposer's Response";

3.11.4 Deliver wide spectrums of solutions to meet the needs and requirement of NJPA and NJPA Member agencies.

3.11.5 Award an exclusive contract to the most responsive and responsible vendor when it is deemed to be in the best interest of NJPA and the NJPA Member agencies

3.12 Exclusive or Multiple Awards: Based on the goals and scope of this RFP, NJPA is requesting responders to demonstrate their ability to serve the needs of NJPA's national membership. It is NJPA's intent and desire to award a contract to a single exclusive Vendor to serve our membership's needs. To meet the goals of this RFP, NJPA reserves the right to award a Contract to multiple Proposers where the result justifies a multiple award and multiple contracts are deemed to be in the best interests of NJPA Member agencies.

3.13 Non-Manufacturer Awards: NJPA reserves the right to make an award related to this invitation to a non-manufacturer or dealer/distributor if such action is in the best interests of NJPA and its Members.

3.14 Manufacturer as a Proposer: If the Proposer is a Manufacturer or wholesale distributor, the response received will be evaluated on the basis of a response made in conjunction with that Manufacturer's authorized Dealer Network. Unless stated otherwise, a Manufacturer or wholesale distributor Proposer is assumed to have a documented relationship with their Dealer Network where that Dealer Network is informed of, and authorized to accept, purchase orders pursuant to any Contract resulting from this RFP on behalf of the Manufacturer or wholesale distributor Proposer. Any such dealer will be considered a sub-contractor of the Proposer/Vendor. The relationship between the Manufacturer and wholesale distributor Proposer and its Dealer Network may be proposed at the time of the proposed submission if that fact is properly identified.

3.15 Dealer/Re-seller as a Proposer: If the Proposer is a dealer or re-seller of the products and/or services being proposed, the response will be evaluated based on the Proposer's authorization to provide those products and services from their manufacturer. Where appropriate, Proposers must document their authority to offer those products and/or services.

E. SCOPE OF THIS RFP

3.16 Scope: The scope of this RFP is to award a contract to a qualifying vendor defined as a manufacturer, provider, or dealer/distributor, established as a Proposer, and deemed responsive and responsible through our open and competitive proposal process. Vendors will be awarded contracts based on the proposal and responders demonstrated ability to meet the expectations of the RFP and demonstrate the overall highest valued solutions which meet and/or exceed the current and future needs and requirements of NJPA and its Member agencies nationally within the scope of FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS .

3.17 Additional Scope Definitions: For purposes of the scope of this solicitation:

3.17.1 In addition to FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS, **this solicitation should be read to include, but not to be limited to:**

3.17.1.1 vendor managed inventory, lifts, alignment machines, wheel balancers, tire machines, brake lathes, hose reels, diagnostic equipment, lube services, and vehicle body-related parts and services.

3.17.2 NJPA reserves the right to limit the scope of this solicitation for NJPA and current and potential NJPA member agencies.

3.17.2.1 This solicitation should NOT be construed to include 1) inventory software systems unless they also contain an on-site inventory management solution, or 2) vehicle-parts-only solutions that do not include service options.

3.18 Overlap of Scope: When considering equipment/products/services, or groups of equipment/products/services submitted as a part of your response, and whether inclusion of such will fall within a “Scope of Proposal,” please consider the validity of an inverse statement.

3.18.1 For example, pencils and post-it-notes can generally be classified as office supplies and office supplies generally include pencils and post-it-notes.

3.18.2 In contrast, computers (PCs and peripherals) can generally be considered office supplies; however, the scope of office supplies does not generally include computer servers and infrastructure.

3.18.3 In conclusion: With this in mind, individual products and services must be examined individually by NJPA, from time to time and in its sole discretion, to determine their compliance and fall within the original “Scope” as intended by NJPA.

3.19 Best and Most Responsive – Responsible Proposer: It is the intent of NJPA to award a Contract to the best and most responsible and responsive Proposer(s) offering the best overall quality and selection of equipment/products and services meeting the commonly requested specifications of the NJPA and NJPA Members, provided the Proposer’s Response has been submitted in accordance with the requirements of this RFP. Qualifying Proposers who are able to anticipate the current and future needs and requirements of NJPA and NJPA member agencies; demonstrate the knowledge of any and all applicable industry standards, laws and regulations; and possess the willingness and ability to distribute, market to and service NJPA Members in all 50 states are preferred. NJPA requests proposers submit their entire product line as it applies and relates to the scope of this RFP.

3.20 Sealed Proposals: NJPA will receive sealed proposal responses to this RFP in accordance with accepted standards set forth in the Minnesota Procurement Code and Uniform Municipal Contracting Law. Awards may be made to responsible and responsive Proposers whose proposals are determined in writing to be the most advantageous to NJPA and its current or qualifying future NJPA Member agencies.

3.21 Use of Contract: Any Contract resulting from this solicitation shall be awarded with the understanding that it is for the sole convenience of NJPA and its Members. NJPA and/or its members reserve the right to obtain like equipment/products and services solely from this contract or from another contract source of their choice or from a contract resulting from their own procurement process.

3.22 Awarded Vendor’s interest in a contract resulting from this RFP: Awarded Vendors will be able to offer to NJPA, and current and potential NJPA Members, only those products/equipment and services specifically awarded on their NJPA Awarded Contract(s). Awarded Vendors may not offer as “contract compliant,” products/equipment and services which are not specifically identified and priced in their NJPA Awarded Contract.

3.23 Sole Source of Responsibility- NJPA desires a “Sole Source of Responsibility” Vendor. This means the Vendor will take sole responsibility for the performance of delivered equipment/products/ services. NJPA also desires sole responsibility with regard to:

3.23.1 Scope of Equipment/Products/Services: NJPA desires a provider for the broadest possible scope of products/equipment and services being proposed over the largest possible geographic area and to the largest possible cross-section of NJPA current and potential Members.

3.23.2 Vendor use of sub-contractors in sourcing or delivering equipment/product/services: NJPA desires a single source of responsibility for equipment/products and services proposed. Proposers are assumed to have sub-contractor relationships with all organizations and individuals whom are external to the Proposer and are involved in providing or delivering the equipment/products/services being proposed. Vendor assumes all responsibility for the equipment/products/services and actions of any such Sub-Contractor. Suggested Solutions Options include:

3.24.1 Multiple solutions to the needs of NJPA and NJPA Members are possible. Examples could include:

3.24.1.1 **Equipment/Products Only Solution:** Equipment/Products Only Solution may be appropriate for situations where NJPA or NJPA Members possess the ability, either in-house or through local third party contractors, to properly install and bring to operation those equipment/products being proposed.

3.24.1.2 **Turn-Key Solutions:** A Turn-Key Solution is a combination of equipment/products and services which provides a single price for equipment/products, delivery, and installation to a properly operating status. Generally this is the most desirable solution as NJPA and NJPA Members may not possess, or desire to engage, personnel with the necessary expertise to complete these tasks internally or through other independent contractors

3.24.1.3 **Good, Better, Best:** Where appropriate and properly identified. Proposers are invited to offer the CHOICE of good – better – best multiple grade solutions to NJPA and NJPA Members' needs.

3.24.1.4 **Proven – Accepted – Leading Edge Technology:** Where appropriate and properly identified, Proposers are invited to provide an appropriate identified spectrum of technology solutions to compliment or enhance the functionality of the proposed solutions to NJPA and NJPA Members' needs both now and into the future.

3.24.2 If applicable, Contracts will be awarded to Proposer(s) able to deliver a proposal meeting the entire needs of NJPA and its Members within the scope of this RFP. NJPA prefers Proposers submit their complete product line of products and services described in the scope of this RFP. NJPA reserves the right to reject individual, or groupings of specific equipment/products and services proposals as a part of the award.

3.25 **Geographic Area to be Proposed:** This RFP invites proposals to provide FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS to NJPA and NJPA Members throughout the entire United States and possibly internationally. Proposers will be expected to express willingness to explore service to NJPA Members located abroad; however the lack of ability to serve Members outside of the United States will not be cause for non-award. The ability and willingness to serve Canada, for instance, will be viewed as a value-added attribute.

3.26 **Contract Term:** At NJPA's option a contract resulting from this RFP will become effective either the date awarded by the NJPA Board of Directors or the day following the expiration date of an existing NJPA procurement contract for the same or similar product/equipment and services.

3.26.1 NJPA is seeking a Contract base term of four years as allowed by Minnesota Contracting Law. Full term is expected. However, one additional one-year renewal/extension may be offered by NJPA to Vendor beyond the original four year term if NJPA deems such action to be in the best interests of NJPA and its Members. NJPA reserves the right to conduct periodic business reviews throughout the term of the contract.

3.27 **Minimum Contract Value:** NJPA anticipates considerable activity resulting from this RFP and subsequent award; however, no commitment of any kind is made concerning actual quantities to be acquired. NJPA does not guarantee usage. Usage will depend on the actual needs of the NJPA Members and the value of the awarded contract.

3.28 Estimated Contract Volume: Estimated quantities and sales volume are based on potential usage by NJPA and NJPA Member agencies nationally.

3.29 Contract Availability: This Contract must be available to all current and potential NJPA Members who choose to utilize this NJPA Contract to include all governmental and public agencies, public and private primary and secondary education agencies, and all non-profit organizations nationally.

3.30 Proposer's Commitment Period: In order to allow NJPA the opportunity to evaluate each proposal thoroughly, NJPA requires any response to this solicitation be valid and irrevocable for ninety (90) days after the date proposals were opened regarding this RFP.

F. EXPECTATIONS FOR EQUIPMENT/PRODUCTS AND SERVICES BEING PROPOSED

3.31 Industry Standards: Except as contained herein, the specifications or solutions for this RFP shall be those accepted guidelines set forth by the FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS industry, as they are generally understood and accepted within that industry across the nation. Submitted products/equipment, related services, and their warranties and assurances are required to meet and/or exceed all current, traditional and anticipated needs and requirements of NJPA and its Members.

3.31.1 Deviations from industry standards must be identified by the Proposer and explained how, in their opinion, the equipment/products and services they propose will render equivalent functionality, coverage, performance, and/or related services. Failure to detail all such deviations may comprise sufficient grounds for rejection of the entire proposal.

3.31.2 Technical Descriptions/Specifications. Excessive technical descriptions and specifications which, in the opinion of NJPA unduly enlarge the proposal response may reduce evaluation points awarded on Form G. Proposers must supply sufficient information to:

3.31.2.1 demonstrate the Proposer's knowledge of industry standards;

3.31.2.2 identify the equipment/products and services being proposed; and

3.31.2.3 differentiate equipment/products and services from others.

3.32 New Current Model Equipment/Products: Proposals submitted shall be for new, current model equipment/products and services with the exception of certain close-out products allowed to be offered on the Proposer's "Hot List" described herein.

3.33 Compliance with laws and standards: All items supplied on this Contract shall comply with any current applicable safety or regulatory standards or codes.

3.34 Delivered and operational: Products/equipment offered herein are to be proposed based upon being delivered and operational at the NJPA Member's site. Exceptions to "delivered and operational" must be explicitly disclosed in the "Total Cost of Acquisition" section of your proposal response.

3.35 Warranty: The Proposer warrants that all products, equipment, supplies, and services delivered under this Contract shall be covered by the industry standard or better warranty. All products and equipment should carry a minimum industry standard manufacturer's warranty that includes materials and labor. The Proposer has the primary responsibility to submit product specific warranty as required and accepted by industry standards. Dealer/Distributors agree to assist the purchaser in reaching a solution in a dispute over warranty's terms with the manufacturer. Any manufacturer's warranty which is effective past the expiration of the warranty will be passed on to the NJPA member. Failure to submit a minimum warranty may result in non-award.

3.36 Additional Warrants: The Proposer warrants all products/equipment and related services furnished hereunder will be free from liens and encumbrances; defects in design, materials, and workmanship; and will conform in all respects to the terms of this RFP including any specifications or standards. In addition, Proposer/Vendor warrants the products/equipment and related services are suitable for and will perform in accordance with the ordinary use for which they are intended.

G. SOLUTIONS BASED SOLICITATION

3.37 NJPA solicitations and contract process will not offer specific specifications for proposers to meet or base your response on. This RFP is a “Solutions Based Solicitation.” This means the proposers are asked to understand and anticipate the current and future needs of NJPA and the nationally located NJPA membership base, within the scope of this RFP, and including specifications commonly desired or required by law or industry standards. Your proposal will be evaluated in part on your demonstrated ability to meet or exceed the needs and requirements of NJPA and our member agencies within the defined scope of this RFP.

3.38 NJPA does not typically provide product and service specifications; rather NJPA is requesting an industry standard or accepted specification for the requested product/equipment and services. Where specific line items are specified, those line items should be considered the minimum which can be expanded by the Proposer to deliver the Proposer’s “Solution” to NJPA and NJPA Members’ needs.

4 INSTRUCTIONS FOR PREPARING YOUR PROPOSAL

A. INQUIRY PERIOD

4.1 The inquiry period shall begin at the date of first advertisement and continue to the “Deadline for Requests.” RFP packages shall be distributed to Potential Bidders during the inquiry period. The purpose for the defined “Inquiry Period” is to ensure proposers have enough time to complete and deliver the proposal to our office.

B. PRE-PROPOSAL CONFERENCE

4.2 A non-mandatory pre-proposal conference will be held at the date and time specified in the time line on page one of this RFP. Conference call and web connection information will be sent to all Potential Proposers through the same means employed in their inquiry. The purpose of this conference call is to allow Potential Proposers to ask questions regarding this RFP and hear answers to their own questions and the questions of other Potential Proposers. Only answers issued in writing by NJPA to questions asked before or during the Pre-proposal Conference shall be considered binding.

C. IDENTIFICATION OF KEY PERSONNEL

4.3 Vendor will designate one senior staff individual who will represent the awarded Vendor to NJPA. This contact person will correspond with members for technical assistance, questions or problems that may arise including instructions regarding different contacts for different geographical areas as needed.

4.4 Individuals should also be identified (if applicable) as the primary contacts for the contents of this proposal, marketing, sales, and any other area deemed essential by the Proposer.

D. PROPOSER’S EXCEPTIONS TO TERMS AND CONDITIONS

4.5 Any exceptions, deviations, or contingencies a Proposer may have to the terms and conditions contained herein must be documented on Form C.

4.6 Exceptions, deviations or contingencies stipulated in Proposer's Response, while possibly necessary in the view of the Proposer, may result in disqualification of a Proposal Response.

E. PROPOSAL FORMAT

4.7 It is the responsibility of all Proposers to examine the entire RFP package, to seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a Proposal. Negligence in preparing a Proposal confers no right of withdrawal after the deadline for submission of proposals.

4.8 All proposals must be properly labeled and sent to "The National Joint Powers Alliance®, 202 12th ST NE Staples, MN 56479."

4.9 **Format for proposal response:** All proposals must be physically delivered to NJPA at the above address in the following form and with all required hard copy documents and signature forms/pages inserted as loose pages at the front of the Vendor's response:

4.9.1 Hard copy original signed, completed, and dated forms C, D, F and hard copy signed signature page only from forms A and P from this RFP;

4.9.2 Hard copies of all addenda issued for the RFP with original counter signed by the Proposer;

4.9.3 Hard copy of Certificate of Insurance verifying the coverage identified in this RFP; and

4.9.4 A complete copy of your response on a CD (Compact Disc) or flash drive. The copy shall contain completed Forms A, B, C, D, F & P, your statement of products and pricing (including apparent discount) together with all appropriate attachments. Everything you send with your hard copy should also be included in the electronic copy. As a public agency, NJPA proposals, responses and awarded contracts are a matter of public record, except for that data included in the proposals, responses and awarded contracts that is classified as nonpublic; thus, pursuant to statute, NJPA policies and RFP terms and conditions, all documentation, except for that data which is nonpublic is available for review by the public through a public records request. If you wish to request that certain information that falls within Minnesota Statute §13.37 be redacted, such request must be made within thirty-days of award/non-award.

4.10 All Proposal forms must be submitted in English and be legible. All appropriate forms must be executed by an authorized signatory of the Proposer. Blue ink is preferred for signatures.

4.11 Proposal submissions should be submitted using the electronic forms provided. If a Proposer chooses to use alternative documents for their response, the Proposer will be responsible for ensuring the content is effectively equal to the NJPA form and the document is in a format readable by NJPA.

4.12 It is the responsibility of the Proposer to be certain the proposal submittal is in the physical possession of NJPA on or prior to the deadline for submission of proposals.

4.12.1 Proposals must be submitted in a sealed envelope or box properly addressed to NJPA and prominently identifying the proposal number, proposal category name, the message "**Hold for Proposal Opening**", and the deadline for proposal submission. NJPA cannot be responsible for late receipt of proposals. Proposals received by the correct deadline for proposal submission will be opened and the name of each Proposer and other appropriate information will be publicly read.

4.13 Corrections, erasures, and interlineations on a Proposer's Response must be initialed by the authorized signer in original ink on all copies to be considered.

4.14 Addendums to the RFP: The Proposer is responsible for ensuring receipt of all addendums to this RFP.

4.14.1 Proposer's are responsible for checking directly with the NJPA website for addendums to this RFP.

4.14.2 Addendums to this RFP can change terms and conditions of the RFP including the deadline for submission of proposals.

F. QUESTIONS AND ANSWERS ABOUT THIS RFP

4.15 Upon examination of this RFP document, Proposer shall promptly notify NJPA of any ambiguity, inconsistency, or error they may discover. Interpretations, corrections and changes to this RFP will be made by NJPA through addendum. Interpretations, corrections, or changes made in any other manner will not be binding and Proposer shall not rely upon such.

4.16 Submit all questions about this RFP, in writing, referencing FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS to Jonathan Yahn, NJPA 202 12th Street NE, Staples, MN 56479 or RFP@njpacoop.org. Those not having access to the Internet may call Jonathan Yahn at (218) 895-4144. Requests for additional information or interpretation of instructions to Proposers or technical specifications shall also be addressed to Jonathan Yahn. NJPA urges Potential Proposers to communicate all concerns well in advance of the deadline to avoid misunderstandings. Questions received less than seven (7) days ending at 4:00 p.m. Central Time of the seventh (7th) calendar day prior to proposal due-date cannot be answered; however, communications permitted include: NJPA issued addenda or potential Vendor withdrawal of their response prior to RFP submission deadline.

4.17 If the answer to a question is deemed by NJPA to have a material impact on other potential proposers or the RFP itself, the answer to the question will become an addendum to this RFP.

4.18 If the answer to a question is deemed by NJPA to be a clarification of existing terms and conditions and does not have a material impact on other potential proposers or the RFP itself, no further documentation of that question is required.

4.19 As used in this solicitation, clarification means communication with a Potential Proposer for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the RFP.

4.20 Addenda are written instruments issued by NJPA that modify or interpret the RFP. All addenda issued by NJPA shall become a part of the RFP. Addenda will be delivered to all Potential Proposers using the same method of delivery of the original RFP material. NJPA accepts no liability in connection with the delivery of said materials. Copies of addenda will also be made available on the NJPA website at www.njpacoop.org by clicking on "Current and Pending Solicitations" and from the NJPA offices. No questions will be accepted by NJPA later than seven (7) days prior to the deadline for receipt of proposals, except Each Potential Proposer shall ascertain prior to submitting a Proposal that it has received all addenda issued, and the Proposer shall acknowledge their receipt in its Proposal Response.

4.21 An amendment to a submitted proposal must be in writing and delivered to NJPA no later than the time specified for opening of all proposals.

G. MODIFICATION OR WITHDRAWAL OF A SUBMITTED PROPOSAL

4.22 A submitted proposal may not be modified, withdrawn or cancelled by the Proposer for a period of ninety (90) days following the date proposals were opened. Prior to the deadline for submission of proposals, any proposal submitted may be modified or withdrawn by notice to the NJPA Contracts and Compliance Manager. Such notice shall be submitted in writing and include the signature of the Proposer and shall be delivered to NJPA prior to the deadline for submission of proposals and it shall be so worded

as not to reveal the content of the original proposal. However, the original proposal shall not be physically returned to the Potential Proposer until after the official proposal opening. Withdrawn proposals may be resubmitted up to the time designated for the receipt of the proposals if they are then fully in conformance with the Instructions to Proposer.

4.23 Examples of Value Added Attributes: Value-Added attributes, products and services are items offered in addition to the products and services being proposed which adds value to those items being proposed. The availability of a contract for maintenance or service after the initial sale, installation, and set-up may, for instance, be “Value Added Services” for products where a typical buyer may not have the ability to perform these functions. The opportunity to indicate value added dimensions and such advancements will be available in the Proposer’s Questionnaire and Proposer’s product and service submittal.

4.24 Value added equipment/products and services and expanded services, as they relate to this RFP, will be given positive consideration in the award selection. Consideration will be given to an expanded selection of FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS and advances to provide equipment/products/services or supplies meeting and/or exceeding today’s industry standards and expectations. A value add would include a program or service that further serves the members needs above and possibly beyond standard expectation and complements the equipment/products/services and training. Value added could include areas of equipment, product and service, sales, ordering, delivery, performance, maintenance, technology, and service that furthers the functionality and effectiveness of the procurement process while remaining within the scope of this RFP.

4.25 Minority, Small Business, and Women Business Enterprise (WMBE) participation: It is the policy of some NJPA Members to involve Minority, Small Business, and WMBE contractors in the process to purchase equipment/products and related services. Vendors should document WMBE status for their organization AND any such status of their affiliates (i.e. Supplier networks) involved in carrying out the activities invited. The ability of a Proposer to provide “Credits” to NJPA and NJPA Members in these subject areas, either individually or through related entities involved in the transaction, will be evaluated positively by NJPA and reflected in the “value added” area of the evaluation. NJPA is committed to facilitating the realization of such “Credits” through certain structuring techniques for transactions resulting from this RFP.

4.26 Environmentally Preferred Purchasing Opportunities: There is a growing trend among NJPA Members to consider the environmental impact of the equipment/products and related services they purchase. “Green” characteristics demonstrated by responding companies will be evaluated positively by NJPA and reflected in the “value added” area of the evaluation. Please identify any Green characteristics of the equipment/products and related services in your proposal and identify the sanctioning body determining that characteristic. Where appropriate, please indicate which products have been certified as “green” and by which certifying agency.

4.27 On-Line Requisitioning systems: When applicable, on-line requisitioning systems will be viewed as a value-added characteristic. Proposer shall include documentation about user interfaces that make on-line ordering easy for NJPA Members as well as the ability to punch-out from mainstream e-Procurement or Enterprise Resource Planning (ERP) systems that NJPA Members may currently utilize.

4.28 Financing: The ability of the Proposer to provide financing options for the products and services being proposed will be viewed as a Value Added Attribute.

H. PROPOSAL OPENING PROCEDURE

4.29 Sealed and properly identified Proposer’s Responses for this RFP entitled FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS will be received by Jonathan Yahn, Contracts and Compliance Manager, at NJPA Offices,

202 12th Street NE, Staples, MN 56479 until the deadline for receipt of, and proposal opening identified on page one of this RFP. **We document the receipt by using an atomic clock; an NJPA employee electronically time and date stamps all Proposals immediately upon receipt.** The NJPA Director of Contracts and Marketing, or Representative from the NJPA Proposal Evaluation Committee, will then read the Proposer's names aloud. A summary of the responses to this RFP will be made available for public inspection in the NJPA office in Staples, MN. A letter or e-mail request is required to receive a complete RFP package. Send or communicate all requests to the attention of Jonathan Yahn 202 12th Street Northeast Staples, MN 56479 or RFP@njpacoop.org to receive a complete copy of this RFP. Method of delivery needs to be indicated in the request; an email address is required for electronic transmission. Oral, facsimile, telephone or telegraphic Proposal Submissions or requests for this RFP are invalid and will not receive consideration. All Proposal Responses must be submitted in a sealed package. The outside of the package shall plainly identify FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. To avoid premature opening, it is the responsibility of the Proposer to label the Proposal Response properly.

I. NJPA'S RIGHTS RESERVED

4.30.1 Reject any and all Proposals received in response to this RFP;

4.30.2 Disqualify any Proposer whose conduct or Proposal fails to conform to the requirements of this RFP;

4.30.3 Have unlimited rights to duplicate all materials submitted for purposes of RFP evaluation, and duplicate all public information in response to data requests regarding the Proposal;

4.30.4 Consider a late modification of a Proposal if the Proposal itself was submitted on time and if the modifications were requested by NJPA and the modifications make the terms of the Proposal more favorable to NJPA, and accept such Proposal as modified;

4.30.5 At its sole discretion, reserve the right to waive any non-material deviations from the requirements and procedures of this RFP;

4.30.6 Extend the Contract, in increments determined by NJPA, not to exceed a total contract term of five years; and

4.30.7 Cancel the Request for Proposal at any time and for any reason with no cost or penalty to NJPA.

4.30.8 Correct or amend the RFP at any time with no cost or penalty to NJPA. If NJPA should correct or amend any segment of the RFP after submission of Proposals and prior to announcement of the Awarded Vendor, all Proposers will be afforded ample opportunity to revise their Proposal to accommodate the RFP amendment and the dates for submission of revised Proposals announced at that time. NJPA will not be liable for any errors in the RFP or other responses related to the RFP.

4.30.9 Extend proposal due dates.

5 **PRICING**

5.1 NJPA requests Potential Proposers respond to this RFP only if they are able to offer a wide array of equipment/products and services and at prices lower and better value than what they would ordinarily offer to single government agency, larger school district, or regional cooperative.

5.2 RFP is an Indefinite Quantity Equipment/Products and Related Service Price and Program Request with potential national sales distribution and service. If Proposer's solution requires additional supporting documentation, describe where it can be found in your submission. If Proposer offers the solution in an

alternative fashion, describe your solution to be easily understood. All pricing must be copied on a CD or thumb drive along with other requested information as a part of a Proposer's Response.

5.3 Regardless of the payment method selected by NJPA or NJPA Member, a total cost associated with any purchase option of the equipment/products and services and being supplied must always be disclosed at the time of purchase.

5.4 All Proposers will be required to submit "Primary Pricing" in the form of either "Line-Item Pricing," or "Percentage Discount from Catalog Pricing," or a combination of these pricing strategies. Proposers are also encouraged to offer OPTIONAL pricing strategies such as but not limited to "Hot List," "Sourced Product/Equipment" and "Volume Discounts," as well as financing options such as leasing. All pricing documents should include an effective date, preferably in the top right corner of the first page of each pricing document.

A. LINE-ITEM PRICING

5.5 A pricing format where specific individual products and/or services are offered at specific individual Contract prices. Products/equipment and/or related services are individually priced and described by characteristics such as manufacture name, stock or part number, size, or functionality. This method of pricing offers the least amount of confusion as products/equipment and prices are individually identified however, Proposers with a large number of products/equipment to propose may find this method cumbersome. In these situations, a percentage discount from catalog or category pricing model may make more sense and increase the clarity of the contract pricing format.

5.6 All Line-Item Pricing items must be numbered, organized, sectioned, including SKU's (when applicable) and easily understood by the Evaluation Committee and members.

5.7 Submit Line-Item Pricing items in an Excel spreadsheet format and include all appropriate identification information necessary to discern the line item from other line items in each Responder's proposal.

5.8 The purpose for a searchable excel spreadsheet format for Line-Item Pricing is to be able to quickly find any particular item of interest. For that reason, Proposers are responsible for providing the appropriate product and service identification information along with the pricing information which is typically found on an invoice or price quote for such products/equipment and related services.

5.9 All products/equipment and related services typically appearing on an invoice or price quote must be individually priced and identified on the line-item price sheet, including any and all ancillary costs.

5.10 Proposers are asked to provide both a published "List" price as well as a "Proposed Contract Price" in their pricing matrix. Published List price will be the standard "quantity of one" price currently available to government and educational customers excluding cooperative and volume discounts.

B. PERCENTAGE DISCOUNT FROM CATALOG OR CATEGORY

5.11 A specific percentage discount from a Catalog or List price" defined as a published Manufacturer's Suggested Retail Price (MSRP) for the products/equipment or related services being proposed.

5.12 Individualized percentage discounts can be applied to any number of defined product groupings.

5.13 A Percentage Discount from MSRP may be applied to all elements identified in MSRP including all Manufacturer Options applicable to the equipment/products or related services.

5.14 When a Proposer elects to use "Percentage Discount from Catalog or Category," Proposer will be responsible for providing and maintaining current published MSRP with NJPA and must be included in their proposal and provided throughout the term of any Contract resulting from this RFP.

C. COST PLUS A PERCENTAGE OF COST

5.15 Cost plus a percentage of cost as a primary pricing mechanism is not desirable.

D. HOT LIST PRICING

5.16 Where applicable, a Vendor may opt to offer a specific selection of products/services, defined as Hot List pricing at greater discounts or related advantages than those listed in the standard Contract pricing. All product/service pricing, including the Hot List Pricing, must be submitted electronically provided in Excel format. Hot List pricing must be submitted in a Line-Item format. Equipment/products and related services may be added or removed from the "Hot List" at any time through an NJPA Price and Product Change Form.

5.17 Hot List program and pricing when applicable may also be used to discount and liquidate close-out and discontinued equipment/products and related services as long as those close-out and discontinued items are clearly labeled as such. Current ordering process and administrative fees apply. This option must be published and made available to all NJPA Members.

E. CEILING PRICE

5.18 Proposal pricing is to be established as a ceiling price. At no time may the proposed equipment/products and related services be offered pursuant to this Contract at prices above this ceiling price without request and approval by NJPA. Contract prices may be reduced to allow for volume considerations and commitments and to meet the specific and unique needs of an NJPA Member.

5.19 Allowable specific needs may include competitive situations, certain purchase volume commitments or the creation of custom programs based on the individual needs of NJPA Members.

F. VOLUME PRICE DISCOUNTS / ADDITIONAL QUANTITIES

5.20 Proposers are free to offer volume commitment discounts from the contract pricing documented in a Contract resulting from this RFP. Volume considerations shall be determined between the Vendor and individual NJPA Members on a case-by-case basis.

5.21 Nothing in this Contract establishes a favored member relationship between the NJPA or any NJPA Member and the Vendor. The Vendor will, upon request by NJPA Member, extend this same reduced price offered or delivered to another NJPA Member provided the same or similar volume commitment, specific needs, terms, and conditions, a similar time frame, seasonal considerations, locations, competitively situations and provided the same manufacturer support is available to the Vendor.

5.22 All price adjustments are to be offered equally to all NJPA Members exhibiting the same or substantially similar characteristics such as purchase volume commitments, and timing including the availability of special pricing from the Vendor's suppliers.

5.23 The contract awarded vendor will accept orders for additional quantities at the same prices, terms and conditions, providing the NJPA Member exercises the option before a specific date, mutually agreed upon between member and contract awarded vendor at time of original purchase order. Any extension(s) of pricing beyond the specific date shall be upon mutual consent between the NJPA Member and the contract awarded vendor.

G. TOTAL COST OF ACQUISITION

5.24 The Total Cost of Acquisition for the equipment/products and related services being proposed, including those payable by NJPA Members to either the Proposer or a third party is the cost of the proposed

equipment/products product/equipment and related services delivered and operational for its intended purpose in the end-user's location. For example, if you are proposing equipment/products FOB Proposer's dock., your proposal should identify your deviation from the "Total Cost of Acquisition" of contracted equipment/products. The Proposal should reflect that the "contract does not provide for delivery beyond Proposer's dock, nor any set-up activities or costs associated with those delivery or set-up activities." In contrast, proposed terms including all costs for product/equipment and services delivered and operational at to the end-user's location would require a disclosure of "None."

H. SOURCED PRODUCT/EQUIPMENT / OPEN MARKET ITEMS

5.25 A Sourced Good or an Open Market Item is a product that a member wants to buy under contract that is not currently available under the Vendor's NJPA contract. This method of procurement can be satisfied through a contract sourcing process. Sourcing options serve to provide a more complete contract solution to meet our members' needs. Sourced items are generally deemed incidental to the total transaction or purchase of contract items.

5.26 NJPA or NJPA Members may request product/equipment and/or related services that are within the related scope of this RFP, which are not included in an awarded Vendor's line-item product/equipment and related service list or catalog. These items are known as Sourced Product/Equipment or Open Market Items.

5.27 An awarded Vendor resulting from this RFP may "Source" equipment/products and related services for NJPA or an NJPA Member to the extent they:

5.27.1 Identify all such equipment, products and services as "Sourced Products/Equipment " or "Open Market Items" on any quotation issued in reference to an NJPA awarded contract, and provided to either NJPA or an NJPA Member; and

5.27.2 Follow all applicable acquisition regulations pertaining to the purchase of such equipment, products and services, as defined by NJPA or NJPA Member receiving quotation from Vendor; and

5.27.3 Ensure NJPA or the NJPA Member has determined the prices as quoted by the Vendor for such equipment, products and services are deemed to be fair and reasonable and are acceptable to the member/buyer; and

5.27.4 Identify all product/equipment sourced as a part of an NJPA contract purchase with all required NJPA reporting and fees applying.

5.28 Cost plus a percentage is an option in pricing of sourced goods.

I. PRODUCT & PRICE CHANGES

5.29 Requests for equipment/products or service changes, additions or deletions will be allowed at any time throughout the awarded contract term. All requests must be made in written format by completing the NJPA Price and Product Change Request Form (located at the end of this RFP and on the NJPA website) and signature of an authorized Vendor employee. All changes are subject to review and approval by the NJPA Contracts & Compliance Manager, signed in acceptance by the NJPA Executive Director and acknowledged by the NJPA Contract Council. Submit request via email to your Contract Manager and PandP@njpacoop.org.

5.30 NJPA's due diligence in analyzing any request for change is to determine if approval of the request is: 1) within the scope of the original RFP and 2) in the "Best Interests of NJPA and NJPA Members." A signed Price and Product Change form will be returned to vendor contact via email.

5.31 Vendor must complete this change request form and individually list or attach all items or services subject to change, provide sufficiently detailed explanation and documentation for the change, and include

a complete restatement of pricing document in appropriate format (preferably Excel). The pricing document must identify all equipment/products and services being offered and must conform to the following NJPA product/price change naming convention: (Vendor Name) (NJPA Contract #) (effective pricing date); for example, "COMPANY 012411-CPY eff 02-12-2013."

5.32 New pricing restatement must include all equipment/products and services offered regardless of whether their prices have changed and include a new "effective date" on the pricing documents. This requirement reduces confusion by providing a single, current pricing sheet for each vendor and creates a historical record of pricing.

5.33 ADDITIONS. New equipment/products and related services may be added to a contract if such additions are within the scope of the RFP. New equipment/products and related services may be added to a Contract resulting from this RFP at any time during that Contract to the extent those equipment/products and related services are within the scope of this RFP. Those requests are subject to review and approval of NJPA. Allowable new equipment/products and related services generally include new updated models of equipment/products and related services and or enhanced services previously offered which could reflect new technology and improved functionality.

5.34 DELETIONS. New equipment/products and related services may be deleted from a contract if an item or service is no longer available and thus not relevant to the contract; for example, discontinued, improved, etc.

5.35 PRICE CHANGES: Request price changes in general terms along with the justification by product category for the change; for example, a 3% increase in XYZ Product Line is due to a 3% increase in petroleum, or this list of SKUs/ product descriptions is increasing X% due to X% increase in cost of raw materials.

5.35.1 *Price decreases:* NJPA expects Vendors to propose their very best prices and anticipates price reductions are due to advancement of technologies and market place efficiencies.

5.35.2 *Price increases:* Typical acceptable increase requests include increases to Vendor input costs such as petroleum or other applicable commodities, increases in product utility of new compared to old equipment/product or service, etc. Vendor must include reasonable documentation for the claims cited in their request along with detailed justification for why the increase is needed. Special details for price changes must be included with the request along with both current and proposed pricing. Appropriate documentation should be attached to this form, including letters from suppliers announcing price increases. Price increases will not exceed industry standard.

5.36 Submit the following documentation to request a pricing change:

5.36.1 Signed NJPA Price and Product Change Form

5.36.2 Single Statement of Pricing Excel spreadsheet identifying all equipment/products and services being offered and their pricing. Each complete pricing list will be identified by its "Effective Date." Each successive price listing identified by its "Effective Date" will create a "Product and Price History" for the Contract. Each subsequent pricing update will be saved using the naming convention of "(Vendor Name) pricing effective XX/XX/XXXX."

5.36.2.1 Include all equipment/products and services regardless of whether their prices have changed. By observing this convention we will:

5.36.2.1.1 Reduce confusion by providing a single, easy to find, current pricing sheet for each Vendor.

5.36.2.1.2 Create a historical record of pricing.

5.37 NJPA reserves the right to review additional catalogs being proposed as additions or replacements to determine if the represented products and services reflect and relate to the scope of this RFP. Each new catalog received may have the effect of adding new product offerings and deleting products no longer carried by the Vendor. New catalogs shall apply to the Contract only upon approval of the NJPA. Non-approved use of catalogs may result in termination for convenience. New price lists or catalogs found to be offering non-contract items during the Contract may be grounds for terminating the Contract for convenience.

5.38 Proposers representing multiple manufacturers, or carrying multiple related product lines may also request the addition of new manufacturers or product lines to their Contract to the extent they remain within the scope of this RFP.

5.39 Proposers may use the multiple tabs available in an Excel workbook to separately list logical product groupings or to separately list product and service pricing as they see fit.

5.40 All equipment/products and services together with their pricing, whether changed within the request or remaining unchanged, will be stated on each "Pricing" sheet created as a result of each request for product, service, or pricing change.

5.41 Each subsequent "Single Statement of Product and Pricing" will be archived by its effective date therefore creating a product and price history for any Contract resulting from this RFP. Proposers are required to create a historical record of pricing annually by submitting updated pricing referred to as a "Single Statement of Product/Equipment and Related Services Contract Price Update". This pricing update is required at a minimum of once per contract year.

J. PAYMENT TERMS

5.42 Payment terms will be defined by the Proposer in the Proposer's Response. Proposers are encouraged to offer payment terms through P Card services if applicable.

5.43 If applicable, identify any leasing programs available to NJPA and NJPA Members as part of your proposal. Proposers should submit an example of the lease agreement to be used and should identify:

5.43.1 General leasing terms such as:

5.43.1.1 The percentage adjustment over/under an index rate used in calculating the internal rate of return for the lease; and

5.43.1.2 The index rate being adjusted; and

5.43.1.3 The "Purchase Option" at lease maturity (\$1, or fair market value); and

5.43.1.4 The available term in months of lease(s) available.

5.43.2 Leasing company information such as:

5.43.2.1 The name and address of the leasing company; and

5.43.2.2 Any ownership, common ownership, or control between the Proposer and the Leasing Company.

K. SALES TAX

5.44 Sales and other taxes shall not be included in the prices quoted. Vendor will charge state and local sales and other taxes on items for which a valid tax exemption certification has not been provided. Each NJPA Member is responsible for providing verification of tax exempt status to the Vendor. When ordering, NJPA Members must indicate that they are tax exempt entities. Except as set forth herein, no party shall be responsible for taxes imposed on another party as a result of or arising from the transactions contemplated by a Contract resulting from this RFP.

L. SHIPPING

5.45 NJPA desires an attractive freight program. A shipping program for material only proposals, or sections of proposals, must be defined as a part of the cost of equipment/products. If shipping is charged to NJPA or NJPA Member, only the actual cost of delivery may be added to an invoice. Shipping charges calculated as a percentage of the product price may not be used, unless such charges are lower than actual delivery charges. COD orders will be accepted if both parties agree. It is desired that delivery be made within ninety-days (90) of receipt of the Purchase Order.

5.46 Selection of a carrier for shipment or expedited shipping will be the option of the party paying for said shipping. Use of another carrier will be at the expense of the party who requested.

5.47 Proposers must define their shipping programs for Alaska and Hawaii and any location not served by conventional shipping services. Over-size and over-weight items and shipments may be subject to custom freight programs.

5.48 All shipping and re-stocking fees must be identified in the price program. Certain industries providing made to order product/equipment may not allow returns. Proposers will be evaluated based on the relative flexibility extended to NJPA and NJPA Members relating to those subjects.

5.49 Proposer agrees shipping errors will be at the expense of the Vendor.

5.50 Delivery effectiveness is very important aspect of this Contract. If completed deliveries are not made at the time agreed, NJPA or NJPA Member reserves the right to cancel and purchase elsewhere and hold Vendor accountable. If delivery dates cannot be met, Vendor agrees to advise NJPA or NJPA Member of the earliest possible shipping date for acceptance by NJPA or NJPA Member.

5.51 Delivered products/equipment must be properly packaged. Damaged equipment/products will not be accepted, or if the damage is not readily apparent at the time of delivery, the equipment/products shall be returned at no cost to NJPA or NJPA Member. NJPA and NJPA Members reserve the right to inspect the equipment/products at a reasonable time subsequent to delivery where circumstances or conditions prevent effective inspection of the equipment/products at the time of delivery.

5.52 Vendor shall deliver Contract conforming products/equipment in each shipment and may not substitute products/equipment without approval from NJPA or the NJPA Member.

5.53 NJPA reserves the right to declare a breach of Contract if the Vendor intentionally delivers substandard or inferior equipment/products which are not under Contract and described in its paper or electronic price lists or sourced upon request to any member under this Contract. In the event of the delivery of non-conforming equipment/products, NJPA Member will notify the Vendor as soon as possible and the Vendor will replace non-conforming equipment/products with conforming equipment/products acceptable to the NJPA member.

5.54 Throughout the term of the Contract, Proposer agrees to pay for return shipment on equipment/products that arrives in a defective or inoperable condition. Proposer must arrange for the return shipment of damaged equipment/products.

5.55 Vendor may not substitute equipment/products unless agreed to by both parties.

5.56 Unless contrary to other parts of this solicitation, if the product/equipment or the tender of delivery fail in any respect to conform to this Contract, the purchasing member may: 1) reject the whole, 2) accept the whole or 3) accept any commercial unit or units and reject the rest.

6 EVALUATION OF PROPOSALS

A. PROPOSAL EVALUATION PROCESS

6.1 The NJPA Proposal Evaluation Committee will evaluate proposals received based on a 1,000 point evaluation system. The Committee establishes both the evaluation criteria and designates the relative importance of those criteria by assigning possible scores for each category on Form G of this RFP.

6.2 NJPA shall use a final overall scoring system to include consideration for best price and cost evaluation. NJPA reserves the right to assign any number of point awards or penalties it considers warranted if a Proposer stipulates exceptions, exclusions, or limitations of liabilities. Strong consideration will be given to the best price as it relates to the quality of the product and service. However, price is ultimately only one of the factors taken into consideration in the evaluation and award.

6.3 Responses will be evaluated first for responsiveness and thereafter for content. The NJPA Board of Directors will make awards to the selected Proposer(s) based on the recommendations of the Proposal Evaluation Committee. To qualify for the final evaluation, a Proposer must have been deemed responsive as a result of the criteria set forth under "Proposer Responsiveness."

B. PROPOSER RESPONSIVENESS

6.4 All responses are evaluated for level one and level two responsiveness. If a response does not reasonably and substantially conform to all the terms and conditions in the solicitation or it requests unreasonable exceptions, it may be considered non-responsive.

6.5 All proposals must contain answers or responses to the information requested in the proposal forms. The following items constitute the test for "Level One Responsiveness" and are determined on the proposal opening date. If these are not received, your response may be disqualified as non-responsive.

6.6 Level One Responsiveness includes:

- 6.6.1 received prior to the deadline for submission or it will be returned unopened;
- 6.6.2 properly addressed and identified as a sealed proposal with a specific opening date and time;
- 6.6.3 pricing document (with apparent discounts), sample certificate of liability insurance and all forms fully completed even if "not applicable" is the answer;
- 6.6.4 original signed, completed and dated RFP forms C, D, and F hard copy signed signature page Only from forms A and P from this RFP and if applicable, all counter signed addenda issued in relation to this RFP;
- 6.6.5 an electronic copy (CD or flash drive) of the entire response; and
- 6.6.6 falls within the scope as determined by the NJPAs Proposal Evaluation Committee.

6.7 "Level Two" responsiveness is determined through the evaluation of the remaining items listed under Proposal Evaluation Criteria below. These items are not arranged in order of importance and each item

may encompass multiple areas of information requested. Any questions not answered will result in a loss of points from relevant Form G criteria and may lead to non-award if too many areas are unanswered resulting in the inability for evaluation team to effectively review your response.

C. PROPOSAL EVALUATION CRITERIA

6.8 Evaluation Criteria: Forms A and P includes a series of questions encompassing, but not limited to, the following categories:

- 6.8.1** Company Information & Financial Strength
- 6.8.2** Industry Requirements & Marketplace Success
- 6.8.3** Ability to Sell & Deliver Service Nationwide
- 6.8.4** Marketing Plan
- 6.8.5** Other Cooperative Procurement Contracts
- 6.8.6** Value Added Attributes
- 6.8.7** Payment Terms & Financing Options
- 6.8.8** Warranty
- 6.8.9** Equipment/Products/Services
- 6.8.10** Pricing & Delivery
- 6.8.11** Industry Specific Items

6.9 Evaluation of each Proposer's Response will take into consideration as a minimum response but not necessarily limited to these items.

D. OTHER CONSIDERATIONS

6.10 The Proposer is required to have extensive knowledge and at least three (3) years of experience with the related activities surrounding the selling of the equipment/products and/or related services.

6.11 NJPA reserves the right to accept or reject newly formed companies solely based on information provided in the proposal and/or its own investigation of the company.

6.12 If a manufacturer or supplier chooses not to produce or supply a full selection and representation of product/equipment and related services it has available which fall within the scope of this RFP, such action will be considered sufficient cause to reduce evaluation points.

6.13 NJPA reserves the right to request and test equipment/products and related services from the apparent successful Proposer. Prior to the award of the Contract, the apparent successful Proposer, if requested by NJPA, shall furnish current information and data regarding the Proposer's resources, personnel, and organization within three (3) days.

6.14 Past performance information is relevant information regarding a Proposer's actions under previously awarded contracts to schools, local, state, and governmental agencies and non-profit agencies. It includes the Proposer's record of conforming to specifications and standards of good workmanship. The Proposer's history for reasonable and cooperative behavior and commitment to member satisfaction shall be under evaluation. Ultimately, Past Performance Information can be defined as the Proposer's businesslike concern for the interests of the NJPA Member.

6.15 NJPA shall reserve the right to reject any or all proposals.

E. COST COMPARISON

6.16 NJPA uses a variety of evaluation methodologies, including but not limited to a cost comparison of specific and deemed to be like equipment/products. NJPA reserves the right to use this process in the event the Proposal Evaluation Committee feels it is necessary to make a final determination.

6.17 This process will be based on a point system with points being awarded for being low to high Proposer for each cost evaluation item selected. A "Market Basket" of identical (or substantially similar) equipment/products and related services may be selected by the NJPA Evaluation Committee and the unit cost will be used as a basis for determining the point value. The "Market Basket" will be selected by NJPA from all product categories as determined appropriate by NJPA.

F. MARKETING PLAN

6.18 A key element of an NJPA awarded a contract will be based on your marketing response to this solicitation. An awarded Vendor's sales force will be the primary source of communication to the customers and NJPA members directly relating to the contract success. Success in marketing is dependent on delivery of messaging and communication relating to the contract value, knowledge of contract, proper use and the delivery of contracted equipment/products and related services to the end user. Much of the success and sales reward is a direct result of the commitment to the Contract by the vendor and sales teams. NJPA reserves the right to deem a proposer non-responsive or to not award based on an unacceptable or incomplete marketing plan

6.19 NJPA marketing expectations include:

6.19.1 Vendors ability to demonstrate the leveraging of a national sales force and/or dealer network. Vendors must demonstrate the ability to sell, service and deliver products and equipment through acceptable distribution channels to customers and NJPA members in all 50 states. Demonstrate fully the sales and service capabilities of your company through your response; outline Vendor's national sales force network in terms of numbers and geographic location and method of distribution of the equipment/products and related services. Service may be independent of the equipment/product sales pricing but is encouraged to be a part of your response and contract.

6.19.2 Vendor is invited to demonstrate the ability to successfully market, promote and communicate the opportunity of an NJPA contract to current and potential members nationwide. NJPA desires a marketing plan that communicates the value of the contract to members.

6.19.3 Vendor is expected to be receptive to NJPA sales trainings. Vendor shall provide a venue for appropriate personnel from both management and the sales force who will be trained. NJPA commits to providing contract sales training and awareness regarding all aspects of communicating the value of the contract itself including: the authority of NJPA to offer the contract to its Members, value and utility the contract delivers to NJPA Members, scope of NJPA Membership, authority of NJPA Members to utilize NJPA procurement contracts, marketing and sales methods, and overall vertical strategies.

6.19.4 Vendor is expected to demonstrate the intent to a commit to full embracement of the NJPA contract. Identify the appropriate levels of sales management and sales force that will need to understand the value of and the internal procedures necessary, to deliver the NJPA contract solution and message to NJPA and NJPA Members. NJPA shall provide a general schedule and a variety of methods surrounding when and how those individuals will be trained.

6.19.5 Vendor will outline their proposed involvement in the promotion of a contract resulting from this RFP through applicable industry trade show exhibits and related customer meetings. Proposers are encouraged to consider participation with NJPA at NJPA embraced national trade shows.

6.19.6 Vendor must exhibit the willingness and ability to actively market and develop contract specific marketing materials including, but not limited to:

6.19.6.1 Complete Marketing Plan. Proposer shall submit a marketing plan outlining how the Vendor will launch the NJPA contract to current and potential NJPA Members. NJPA requires the Awarded Vendors to embrace and actively promote the Contract in cooperation with the NJPA.

6.19.6.2 Printed Marketing Materials. Proposer will initially produce and thereafter maintain full color print advertisements in camera ready electronic format including company logo and contact information to be used in the NJPA directory and other approved marketing publications.

6.19.6.3 Contract announcements and advertisements. Proposer will outline in the marketing plan their anticipated contract announcements, advertisements in industry periodicals and other direct or indirect marketing activities promoting the awarded NJPA contract.

6.19.6.4 Proposer's Website. Proposer will identify how an Awarded Contract will be displayed and linked on the Proposer's website. An on-line shopping experience for NJPA Members is desired when applicable.

6.19.7 An NJPA Vendor Contract Launch will be scheduled during a reasonable time frame after the award and held at the NJPA office in Staples, MN.

6.20 Proposer shall identify their commitment to develop a sales/communication process to facilitate NJPA membership and establish status of current and potential agencies/members. Proposer should further express their commitment to capturing sufficient member information as is deemed necessary by NJPA.

G. CERTIFICATE OF INSURANCE

6.21 Vendors shall provide evidence of liability insurance coverage identified below in the form of a Certificate of Insurance or an ACCORD binder form with their proposal. Upon Award issued pursuant to this contract and prior to the execution of any commerce relating to such award, Vendor will be responsible for providing verification, in the form of a Certificate of Insurance identifying the coverage required below and identifying NJPA as a "Certificate Holder." Vendor will be responsible to maintain such insurance coverage at their own expense throughout the term of any contract resulting from this solicitation.

6.22 Any exceptions and/or assumptions to the insurance requirements *must* be identified on *Attachment C*. Exceptions and/or assumptions will be taken into consideration as part of the evaluation process; however, vendors must be specific. If vendors do not specify any exceptions and/or assumptions at time of proposal submission, NJPA will not consider any additional exceptions and/or assumptions during negotiations. Upon contract award, the successful vendor *must* provide the Certificate of Insurance identifying the coverage as specified.

6.23 Insurance Liability Limits: The awarded vendor must maintain, for the duration of its contract, \$1.5 million in General Liability insurance coverage or General Liability insurance in conjunction with an Umbrella for a total combined coverage of \$1.5 million. Work on the contract shall not begin until after the awarded vendor has submitted acceptable evidence of the required insurance coverage. Failure to maintain any required insurance coverage or acceptable alternative method of insurance will be deemed a breach of contract.

6.23.1 Minimum Scope and Limits of Insurance: Vendor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy

may be used to meet the minimum liability requirements provided that the coverage is written on a “following form” basis.

6.23.1.1 Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability and XCU coverage.

6.23.1.2 Each Occurrence

\$1,500,000

6.24 Insurance Requirements: The limits listed herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. NJPA in no way warrants that the minimum limits contained herein are sufficient to protect the Vendor from liabilities that might arise out of the performance of the work under this Contract by the Vendor, his agents, representatives, employees or subcontractors and Vendor is free to purchase additional insurance as may be determined necessary.

6.25 Acceptability of Insurers: Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Minnesota and with an “A.M. Best” rating of not less than A- VII. NJPA in no way warrants that the above required minimum insurer rating is sufficient to protect the Vendor from potential insurer solvency.

6.26 Subcontractors: Vendors’ certificate(s) shall include all subcontractors as additional insureds under its policies or Vendor shall furnish to NJPA separate certificates for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified above.

H. ORDER PROCESS AND/OR FUNDS FLOW

6.27 Please propose an order process and funds flow. The Business-to-Government order process and/or funds flow model involves NJPA Members issuing Purchase Orders directly to a Vendor and pursuant to a Contract resulting from this RFP. Administrative fees may also be used for purposes as allowed by Minnesota State Law and approved by the Board of Directors.

6.28 Additional Terms and Conditions can be added at the PO level if both Vendor and Member agree.

I. ADMINISTRATIVE FEES

6.29 Proposer agrees to authorize and/or allow for an administrative fee payable to NJPA by an Awarded Vendor in exchange for its facilitation and marketing of a Contract resulting from this RFP to current and potential NJPA Members. This Administration Fee shall be:

6.29.1 Calculated as a percentage of the dollar volume of all equipment/products and services provided to and purchased by NJPA Members or calculated as reasonable and acceptable method applicable to the contracted transaction; and

6.29.2 Included in, and not added to, the pricing included in Proposer’s Response to the RFP; and

6.29.3 Designed to offset the anticipated costs of NJPA’s involvement in contract management, facilitating marketing efforts, Vendor training, and any order processing tasks relating to the Contract resulting from this RFP. Administrative fees may also be used for other purposes as allowed by Minnesota law. Administrative fees may also be used for other purposes as allowed by Minnesota law.

6.29.4 Typical administrative fees for a B-TO-G order process and funds flow is 2.0%. NJPA does not mandate a specific fee percentage, we merely state that 2% is a typical fee across our contracts. The administrative fee percent varies among vendors, industries and responses.

6.29.5 NJPA awarded contract holder is responsible for the Administrative Fee and related reporting.

6.30 The opportunity to propose these factors and an appropriate administrative fee is available in the Proposer's Questionnaire Form P.

J. VALUE ADDED

6.31 Examples of Value Added Attributes: Value-Added attributes, products and services are items offered in addition to the products and services being proposed which adds value to those items being proposed. The availability of a contract for maintenance or service after the initial sale, installation, and set-up may, for instance, be "Value Added Services" for products where a typical buyer may not have the ability to perform these functions.

6.32 Where to document Value Added Attributes: The opportunity to indicate value added dimensions and such advancements will be available in the Proposer's Questionnaire and Proposer's product and service submittal.

6.33 Value added equipment/products and services and expanded services, as they relate to this RFP, will be given positive consideration in the award selection. Consideration will be given to an expanded selection of FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS and advances to provide products/services, supplies meeting and/or exceeding today's industry standards and expectations. A value add would include a program or service that further serves the members needs above and possibly beyond standard expectation and complements the equipment/products and services and training. Value added could include areas of product and service, sales, ordering, delivery, performance, maintenance, technology, and service that furthers the functionality and effectiveness of the procurement process while remaining within the scope of this RFP.

6.34 Minority, Small Business, and Women Business Enterprise (WMBE) participation: It is the policy of some NJPA Members to involve Minority, Small Business, and WMBE contractors in the process to purchase product/equipment and related services. Vendors should document WMBE status for their organization AND any such status of their affiliates (i.e. Supplier networks) involved in carrying out the activities invited. The ability of a Proposer to provide "Credits" to NJPA and NJPA Members in these subject areas, either individually or through related entities involved in the transaction, will be evaluated positively by NJPA and reflected in the "value added" area of the evaluation. NJPA is committed to facilitating the realization of such "Credits" through certain structuring techniques for transactions resulting from this RFP.

6.35 Environmentally Preferred Purchasing Opportunities: There is a growing trend among NJPA Members to consider the environmental impact of the equipment/products and related services they purchase. "Green" characteristics demonstrated by responding companies will be evaluated positively by NJPA and reflected in the "value added" area of the evaluation. Please identify any Green characteristics of the product/equipment and related services in your proposal and identify the sanctioning body determining that characteristic. Where appropriate, please indicate which products have been certified as "green" and by which certifying agency.

6.36 On-Line Requisitioning systems: When applicable, on-line requisitioning systems will be viewed as a value-added characteristic. Proposer shall include documentation about user interfaces that make on-line ordering easy for NJPA Members as well as the ability to punch-out from mainstream e-Procurement or Enterprise Resource Planning (ERP) systems that NJPA Members may currently utilize.

6.37 Financing: The ability of the Proposer to provide financing options for the products and services being proposed will be viewed as a Value Added Attribute.

6.38 Technology: Technological advances, increased efficiencies, expanded service and other related improvements beyond today's NJPA member's needs and applicable standards.

K. WAIVER OF FORMALITIES

6.39 NJPA reserves the right to waive any minor formalities or irregularities in any proposal and to accept proposals, which, in its discretion and according to the law, may be in the best interest of its members.

7 POST AWARD OPERATING ISSUES

A. SUBSEQUENT AGREEMENTS

7.1 Purchase Order. Purchase Orders for equipment/products and/or related services may be executed between NJPA or NJPA Members (Purchaser) and awarded Vendor(s) or Vendor's sub-contractors pursuant to this invitation and any resulting Contract. NJPA Members are instructed to identify on the face of such Purchase Orders that "This purchase order is issued pursuant to NJPA procurement contract #XXXXXX." A Purchase Order is an offer to purchase product/equipment and related services at specified prices by NJPA or NJPA Members pursuant to a Contract resulting from this RFP. Purchase Order flow and procedure will be developed jointly between NJPA and an Awarded Vendor after an award is made.

7.2 Governing Law. Purchase Orders shall be construed in accordance with, and governed by, the laws of a competent jurisdiction with respect to the purchaser. Each and every provision of law and clause required by law to be included in the Purchase Order shall be read and enforced as though it were included. If through mistake or otherwise any such provision is not included, or is not currently included, then upon application of either party the Contract shall be physically amended to make such inclusion or correction. The venue for any litigation arising out of disputes related to Purchase Order(s) shall be a court of competent jurisdiction to the Purchaser.

7.3 Additional Terms and Conditions. Additional terms and conditions to a Purchase Order may be proposed by NJPA, NJPA Members, or Vendors. Acceptance of these additional terms and conditions is OPTIONAL to all parties to the Purchase Order. The purpose of these additional terms and conditions is to formally introduce job or industry specific requirements of law such as prevailing wage legislation. Additional terms and conditions can include specific local policy requirements and standard business practices of the issuing Member. Said additional terms and conditions shall not interfere with the general purpose, intent or currently established terms and conditions contain in this RFP document.

7.4 Specialized Service Requirements. In the event service requirements or specialized performance requirements such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements not addressed in the Contract resulting from this RFP, NJPA Member and Vendor may enter into a separate, standalone agreement, apart from a Contract resulting from this RFP. Any proposed service requirements or specialized performance requirements require pre-approval by Vendor. Any separate agreement developed to address these specialized service or performance requirements is exclusively between the NJPA Member and Vendor. NJPA, its agents, Members and employees shall not be made party to any claim for breach of such agreement. Product sourcing is not considered a service. NJPA Members will need to conduct procurements for any specialized services not identified as a part or within the scope of the awarded Contract.

7.5 Performance Bond. At the request of the member, a Vendor will provide all performance bonds typically and customarily required in their industry. These bonds will be issued pursuant to the requirements of Purchase Orders for product/equipment and related services. If a purchase order is cancelled for lack of a required performance bond by the member agency, it shall be the recommendation of NJPA that the current pending Purchase Order be canceled. Each member has the final decision on Purchase Order continuation. ANY PERFORMANCE BONDING REQUIRED BY THE MEMBER OR CUSTOMER STATE LAWS OR LOCAL POLICY IS TO BE MUTUALLY AGREED UPON AND SECURED BETWEEN THE VENDOR AND THE CUSTOMER/MEMBER.

B. NJPA MEMBER SIGN-UP PROCEDURE

7.6 Awarded Vendors will be responsible for familiarizing their sales and service forces with the various forms of NJPA Membership documentation and shall encourage and assist potential Members in establishing Membership with NJPA. NJPA membership is at no cost, obligation or liability to the Member or the Vendor.

C. REPORTING OF SALES ACTIVITY

7.7 A report of the total gross dollar volume of all equipment/products and related services purchased by NJPA Members as it applies to this RFP and Contract will be provided quarterly to NJPA. The form and content of this reporting will be provided by NJPA to include, but not limited to, name and address of purchasing agency, member number, amount of purchase, and a description of the items purchased.

7.7.1 Zero sales reports: Awarded Vendors are responsible for providing a quarterly sales report of contract sales every quarter regardless of the existence or amount of sales.

D. AUDITS

7.8 No more than once per calendar year during the Contract term, Vendor may be required to make available to NJPA the invoice reports and/or invoice documents from Vendor pertaining to all invoices sent by Vendor and all payments made by NJPA members for all equipment/products and related services purchased under the awarded Contract. NJPA must provide written notice of exercise of this requirement with no less than fourteen (14) business days' notice. NJPA may employ an independent auditor or NJPA may choose to conduct such audit on its own behalf. Upon approval and after the auditor has executed an appropriate confidentiality agreement, Vendor will permit the auditor to review the relevant Vendor documents. NJPA shall be responsible for paying the auditor's fees. The parties will make every reasonable effort to fairly and equitably resolve discrepancies to the satisfaction of both parties. Vendor agrees that the NJPA may audit their records with a reasonable notice to establish total compliance and to verify prices charged under of the Contract are being met. Vendor agrees to provide verifiable documentation and tracking in a timely manner.

E. HUB PARTNER

7.9 Hub Partner: NJPA Members may request to be served through a "Hub Partner" for the purposes of complying with a Law, Regulation, or Rule to which that individual NJPA Member deems to be applicable in their jurisdiction. Hub Partners may bring value to the proposed transactions through consultancy, Disadvantaged Business Entity Credits or other considerations.

7.10 Hub Partner Fees: Fees, costs, or expenses from this Hub Partner levied upon a transaction resulting from this contract, shall be payable by the NJPA Member. The fees, costs, or expenses levied by the Hub Vendor must be clearly itemized in the transaction; and to the extent that the Vendor stands in the chain of title during a transaction resulting from this RFP, the documentation shall be documented to show it is "Executed for the Benefit of [NJPA Member Name]."

F. TRADE-INS

7.11 The value in US Dollars for Trade-ins will be negotiated between NJPA or an NJPA Member, and an Awarded Vendor. That identified "Trade-In" value shall be viewed as a down payment and credited in full against the NJPA purchase price identified in a purchase order issued pursuant to any Awarded NJPA procurement contract. The full value of the trade-in will be consideration.

G. OUT OF STOCK NOTIFICATION

7.12 Vendor shall immediately notify NJPA members upon receipt of order(s) when an out-of-stock occurs. Vendor shall inform the NJPA member regarding the anticipated date of availability for the out-of-stock item(s), and may suggest equivalent substitute(s). The ordering organization shall have the option of accepting the suggested equivalent substitute, or canceling the item from the order. Under no circumstance is Proposer permitted to make unauthorized substitutions. Unfilled or substituted item(s) shall be indicated on the packing list.

H. TERMINATION OF CONTRACT RESULTING FROM THIS RFP

7.13 NJPA reserves the right to cancel the whole or any part of a resulting Contract due to failure by the Vendor to carry out any obligation, term or condition as described in the below procedure. Prior to any termination for cause, the NJPA will provide written notice to the Vendor, opportunity to respond and opportunity to cure. Some examples of material breach include, but are not limited to:

7.13.1 The Vendor provides products/equipment or related services that does not meet reasonable quality standards and is not remedied under the warranty;

7.13.2 The Vendor fails to ship the products/equipment or related services or provide the delivery and services within a reasonable amount of time;

7.13.3 NJPA has reason to believe the Vendor will not or cannot perform to the requirements or expectations of the Contract and issues a request for assurance and Vendor fails to respond;

7.13.4 The Vendor fails to observe any of the material terms and conditions of the Contract;

7.13.5 The Vendor fails to follow the established procedure for purchase orders, invoices and/or receipt of funds as established by the NJPA and the Vendor in the Contract.

7.13.6 The Vendor fails to report quarterly sales;

7.13.7 The Vendor fails to actively market this Contract within the guidelines provided in this RFP and the expectations of NJPA defined in the NJPA Contract Launch.

7.13.8 In the event the contract has no measurable and defining value or benefit to NJPA or the NJPA member.

7.14 Upon receipt of the written notice of concern, the Vendor shall have ten (10) business days to provide a satisfactory response to the NJPA. Failure on the part of the Vendor to reasonably address all issues of concern may result in Contract cancellation pursuant to this Section. If the issue is not resolved within sixty (60) days, contract will be terminated.

7.15 Any termination shall have no effect on purchases that are in progress at the time the cancellation is received by the NJPA. The NJPA reserves the right to cancel the Contract immediately for convenience, without penalty or recourse, in the event the Vendor is not responsive concerning the remedy, the performance, or the violation issue within the time frame, completely or in part.

7.16 NJPA reserves the right to cancel or suspend the use of any Contract resulting from this RFP if the Vendor files for bankruptcy protection or is acquired by an independent third party. Awarded Vendor will be responsible for disclosing to NJPA any litigation, bankruptcy or suspensions/disbarments that occur during the contract period. Failure to disclose may result in an immediate termination of the contract.

7.17 NJPA may execute Contract termination without cause with a required 60-day written notice of termination. Termination of Contract shall not relieve either party of financial, product or service obligations incurred or accrued prior to termination.

7.18 NJPA may cancel any Contract resulting from this solicitation without any further obligation if any NJPA employee significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the NJPA is found to be in collusion with any Proposer to this RFP for their personal gain. Such cancellation shall be effective upon written notice from the NJPA or a later date if so designated in the notice given. A terminated Contract shall not relieve either party of financial, product or service obligations due to participating member or NJPA.

7.19 Events of Automatic termination to include, but not limited to:

7.19.1 Vendor's failure to remedy a material breach of a Contract resulting from this RFP within sixty (60) days of receipt of notice from NJPA specifying in reasonable detail the nature of such breach; and/or,

7.19.2 Receipt of written information from any authorized agency finding activities of Vendors engaged in pursuant to a Contract resulting from this RFP to be in violation of the law.

8 GENERAL TERMS AND CONDITIONS

A. ADVERTISING A CONTRACT RESULTING FROM THIS RFP

8.1 Proposer/Vendor shall not advertise or publish information concerning this Contract prior to the award being announced by the NJPA. Once the award is made, a Vendor is expected to advertise the awarded Contract to both current and potential NJPA Members.

B. APPLICABLE LAW

8.2 NJPA's interest in a contract resulting from this RFP: Notwithstanding its own use, to the extent NJPA issues this RFP and any resulting contract for the use of its Members, NJPA's interests and liability for said use shall be limited to the competitive proposal process performed and terms and conditions relating to said contract and shall not extend to the products, services, or warranties of the Awarded Vendor or the intended or unintended effects of the product/equipment and services procured there from.

8.3 NJPA Compliance with Minnesota Procurement Law: NJPA will exhaust all avenues to comply with each unique state law or requirement whenever possible. It is the responsibility of each participating NJPA member to ensure to their satisfaction that NJPA contracting process falls within these laws and applicable laws are satisfied. An individual NJPA member using these contracts is deemed by their own accord to be in compliance with their own requirements and procurement regulations.

8.4 Governing Law with respect to delivery and acceptance: All applicable portions of the Minnesota Uniform Commercial Code, all other applicable Minnesota laws, and the applicable laws and rules of delivery and inspection of the Federal Acquisition Regulations (FAR) laws shall govern NJPA contracts resulting from this solicitation.

8.5 Jurisdiction: Any claims pertaining to this RFP and any resulting Contract that develop between NJPA and any other party must be brought forth only in courts in Todd County in the State of Minnesota unless otherwise agreed to.

8.5.1 Purchase Orders issued pursuant to a contract resulting from this solicitation shall be construed in accordance with, and governed by, the laws of a competent jurisdiction with respect to the purchaser.

8.6 Vendor Compliance with applicable law: Vendor(s) shall comply with all federal, state, or local laws applicable to or pertaining to the transaction, acquisition, manufacturer, suppliers or the sale of the equipment/products and relating services resulting from this RFP.

8.7 Other Laws, whether or not herein contained, shall be included by this reference. It shall be Proposer's/Vendor's responsibility to determine the applicability and requirements of any such laws and to abide by them.

8.8 Indemnity: Each party agrees it will be responsible for its own acts and the result thereof to the extent authorized by law and shall not be responsible for the acts of the other party and the results thereof. NJPA's liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section §3.736, and other applicable law.

8.9 Prevailing Wage: It shall be the responsibility of the Vendor to comply, when applicable, with prevailing wage legislation in effect in the jurisdiction of the purchaser (NJPA or NJPA Member). It shall be the responsibility of the Vendor to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of this Contract and adjust wage rates accordingly.

8.10 Patent and Copyright Infringement: If an article sold and delivered to NJPA or NJPA Members hereunder shall be protected by any applicable patent or copyright, the Vendor agrees to indemnify and hold harmless NJPA and NJPA Members against any and all suits, claims, judgments, and costs instituted or recovered against it by any person on account of the use or sale of such articles by NJPA or NJPA Members in violation or right under such patent or copyright.

C. ASSIGNMENT OF CONTRACT

8.11 No right or interest in this Contract shall be assigned or transferred by the Vendor without prior written permission by the NJPA. No delegation of any duty of the Vendor shall be made without prior written permission of the NJPA. NJPA shall notify members by posting approved assignments on the NJPA website (www.njpacoop.org) within 15 days of NJPA's approval.

8.12 If the original Vendor sells or transfers all assets or the entire portion of the assets used to perform this Contract, a successor in interest must guarantee to perform all obligations under this Contract. NJPA reserves the right to reject the acquiring person or entity as a Vendor. A change of name agreement will not change the contractual obligations of the Vendor.

D. LIST OF PROPOSERS

8.13 NJPA will not maintain or communicate to a list of proposers. All interested proposers must respond to the solicitation as a result of NJPA solicitation advertisements indicated. Because of the wide scope of the potential Members and qualified national Vendors, NJPA has determined this to be the best method of fairly soliciting proposals.

E. CAPTIONS, HEADINGS, AND ILLUSTRATIONS

8.14 The captions, illustrations, headings, and subheadings in this solicitation are for convenience and ease of understanding and in no way define or limit the scope or intent of this request.

F. DATA PRACTICES

8.15 All materials submitted in response to this RFP will become property of the NJPA and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. If the Responder submits information in response to this RFP that it believes to be nonpublic

information, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the Responder must:

8.15.1 make the request within thirty days of award/non-award, and include the appropriate statutory justification. Pricing is generally not redactable. The NJPA Legal Department shall review the statement to determine whether the information shall be withheld. If the NJPA determines to disclose the information, the Bids & Contracts department of the NJPA shall inform the Proposer, in writing, of such determination; and

8.15.2 defend any action seeking release of the materials it believes to be nonpublic information, and indemnify and hold harmless the NJPA, its agents and employees, from any judgments or damages awarded against the NJPA in favor of the party requesting the materials, and any and all costs connected with that defense.

8.16 This indemnification survives the NJPA's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the confidential information is in possession of the NJPA. When the situation warrants, Proposer may be able redact additional nonpublic information after the evaluation process if legal justification is provided and accepted by NJPA.

G. ENTIRE AGREEMENT

8.17 The Contract, as defined herein, shall constitute the entire understanding between the parties to that Contract. A Contract resulting from this RFP is formed when the NJPA Board of Directors approves and signs the applicable Contract Award & Acceptance document (Form E).

H. FORCE MAJEURE

8.18 Except for payments of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented due to force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence including, but not limited to, the following: acts of God, acts of the public enemy, war, riots, strikes, mobilization, labor disputes, civil disorders, fire, flood, snow, earthquakes, tornadoes or violent wind, tsunamis, wind shears, squalls, Chinooks, blizzards, hail storms, volcanic eruptions, meteor strikes, famine, sink holes, avalanches, lockouts, injunctions-intervention-acts, terrorist events or failures or refusals to act by government authority and/or other similar occurrences where such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with a Contract resulting from this RFP. Force majeure shall not include late deliveries of equipment/products and services caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or other similar occurrences. If either party is delayed at any time by force majeure, then the delayed party shall notify the other party of such delay within forty-eight (48) hours.

I. GRATUITIES

8.19 NJPA may cancel an awarded Contract by written notice if it is found that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Vendor or any agent or representative of the Vendor, to any employee of the NJPA.

J. HAZARDOUS SUBSTANCES

8.20 Proper and applicable Material Safety Data Sheets (MSDS) that are in full compliance with OSHA's Hazard Communication Standard must be provided by the Vendor to NJPA or NJPA Member at the time of purchase.

K. LICENSES

8.21 Proposer shall maintain a current status on all required federal, state, and local licenses, bonds and permits required for the operation of the business that is anticipated to be conducted with NJPA and NJPA members by the Proposer.

8.22 All responding Proposers must be licensed (where required) and have the authority to sell and distribute offered equipment/products and related services to NJPA and NJPA Members nationally. Documentation of required said licenses and authorities, if applicable, is requested to be included in the proposer's response.

L. MATERIAL SUPPLIERS AND SUB-CONTRACTORS

8.23 The awarded Vendor shall be required to supply the names and addresses of sourcing suppliers and sub-contractors as a part of the purchase order when requested by NJPA or the NJPA member.

M. NON-WAIVER OF RIGHTS

8.24 No failure of either party to exercise any power given to it hereunder, nor to insistence upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under a Contract resulting from this RFP shall constitute a waiver of either party's right to demand exact compliance with the terms hereof. Failure by NJPA to take action or assert any right hereunder shall not be deemed as waiver of such right.

N. PROTESTS OF AWARDS MADE

8.25 Protests shall be filed with the NJPA's Executive Director and shall be resolved in accordance with appropriate Minnesota state statutes. Protests will only be accepted from Proposers. A protest must be in writing and filed with NJPA. A protest of an award or proposed award must be filed within ten (10) calendar days after the public notice or announcement of the award. A protest must include:

8.25.1 The name, address and telephone number of the protester;

8.25.2 The original signature of the protester or its representative (you must document the authority of the Representative);

8.25.3 Identification of the solicitation by RFP number;

8.25.4 Identification of the statute or procedure that is alleged to have been violated;

8.25.5 A precise statement of the relevant facts;

8.25.6 Identification of the issues to be resolved;

8.25.7 The aggrieved party's argument and supporting documentation;

8.25.8 The aggrieved party's statement of potential financial damages; and

8.25.9 A protest bond in the name of NJPA and in the amount of 10% of the aggrieved party's statement of potential financial damages.

O. SUSPENSION OR DISBARMENT STATUS

8.26 If within the past five (5) years, any firm, business, person or Proposer responding to NJPA solicitation and submitting a proposal has been lawfully terminated, suspended or precluded from participating in any public procurement activity with a federal, state or local government or education agency the Proposer must include a letter with its response setting forth the name and address of the public procurement unit, the effective date of the suspension or debarment, the duration of the suspension or debarment and the relevant circumstances relating to the suspension or debarment. Any failure to supply such a letter or to disclose pertinent information may result in the cancellation of any Contract. By signing the proposal affidavit, the Proposer certifies that no current suspension or debarment exists.

P. AFFIRMATIVE ACTION AND IMMIGRATION STATUS CERTIFICATION

8.27 An Affirmative Action Plan, Certificate of Affirmative Action or other documentation regarding Affirmative Action may be required by NJPA or NJPA Members relating to a transaction from this RFP. Vendors shall comply with any such requirements or requests.

8.28 Immigration Status Certification may be required by NJPA or NJPA Members relating to a transaction from this RFP. Vendors shall comply with any such requirements or requests.

Q. SEVERABILITY

8.29 In the event that any of the terms of a Contract resulting from this RFP are in conflict with any rule, law, statutory provision or are otherwise unenforceable under the laws or regulations of any government or subdivision thereof, such terms shall be deemed stricken from an awarded Contract resulting from this RFP, but such invalidity or unenforceability shall not invalidate any of the other terms of an awarded Contract resulting from this RFP.

R. RELATIONSHIP OF PARTIES

8.30 No Contract resulting from this RFP shall be considered a contract of employment. The relationship between NJPA and an Awarded Contractor is one of independent contractors each free to exercise judgment and discretion with regard to the conduct of their respective businesses. The parties do not intend the proposed Contract to create, or is to be construed as creating a partnership, joint venture, master-servant, principal-agent, or any other relationship. Except as provided elsewhere in this RFP, neither party may be held liable for acts of omission or commission of the other party and neither party is authorized or has the power to obligate the other party by contract, agreement, warranty, representation or otherwise in any manner whatsoever except as may be expressly provided herein.

9 FORMS

[THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK.]



PROPOSER QUESTIONNAIRE- General Business Information
*(Products, Pricing, Sector Specific, Services, Terms and Warranty are addressed on **Form P**)*

Proposer Name: _____ Questionnaire completed by: _____

Please identify the person NJPA should correspond with from now through the Award process:

Name: _____ E-Mail address: _____

Provide an answer to all questions directly below each question (do not leave blank, mark NA if not applicable) and address all requests made in this RFP. Please supply any applicable supporting information and documentation you feel appropriate in addition to answers entered to the Word document. All information must be typed, organized, and easily understood by evaluators. *Please use the Microsoft Word document version of this questionnaire to respond to the questions contained herein.*

Company Information & Financial Strength

- 1) Why did you respond to this RFP?
- 2) What are your company's expectations in the event of an award?
- 3) Provide the full legal name, address, tax identifications number, and telephone number for your business.
- 4) Demonstrate your financial strength and stability.
- 5) Are you now, or have you ever been the subject of a bankruptcy action? Please explain.
- 6) Provide a brief history of your company that includes your company's core values and business philosophy.
- 7) How long has your company been in the FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS industry?
- 8) Is your organization best described as a manufacturer or a distributor/dealer/re-seller for a manufacturer of the products/equipment and related services being proposed?
 - a) If the Proposer is best described as a re-seller, manufacturer aggregate, or distributor, please provide evidence of your authorization as a dealer/re-seller/manufacturer aggregate for the manufacturer of the products/equipment and related services you are proposing.
 - b) If the Proposer is best described as a manufacturer, please describe your relationship with your sales/service force and/or Dealer Network in delivering the products/equipment and related services proposed.
 - c) Are these individuals your employees, or the employees of a third party?
 - d) If applicable, is the Dealer Network independent or company owned?
- 9) Please provide your bond rating, and/or a credit reference from your bank.
- 10) Provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held by your organization in pursuit of the commerce and business contemplated by this RFP.
- 11) Provide a detailed explanation outlining licenses and certifications both required to be held, and actually held, by third parties and sub-contractors to your organization in pursuit of the commerce contemplated by this RFP. If not applicable, please respond with "Not Applicable."
- 12) Provide all "Suspension or Disbarment" information as defined and required herein.
- 13) In addition to the \$1.5 million in General Liability and/or in conjunction with umbrella insurance coverage, what level of automobile and workers compensation insurance does your organization currently have? If none, please explain.
- 14) Within the RFP category there is potential to be several different sub-categories of solutions; list sub category title/s that best describe your equipment/products, services and supplies.

Industry Requirements & Marketplace Success

- 15) List and document recent industry awards and recognition.
- 16) Supply three references/testimonials from customers of like status to NJPA Members to include Government and Education agencies. Please include the customer's name, contact, and phone number.

- 17) Provide a list of your top 5 Government and/or Education customers (entity name is optional) including: entity type, the state the entity is located in, scope of the project/s, size of transaction/s and dollar volumes from the past 3 fiscal years.
- 18) What percentages of your current (within the past three (3) fiscal years) national sales are to the government and education verticals? Indicate government and education verticals individually.

Proposer's Ability to Sell and Deliver Service Nationwide

- 19) Please describe your company sales force in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sale and services of the equipment/products contemplated in this RFP?
- 20) Please describe your dedicated dealer network and number of individual sales force within your dealer network in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sales distribution and delivery of your equipment/products and related services contemplated in this RFP?
- 21) Please describe your dedicated company service force or dedicated network in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sale of the equipment/products and related services contemplated in this RFP?
- 22) Please describe your dedicated dealer service force or network in terms of numbers geographic dispersion, and the proportion of their attention focused on the sale of the equipment/products and related services contemplated in this RFP? Additionally, please describe any applicable road service and do they offer the ability to service customers at the customer's location?
- 23) Describe in detail your customer service program regarding process and procedure. Please include, where appropriate, response time capabilities and commitments as a part of this RFP response and awarded contract.
- 24) Identify any geographic areas or NJPA market segments of the United States you will NOT be fully serving through the proposed contract.
- 25) Identify any of NJPA Member segments or defined NJPA verticals you will NOT be offering and promoting an awarded contract to? (Government, Education, Non-profit)
- 26) Define any specific requirements or restrictions as it applies to our members located off shores such as Hawaii and Alaska and the US Islands. Address your off shore shipping program on the Pricing form P of this document.

Marketing Plan

- 27) Describe your contract sales training program to your sales management, dealer network and/or direct sales teams relating to a NJPA awarded contract.
- 28) Describe how you would market/promote an NJPA Contract nationally to ensure success.
- 29) Describe your marketing material, and overall marketing ability, relating to promoting this type of partnership and contract opportunity. Please send a few representative samples of your marketing materials in electronic format.
- 30) Describe your use of technology and the internet to provide marketing and ensure national contract awareness.
- 31) Describe your perception of NJPA's role in marketing the contract and your contracted products/equipment and related services.
- 32) Describe in detail any unique marketing techniques and methods as a part of your proposal that would separate you from other companies in your industry.
- 33) Describe your company's Senior Management level commitment with regards to embracement, promoting, supporting and managing a resultant NJPA awarded contract
- 34) Do you view your products/equipment applicable to an E-procurement ordering process?
 ___ Yes ___ No
 - a) If yes, describe examples of E-procurement system/s or electronic marketplace solutions that your products/equipment was available through. Demonstrate the success of government and educations customers to ordering through E-procurement.
- 35) Please describe how you will communicate your NJPA pricing and pricing strategy to your sales force nationally?

Other Cooperative Procurement Contracts

- 36) Describe your level of experience with national, state and local cooperative contracts.
- 37) What is the annual dollar sales volume generated through each of the contract(s) identified in your answer to the previous question.
- 38) Identify any GSA Contracts held or utilized by the Proposer.

- 39) What is the annual combined dollar sales volume for each of these contracts?
- 40) If you are awarded the NJPA contract, are there any market segments or verticals (e.g., higher education, K-12 local governments, non-profits etc.) or geographical markets where the NJPA contract will not be your primary contract purchasing vehicle? If so, please identify those markets and which cooperative purchasing agreement will be your primary vehicle.
- 41) How would you leverage an NJPA awarded contract in your sales process?
- 42) Identify a proposed administrative fee payable to NJPA for facilitation, management and promotion of the NJPA contract, should you be awarded. This fee is typically calculated as a percentage of Contract sales and not a line item addition to the customers cost of goods.

Value Added

- 43) If applicable, describe any product/equipment training programs available as options for NJPA members. If applicable, do you offer equipment operator training as well as maintenance training? ____ Yes ____ No
- 44) Is this training standard as a part of a purchase or optional?
- 45) Describe current technological advances your proposed equipment/products and related services offer.
- 46) Describe your “Green” program as it relates to your company, your products/equipment, and your recycling program, including a list of all green products accompanied by the certifying agency for each (if applicable).
- 47) Describe any Women or Minority Business Entity (WMBE) or Small Business Entity (SBE) accreditations and the general minority and small business program of your organization as it relates to a Contract resulting from this RFP.
- 48) Identify any other unique or custom value added attributes of your company or your products/equipment or related services. What makes your proposed solutions unique in your industry as it applies to NJPA members?
- 49) Other than what you have already demonstrated or described, what separates your company, your products/equipment and related services from your competition?
- 50) Identify and describe any service contract options included in the proposal, or offered as a proposed option, for the products/equipment being offered.
- 51) Identify your ability and willingness to offer an awarded contract to qualifying member agencies in Canada specifically and internationally in general.
- 52) Describe any unique distribution and/or delivery methods or options offered in your proposal.

NOTE: Questions regarding Payment Terms, Warranty, Products/Equipment/Services, Pricing and Delivery, and Industry Specific Items are addressed on Form P.

Signature: _____ Date: _____



PROPOSER INFORMATION

Company Name: _____

Address: _____

City/State/Zip: _____

Phone: _____ Fax: _____

Toll Free Number: _____ E-mail: _____

Web site: _____

VOIDS sometimes exist between management (those who respond to RFPs) and sales staff (those who contact NJPA Members) that result in communication problems. Due to this fact, provide the names of your key sales people, phone numbers, and geographic territories for which they are responsible

COMPANY PERSONNEL CONTACTS

Authorized Signer for your organization*:

Name: _____

Email: _____ Phone: _____

* By executing Form F, the "Proposer's Assurance of Compliance," you are certifying this person identified here has their authorization to sign on behalf of your organization:

Author of your proposal response

Name: _____ Title: _____

Email: _____ Phone: _____

Your Primary Contact person regarding your proposal:

Name: _____ Title: _____

Email: _____ Phone: _____

Other important contact information:

Name: _____ Title: _____

Email: _____ Phone: _____

Name: _____ Title: _____

Email: _____ Phone: _____

**EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS
AND SOLUTIONS REQUEST**



Company Name: _____

Note: **Original must be signed** and inserted in the inside front cover pouch.

Any exceptions to the Terms, Conditions, Specifications, or Proposal Forms contained herein shall be noted in writing and included with the proposal submittal. Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA and may or may not be included in the final contract. NJPA may clarify exceptions listed here and document the results of those clarifications in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS

Proposer's Signature: _____ Date: _____

NJPA's clarification on exception/s listed above:

Contract Award
RFP #061015

FORM D



Formal Offering of Proposal
(To be completed Only by Proposer)

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

In compliance with the Request for Proposal (RFP) for FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS, the undersigned warrants that I/we have examined this RFP and, being familiar with all of the instructions, terms and conditions, general specifications, expectations, technical specifications, service expectations and any special terms, do hereby propose, fully commit and agree to furnish the defined equipment/products and related services in full compliance with all terms, conditions of this RFP, any applicable amendments of this RFP, and all Proposer's Response documentation. Proposer further understands they accept the full responsibility as the sole source of responsibility of the proposed response herein and that the performance of any sub-contractors employed by the Proposer in fulfillment of this proposal is the sole responsibility of the Proposer.

Company Name: _____ Date: _____

Company Address: _____

City: _____ State: _____ Zip: _____

Contact Person: _____ Title: _____

Authorized Signature (ink only): _____
(Name printed or typed)



Contract Acceptance and Award

(To be completed only by NJPA)

NJPA #061015 _____

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 _____, 20____ 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 (Name printed or typed)

Awarded this _____ day of _____, 20____ NJPA Contract Number #061015

NJPA Authorized signature: _____
NJPA Board Member (Name printed or typed)

Executed this _____ day of _____, 20____ NJPA Contract Number #061015

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

Vendor Name _____

Vendor Authorized signature: _____
(Name printed or typed)

Title: _____

Executed this _____ day of _____, 20____ NJPA Contract Number #061015

PROPOSER ASSURANCE OF COMPLIANCE



Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, representing the persons, firms and corporations joining in the submission of the foregoing proposal (such persons, firms and corporations hereinafter being referred to as the "Proposer"), being duly sworn on his/her oath, states to the best of his/her belief and knowledge:

1. The undersigned certifies the Proposer is submitting their proposal under their true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, that the Proposer possesses, or will possess prior to the delivery of any equipment/products and related services, all applicable licenses necessary for such delivery to NJPA members agencies nationally, and that they are authorized to act on behalf of, and encumber the "Proposer" in this Contract; and
2. To the best of my knowledge, no Proposer or Potential Proposer, nor any person duly representing the same, has directly or indirectly entered into any agreement or arrangement with any other Proposers, Potential Proposers, any official or employee of the NJPA, or any person, firm or corporation under contract with the NJPA in an effort to influence either the offering or non-offering of certain prices, terms, and conditions relating to this RFP which tends to, or does, lessen or destroy free competition of the Contract sought for by this RFP; and
3. The Proposer or any person on his/her behalf, has not agreed, connived or colluded to produce a deceptive show of competition in the manner of the proposal or award of the referenced contract; and
4. Neither the Proposer nor any officer, director, partner, member or associate of the Proposer, nor any of its employees directly involved in obtaining contracts with the NJPA or any subdivision of the NJPA, has been convicted of false pretenses, attempted false pretenses or conspiracy to commit false pretenses, bribery, attempted bribery or conspiracy to bribe under the laws of any state or federal government for acts or omissions after January 1, 1985; and
5. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request and other documents of this solicitation and that any and all exceptions have been noted in writing and have been included with the proposal submittal; and
6. If awarded a contract, the Proposer will provide the equipment/products and/or services to qualifying members of the NJPA in accordance with the terms, conditions, scope of this RFP, Proposer offered specifications and other documents of this solicitation; and
7. The undersigned, being familiar with and understand the expectations requested and outlined in this RFP under consideration, hereby proposes to deliver through valid requests, Purchase Orders or other acceptable forms ordering and procurement by NJPA Members. Unless otherwise indicated, requested and agreed to on a valid purchase order per this RFP, only new, unused and first quality equipment/products and related services are to be transacted with NJPA Members relating to an awarded contract; and
8. The Proposer has carefully checked the accuracy of all proposed products/equipment and related services and listed total price per unit of purchase in this proposal to include shipping and delivery considerations. In addition, the Proposer accepts all general terms and conditions of this RFP, including all responsibilities of commitment as outlined and proposed; and

9. In submitting this proposal, it is understood that the right is reserved by the NJPA to reject any or all proposals and it is agreed by all parties that this proposal may not be withdrawn during a period of 90 days from the date proposals were opened regarding this RFP; and
10. The Proposer certifies that in performing this Contract they will comply with all applicable provisions of the federal, state, and local laws, regulations, rules, and orders; and
11. The Proposer understands that submitted proposals which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "nonpublic" **will not** be accepted by NJPA. Pursuant to Minnesota Statute §13.37 only specific parts of the proposal may be labeled a "trade secret." All proposals are nonpublic until the contract is awarded; at which time, both successful and unsuccessful vendors' proposals become public information.
12. The Proposer understands and agrees that NJPA will not be responsible for any information contained within the proposal.
13. By signing below, the Proposer understands it is his or her responsibility as the Vendor to act in protection of labeled information and agree to defend and indemnify NJPA for honoring such designation. Proposer duly realizes failure to so act will constitute a complete waiver and all submitted information will become public information; additionally failure to label any information that is released by NJPA shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands and agrees to comply with the terms and conditions specified above.

Company Name: _____

Contact Person for Questions: _____

(Must be individual who is responsible for filling out this Proposer's Response form)

Address: _____

City/State/Zip: _____

Telephone Number: _____ Fax Number: _____

E-mail Address: _____

Authorized Signature: _____

Authorized Name (typed): _____

Title: _____

Date: _____

Notarized

Subscribed and sworn to before me this _____ day of _____, 20_____

Notary Public in and for the County of _____ State of _____

My commission expires: _____

Signature: _____



OVERALL EVALUATION AND CRITERIA

For the Proposed Subject FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS

Conformance to Terms & Conditions	50	
Financial, Industry Requirements & Marketplace Success	75	
Proposer's Ability to Sell and Deliver Service Nationwide	100	
Proposer's Marketing Plan	50	
Value Added Attributes	75	
Warranty	50	
Equipment/Products and Related Services	200	
Pricing	400	
TOTAL POINTS	1000	

Reviewed by: _____ Its _____
 _____ Its _____



Form P

PROPOSER QUESTIONNAIRE
Payment Terms, Warranty, Products/Equipment/Services, Pricing and Delivery, Industry Specific

Proposer Name: _____

Questionnaire completed by: _____

Payment Terms and Financing Options

- 1) Identify your payment terms if applicable. (Net 30, etc.)
- 2) Identify any applicable leasing or other financing options as defined herein.
- 3) Briefly describe your proposed order process for this proposal and contract award. (Note: order process may be modified or refined during an NJPA member's final Contract phase process).
 - a. Please specify if you will be including your dealer network in this proposal. If so, please specify how involved they will be. (For example, will the Dealer accept the P.O.?), and how are we to verify the specific dealer is part of your network?
- 4) Do you accept the P-card procurement and payment process?

Warranty

- 5) Describe, in detail, your Manufacture Warranty Program including conditions and requirements to qualify, claims procedure, and overall structure.
- 6) Do all warranties cover all products/equipment parts and labor?
- 7) Do warranties impose usage limit restrictions?
- 8) Do warranties cover the expense of technicians travel time and mileage to perform warranty repairs?
- 9) Please list any other limitations or circumstances that would not be covered under your warranty.
- 10) Please list any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs. How will NJPA Members in these regions be provided service for warranty repair? Please provide a list of your network service providers for warranty work and repairs.

Equipment/Product/Services, Pricing, and Delivery

- 11) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.
- 12) Provide a general narrative description of your pricing model identifying how the model works (line item and/or published catalog percentage discount).
- 13) Please quantify the discount range presented in this response pricing as a percentage discount from MSRP/published list.
- 14) Provide an overall proposed statement of method of pricing for individual line items, percentage discount off published product/equipment catalogs and/or category pricing percentage discount with regard to all equipment/products and related services and being proposed. Provide a SKU number for each item being proposed.
- 15) Propose a strategy, process, and specific method of facilitating "Sourced Equipment/Products and/or related Services" (AKA, "Open Market" items or "Non-Standard Options").
- 16) Describe your NJPA customer volume rebate programs, as applicable.
- 17) Identify any Total Cost of Acquisition (as defined herein) cost(s) which is **NOT** included "Pricing" submitted with your proposal response. Identify to whom these charges are payable to and their relationship to Proposer.

18) If freight, delivery or shipping is an additional cost to the NJPA member, describe in detail the complete shipping and delivery program.

19) As an important part of the evaluation of your offer, indicate the level of pricing you are offering.

Prices offered in this proposal are:

- _____ a. Pricing is the same as typically offered to an individual municipality, Higher Ed or school district.
- _____ b. Pricing is the same as typically offered to GPOs, cooperative procurement organizations or state purchasing departments.
- _____ c. Better than typically offered to GPOs, cooperative procurement organizations or state purchasing departments.
- _____ d. Other; please describe.

20) Do you offer quantity or volume discounts?

_____ YES _____ NO Outline guidelines and program.

21) Describe in detail your proposed exchange and return program(s) and policy(s).

22) Specifically identify those shipping and delivery and exchange and returns programs as they relate to Alaska and Hawaii and any related off shore delivery of contracted products/ equipment and related services

23) Please describe any self-audit process/program you plan to employ to verify compliance with your anticipated contract with NJPA. Please be as specific as possible.

Industry-Specific Items

24) Describe your on-site inventory management solution, if applicable.

25) If you are proposing an on-site inventory management solution, can you customize it based on NJPA member requests? If so, please provide an example(s) of when and how you have done this.

26) What is your parts fill rate, if applicable?

Signature: _____ Date: _____



10 PRE-SUBMISSION CHECKLIST

Check when Completed	Contents of Your Bid Proposal	Hard Copy Required Signed and Dated	Electronic Copy Required - CD or Flash Drive
	Form A: Proposer Questionnaire with all questions answered completely	X - signature page only	X
	Form B: Proposer Information		X
	Form C: Exceptions to Proposal, Terms, Conditions, and Solutions Request	X	X
	Form D: Formal Offering of Proposal	X	X
	Form E. Contract Acceptance and Award		X
	Form F: Proposers Assurance of Compliance	X	X
	Form P: Proposer Questionnaire with all questions answered completely	X-signature page only	X
	Certificate of Insurance with \$1.5 million coverage	X	X
	Copy of all RFP Addendums issued by NJPA	X	X
	Pricing for all Products/Equipment/Services within the RFP being proposed		X
	Entire Proposal submittal including signed documents and forms.		X
	All forms in the Hard Copy Required Signed and Dated should be inserted in the front of the submitted response, unbound.		
	Package containing your proposal labeled and sealed with the following language: "Competitive Proposal Enclosed, Hold for Public Opening XX-XX-XXXX"		
	Response Package mailed and delivered prior to deadline to: NJPA, 202 12th St NE, Staples, MN 56479		



11 NJPA VENDOR PRICE AND PRODUCT CHANGE REQUEST FORM

Section 1. Instructions For Vendor

Pursuant the NJPA RFP, requests for equipment/products or service changes, additions or deletions will be allowed at any time throughout the awarded contract term. All requests must be made in written format by completing sections 2, 3 and 4 of the NJPA Price and Product Change Request Form and signature of an authorized Vendor employee in section 5. All changes are subject to review and approval by the NJPA Contracts & Compliance Manager, signed in acceptance by the NJPA Executive Director and acknowledged by the NJPA Contract Council. Submit request via email to your Contract Manager **AND: PandP@njpacoop.org.**

NJPA's due diligence in analyzing any request for change is to determine if approval of the request is: 1) within the scope of the original RFP and 2) in the "Best Interests of NJPA and NJPA Members." A signed Price and Product Change form will be returned to vendor contact via email.

Vendor must complete this change request form and individually list or attach all items or services subject to change, provide sufficiently detailed explanation and documentation for the change, and include a complete restatement of pricing document in appropriate format (preferably Excel). The pricing document must identify all equipment/products and services being offered and must conform to the following NJPA product/price change naming convention: (Vendor Name) (NJPA Contract #) (effective pricing date); for example, "COMPANY 012411-CPY eff 02-12-2013."

NOTE: New pricing restatement must include all equipment/products and services offered regardless of whether their prices have changed and include a new "effective date" on the pricing documents. This requirement reduces confusion by providing a single, current pricing sheet for each vendor and creates a historical record of pricing.

ADDITIONS. New equipment/products and related services may be added to a contract if such additions are within the scope of the RFP.

DELETIONS. New equipment/products and related services may be deleted from a contract if an item or service is no longer available and thus not relevant to the contract; for example, discontinued, improved, etc.

PRICE CHANGES: Request prices changes in general terms along with the justification by product category for the change; for example, a 3% increase in XYZ Product Line is due to a 3% increase in petroleum, or this list of SKUs/ product descriptions is increasing X% due to X% increase in cost of raw materials.

Price decreases: NJPA expects Vendors to propose their very best prices and anticipates price reductions are due to advancement of technologies and market place efficiencies.

Price increases: Typical acceptable increase requests include increases to Vendor input costs such as petroleum or other applicable commodities, increases in product utility of new compared to old equipment/products or service, etc. Vendor must include reasonable documentation for the claims cited in their request along with detailed justification for why the increase is needed. Special details for price changes must be included with the request along with both current and proposed pricing. Appropriate documentation should be attached to this form, including letters from suppliers announcing price increases.

Refer to section 4 of the RFP for complete "Pricing" details.

Section 2. Vendor Name and Type of Change Request

AWARDED
VENDOR NAME:

NJPA
CONTRACT
NUMBER:

CHECK ALL CHANGES THAT APPLY:

- Adding Equipment/ Products /Services
- Deleting/Discontinuing Equipment/Products/Services
- Price Increase
- Price Decrease



11 NJPA VENDOR PRICE AND PRODUCT CHANGE REQUEST FORM

Section 3. Detailed Explanation of Need for Changes

List equipment/products and/or services that are changing, being added or deleted from previous contract price list along with the percentage change for each item or category. (Attach a separate, detailed document if more than 10 items.)

Provide a general statement and documentation explaining the reasons for these price and/or equipment/product/service changes.

SAMPLES: 1-All paper equipment/products and services increased 5% in price due to transportation and fuel costs (see attached documentation of raw materials increase). 2-The 6400 series floor polisher is added to the product list as a new model replacing the 5400 series. The 6400 series 3% increase reflects technological improvements made that improve the rate of efficiency and useful life. The 5400 series is now included in the "Hot List" at a 20% discount from previous pricing until remaining inventory is liquidated.

If adding equipment/products/services, provide a general statement how these are in the scope.

If changing prices and/or adding equipment/products/services, provide a general statement that the pricing or equipment/products/services is consistent with existing NJPA contract pricing.



11 NJPA VENDOR PRICE AND PRODUCT CHANGE REQUEST FORM

Section 4. Complete Restatement of Pricing Submitted

A COMPLETE restatement of the pricing including all new and existing equipment/products and services is attached and/or has been emailed to PandP@njpacoop.org.

Yes No

Section 5. Signatures

Vendor Authorized Signature

Date

Print Name and Title of Authorized Signer

NJPA Executive Director Signature

Date



Appendix A

NJPA The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential Member agencies to include all Government, Higher Education, K12 Education, Non-Profit, Tribal Government, and all other Public Agencies located nationally in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution.

For your reference, the links below include some, but not all, of the entities included in this proposal:

http://www.usa.gov/Agencies/Local_Government/Cities.shtml

<http://nces.ed.gov/globallocator/>

<https://harvester.census.gov/imls/search/index.asp>

<http://nccsweb.urban.org/PubApps/search.php>

<http://www.usa.gov/Government/Tribal-Sites/index.shtml>

<http://www.usa.gov/Agencies/State-and-Territories.shtml>

<http://www.nreca.coop/about-electric-cooperatives/member-directory/>

[Oregon](#)

[Hawaii](#)

[Washington](#)



ADDENDUM ONE (1)
To that certain
NJPA RFP #061015
Issued by
National Joint Powers Alliance®
For the procurement of

FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANGEMENT SOLUTIONS

Consider the following to be part of the above-entitled RFP: State of Montana participation

The State of Montana intends to participate in this contract category. Any entity entering into an agreement with the State of Montana under this contract must consent to the following language as part of the agreement.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance. (Section 18-1-118, MCA). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Section 18-4-141, MCA.)

REDUCTION OF FUNDING: The State must terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance in a subsequent fiscal period. (See section 18-4-313(4), MCA.)

VENUE: The parties agree that any litigation concerning subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Section 18-1-401, MCA.)

All other provisions of the RFP still apply, including the original proposal submission deadline.

Acknowledgment of Addendum One (1) to RFP 061015 emailed on May 11, 2015

COMPANY NAME: _____

SIGNATURE: _____

DATE: _____

Please include this signed Addendum with your RFP response.

Proposal Opening Witness

Date of opening: June 11, 2015

The witnesses signed below hereby witness they were present on the above date and in witness of the public opening of all responses received to the Request For Proposal #061015 for the procurement of FLEET-RELATED MAINTENANCE EQUIPMENT, SERVICES AND INVENTORY MANAGEMENT by NJPA and NJPA Members.

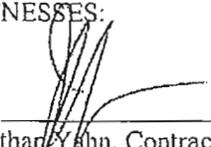
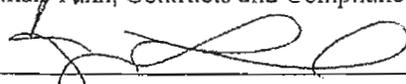
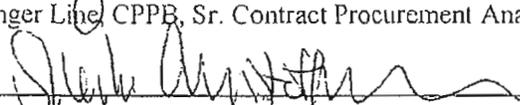
Proposals are evaluated first on responsiveness then on the other criteria included in the RFP. Responsiveness consists of the following criteria:

1. Was the response received prior to the deadline of submission?
2. Was the response properly packaged and addressed?
3. Did the response contain the proper bid bond?
4. Did the response include documents with original signatures that were required?

Responses were received from the following:

- Factory Motor Parts – received 6/10/15 at 11:13am**
Bidder deemed non-responsive
Form D – missing
Form E – electronic copy missing
Form F - missing
- Ford Motor Company – received 6/9/15 at 11:38am**
Bidder deemed responsive
- Genuine Parts Company/NAPA Integrated Business Solutions (IBS) - received 6/9/15 at 10:39am**
Bidder deemed responsive
- Mohawk Resources Ltd - received 6/9/15 at 11:39am**
Bidder deemed responsive
- SEFAC, Inc. – received 6/9/15 at 10:37am**
Bidder deemed responsive
- Stertil-Koni USA, Inc. – 6/8/15 at 10:44am**
Bidder deemed responsive
- Vehicle Service Group, LLC/Rotary Lift – received 6/10/15 at 11:14am**
Bidder deemed responsive

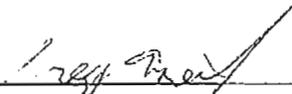
WITNESSES:

 _____ Jonathan Yahn, Contracts and Compliance Manager, NJPA	_____ 6/11/15
 _____ Ginger Line, CPPB, Sr. Contract Procurement Analyst, NJPA	_____ 6/11/15
 _____ Sheila Christoffersen, Procurement Support Specialist, NJPA	_____ 6/11/15

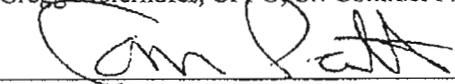


www.njpacoop.org





Gregg Meierhofer, CPPG, Sr. Contract Products & Pricing Analyst



Tom Perttula, Senior Contract Manager, NJPA

6/11/15

6/11/15



Form G
Fleet-Related Maintenance Equipment, Supplies, Services, and Inventory Management Solutions

	Possible Points	Ford Motor Company	Genuine Parts Company/NAPA Integrated Business Solutions (IBS)	Mohawk Resources Ltd	SEFAC Inc	Steril-Koni USA Inc	Vehicle Service Group LLC/rotary Lift
Conformance to Terms/ Conditions to Include							
Documentation	50	41.25	43.00	41.80	33.00	41.40	34.80
Pricing	400	308.00	314.00	312.00	195.00	296.00	306.00
Financial, Industry and Marketplace Successes	75	69.60	67.60	62.60	49.80	60.00	61.60
Bidder's Ability to Sell/ Service Contract	100	88.00	89.80	78.40	51.00	67.00	74.60
Nationally	50	42.20	42.80	43.40	30.00	36.80	36.60
Bidder's Marketing Plan	75	63.00	64.60	67.20	49.00	55.00	56.60
Value Added Attributes							
Warranty Coverages and Information	50	39.40	41.20	44.00	31.80	38.80	38.00
Selection and Variety of Products and Services Offered	200	152.00	168.00	152.00	133.00	127.00	138.00
Total Points	1,000	803.45	831.00	801.40	572.60	727.00	748.00

Gregg Meremoler
 Gregg Meremoler, CPPO, NJPA

Isena Garcia
 Isena Garcia, CAFM, City of Sacramento, CA

Tracy Plinske
 Tracy Plinske, NJPA

Jonathan Valm, JD
 Jonathan Valm, JD, NJPA

Home > Biddingo > Bid Information

Bid Information

Pending Biddingo Approval

Bid Information for 061015

Bid Number	061015	Description	FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS.
Published By	National Joint Powers Alliance	Solicitation Type	Open to all suppliers
Contract Type	RFP	Procurement Name	Procurement
Published Date	05/01/2015	Closing Date	06/10/2015 04:30:00 PM CT
Country & Province/State	Ontario, Canada	Region & City	
Bid Type	Goods, Services	Group	
Remind Notice Date	Not Applicable	Publish Option	
NIGP Code		Value Range	Not Applicable
Accept questions	By Deadline:	Tender Area	

Requirements

NDA Requirement	N/A
NOI Date	N/A
Site Meetings	N/A

Bid Advertisement



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

061015

Closing Date: 06/10/2015 04:30:00 PM CT

Detail:

The National Joint Powers Alliance (NJPA) on behalf of NJPA and its current and potential member agencies which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES AND INVENTORY MANAGEMENT SOLUTIONS. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 8:00 a.m. Central Time.

Bid Document

No Bid Document Selected

Selected Categories (Biddingo Category)

Automotive/ Industrial

Automotive Services

Aviation Supplies/ Services

Heavy Equipment/ Vehicles

Industrial Vehicles/ Equipment

Passenger Vehicles	
Recreational Vehicles and Services	
Tools/ Supplies/ Parts	
Unclassified Categories	Miscellaneous Items
Miscellaneous	

Attached Bid Documents

Seq.	Name	Description	Size	Page	NDA Required	Preview Document
FREE Electronic Distribution of Bid Document(s)						
Doc. 1	Details may be obtained by letter of request to Maureen Knight.docx	How to obtain RFP	11753	1		

Invited Bidders

Name / Email	Address	Phone	Fax
<p>No Bidders Invited</p> <p>Powered by Biddingo.com</p> <p>[SUPPORT [Download Training Manuals] *]</p> <p> Norton</p> <p><small>ABOUT SSL CERTIFICATES</small></p>			

- 12-Step Procurement Process
-
- About Us
-
- Affiliations & Relationships
-
- Become a Member
-
- Become a Vendor

- Contracts - General
- Contracts - Fleet
- Contracts - ezIQC Construction
- Cooperative Health
- Current & Pending Solicitations
- FAQs
- How to Purchase
- Legal Authority
- National Cooperative Leasing
- NJPA Access for Vendors
- Search Vendors & Products
- Tribal
- What Can NJPA Do For You
- Vendor Newsletter

Get to Know NJPA

Current & Pending Solicitations:

- Staffing and Professional Employment Related Services
- Paint and Wall Coverings with Related Supplies, Equipment and Services
- Agricultural Tractors with Related Equipment and Accessories
- Pre-Engineered Buildings with Related Materials, Site Prep, Install, and Ancillary Services
- Furniture with Related Accessories and Services
- Heavy Construction Equip with Related Accessories, Attachments, and Supplies
- Airport Rescue and Firefighting (ARFF) Extinguishing Agents and Related Products and Services
- Leasing and Financing Solutions with Related Services
- Storage Products or Systems with Related Accessories
- Medium Duty and Compact Construction and Maintenance Equipment with Related Attachments, Accessories, and Supplies
- Medical Claims and Administrative Services and Provider Network Access
- Portable Construction and Maintenance Equipment and Trailers with Related Accessories, Attachments, and Supplies
- Lullabots, Early Warning Systems and Related Products or Services
- Fleet-Related Maintenance

Public Purchase

[Home](#)
[New Bid](#)
[Closed Bids](#)
[My Stuff](#)
[Tools](#)

[Home](#)
[New Bid](#)
[Closed Bids](#)
[My Stuff](#)
[Tools](#)



Bid RFP #061015 - FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. [\[Switch to vendor view\]](#)

Bid Type RFP

Bid Number 061015

Title **FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS.**

Start Date **May 1, 2015 8:50:46 AM CDT**

End Date **Jun 10, 2015 4:30:00 PM CDT**

Agency **NJPA**

Bid Contact **Ginger Line**
 (218) 894-5483 [✉](#)
ginger.line@njpacoop.org
 202 12th Street NE
 P.O. Box 219
 Staples, MN 56479-0219

Access Reports
 View reports on who has been notified of the bid or accessed it. [\[Notification report\]](#) [\[Access report\]](#)

Questions
 0 Questions
 0 Unanswered [\[View?\]](#) [\[Questions\]](#)

Edit Bid
[\[Create\]](#)
[\[Update\]](#)

Description

The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of # 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. Details of this RFP are available beginning MAY 1, 2015. Details may be obtained by letter of request to Jonathan Yahn, NJPA, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479, or by e-mail at RFP@njpacoop.org. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 8:00 a.m. Central Time.

Delivery Information

Jonathan Yahn, NJPA, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479

Pre-Bid Conference

Date **May 20, 2015 10:00:00 AM CDT**

Location **Webcast/Conference Call**

Notes **Connection Information will be sent two business days prior to the event.**

Documents

No Documents for this bid

THE STATE MEDIA CO., INC.
Columbia, South Carolina
publisher of
The State

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

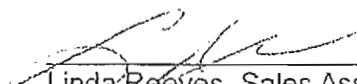
Personally appeared before me, Linda Reeves, Sales Assistant
of THE STATE, and makes oath that the advertisement,

RFP The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of # 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. Details of this RFP are available beginning MAY 1, 2015. Details may be obtained by letter of request to Jonathan Yelton, NJPA, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479, or by e-mail at RFP@njpac.org. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 9:00 a.m. Central Time.
1708586

1708586

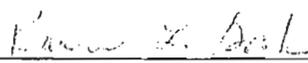
was inserted in THE STATE, a daily newspaper of general circulation published in the City of Columbia, State and County aforesaid, in the issue(s) of

May 1, 2015


Linda Reeves, Sales Assistant

Subscribed and sworn to before me, Karen L. Book,

on this day, May 1, 2015


Notary Public

My commission expires
September 25, 2016.

"Errors- the liability of the publisher on account of errors in or omissions from any advertisement will in no way exceed the amount of the charge for the space occupied by the item in error, and then only for the first incorrect insertion."

[Print-friendly Version](#) [< Back](#)

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

Disclaimer

Header

Reference Number	PR329129
Solicitation Number	061015
Buying Organization	National Joint Powers Alliance
Source ID	PP.CO.USA.868485.C88455
Associated Components	Yes
Non-disclosure Agreement	Not required.

Dates

Published	
Revised	
Closing	2015-06-10 04:30 PM Central Daylight Saving Time CDT

Details

Opportunity Access	Open
Category	Miscellaneous Goods
GSINS	
Region of Delivery	Canada
Agreement Type	
Tender Type	Request for Proposal (RFP)
Estimated Value	
Pre-bid Meeting	Optional 2015-05-20 10:00 AM Central Daylight Saving Time CDT Webcast/Conference Call
Site Visit	Not Applicable

Bid Security Required	No
Deadline for Bidders' Questions	2015-06-03

Notice Description**FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS.**

The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of # 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. Details of this RFP are available beginning MAY 1, 2015. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 8:00 a.m. Central Time.

Contact(s)**Contracting Authority**

Name	Ginger Line
Address	202 12th Street NE PO Box 219
City	Staples
State / Province	MN
Country	United States
Postal Code	56479
Phone	(218)894-1930 ☎
Fax	(218)894-3045 ☎
Email	ginger.line@njpacoop.org
Website URL	

Print-friendly Version [< Back](#)

Note: Web site links will be displayed when available. If you click a web site link, you will be connected to another web site. Your MERX session will timeout after 20 minutes of inactivity. Should this occur, please return to the MERX home page and log in to MERX again.

© MERX - All rights reserved. No part of the information contained in the Public Tenders portion of this Web Site may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of MERX and the Minister of the participating government department. MERX, the Minister nor the Contracting Authority will assume responsibility or liability for the accuracy of the information contained in the publication.

Go ahead, take a small trip with that windfall

CONTINUED FROM U

wouldn't want to be your adviser if you'd just knocked over First Federal of Paducah. But more importantly, he'd want to know whether you really had \$50,000, or if you had \$50,000 before taxes. A lottery ticket? Taxable. Inheritance? Not taxable. In most cases.

Next question: How much high-interest consumer debt do you have? If you have credit cards that charge 14% to 20% — not, God forbid, a delinquent on today's title loan sharks — then you need to pay that off first. "It can have a real impact on your life," Dever says.

Paying off a 20% credit card debt is like earning 20% on an investment. Good luck finding a better return than that.

If you do have lots of consumer debt, you also need to figure out why you do — or you'll simply wind up with lots of debt again. This could require getting credit counseling, and certainly you need to set up a budget.

Your next step: Set up an emergency fund. Advisers often say you should have three to six months' expenses in the bank if you have a normal job, or five years' worth if you're a journalist. At the very least, you should have



There's not an investment in the world that needs to be made right now. Anyone who says otherwise may be cheating you.

enough to cover a large unexpected expense, such as a new transmission, furnace or roof.

For many people, the initial step isn't much different than that an adviser would tell someone: just starting out in life, Dever says. "Get your house in order and do these two things first," she says. "These are what you need to do to be successful. Then start building an investment portfolio." Your next step: Take a breath.

There's not an investment in the world that needs to be made this very second. Anyone who tells you otherwise is probably trying to cheat you. Park your money somewhere safe — a bank account or a money market fund — and start thinking about what you want to do with your new-found money. "Our real advice to clients is to be intentional. Decide what you want to do, and do it," Dever says.

So down and make a list of your goals, and when you want to reach those goals. For example, you might want to get a new car in five years, send your kids to college in 15 years, and retire in 35 years. A \$50,000 legacy won't enable you to do all those things, having even more outrageous fortune, but the list will help you to decide where to allocate that money.

Take some time to read about finance, if you're intimidated by investing. *The Little Book on Common Sense Investing*, by Vanguard founder Jack Bogle, is a good place to start. *The Only Investment Guide You'll Ever Need*, by Andrew Tobias, is another one.

And if you're leery of going it alone, seek advice. You'll have to pay for this advice, and it won't be cheap — just as it wouldn't be cheap to get advice from a lawyer or doctor. At the least, you'll want someone who is a certified financial planner and can prove he holds the CFP designation. You'll also want someone who doesn't have a long history of client complaints — something you can check.

Ideally, you want a financial adviser who is a fiduciary — that is, he puts your interests above his. If your adviser won't adhere to the fiduciary standard, it

should be fun, at least, to watch him explain why not. Then go find someone who will. You can start with the National Association of Personal Financial Advisors' website (www.napfa.org), which will help you find a planner in your area. If you're seeking family advice, you might consider the Garrett Planning Network (www.garrettplanningnetwork.com).

Finally, bear in mind that life's for the living. While it's good to delay gratification, there's no shame in indulging yourself a bit. "If someone says, 'I'm going to take \$5,000 and go on the vacation of my dreams and invest the other \$45,000,' I'd say, 'Go for it. My job is done. Send me the pictures,'" Ferraro says.

Money should will tell you to never spend any money now, because you'll need it later. But life is for the living, and you never know when an onix will fall on your head.

And a bit of indulgence teaches you something about money, Ferraro says.

"It shows the value of what money can buy," he says. "And it often can motivate people to save more."

And remember: Spend a little bit. Save a lot. Fortune may favor the bold, but it loves the prudent.

Alibaba's move signals caution

John Steindl
Special to USA TODAY

SAN FRANCISCO — It's usually wise to take note of what a public company and its executives say and do just before they release quarterly financial results.

While securities rules limit how much they can share, clues are there for investors who are paying attention.

Last week, for example, reports surfaced that Twitter had ended regular stock sales by executives, a move interpreted as a confidence-building gesture aimed at Wall Street.

Given that Twitter CEO Dick Costolo had sold \$36.2 million in Twitter shares since last July, that interpretation made sense. And yet the timing seemed odd, given that Twitter shares had surged by more than 20% since the start of the year.

Why would the management of a company whose stock had so much bullish momentum need to build investor goodwill?

The answer to that question came only after Twitter released a financial report and forecast so



John Steindl has covered tech and financial markets for over 15 years.

disappointing that its shares got pummeled by more than 20% in two days.

In the wake of that disaster for Twitter shareholders, the cessation of executive stock sales makes more sense.

This week's yellow flag for investors was sent up by Alibaba CEO Jack Ma. On Wednesday, it was widely reported Ma had instituted a hiring freeze at the Chinese e-commerce giant. The news came from the transcript of a meeting in which Ma reportedly vowed that the company had grown too quickly.

Alibaba's latest publicly available numbers suggest Ma's true concern: The company had 24,081 employees as of Dec. 31, or 63% more than the 14,764 it had a year earlier, according to its regulatory filing for the period.

The scaling back didn't help push Alibaba's fiscal third-quarter

cooks up 60%, much faster than revenue growth of 40%. As a result, the company's operating income as a percentage of revenue (better known as operating margin) slipped to 26% from 47%. Its net income also fell in a big way, dropping 28% from a year earlier to \$2.9 billion.

Early next week, Alibaba is expected to report results for its fiscal fourth quarter. Wall Street analysts are expecting sales to rise 41%, to \$2.78 billion, while profit excluding stock compensation costs and other items is seen at 42 cents a share.

A hiring freeze would be a very unusual move for a fast-growing company like Alibaba — unless its top management was worried about the health of its bottom line.

John Steindl has covered tech and financial markets for over 15 years.

The news of a hiring freeze at Alibaba came from a transcript of a meeting at which CEO Jack Ma reportedly warned it had grown too quickly.

Stock holds on despite rough quarter for Big Oil

Gary Strauss
USA TODAY

Crude oil's prolonged price slide sent first-quarter earnings of some of the energy sector's juggernauts. But share prices held up even on a day when the broad market sold off because Wall Street was expecting even steeper losses in the hard-hit sector.

ExxonMobil (XOM) shares closed down 50 cents at \$87.37 Thursday after the company reported earnings fell to \$1.9 billion from \$9.1 billion in the year-ago quarter — a 46% plunge that was lower than consensus Wall Street estimates.

Revenue sank 36% to \$67.6 billion from \$106.9 billion. "ExxonMobil's balanced portfolio delivered solid financial results in the quarter," CEO Rex Tillerson of 2014. ConocoPhillips said it realized just \$36.96 a barrel for oil in the quarter, down 48% from \$71.21 a barrel in the year-ago quarter.

"The significant downturn in prices has been a test for the industry," said CEO Ryan Lance.

Still, ConocoPhillips said it remains on track to meet its previously stated target of 2% to 2.5% production growth for the year.



ExxonMobil said earnings fell 46% from the year-ago quarter.

95% increase in its stock dividend.

ConocoPhillips (COP) closed down 14 cents at \$67.92, despite posting a first-quarter profit of just \$272 million, an 87% drop from the \$2.1 billion the world's largest independent energy exploration and production earned in the year-ago quarter. But on a per-share basis, the Houston-based company earned about 11 cents a share, slightly above consensus estimates.

Revenue fell 50% to \$7.7 billion from \$15.3 billion in the first quarter of 2014. ConocoPhillips said it realized just \$36.96 a barrel for oil in the quarter, down 48% from \$71.21 a barrel in the year-ago quarter.

"The significant downturn in prices has been a test for the industry," said CEO Ryan Lance.

Still, ConocoPhillips said it remains on track to meet its previously stated target of 2% to 2.5% production growth for the year.

MARKETPLACE TODAY

For advertising information: 1-800-393-0010 www.usatoday.com/classified

NOTICES

PERSONALS
SEEKING...
REAL ESTATE...
TRAVEL...
PUBLIC NOTICE

BUSINESS OPPORTUNITIES

OWN YOUR OWN
• DOLLAR STORE
• DOLLAR PINE STORE
• BIG BOY DOLLAR STORE
• MAILBOX/SHOP
• BUSINESS CENTER STORE
• OCCUPANT PARTY STORE
• TEENY PINE STORE
• 110 DOLLAR STORE
• PROTEIN TONIGHT STORE
100% FINANCED, OAC
FROM \$59,900
Anywhere - Worldwide
S. TERRY TURNKEY
\$1,477,500-7500 \$5
WWW.BUSSES.COM

BUSINESS OPPORTUNITIES

Real Estate
Toll-free 1-800-393-0010
818-305-8120

BUSINESS OPPORTUNITIES

Investment
Toll-free 1-800-393-0010
818-305-8120

MARKETPLACE

The Good, the Bad and the Funny
Vet Takes a Look Back in Vietnam in His New Book 'Orange Socks & Other Colorful Tales'
<http://www.jsistories.com>

REAL ESTATE

MISSING
TESSA ZIEGLER

PERSONALS

SEEKING...
REAL ESTATE...
TRAVEL...
PUBLIC NOTICE

BUSINESS OPPORTUNITIES

OWN YOUR OWN
• DOLLAR STORE
• DOLLAR PINE STORE
• BIG BOY DOLLAR STORE
• MAILBOX/SHOP
• BUSINESS CENTER STORE
• OCCUPANT PARTY STORE
• TEENY PINE STORE
• 110 DOLLAR STORE
• PROTEIN TONIGHT STORE
100% FINANCED, OAC
FROM \$59,900
Anywhere - Worldwide
S. TERRY TURNKEY
\$1,477,500-7500 \$5
WWW.BUSSES.COM

BUSINESS OPPORTUNITIES

Real Estate
Toll-free 1-800-393-0010
818-305-8120

BUSINESS OPPORTUNITIES

Investment
Toll-free 1-800-393-0010
818-305-8120

MARKETPLACE

The Good, the Bad and the Funny
Vet Takes a Look Back in Vietnam in His New Book 'Orange Socks & Other Colorful Tales'
<http://www.jsistories.com>

REAL ESTATE

MISSING
TESSA ZIEGLER

PERSONALS

SEEKING...
REAL ESTATE...
TRAVEL...
PUBLIC NOTICE

BUSINESS OPPORTUNITIES

OWN YOUR OWN
• DOLLAR STORE
• DOLLAR PINE STORE
• BIG BOY DOLLAR STORE
• MAILBOX/SHOP
• BUSINESS CENTER STORE
• OCCUPANT PARTY STORE
• TEENY PINE STORE
• 110 DOLLAR STORE
• PROTEIN TONIGHT STORE
100% FINANCED, OAC
FROM \$59,900
Anywhere - Worldwide
S. TERRY TURNKEY
\$1,477,500-7500 \$5
WWW.BUSSES.COM

BUSINESS OPPORTUNITIES

Real Estate
Toll-free 1-800-393-0010
818-305-8120

BUSINESS OPPORTUNITIES

Investment
Toll-free 1-800-393-0010
818-305-8120

MARKETPLACE

The Good, the Bad and the Funny
Vet Takes a Look Back in Vietnam in His New Book 'Orange Socks & Other Colorful Tales'
<http://www.jsistories.com>

REAL ESTATE

MISSING
TESSA ZIEGLER

PERSONALS

SEEKING...
REAL ESTATE...
TRAVEL...
PUBLIC NOTICE

BUSINESS OPPORTUNITIES

OWN YOUR OWN
• DOLLAR STORE
• DOLLAR PINE STORE
• BIG BOY DOLLAR STORE
• MAILBOX/SHOP
• BUSINESS CENTER STORE
• OCCUPANT PARTY STORE
• TEENY PINE STORE
• 110 DOLLAR STORE
• PROTEIN TONIGHT STORE
100% FINANCED, OAC
FROM \$59,900
Anywhere - Worldwide
S. TERRY TURNKEY
\$1,477,500-7500 \$5
WWW.BUSSES.COM

BUSINESS OPPORTUNITIES

Real Estate
Toll-free 1-800-393-0010
818-305-8120

BUSINESS OPPORTUNITIES

Investment
Toll-free 1-800-393-0010
818-305-8120

MARKETPLACE

The Good, the Bad and the Funny
Vet Takes a Look Back in Vietnam in His New Book 'Orange Socks & Other Colorful Tales'
<http://www.jsistories.com>

REAL ESTATE

MISSING
TESSA ZIEGLER

4770 S. 5600 W.
WEST VALLEY CITY, UTAH 84118
FED. TAX I.D.# 87-0217663
801-204-6910

The Salt Lake Tribune

MEDIA

Deseret News

PROOF OF PUBLICATION

CUSTOMER'S COPY

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	DATE
NATIONAL JOINT POWERS ALLIANCE. MAUREEN KNIGHT PO BOX 219 STAPLES MN 56479	9001496962	5/1/2015

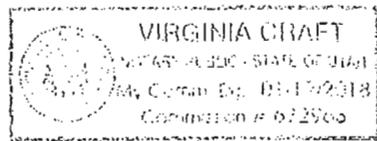
ACCOUNT NAME	
NATIONAL JOINT POWERS ALLIANCE,	
TELEPHONE	AD ORDER# / INVOICE NUMBER
2188945483	0001026020 /
SCHEDULE	
Start 05/01/2015	End 05/01/2015
CUST. REF. NO.	
#061015	
CAPTION	
NOTICE TO CONTRACTORS The National Joint Powers Alliance (NJPA), on behalf of NJPA &	
SIZE	
39 Lines	1.00 COLUMN
TIMES	RATE
3	
MISC. CHARGES	AD CHARGES
TOTAL COST	
89.63	

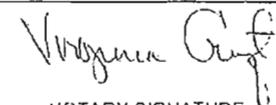
NOTICE TO CONTRACTORS
The National Joint Powers Alliance (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, local government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request for Proposal (RFP) to result in a service contract solution for the procurement of RFP 1015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND LOGISTICS. Details of this RFP are available beginning May 1, 2015. Details may be obtained by letter of request to Jordana Yohn, NJPA, 202 12th Street, Herndon, VA, 20125, 219, Staples, MN 56479, or by e-mail at RFP@njpa.com. Proposals will be received until JUNE 10, 2015 at 4:00 pm. Central Time at the above address and opened JUNE 11, 2015 at 8:00 am. Central Time.
1026020 UTAH

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY COMPANY, LLC dba MEDIA ONE OF UTAH LEGAL BOOKER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE TO CONTRACTORS The National Joint Powers Alliance (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all government FOR NATIONAL JOINT POWERS ALLIANCE, WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY, LLC dba MEDIA ONE OF UTAH (AGENT) FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAH.EGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAH.EGALS.COM INDEFINITELY. COMPLIES WITH UTAH DIGITAL SIGNATURE ACT UTAH CODE 46-2-101; 46-3-104.

Start 05/01/2015 End 05/01/2015
PUBLISHED ON _____
SIGNATURE:  _____
DATE 5/1/2015




NOTARY SIGNATURE

THIS IS NOT A STATEMENT BUT A "PROOF OF PUBLICATION"
PLEASE PAY FROM BILLING STATEMENT

AFFIDAVIT OF PUBLICATION

DJC



921 S.W. Washington St. Suite 210 / Portland, OR 97205-2810
(503) 226-1311

STATE OF OREGON, COUNTY OF MULTNOMAH--ss.

I, Marc Caplan , being first duly sworn, depose and say that I am a Public Notice Manager of the Daily Journal of Commerce , a newspaper of general circulation in the counties of CLACKAMAS, MULTNOMAH, and WASHINGTON as defined by ORS 193.010 and 193.020; published at Portland in the aforesaid County and State; that I know from my personal knowledge that the Goods and Services notice described as

Fleet-Related Maintenance Equipment, Supplies, Services and Inventory Management Solutions National Joint Powers Alliance»; Bid Location Staples, MN, Cass County; Due 06/10/2015 at 04:30 PM

a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for 1 time(s) in the following issues:

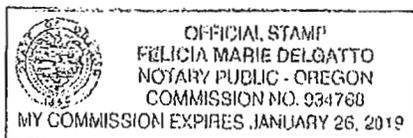
5/1/2015

State of Oregon
County of Multnomah

SIGNED OR ATTESTED BEFORE ME
ON THE 1st DAY OF May, 2015

Marc Caplan

Notary Public-State of Oregon



**NATIONAL JOINT
POWERS ALLIANCE®
FLEET-RELATED MAINTENANCE
EQUIPMENT, SUPPLIES, SERVICES,
AND INVENTORY MANAGEMENT
SOLUTIONS**

Proposals due 4:30pm, June 10, 2015
REQUEST FOR PROPOSALS

The National Joint Powers Alliance® (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, tribal government, and all other public agencies located in all fifty states, Canada, and internationally, issues this Request For Proposal (RFP) to result in a national contract solution for the procurement of # 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS. Details of this RFP are available beginning MAY 1, 2015. Details may be obtained by letter of request to Jonathan Yahn, NJPA, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479, or by e-mail at RFP@njpacoop.org. Proposals will be received until JUNE 10, 2015 at 4:30 p.m. Central Time at the above address and opened JUNE 11, 2015 at 8:00 a.m. Central Time. Please see who this pertains to here: <http://www.njpacoop.org/oregon-advertising>.
Published May 1, 2015. 10748853

Ginger Line
National Joint Powers Alliance
PO Box 219
Staples, MN 56479-0219

Order No.: 10748853
Client Reference No: RFP #061015



[\(1\)](#)

SMART Stewardship [\(1\)](#)

GENERAL SERVICES DIVISION [\(1\)](#)

Solicitation Details

[New Search... \(SolicitationDefault.aspx\)](#)

[Subscribe to this solicitation...](#) (by subscribing you will be sent email updates of changes to this solicitation)

Solicitation Number--Title:

RFP061015--Fleet-Related Maintenance Equipment, Supplies, Services, and Inventory Management Solutions

Date Issued:

Wednesday, May 13, 2015

Closing Date and Time:

Wednesday, June 10, 2015 3:30 PM

Issuing Agency:

State Procurement Bureau (On behalf of State Procurement Bureau)

Contact:

Jeannie Lake | jeannelake@mt.gov (mailto:jeannelake@mt.gov) | (406) 444-0110

Documents (Post Date):

[061015-Fleet-Maintenance-RFP \(/gsd/onestop/Upload/061015-Fleet-Maintenance-RFP.pdf\)](#) (5/13/2015)

[Addendum-One-Fleet-Maintenance \(/gsd/onestop/Upload/Addendum-One-Fleet-Maintenance.pdf\)](#) (5/13/2015)

[Announcement-NJPA \(/gsd/onestop/Upload/Vendor-Announcement-NJPA.doc\)](#) (5/13/2015)

[Forms-Package-061015-Fleet-Maintenance \(/gsd/onestop/Upload/Forms-Package-061015-Fleet-Maintenance.docx\)](#) (5/13/2015)

Quote Group--Quote Group Item (ID):

Vehicles--Cars, Trucks, & Vans (4903)
Vehicles--Repairs/Maintenance (4909)
Vehicles--Shop Equipment (4911)
Vehicles--Vehicle Accessories (4913)
Vehicles--Auto Parts (4915)

Synopsis:

This is a notice to all interested vendors advising them of this RFP. Do not send RFP responses to the State Procurement Bureau. All questions regarding this RFP must be directed to NJPA as

stated in the Request for Proposal document posted.

Notes:

None Available

Public Meetings (Date):

None Available

Contract Award (Date):

None Available

**CONTACT US
(HTTP://GSD.MT.GOV/
/MAINPAGE
/CONTACTINGGENE**

Department of
Administration

General Services
Division

1310 East Lockey

Helena, MT 59620

PO Box 200110

DOA Home
(<http://doa.mt.gov>)

DOA Divisions
(<http://doa.mt.gov/sitemap.mcp#4>)

.ASF



STATE LINKS

Employee Access
(<http://mt.gov/employee/default.mcp#x>)

Governor Bullock's Office
(<http://governor.mt.gov/>)

Mobile Apps (<http://mt.gov/services/default.aspx#tabs-4>)

Social Media Index
(<http://mt.gov/SocialMediaIndex.aspx>)

State Employee Directory
(<http://pubdir.mt.gov/>)

State Phone Book
(<http://mt.gov/content/govt/statedir/statephonebook.pdf>)



Regular Meeting of the
NATIONAL JOINT POWERS ALLIANCE®
Board of Directors
Tuesday, July 21, 2015
Executive Conference Room
202 12th St. NE, Staples, MN 56479

Chair Wilson called the Regular Board meeting to order at 5:55p.m. with the following members present: Mike Wilson, Mary Freeman, Scott Veronen, John Poston, Barb Neprud, Colleen Seelen, and Sara Nagel. Also present was Mary Klamm, Ex-Officio, and Chad Coauette, Susan Nanik, Paul Drange, Misty Myers, Jeremy Schwartz, Jeremy Schneider, Bev Hoemberg, Mike Domin, and Deb Cervantez, NJPA staff.

Ms. Nagel moved, seconded by Ms. Seelen to accept the agenda as amended. Motion carried.

Ms. Seelen moved, seconded by Ms. Neprud to accept the minutes of the Regular Board Meeting held on June 16, 2015. Motion carried.

Dr. Coauette presented the monthly Financial Reports.

Ms. Freeman moved, seconded by Ms. Seelen to approve the check register and Treasurer's Report of Cash, Revenues, and Expenditures and to pay all vendor disbursements #85275 to #85600. Motion carried.

Ms. Freeman moved, seconded by Mr. Poston to approve all Wire Transfers #366 to #390. Motion carried.

Ms. Neprud moved, seconded by Mr. Veronen to accept the Consent Agenda as follows:

- Updated Membership Agreements Members added June 1-30, 2015
- Approve Authorization to Solicit ezIQC State of North Carolina
- Approve Authorization to Re-Solicit
 - Passenger Cars, Light Duty, Medium Duty and Heavy Duty Trucks with Related Accessories
 - Professional Consulting Services with Related Supplies and Accessories
 - Public Safety Related Equipment with Supplies, Accessories and Services
 - Administrative Software with Related Goods and Services
 - Airfield Marking Paint
 - E-Rate Associated Telecommunications, Internet Access and Internal Connectivity Related Goods and Services
 - Floor Covering with Related Supplies, Equipment and Services
 - Express Courier, Overnight, Ground Delivery Logistics Services
 - Classroom Sound Enhancement with Related Accessories, Supplies and Services
 - Exercise and Rehabilitation Equipment with Related Accessories, Supplies and Services
 - Elevators, Escalators, Power Walks with Related Services, Accessories and Supplies
- Approve Bid Evaluation Committee's Recommendation to Award RFP #052015 for Portable Construction and Maintenance Equipment and Trailers with Related Accessories, Attachments and Supplies to:
 - Clark Equipment Company dba Doosan Portable Power
 - Multiquip, Inc.
 - Sullair, LLC
 - Trail King Industries, Inc.

- Approve Bid Evaluation Committee’s Recommendation to Award RFP #061015 for Fleet-Related Maintenance Equipment, Supplies, Services, and Inventory Management Solutions to:
 - Ford Motor Company
 - Genuine Parts Company/NAPA Integrated Business Solutions (IBS)
 - Mohawk Resources, Ltd.
 - Vehicle Service Group, LLC/Rotary Lift
 - Steril-Koni USA, Inc.
- Approve Bid Evaluation Committee’s Recommendation to Award RFP #061715 for Earthquake Early Warning Systems and Related Products or Services to:
 - No Awards Recommended
- Approve Bid Evaluation Committee’s Recommendation to Award RFP #072115 for ezIQC State of Georgia to:
 - F.H. Paschen, S.N. Nielsen & Associates, Inc. GA-072115-FHP
 - LESCO Restorations, Inc. GA-072115-LRI
 - Kellogg, Brown & Root GA-072115-KBR
 - Centennial Contractors Enterprises, Inc. GA-072115-CCE
 - HITT Contracting, Inc. GA01-1-072115-HIT
 - Prime Contractors, Inc. GA01-1-072115-PCI
 - Astra Construction Services, LLC GA02-2-072115-ACS
 - Osprey Management LLC GA03-1-072115-OML
 - Johnson-Laux Construction, LLC GA03-2-072115-JLC
 - HCR Construction, Inc. GA03-3-072115-HCR
 - Engineering Design Technology GA04-1-072115-EDT
 - Red Cloud Services, LLC GA05-1-072115-RCS
 - Rubio and Son Interiors, Inc. GA07-1-072115-RSI
 - Greene & Burdette Property Management, LLC GA07-2-072115-GBP
 - J.J. Morley Enterprises, Inc. GA10-1-072115-JME
 - HITT Contracting, Inc. GA11-1-072115-HIT
- Approve Renewal of Agreements with:
 - Jacobsen, a division of Textron, Inc. 070313-JCS
 - ESM Solutions Corporation 052512-ESM
 - Agile Access Control, Inc. 050613-AAC
 - Pitney Bowes 043012-PIT
 - Deere & Company 070313-DAC
 - Kubota Tractor Corporation 070313-KBA
 - Flex-O-Lite 052412-FOL
 - AssetWorks, Inc. 050613-AWI
 - Automotive Rentals, Inc. 080212-ARI
- Approve Renewals of ezIQC Agreements with:
 - The Matthews Group, Inc. VA-RNK-061813-TMG
 - The Matthews Group, Inc. VA-060811-TMG
 - The Matthews Group, Inc. MDBCG-022912-TMG
 - Centennial Contractors Enterprises, Inc. GA03-062911-CCE
 - Centennial Contractors Enterprises, Inc. GA07-062911-CCE
 - F.H. Paschen, S.N. Nielsen & Associates, Inc. GA06-062911-FHP
 - F.H. Paschen, S.N. Nielsen & Associates, Inc. GA08-062911-FHP
 - F.H. Paschen, S.N. Nielsen & Associates, Inc. GA11-062911-FHP
 - J.J. Morley Enterprises, Inc. GA10-062911-JME
 - Johnson-Laux Construction, LLC GA12-062911-JLC
 - LESCO Restorations, Inc. GA05-062911-LRI
 - Sorensen Gross Construction Services, LLC GA02-062911-SGC

Motion carried.

Mr. Domin gave an in-service on what his position as Membership Relations and Communications entails.

Mr. Drange gave an update of Regional Programs.

Mr. Schwartz gave an update on how contracts are awarded and maintained.

Mr. Schneider gave an update on metrics data.

Ms. Nanik gave an update on the facility expansion.

Proposed revisions to the Travel Policy were reviewed.

Ms. Neprud moved, seconded by Ms. Seelen to approve Dr. Chad Coauette as the Identified Official with Authority for the Minnesota Department of Education External User Access Recertification System. Motion carried.

Ms. Neprud moved, seconded by Mr. Poston to approve the Staffing Agreement with Benton-Stearns Education Coop for the PBIS Coordinator. Motion carried.

Mr. Poston moved, seconded by Ms. Neprud to approve the Individual Employment Contract with Erin Engness, PBIS Coordinator. Motion carried.

Ms. Neprud moved, seconded by Ms. Nagel to approve the revised Administrative Specialist; Membership & Marketing job description and retro pay to July 1, 2015. Motion carried.

Mr. Veronen moved, seconded by Mr. Poston to approve internally opening an additional Graphic Design Specialist position. Motion carried.

Ms. Seelen moved, seconded by Ms. Nagel to approve hiring Tanya Nelson, Administrative Specialist; Legal effective July 20, 2015, and open Administrative Specialist; Receptionist position. Motion carried.

Mr. Poston moved, seconded by Ms. Neprud to approving hiring Tracy Plinske, Contract Management Specialist effective date to be determined, and open Contract Procurement Analyst position. Motion carried.

Ms. Neprud moved, seconded by Mr. Poston to approve hiring Mike Carlson, Director of Finance effective August 3, 2015. Motion carried.

Mr. Poston moved, seconded by Mr. Veronen to approve the following part-time Education Consultant contracts:

- Gwynne Gildow up to 30 days
- Jean Weyer up to 40 days
- Lisa Novak up to 10 days (purchase of service from Menahga School District)

Motion carried.

Ms. Neprud moved, seconded by Mr. Poston to approve the Independent Consultant Agreement with Marilyn McKeehen. Motion carried.

Mr. Poston moved, seconded by Ms. Nagel to approve the resignation of Amanda Kennedy, Collaborative Service Worker, effective July 31, 2015 and open position. Motion carried.

Ms. Nanik gave the staffing update.

Dr. Coauette reported on the metrics planning update, MSC Conference review, and board member follow-up meetings.

Ms. Freeman reported on the hiring of Mary Klamm as the new superintendent at Staples Motley School District.

Ms. Nagel moved, seconded by Mr. Poston to adjourn the meeting at 8:05 p.m. Motion carried.



PROPOSER QUESTIONNAIRE- General Business Information
(Products, Pricing, Sector Specific, Services, Terms and Warranty are addressed on Form P)

Proposer Name: Genuine Parts Company/NAPA IBS Questionnaire completed by: Jett Kuntz

Please identify the person NJPA should correspond with from now through the Award process:

Name: Jett Kuntz E-Mail address: Jett_Kuntz@genpt.com

Provide an answer to all questions directly below each question (do not leave blank, mark NA if not applicable) and address all requests made in this RFP. Please supply any applicable supporting information and documentation you feel appropriate in addition to answers entered to the Word document. All information must be typed, organized, and easily understood by evaluators. *Please use the Microsoft Word document version of this questionnaire to respond to the questions contained herein.*

Company Information & Financial Strength

1) Why did you respond to this RFP?

NAPA IBS has responded to this RFP as the incumbent contract holder under NJPA Contract #010511. For the past five years we have learned and grown with NJPA as the roots of cooperative purchasing have grown within our company. We are responding to this RFP because we have seen – over the life of our initial contract – the huge direct benefits cooperative purchasing has delivered to our government agencies that have used the NJPA IBS contract. We feel we are a best-in-class overall solution to a wide range of vendor managed parts inventory services for fleet and related MRO operations in the US and Canada. We feel our ability to market the NJPA contract in all 50 states and all provinces in Canada – connected with the brick and mortar locations we have in all 50 states and all Canadian provinces – give Genuine Parts Company a unique position to provide the best value for vendor managed services for NJPA contract holders in government, education, and non-profits. We have been honored to be a part of the solution NJPA provides nationwide – it has been the only cooperative contract NAPA IBS has promoted to our customer base. **Our goal is to be selected as the Exclusive Vendor in the category of vendor managed on-site and off-site parts, supplies and warehouse inventory services under the new NJPA contract #061015.**

2) What are your company's expectations in the event of an award?

As the current contract holder for NJPA we have 17 IBS operations utilizing the NJPA contract that expires February 2016. Our first order of business - if awarded – will be to renew/extend every IBS contract to the allowable timeframe. Our current customers have seen the benefits and are eager to continue the completely integrated programs we have begun over the last 5 years. On the new business side, we have multiple wide-ranging projects in line in the event of an award. We have fully engaged our team of 18 IBS marketing specialists in the US and 7 marketing specialists in Canada on a multi-level NJPA marketing roll-out in Q3 2015 should we be awarded the NJPA contract for our services. Our plan includes a new NJPA specific web page, Salesforce.com database integration, and commitment from Genuine Parts Company on dedicated NJPA testimonial videos that will be used in our digital campaign. In the short term, we feel we can double our contracts in the next 24 months and grow the vendor managed inventory space to fleet related and MRO related space in many of our existing sites. We currently have over 350 NAPA IBS contracts in the US and 22 in Canada. A large majority of these are government contracts that we will encourage to utilize our NJPA contract in lieu of rebidding in the years ahead. The opportunity is broad.

3) Provide the full legal name, address, tax identifications number, and telephone number for your business.

Genuine Parts Company
 2999 Circle 75 Parkway
 Atlanta, GA 30339
 Phone #770-956-2200

Federal Tax ID: 58-0254510

4) **Demonstrate your financial strength and stability.**

Genuine Parts Company is publicly traded on the NYSE (Stock symbol: GPC). Genuine Parts Company was founded in 1928 and has grown to a \$15 billion company based on the strength of a strong business core of diverse distribution strategies in automotive (light, medium, heavy duty - NAPA), industrial MRO (Motion Industries), wholesale office products (SP Richards), and industrial electrical distribution (EIS). **Please see attached Exhibit A for company profile and annual report that outlines our 87 year track record and financial history.**

5) **Are you now, or have you ever been the subject of a bankruptcy action? Please explain.**

Genuine Parts Company has never been part of a bankruptcy action.

6) **Provide a brief history of your company that includes your company's core values and business philosophy.**

Genuine Parts Company, founded in 1928, is a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts, office products and electrical/electronic materials. GPC has a distribution network of over 2,600 operations located throughout the US, Canada, Mexico, the Caribbean, Australia and New Zealand. The Company serves tens of thousands of customers through these operations and has approximately 37,500 employees. With over 87 years of distribution expertise, GPC's commitment and reputation for just-in-time service position us as a critical partner in our customers' success. **GPC Core philosophy:** Genuine Parts Company and NAPA IBS philosophy is to earn status as the leader in market share in every business category in which we do business through incredible internal team building and outstanding supply chain solution that benefit our end-user customers. **NAPA IBS Philosophy:** Develop the best-in-class supply chain and vendor management parts through supply chain and warehousing strategies for our core government, education and private business customers. We do this through consistent benchmark reporting, flexibility in our model, and transparency in the parts, supplies and services provided in our contracts.

7) **How long has your company been in the FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS industry?**

Our company – GPC – has been in the fleet-related maintenance equipment, supplies and services business for over 87 years. Specifically our company has been in the vendor managed inventory solutions business (trademark name Integrated Business Solutions – IBS) for over 22 years.

- 8) **Is your organization best described as a manufacturer or a distributor/dealer/re-seller for a manufacturer of the products/equipment and related services being proposed?**
- a) **If the Proposer is best described as a re-seller, manufacturer aggregate, or distributor, please provide evidence of your authorization as a dealer/re-seller/manufacturer aggregate for the manufacturer of the products/equipment and related services you are proposing.**
 - b) **If the Proposer is best described as a manufacturer, please describe your relationship with your sales/service force and/or Dealer Network in delivering the products/equipment and related services proposed.**
 - c) **Are these individuals your employees, or the employees of a third party?**
 - d) **If applicable, is the Dealer Network independent or company owned?**

Our company is clearly defined as a distributor/dealer/reseller of the products we provide as part of this RFP. NAPA IBS is a division of NAPA Auto Parts. The NAPA Auto Parts offering provides our contract holders with the opportunity to purchase over 445,000 skus of automotive replacement parts (light, medium, heavy duty), paint, supplies, tools, equipment, and other related fleet supplies. This is unique to NAPA IBS. Other vendor managed inventory companies may claim they can supply NAPA parts through their agreement – however, they are not authorized resellers of our NAPA branded product. Only NAPA IBS has direct to vendor relationships for NAPA branded products through our IBS stores for our customers. Our NAPA IBS offering expands that offering to our customers as a reseller of over 1,300 manufacturers and distributors – covering OE product, aftermarket and manufactured product distributed through our 350+ NAPA IBS locations.

a) NAPA IBS works under the corporate umbrella of Genuine Parts Company and is the authorized entity within GPC to offer the services outlined in this RFP – either through our corporate NAPA stores or independent NAPA stores. These entities are the only parties that may work under our corporate umbrella to provide services outlined under this RFP response identified as NAPA Integrated Business Solutions. NAPA and NAPA IBS are authorized trademarks of Genuine Parts Company.

b) Genuine Parts Company is not a manufacturer of the products sold under the terms of the services outlined in this RFP.

c) Genuine Parts Company/NAPA IBS is the corporate entity responsible for the services outlined in the RFP response. In specific cases where an independent NAPA store may be a better service vehicle for a specific NJPA contract member, the independent NAPA store is bound to abide by the assignment of the contract outlined within our NJPA contract. Genuine Parts Company corporate will manage all NJPA IBS contracts from a reporting and contract management perspective. All employees engaged in an NJPA service as part of the services outlined in this response will be either GPC corporate employees or affiliated NAPA independent store employees. We believe that engaging our independent stores will provide NJPA members the unique opportunity to leverage the benefits that a world-class international supplier can provide while being inclusive of small businesses in their community – a goal of many procurement agencies today.

d) NAPA's dealer network is made up of both company and independent stores. In the services outlined in this RFP, Genuine Parts Company will be the "sole source of responsibility" for all NJPA contract matters. In cases where an NJPA member wishes to enter into a NAPA IBS relationship with their local, small business NAPA independent store owner, Genuine Parts Company will work with the NJPA member to facilitate the same terms of our NAPA IBS through our independent owner. The owner will be subject to the terms of the NJPA/NAPA IBS contract.

- 9) **Please provide your bond rating, and/or a credit reference from your bank.**

Genuine Parts Company is a Fortune 250 publicly traded company (NYSE: GPC). Our company has never had to pay a service for a bond rating. Our financial status is reported as a public company on our website – www.genpl.com. As a corporation, we do business with multiple banks - the largest being Bank of America and Sun Trust Bank – references from these banks - if required - may be requested through our GPC Treasurer –Frank Howard at 770-956-2200.

- 10) Provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held by your organization in pursuit of the commerce and business contemplated by this RFP.

Genuine Parts Company has required business licenses to do business in all 50 states and all Canadian provinces.

- 11) Provide a detailed explanation outlining licenses and certifications both required to be held, and actually held, by third parties and sub-contractors to your organization in pursuit of the commerce contemplated by this RFP. If not applicable, please respond with "Not Applicable."

Not applicable. – Beyond normal business licenses required in every state and province in our trade area -- NAPA IBS is not subject to any other licenses or certifications to do commerce in the items listed in this RFP.

- 12) Provide all "Suspension or Disbarment" information as defined and required herein.

Genuine Parts Company has never been barred or suspended or precluded from participating in any public procurement activity with a federal, state or local government or education agency.

- 13) In addition to the \$1.5 million in General Liability and/or in conjunction with umbrella insurance coverage, what level of automobile and workers compensation insurance does your organization currently have? If none, please explain.

GPC complies with the general insurance requirements within this RFP and has proven so in hundreds of contracts with government agencies. Additionally GPC purchases a \$5 million automobile liability policy and a \$1 million workers compensation policy. **Our certificate of insurance required as part of this submission is attached in Exhibit B within our RFP response.**

- 14) Within the RFP category there is potential to be several different sub-categories of solutions; list sub category title/s that best describe your equipment/products, services and supplies.

Potential list of sub category services/solutions NAPA IBS can provide under the services outlined in this RFP:

- Vendor managed fleet parts management services – aftermarket, OE parts, tires, related supplies, paint, tools and equipment
- Vendor managed facilities MRO warehouse management services - including building materials, industrial materials, school supplies, office supplies
- Repair and diagnostic equipment for fleet operations
- Maintenance, repair, and operating replacement supplies for facilities, schools, non-profits, housing authorities, transit agencies
- IT services for fleet and MRO facilities -- including warehouse enterprise software integration, consulting, fleet software integration, data management
- Parts and MRO supplies using vending machine solutions –based on customer need
- Off-site inventory vendor managed services – manned and unmanned
- Parts and warehouse staffing services
- Inventory management analysis
- Exclusive on-line parts ordering via NAPA ProLink
- Fleet metrics reporting

Industry Requirements & Marketplace Success

15) List and document recent industry awards and recognition.

Our vendor managed inventory services with IBS are awarded with the successes of our customers. Over the past 22 years our NAPA IBS customers have received hundreds of local and national awards. In recent years the following fleet organizations have received awards of operational excellence and have attributed part of their success to NAPA IBS:

a) Keith Leech -- City of Sacramento, CA (NJPA IBS contract Holder) -- 2014 National Association of Fleet Administrators – Fleet Excellence Award and 100 Best Fleets #1 Fleet In America 2015

b) Greg Morris -- Fleet Director -- Sarasota County, FL -- Association of Equipment Management Professionals 2014 “Fleet Master” Award

c) Government Fleet Magazine Leading Fleets – 2015 Leading Fleets Awards (in alphabetical order):

City of Boise, ID, Fleet Services (Craig Croner, CPFP)

City of Boston, MA Central Fleet Management (Jim McGonagle)

City of Dublin, OH (J. Darryl Syler)

City of Fort Worth, TX (Wayne Corum)

City of Houston, TX (Kenneth Hogle, P.E.)

City of Sacramento, CA (Keith Leech)

City of Ventura, CA (Mary Joyce Ivers)

County of San Diego, CA (Sharyl Blackington)

County of Sonoma, CA Fleet Operations Division (David Worthington)

Hillsborough County, FL (Robert L. Stine, Jr)

New York City Police Department, NY (Robert Martinez)

City of New York City Department of Citywide Administrative Services, NY (Keith Kernan)

Sarasota County Government, FL (Gregory Morris)

d) NAPA IBS Award – City of Houston, TX Fleet -- 2014 Vendor of the Year

16) Supply three references/testimonials from customers of like status to NJPA Members to include Government and Education agencies. Please include the customer's name, contact, and phone number.

References

Palm Beach County, Florida (Current NJPA member and NJPA IBS contract holder)

2601 Vista Parkway

West Palm Beach, FL 33411

Contact: Douglas Weichman

561-233-4550

dwichma@pbcgov.org

In-house parts operation: Under contract for almost 3 years – since September 2012

Vehicles & Equipment include: Road, Fire, Ambulance, Solid Waste, Trucks, Passenger, Miscellaneous, Small Engine, Light duty, and Heavy-duty equipment. Invoice integration and Reconciliation with FMIS system

NAPA Employees: 5

Inventory Value: \$450,000.00

Annual Contract Value: \$2.1 million

City of Chicago
1685 N. Throop Street
Chicago, IL 60622

Contact: Walter West – Deputy Commissioner/Fleet Services
312-744-5240
Walter.West@cityofchicago.org

In-house parts operation – Under contract for 15 years (13 unique fleet shop locations)

Services provided include automotive parts, heavy duty parts, industrial parts and supplies, tires (new and recap), lubrication products, machine shop service, on-site hydraulic hose assembly, sublet repairs, wrecker service and emergency tire road service. Note: NAPA's TAMS inventory system is fully integrated with Chicago's Assetworks M4 Fleet Software.

Vehicles and Equipment Include: Aviation at O'Hare and Midway Airports, Police, Fire, Ambulance, Solid Waste and miscellaneous small engine, light duty and heavy duty equipment.

NAPA Employees: 84
Inventory Value: \$ 5,500,000
Annual Contract Value: \$23,000,000

Metro Louisville (City of Louisville, KY/Jefferson County, KY)

935 Logan St.
Louisville, KY 40204
Contact: Matt Maskey - Fleet Operations Manager
502-571-3180
Matthew.Maskey@louisvilleky.gov

Note: The City of Louisville and Jefferson County have merged into a single government entity.

In-house parts operation – Under contract for 16 years (2 main fleet shop locations)

Services provided include automotive parts; heavy-duty parts, industrial parts & supplies, tires (new & recap), lubrication products, machine shop service, on-site hydraulic hose assembly, sublet repairs, wrecker service, and emergency tire road service.

Vehicles and Equipment Include: Police, Fire, Ambulance, Solid Waste, Ambulance, RV, Bus and miscellaneous small engine, light duty, and heavy-duty equipment.

NAPA Employees: 10
Inventory Value: \$1,700,000
Annual Contract Value: \$4,800,000 annually

17) Provide a list of your top 5 Government and/or Education customers (entity name is optional) including: entity type, the state the entity is located in, scope of the project/s, size of transaction/s and dollar volumes from the past 3 fiscal years.

Top 5 Government and/or educational customers:

- a) City of Chicago, IL fleet operations (15 locations) – annual purchases \$22 million
- b) City of Houston, TX fleet operations (17 locations) – annual purchases \$20 million
- c) City of New York City, NY fleet operations (12 locations) -- annual purchases \$13 million
- d) City of Louisville, KY (3 locations) – annual purchases \$6 million
- e) Maine DOT, ME (7 locations) – annual purchases \$6 million

18) **What percentages of your current (within the past three (3) fiscal years) national sales are to the government and education verticals? Indicate government and education verticals individually.**

Government (City, County, State, DOT, Government Utility only) and education (school bus fleets only) are about 70% of our overall purchase volume in the vendor managed inventory services. Of that 70% it is divided 60% government (city, state, county, DOT, government utility) and 10% education/school (Higher Ed/K-12) fleet. We also have very large customers in the private sector (airlines, construction, utility, private fleets) that are a significant portion of our IBS services. It is a tremendous value to our government customers that we have information on vendors from our private sector business. It broadens the scope of availability on OE and MRO supplies for our government and education fleet customers.

Proposer's Ability to Sell and Deliver Service Nationwide

19) **Please describe your company sales force in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sale and services of the equipment/products contemplated in this RFP?**

NAPA IBS has 100% coverage of the US through full-time NAPA IBS dedicated sales representatives across our 10 automotive company divisions: *Our NAPA IBS US NJPA Sales Force includes:*

- Atlantic Division – **Josh Peters and Robert Haas** - SC, NC, TN, VA, KY, AR
- Central Division – **Daniel Bigham, Steve Cherry and Mike Mehnert** - OH, Western PA, IN, MI
- Eastern Division – **Terry Ryan and Bruce Pinto** - NY, NJ, MA, NH, VT, ME, CT
- Florida Division – **Mark Smith** - FL
- Mountain Division – **Dale Clark and Vicky Donio** - CO, UT, SD, ND, MT, WY, ID, WA, AK, HI, UT
- Midwest Division – **Mike Picardi** - IL, MO, WI, MN, IA
- Quaker Division – **Rick Strevig** - DC, Eastern PA, Southern NJ, MD, DE, RI
- Southern Division – **Tony McSwain and Peter Purpura** - GA, MS, AL, LA
- Southwest Division – **Paul Schlebach and Hunter Beal** - TX, OK, KS, NE, MO
- Western Division – **Dale Clark and Jim Hardesty** - NM, AZ, CA, OR, NV

Canadian Team – Our NAPA Canada team focuses on Network Development and IBS

- | | |
|---------------------------------|-----------------------------|
| Atlantic Region | Kevin Stevens |
| Quebec Region | Martin Boissonneault |
| Ontario Region | Lisa McClelland |
| Ontario Region | Karen McMullin |
| West/Pacific Region (Winnipeg) | Gord Oakley |
| West/Pacific Region (Calgary) | Matt Sawatzky |
| West/Pacific Region (Vancouver) | Colby Hill |

Another unique characteristic of the NAPA family's ability to sell the NJPA IBS solutions contract is the network of 6,000 NAPA stores nationwide and their dedicated sales staff. While not dedicated entirely to selling the IBS concept, these stores employ over 3,000 outside sales professionals that call on government, education and non-profit fleet operations every day. This crew of over 3,000 additional sellers of the program -- most of them based out of small businesses in all 50 states is a strong avenue for us to help sell the NJPA contract.

NAPA IBS Headquarters NJPA Contract Support – 100% dedicated

Jett Kuntz - Corporate Vice President NAPA IBS

- Responsible for all business category segments of IBS sales and operations including project implementation, personnel development, operations, contracts, software integrations, and marketing
- Senior, single point of contact for all NJPA contract marketing efforts and contract questions

Dana Stolte - Senior Director of Operations – NAPA IBS

- Responsible for building a rock-solid operations platform to enhance our current operations and assist the roll-out of new locations

Tim Crowe – Marketing Coordinator – NAPA IBS

- Manages NAPA IBS Digital Marketing and Salesforce.com database efforts
- Coordinates Digital Marketing for NJPA publicity and marketing efforts

Ryan Ouellette - IBS Inventory Control Manager

- Manages NAPA IBS national “Vendor Spend” analysis
- Identifies reasonably achievable pricing cost schedules by supplier and/or industry
- Identifies targets for potential national vendor buying agreements
- Coordinates non-NAPA product line database to promote national inventory and sales reporting
- Reviews opportunities to move unproductive inventory to other IBS sites reducing obsolescence
- Provides feedback and input on IBS inventory control improvements

Brian Gallagher -- IBS Operations Manager

- Establishes and provides oversight of standardized procedures
- Reviews operational initiatives for increased efficiencies
- Reports to upper management on operational key performance indicators (KPIs) of our group
- Establishes and reviews corporate IBS Policies and disperses them to the field
- Oversees implementation of service and accountability initiatives

Collin Garner - IBS Legal Counsel

- Reviews all documents before we execute an RFP response, contract change or new agreements
- Negotiates and coordinates all NJPA and IBS contract documents

Brad Hayes – IBS IT Director

- Maintains relationships with major fleet software providers
- Oversees all software integration and IT reporting efforts
- Reviews new technology issues to improve platform compatibility

20) Please describe your dedicated dealer network and number of individual sales force within your dealer network in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sales distribution and delivery of your equipment/products and related services contemplated in this RFP?

The sales team and support team listed in question #19 are dedicated to selling and operating the NJPA contract and IBS services across the US and Canada. They do not have any other company responsibilities except to sell and promote NAPA IBS and the services presented in this RFP.

21) Please describe your dedicated company service force or dedicated network in terms of numbers, geographic dispersion, and the proportion of their attention focused on the sale of the equipment/products and related services contemplated in this RFP?

It is important to note that the sales force listed in questions #19 and #20 are 100% Genuine Parts Company employees who are dedicated to selling our vendor managed inventory IBS services and contracts. They are responsible to sell IBS and manage the contract process for our entire company and independent NAPA dealer network.

- 22) Please describe your dedicated dealer service force or network in terms of numbers geographic dispersion, and the proportion of their attention focused on the sale of the equipment/products and related services contemplated in this RFP? Additionally, please describe any applicable road service and do they offer the ability to service customers at the customer's location?

The dedicated sales and operations team outlined in question #19 are solely focused on business development, compliance, and operation in all IBS contract engagements in the US and Canada. In addition, they do offer road service and manage the contract process throughout the life of the contract for our company and dealer network for IBS services. They are involved in contract selling, contract negotiation, mobilization, initial vendor management, and project implementation. After the launch of our IBS locations, the IBS sales representative remains involved with the contract to ensure we are meeting benchmarking and key performance indicators for the customer. They are a vital part in bringing outside of market information to the fleets and maintenance facilities we service. Our IBS contract sales force are a mobile field-driven sales team and are available to service the customers at their locations and to assist our existing on-site parts management team in any endeavor.

- 23) Describe in detail your customer service program regarding process and procedure. Please include, where appropriate, response time capabilities and commitments as a part of this RFP response and awarded contract.

Our customer service process and procedure support breaks into three categories: NJPA Contract Sales Process (Pre-Contract), NJPA Contract Implementation/Project Startup Process (Post Contract), and NJPA "Live Project" Process (Continuous Improvement Process)

***Note** All resources listed in this section are already in place and immediately available to respond to the award and commitments of an NJPA contract and subsequent contract marketing, mobilization and implementation.*

NJPA Contract Sales Process – Pre Contract

Our NAPA IBS Vice President - Jett Kuntz - and the team of 18 dedicated NJPA IBS contract sellers are responsible for selling and promoting NJPA IBS contracts to our thousands of prospective candidates to use the NJPA contract for our services. This team will promote the contract using the marketing tools listed in our RFP response. Their responsibility will be to work with fleet management, procurement, finance, accounting and administration to build the best-in-class total IBS solution customized for their specific contract. They will coordinate the contract details, work with local NAPA management teams on personnel, inventory and implementation. This team will do the hard core analytics with fleet and warehouse management to determine the best solution for the customer. NAPA IBS believes in face-to-face customer service – so our teams are dedicated to work directly with customers in their shops to help them build the best vendor managed strategy for their operation.

In conjunction with our sales effort – GPC provides NAPA IBS with dedicated legal resources to expedite the contract negotiation and finalization process. Our legal contact - Collin Gamer - is available as an immediate resource to NJPA, our sales team, and our NJPA contract members to answer questions and expedite documents for contracts. This has been a huge benefit for our NJPA customers because of the speed of response on contract questions and finalizations.

NJPA Contract Implementation/Project Startup Process – Post Contract

After a contract has been finalized – our entire IBS operations organization immediately kicks into gear as we mobilize the vendor managed on-site location. Our headquarters support team listed in question #19 of this response is in charge of implementing the new project and performs the following mobilization support tasks:

- 1) Databases NJPA contract in our in-house contract managing database
- 2) Establishes contract pricing in the new site
- 3) Coordinates IT efforts to support on-site point of sale and any special IT initiatives
- 4) Verifies reporting systems for NJPA contract reporting
- 5) Initializes our in-house on-line project management tools for the field
- 6) Reviews internal business plan proposal to ensure contract compliance
- 7) Finalizes specific key performance indicators and baseline benchmarks for our customer

Next – our local field teams that will operate the day-to-day operations are mobilized according to the launch timeline of the project. The power of NAPA IBS is our phenomenal local support teams that execute the terms of our agreements. The support team that will work with our NAPA IBS sales team to mobilize the project include:

Local mobilization teams are comprised of members of our company that execute an IBS contract site implementation that includes initial inventory of customer's fleet parts and supplies, staffing, training, reporting, vendor initialization, billing services, IT connection, and site planning.

On company-owned locations, these efforts are led by our GPC District Manager and District Operations Manager for the particular market. NAPA has over 50+ District Managers and District Ops Managers in place to mobilize any new IBS efforts. On the independent store side, we have GPC support resources to help our small business owners implement the same structure within their IBS location. These efforts are led by our GPC Distribution Center (DC) Management Team and their support staff. New independent NJPA IBS contracts will be led by a team of DC General Managers/ DC Operations Managers and the local market Territory Sales Manager for that store's market.

All IBS new store installations are also aided by a vital added-value part of our effort: the NAPA Systems Selling Group team. This is a dedicated group of NAPA dedicated product managers who will assist in a mobilization through inventory efforts, product identification, and product cross-over databasing and fleet surveys to assist any operation in finding the correct stocking level for their products. This exclusive NAPA team includes:

- Filtration System Group
- Electrical Systems (Batteries and Rotating Electrical)
- Undercar (Brakes/Chassis)
- Underhood (Engine Management)
- Heavy Duty (Medium and Heavy Duty)
- Balkamp – OE Solutions, Fleet Accessories, Chemicals and Bulk Fluids Management
- Paint and Body
- Heating and Cooling
- Tools and Equipment

A final, important part of our site mobilization team is our IT team – every market has dedicated TAMS members who install our point-of-sale systems in IBS locations. In addition, our HQ IT team will work with this TAMS team and the customer to make sure any software integrations, billing procedures, and invoicing requirements are met.

NJPA "Live Project" Process (Continuous Improvement Process)

Once our site is live and the local operations have begun executing the services outlined in our contract, we feel a major part of our process and procedures include continuous improvement processes and continuous communication steps with our NJPA contract customers.

Each contract should have well-defined key performance objectives. Typical objectives include: daily service rate, special order tracking, core and return tracking, daily parts fill-rate goals, down vehicle reports, inventory effectiveness, and parts cost comparisons. NAPA IBS has developed exclusive tools to measure these types of KPI's included in our contract.

The baseline of our continuous improvement program includes regular reviews of the business processes, inventory baselines, vendor management, and store operations. NAPA IBS has developed a solid regular business review process that we make a mandatory part of our offering. The NJPA contract customer will work with NAPA IBS on specific reporting and service measurables within our contract, and these will be reported during our regular business reviews. Usually these reviews are weekly in the first 90 days, monthly in the next 90 days, and quarterly after the first 6 months of operation. We are flexible on the content and cadence of these reports. Bottom-line, the only way we deliver continuous improvement is to communicate with ALL LEVELS of our contract customers to ensure the on-site location is performing to the expectations of our customer.

The last step of process and procedure accountability for our process after we go live is our Divisional and Headquarters bi-annual review of all NJPA contracts. Our Division Vice Presidents and NAPA Headquarters

operational staff outlined in this response review the NJPA contract and subsequent business review reports produced by our local operations to ensure contract compliance.

NAPA IBS/Genuine Parts Company has countless dedicated resources to ensure a great NJPA contract experience for NJPA members when they engage in an IBS contract.

24) Identify any geographic areas or NJPA market segments of the United States you will NOT be fully serving through the proposed contract.

Our NAPA IBS is available in all 50 states. We have a unique capability of having ready-to-go staffing and brick and mortar support as well as nightly parts and supply distribution into all 50 states. With over 6,000 stores and 62 master warehouses we offer a unique way for our locations to get parts and supplies delivered at extremely low costs to our customers. In addition, our IBS services are available to all government (city, county, state, utility, transit, airports, etc...) and education (state universities and school bus garages) institutions. Non-profits can also be serviced under our IBS program if the program fits their needs.

25) Identify any of NJPA Member segments or defined NJPA verticals you will NOT be offering and promoting an awarded contract to? (Government, Education, Non-profit)

NAPA IBS can service every vertical listed in the RFP – Government, Education and Non-Profit. If there is a fleet or warehousing service need with an NJPA member, NAPA IBS can customize our solution for that customer.

26) Define any specific requirements or restrictions as it applies to our members located off shores such as Hawaii and Alaska and the US Islands. Address your off shore shipping program on the Pricing form P of this document.

We have no requirements or restrictions for Alaska or Hawaii within the services in our RFP. NAPA IBS has brick and mortar warehouse locations and employees in both Honolulu and Anchorage as well as multiple company and independent NAPA dealers in multiple markets in both states that can and currently do provide services outlined in this RFP.

Marketing Plan

27) Describe your contract sales training program to your sales management, dealer network and/or direct sales teams relating to a NJPA awarded contract.

NAPA IBS has a consistent, successful training program for our dedicated IBS sales teams to implement, train and continuously improve the selling process of an awarded NJPA contract for services in this RFP:

- Digital marketing training
- Salesforce.com database training and implementation
- Monthly conference call training – case studies of NJPA success stories
- Quarterly contract reviews with NJPA contract users
- Annual in-person IBS sales summits - featuring NJPA contract managers
- Attendance in all regional NJPA Getting to Know You regional meetings
- Attendance in major fleet conferences – featuring materials from NJPA
- Mandatory attendance in all NJPA sponsored GSS on-line training classes

28) Describe how you would market/promote an NJPA Contract nationally to ensure success.

We will promote our NJPA contract through the following methods:

- Digital marketing – contract details featured prominently on our www.NAPA-ibs.com website
- Push marketing via our exclusive database of fleets and purchasing officials through our portal in Salesforce.com
- Printed NJPA case studies
- Investment in video testimonials from current NJPA customers who have used the NJPA vehicle to award our services – with specific savings examples
- National exposure in over 50 annual local, regional and national fleet conferences – including National Association of Fleet Administrators (NAFA), Government Fleet Expo (GFX and Rocky Mountain Fleet Managers (RMFMA/Fleet Con)
- Additional marketing of our contract through Government Sourcing Solutions (GSS)

29) Describe your marketing material, and overall marketing ability, relating to promoting this type of partnership and contract opportunity. Please send a few representative samples of your marketing materials in electronic format.

NAPA IBS marketing efforts are supported and funded by NAPA Auto Parts/Genuine Parts Company corporate marketing and executed through website marketing, digital marketing, and hard copy marketing materials. We have created unique digital delivery of marketing and coordinated digital marketing efforts through our exclusive list of specific fleet contacts. Our newly designed website is the delivery mechanism for these video, case study and testimonial pieces. Salesforce.com is our CRM database manager and reporting tool for marketing activities. **We have attached a sample packet of materials from the items listed in Question #29 as examples of our materials and ability to market NJPA – see Exhibit C attached.**

30) Describe your use of technology and the internet to provide marketing and ensure national contract awareness.

Our main use of technology to promote the NJPA contract will be through our robust website, which is used primarily as a push marketing vehicle with specific web pages, case studies and video marketing materials to promote the NAPA IBS/NJPA story. We have a unique bounce back email feature within our website that allows NAPA IBS sales team members to target a specific decision maker within the government agency and to send them a targeted email webpage with specific marketing materials (videos, case studies, etc...) that relate to how an NJPA contract would work. We have specific web analytics set up to know a) did we get a click and b) what they clicked if the prospect engages in a pushed email link. **Samples of our digital web capabilities are listed in the attached Exhibit C.**

31) Describe your perception of NJPA's role in marketing the contract and your contracted products/equipment and related services.

We feel NJPA has clearly defined roles within our sales and implementation process. #1 – NJPA provides marketing materials that help train and understand the procurement process with co-operative contracts. NJPA has delivered that through the expanded website and materials available for our team. #2 – NJPA provides continuing education opportunities for our sales team through on-line training, in-person seminars, trade show involvement, and personal consulting (via phone) with our team to help them understand the co-op contract process. #3 – NJPA provides direct contact with government procurement and fleet prospects who are interested in using the NJPA IBS contract. #4 – NJPA drives legislative approval across the country for adoption of all NJPA contracts. Our job is to engage our team in understanding the contract and process...and ultimately to sell the contract.

32) Describe in detail any unique marketing techniques and methods as a part of your proposal that would separate you from other companies in your industry.

NAPA IBS provides a unique blend of size, brick and mortar, and technology to promote a contract with NJPA. NAPA has the ability to communicate the NJPA contract opportunity and information through our NAPA storefront online portal – exclusive to 6,000 NAPA stores nationally. Contract details, backup documentation, and NJPA/NAPA contact information is displayed and accessible to our 6,000 stores that have NJPA contract opportunities nationwide in the US. Brick and mortar sites in all 50 US states and all Canadian Provinces are unique as well in the vendor managed inventory space. It is important that any government agency or vertical in the NJPA membership ranks has an ability to staff and provide the quickest form of parts distribution to the NJPA member who uses this contract. Why? Staffing and parts fulfillment are the cornerstones of our services – and having brick and mortar locations in all 50 states with staffing ready to go is a huge unique characteristic of our program. Last of all, NAPA IBS uses a unique integration of our fleet database within Salesforce.com that is integrated with our exclusive web platform to track, monitor and report specific marketing activities for all NAPA IBS salespeople on our NJPA contract activities. We have built an exclusive integration package that allows us to target and digitally market our contract to direct prospects – and more importantly – digitally track it for success and content. One of the best differentiators between NAPA IBS and other suppliers in our industry is that no company has nearly as many IBS locations as we do. Having managed so many locations with very large, complex and politically sensitive organizations means that there are few issues that could come up that we haven't seen already. We can solve NJPA members' problems better than any other provider because we have resolved similar challenges in many real-world situations for many years. This is a key attribute that we market extensively.

33) Describe your company's Senior Management level commitment with regards to embracement, promoting, supporting and managing a resultant NJPA awarded contract

Dan Askey - President of NAPA - and Jett Kuntz - Vice President of NAPA IBS - are fully committed to provide financial, marketing, operational, IT and legal support to a national effort to promote IBS through the NJPA co-operative purchasing contract. Most importantly, they have committed multiple human resources – outlined earlier in this response – to ensure that once the contract is agreed to by both parties, the end-user customer gets exactly what NJPA and NAPA IBS promised in the contract. Transparency, compliance and data driven results are our cornerstones – and we have support at the very top of our company to monitor and improve our results for NJPA contract holders.

34) Do you view your products/equipment applicable to an E-procurement ordering process?

Yes No

a) If yes, describe examples of E-procurement system/s or electronic marketplace solutions that your products/equipment was available through. Demonstrate the success of government and educational customers to ordering through E-procurement.

Yes. NAPA IBS has multiple government customers who currently use e-procurement platforms to order parts through our system. The most common platforms are:

NAPA ProLink - exclusive ordering and messaging system for shops to order parts directly through our NAPA stores or IBS stores.

Exclusive fleet software integration capabilities – as it relates to on-site and off-site vendor managed services. We also offer more in-depth integration capabilities within our IBS operations where customers may wish to have their current fleet software system integrate with our NAPA IBS point of sale system. This allows electronic transfer of work order parts orders, consolidated billing, data transfer, reporting, and down vehicle reporting to be integrated within our electronic point of sale system – improving shop productivity and ensuring all parts get placed on work orders and are billed correctly. Some of these integrations also allow for invoice reconciliation to happen electronically – dramatically improving productivity time for fleet and accounting departments. Successful examples of NAPA IBS TAMS integration to 3rd party fleet systems include – Assetworks FA-M4-M5, Faster, RTA, Datco Media, Dossier, Chevin, and many more.

Enterprise e-procurement – NAPA IBS also has the capabilities to do punch-through cataloging and EDI services with many enterprise platforms. On our e-commerce website (www.NAPAIBS.com) we show companies using large eProcurement applications how to register their company with NAPA to shop the NAPA Catalog using the eProcurement program. Platforms supported include: Ariba, SAP, Oracle, Epicor, Ketera, Sciquest, TabLink, Perfect Commerce and Coupa - to name a few. We also offer warehousing solutions with JD Edwards and Manhattan warehousing solutions.

35) Please describe how you will communicate your NJPA pricing and pricing strategy to your sales force nationally?

Our contract pricing on NAPA IBS contracts is controlled through a business process at NAPA Headquarters in Atlanta, GA. All contract negotiations are controlled through the Vice President of IBS – Jett Kuntz -- and GPC legal. Our IBS sales team has a templated contract and pricing schedule that must be approved by the VP of IBS, Sr. Director of Operations for IBS, Sr. VP of Operations, and President of NAPA before being signed. The NJPA IBS contract and pricing for the contract are outlined in an internal operations bulletin and in-person training each quarter to our sales team. All details of the pricing and contracts for the NJPA contract are also posted within our IBS intranet on www.NAPA-ibs.com.

In addition, we hold monthly IBS WebEx events to communicate NJPA success stories, to deliver NJPA contract pipeline updates, and to share successes in our NJPA projects. These events are also communicated in our Salesforce.com Chatter site – which gives us direct communication to all 18 dedicated US IBS sales people immediately.

Contract pricing and strategy are communicated in every monthly call and face-to-face in our IBS Summits to all field operations every year. The pricing and strategy are also posted on our intranet communications portal for the whole NAPA IBS/GPC team outlined in this response.

Other Cooperative Procurement Contracts

36) Describe your level of experience with national, state and local cooperative contracts.

NAPA IBS is familiar with the landscape of co-operative contracts that are available in the US. Our EXCLUSIVE co-op contract in the US for IBS and vendor-managed inventory services is our current NJPA contract #010511. This is our sole vehicle for co-operative vendor managed services contracts in the US.

37) What is the annual dollar sales volume generated through each of the contract(s) identified in your answer to the previous question.

Under our current NJPA contract #010511, our annual sales in 2015 are estimated to be nearly \$12 million dollars - and this comprises 17 current contracts. *NJPA is our only IBS vendor managed inventory co-op contract.*

38) Identify any GSA Contracts held or utilized by the Proposer.

NAPA IBS holds no GSA contracts.

39) What is the annual combined dollar sales volume for each of these contracts?

Not applicable -- as we hold no GSA contracts

40) If you are awarded the NJPA contract, are there any market segments or verticals (e.g., higher education, K-12 local governments, non-profits etc.) or geographical markets where the NJPA contract will not be your primary contract purchasing vehicle? If so, please identify those markets and which cooperative purchasing agreement will be your primary vehicle.

We market only the NJPA contract to every vertical and every geographical market in the United States and Canada.

41) How would you leverage an NJPA awarded contract in your sales process?

We have learned a lot in our five initial years of having the NJPA contract that will provide insights into what we will do differently if we earn a new award. Primarily, NJPA will become the fabric of EVERY initial IBS presentation as a next step/vehicle for change. We will market this message -- using the marketing tools outlined earlier in our presentation -- to multiple layers within our selling process for vendor managed IBS services: procurement, finance, fleet, and administration. We will require a bit of NJPA education within our printed and digital materials as well as presentations for all IBS sales team members to introduce the NJPA solution earlier in the sale process as an option for our vertical prospects. *NJPA is also working on a sales certification to sell co-operative contracts. This would be mandatory material for all NAPA IBS sales professionals and NAPA IBS would also develop a module for this training that specifically outlines our responsibilities for our NJPA contract – if awarded.*

42) Identify a proposed administrative fee payable to NJPA for facilitation, management and promotion of the NJPA contract, should you be awarded. This fee is typically calculated as a percentage of Contract sales and not a line item addition to the customers cost of goods.

NAPA IBS proposes a 1% fixed percentage fee paid to NJPA based on monthly total net sales of the IBS to the NJPA contract customer – on all IBS contracts using the NJPA contract as a vehicle. This fee would be payable to NJPA on a quarterly basis directly from NAPA headquarters – regardless if the NJPA IBS contract was through a company or independent location. NAPA HQ will handle the sales tracking, reporting, audits, and fee disbursement. The 1% fee will be paid by NAPA Headquarters directly to NJPA - none of these fees will have an economic impact on the actual end user IBS NJPA customer. These payments to NJPA will not reflect in the price of the parts or services paid by the IBS contract customer.

Value Added

- 43) **If applicable, describe any product/equipment training programs available as options for NJPA members. If applicable, do you offer equipment operator training as well as maintenance training? Yes No**

Yes. NAPA IBS has a unique position in fleet related services as we are the only company in this space that houses our own internal technician training on-site, on-line, and manufacturer based shop training -- all in one package. Genuine Parts Company has made the investment to have our own certified technician training in-house -- all with the purpose to help our fleet customers drive efficiency in their operations and to ensure their technicians receive the most up-to-date training to keep their fleet vehicles on the road. **A sample of our NAPA IBS exclusive Autotech training course offerings is attached -- see Exhibit D.**

- 44) **Is this training standard as a part of a purchase or optional?**

Our customer needs for training vary, so we have a mix of free training -- offered by dedicated NAPA System Sales Groups -- as an added value to our customers. Free training comes from dedicated NAPA product teams such as: Filtration, Tools and Equipment, Electrical Systems (Batteries/Rotating Electrical), Paint and Body, Underhood Systems, Undercar Systems (Brakes/Chassis), Heating and Cooling, and many more. This training is part of the fabric of any customer that has a NAPA IBS contract and will be available to NJPA members. In addition, Autotech has on-line and on-site training courses available for an additional fee. Details are listed in the Autotech IBS Training document included in this RFP in Exhibit D.

- 45) **Describe current technological advances your proposed equipment/products and related services offer.**

NAPA IBS is the industry leader in parts and supplies management solutions for fleet related services. With over 350 locations, NAPA has a unique look at the failure rates, usage rates and parts needs of an incredibly diverse amount of fleets in the US and Canada.

Because we see so many unique fleets in all NJPA verticals and other verticals -- we have built a relationship with over 1,300 manufacturers and distributors to supply fleet related solutions. The technological advances and advantages of this for our customers are this: We have a unique database of fleet related parts and supplies -- and have databased that into an exclusive ITM -- Inventory Transfer Module -- that allows our NAPA IBS operations to share fleet parts information across our 350+ sites. In other words, if there is a specific tire or Ford OE part that is sold in the City of Sacramento fleet IBS site, every other site in the US -- City of Chicago, City of New York, Dallas County Schools -- etc. are able to not only price the part, but also see where else in the US this part may exist -- and ultimately, with one click -- order that part directly for another store in our IBS network.

Another technological advance that we have rolled out to our company locations only in 2015 is STARS (Savings Tracking and Reporting System). This is our trademarked reporting system (only available to company IBS locations at this time) that allows real-time KPI tracking on certain contract performance metrics with IBS fleet operations: parts fill rates, daily service metrics, inventory special order tracking, down vehicle status, and parts cost comparison reporting. This is an exclusive to NAPA IBS company operations and our customers have found it an invaluable technology tool for contract tracking, metric reporting and cost savings tracking. Independent IBS operations have access to a Microsoft Access based program that can deliver similar fleet metric reporting. **A sample of the STARS Company IBS reporting that is available is included -- see Exhibit E.**

46) Describe your "Green" program as it relates to your company, your products/equipment, and your recycling program, including a list of all green products accompanied by the certifying agency for each (if applicable).

NAPA IBS Green Fleet Initiatives

We share NJPA members' commitments to sustainable practices in procurement and fleet operations. Below are some of the benefits members will realize from working with NAPA IBS.

- Many chemicals that are offered are non-detergent / green products
- We recycle oil at our stores and can recycle oil for any customer
- We advocate to fleets the use of the used oil filter crusher to extract environmentally hazardous chemicals from the landfills.
- Our field IBS operations all buy from My Office Products, which is a fully green organization
- We recycle all plastic, paper, cardboard, wooden pallets at our DC's and HQ offices
- GPC supports paperless systems initiatives within all business segments
- GPC promotes use of fuel friendly delivery fleet vehicles
- NAPA IBS and our commodity supplier Balkamp are actively involved in the 2015-2016 conversion of all chemicals from the standard MSDS to the new standard SDS chemical labeling process.
- Two of our key IBS customers were awarded Clean Cities Green Fleet of the Year: the City of Sacramento Fleet 2013 and City of Kansas City, MO Fleet 2014

NAPA IBS Markets and Sells Many Green Initiative Products

- Smart Washers
- Challenger Water In-Ground Lifts
- 3M lead free wheel weight system
- Schumacher solar battery charger/maintainers
- Energy Logic - waste oil burners
- Vortex waterborne auto paint - no solvents
- Valvoline Next Gen oil - made with recycled oil
- Recycled Batteries
- Nature's Broom absorbent - eats shop floor oil and lubricants and is environmentally disposable
- Micro Green --Lifetime Fleet Filtration Products

Store Environmental Policy and Spill Policy

- All chemical products issued by NAPA will have a corresponding Material Safety Data Sheet or MSDS report. The MSDS sheet lists on-site potential hazards of the product. NAPA maintains a computer cataloged MSDS library that will be on the premises of our IBS Fleet locations.
- NAPA IBS will produce a MSDS (and soon will make the move to new SDS) hard copy of all chemicals that will be stocked on the premises and update an OSHA approved MSDS book in the event of an emergency.
- NAPA maintains a store policy mandating key emergency contacts be clearly posted in the event of an emergency. Hazardous Material hotline and Poison Control will be posted.
- NAPA Policy Hazardous materials handling includes the use of protective measures such as an approved eye wash station, approved fire extinguishers, approved safety glasses and gloves.
- NAPA will advocate the use of the environmentally friendly Parts Washer system to eliminate the use of needless hazardous chemical washing solvents to be replaced with "Ozzy Juice", an enzyme based solvent proven to work both for the environment as well as the safety and well-being of the technician washing fleet parts.

47) Describe any Women or Minority Business Entity (WMBE) or Small Business Entity (SBE) accreditations and the general minority and small business program of your organization as it relates to a Contract resulting from this RFP.

Many of our current IBS government and education customers require our IBS sites to work with procurement to achieve specific MWBE goals within our contracts. NAPA IBS has a policy to help our IBS partners exceed diverse spend goals when present in their procurement plan. We do this by helping our government customers recruit new vendors, provide due diligence support on these vendors, and provide regular reporting on our progress on the organizational MWBE goal vs. our actual performance.

SBE Efforts - Genuine Parts Company and NAPA IBS has extensive experience working with hundreds of SBE/MWBE supply partners in our many on-site operations across the country. Our goal with our proposal is to not only give a "good faith" effort – but to meet and exceed the stated goals of our customers.

NAPA's action plan includes using a mix of service vendors and local businesses to work toward the procurement goal of compliance. NAPA IBS has a tremendous track record of accountability and exceeding SBE/WMBE goals in our operations.

NAPA IBS' real world track record speaks for itself. In three major municipal contracts currently in place, we show a snapshot of historical success in meeting and exceeding SBE, MWBE and diverse business goals set forth in the RFPs:

IBS	Participation	Actual Results
City of Chicago	25% MBE/5% WBE	38% YTD
City of Houston	11% MBE	22% YTD
City of Sacramento	10% MBE	28% YTD

48) Identify any other unique or custom value added attributes of your company or your products/equipment or related services. What makes your proposed solutions unique in your industry as it applies to NJPA members?

NAPA IBS has unique, custom attributes that separate us from the competition:

a) **Current network of over 350 contracts** – we offer a unique opportunity for NJPA to market to hundreds of existing contracts to use the NJPA contract as a vehicle to extend current services. No other vendor managed inventory fleet solution has the opportunity to expand use of the NJPA contract like NAPA IBS.

b) **Dedicated IBS project sales staff of 18 field representatives** that do nothing but sell the vendor managed inventory solution presented in this RFP.

c) **A 20+ year network of over 1,300 OE, aftermarket, supplies, MRO and parts related vendors to support ANY operation that wishes to use the NJPA contract.** Our services go well beyond NAPA branded parts and include many OE and alternative brands to give our NJPA customers a broad range of choice on the products they wish to use in their fleet and warehouse operations. No other vendor of these services can provide the choice and leverage that our 1,300 non-NAPA branded parts and supplies vendor network and experience can bring. NAPA IBS has exclusive vendor arrangements with key fleet parts and supplies-related vendors that are exclusive to NAPA IBS customers and are unavailable to any other supplier of these services.

49) Other than what you have already demonstrated or described, what separates your company, your products/equipment and related services from your competition?

Other than what has been presented – we feel that the biggest added value we bring to this solicitation is our network of suppliers, customers, contracts and people. Today, we staff over 350 IBS fleet operations with well over 1,100 dedicated vendor managed on-site staff in our US operations. Our track record of driving cost out of fleet-related and warehousing operations stems through four main avenues: inventory management, staffing, transaction cost reduction, and shop productivity. We are unique in that we have over 350 unique sites in the US where today NAPA IBS owns and maintains over \$115 million in parts inventory for hundreds of thousands of fleet vehicles.

NAPA IBS specializes in Vendor Managed Inventory or VMI for fleet and maintenance facilities.

Customized Inventory Management Services

- Complete parts inventory analysis: parts, supplies, tires, chemicals, fluids and much more
- Obsolete inventory reduction planning and dispersal services
- Barcoding of all inventory
- Min/max establishment and regular review to ensure specific fill rates

Transaction Cost Reduction

- NAPA IBS deals with hundreds of vendors – customer only receives one monthly statement for parts
- IBS can assist with reduction of paperwork through monthly invoice reconciliation services
- The goal: Delivering streamlined paperwork and reduction of effort for accounting/billing

Technician Training – NAPA IBS Exclusive

- NAPA exclusive: Online technician skills assessment
- NAPA Training exclusive: Over 200 online tech training modules
- NAPA Training Exclusive: Over 50 on-site professional training instructor-led classes
- ASE test preparation for shop technicians and shops striving for ASE Blue Seal Certification

Fleet Software Integration – NAPA IBS Exclusive

- Seamless integration of customer's fleet management system with our TAMS inventory system
- This can be a customized full-scale fleet software integration, not just a data dump
- Our staff insures all requested and billed parts are on work orders
- Full-time national IT support for IBS operations – including customized IT solutions

Contract Compliance Reporting – NAPA IBS Exclusive

- Special order tracking and reporting
- On-demand fill-rate reporting
- Parts cost analysis and transparency

We are best-in-class on the training of our people and our customers.

We pride ourselves in transparency and driving results for fleet and maintenance repair operations.

50) Identify and describe any service contract options included in the proposal, or offered as a proposed option, for the products/equipment being offered.

The services we provide remain fairly consistent as we work with different agencies in our contracts. We are contracted to maintain and manage parts and supplies inventory for fleets in many verticals. For the purposes of this RFP – those verticals include – but are not limited to – government fleets and warehousing, education fleets and warehousing, non-profit fleets and warehousing. Each customer has unique needs within their operation, so we provide the flexibility within the scope of our services to accommodate customers in the projects we are contracted to perform. The basic offering we propose is to manage fleet-related supplies and parts. This can be accomplished either in an on-site dedicated operation or off-site dedicated operation. Space considerations, labor considerations, work schedule considerations, and inventory needs considerations are all variables for our fleet customers that require customization in each contract. In addition, we are asked to handle MRO skus as part of an overall operation. For example, in the City of Sacramento fleet operations, we have held a fleet contract for over five years. Recently, their warehousing operations has been looking for a solution to help them manage skus for their maintenance operations. We have responded to and have been awarded a contract to handle these materials as well as fleet related services and will use some of the same resources we currently have on-site within the fleet operation to manage the warehouse contract as well. Both facilities are on the same lot in the same area – and we can bring efficiency through our services by managing both. We will outline some of the services we provide in Form P of our response.

51) Identify your ability and willingness to offer an awarded contract to qualifying member agencies in Canada specifically and internationally in general.

NAPA IBS in the US and Canada work as one – and we are excited about the possibility of expanding use of the NJPA contract in Canada. We have a dedicated sales staff in place today that is ready to be trained and execute a similar marketing plan that we are using in the US. They have existing IBS vendor managed sites within government operations today. In addition, NAPA IBS Canada is already engaged in fleet related trade organizations – including NAFA – where we have easy access to promote and market the NJPA message. Our team is in place, the training is ready to go, and our NAPA Canada team would be ready to promote day one of an award. In addition, Genuine Parts Company and NAPA IBS can provide NJPA with future international expansion of the co-operative contract solution for what we do. GPC owns operations in Australia, New Zealand and Mexico as well. Our IBS efforts in those markets are just underway and could prove to be an excellent opportunity to help promote co-op solutions internationally.

52) Describe any unique distribution and/or delivery methods or options offered in your proposal.

While our services are primarily on-site parts and supplies outsourced services, we also have the opportunity to provide unique solutions within our contract to supply services to our customers including:

Off-site inventory services – Sometimes space, location or labor issues may require us to provide an off-site dedicated warehousing or parts supply operation for our customers. We have multiple examples where customers have asked us for an off-site solution.

Hub and spoke services – In some cases we have customers that have multiple sites but do not require staffing at all locations. In these cases we can model a hub and spoke inventory management system using people, technology, bar coding and standard operating procedures to accomplish the parts management goals of our customers. The unique nature of NAPA's brick and mortar operations – 62 master distribution centers and 6,000 retail outlets – gives us a unique footprint on the ability to source both NAPA and non-NAPA parts and supplies for our fleet customers...as well as deliver those products in an expedited manner leveraging our dedicated brick and mortar assets and logistics. This allows us to keep staffing costs in check and provide manned and unmanned services to fleets that are mobile or geographically broad in nature. The fact that we have so many brick and mortar sites and daily delivery to these sites...along with 350+ dedicated vendor managed inventory sites (NAPA IBS) allows us to give our government/education customers unparalleled service and availability.

Electronic vending machine/RFID solutions – We work with multiple suppliers of vending technology – including vending machines and RFID solutions to address specific non-manned solutions. In these cases, we build the standard operating procedures and cost/benefit analysis for customers to use this technology to decide if it is the proper fit.

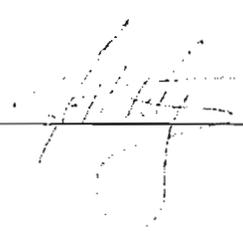
MRO warehouse supply management - In addition to fleet supplies, many of our municipal customers ask us to use the same technology, staffing, and inventory tools we do in fleet-related operations. We have the capabilities and vendor relationships to add this as an added value service to our IBS operations

Technology Solutions – With our dedicated IBS headquarters team we also have the ability to partner with the billing, finance, and management of fleet and government/education fleet operations to work on custom integration solutions for their fleet or enterprise procurement platforms – all meant to drive transactional efficiency and cost reduction in the day to day process of ordering parts and supplies.

Custom technician training solutions – As outlined earlier – we are dedicated to helping productivity in the shop through shop training – paced at the speed of the shop. Whether it is on-line, on-site or classroom study, NAPA IBS has tools to keep the government/education fleet technicians and fleet managers on the cutting edge.

NOTE: Questions regarding Payment Terms, Warranty, Products/Equipment/Services, Pricing and Delivery, and Industry Specific Items are addressed on Form P.

Signature: _____



Date: _____

6/1/15

Form B



PROPOSER INFORMATION

Company Name: Genuine Parts Company/NAPA Integrated Business Solutions (IBS)

Address: 2999 Circle 75 Parkway

City/State/Zip: Atlanta, GA 30339

Phone: 770-956-2200

Fax: N/A

Toll Free Number: N/A

E-mail: Jett_Kuntz@genpt.com

Web site: www.genpt.com and www.NAPA-ibs.com

VOIDS sometimes exist between management (those who respond to RFPs) and sales staff (those who contact NJPA Members) that result in communication problems. Due to this fact, provide the names of your key sales people, phone numbers, and geographic territories for which they are responsible

COMPANY PERSONNEL CONTACTS

Authorized Signer for your organization*:

Name: **Jett Kuntz**

Title: **Vice President – NAPA IBS**

Email: **Jett_Kuntz@genpt.com**

Phone: **770-855-2221**

* By executing Form F, the "Proposer's Assurance of Compliance," you are certifying this person identified here has their authorization to sign on behalf of your organization:

Author of your proposal response

Name: **Jett Kuntz**

Title: **Vice President – NAPA IBS**

Email: **Jett_Kuntz@genpt.com**

Phone: **770-855-2221**

Your Primary Contact person regarding your proposal:

Name: **Jett Kuntz**

Title: **Vice President – NAPA IBS**

Email: **Jett_Kuntz@genpt.com**

Phone: **770-855-2221**

Other important contact information: *see attached page*

Name: _____ Title: _____

Email: _____ Phone: _____

Name: _____ Title: _____

Email: _____ Phone: _____

Form C

EXCEPTIONS TO PROPOSAL, TERMS, CONDITIONS
AND SOLUTIONS REQUEST



Company Name: Genuine Parts Company/NAPA Integrated Business Solutions (IBS)

Note: Original must be signed and inserted in the inside front cover pouch.

Any exceptions to the Terms, Conditions, Specifications, or Proposal Forms contained herein shall be noted in writing and included with the proposal submittal. Proposer acknowledges that the exceptions listed may or may not be accepted by NJPA and may or may not be included in the final contract. NJPA may clarify exceptions listed here and document the results of those clarifications in the appropriate section below.

Section/page	Term, Condition, or Specification	Exception	NJPA ACCEPTS

Proposer's Signature: [Signature] Date: June 10, 2015

[Signature]
6/22/15



FORM D

Formal Offering of Proposal
(To be completed Only by Proposer)

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

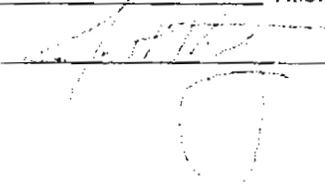
In compliance with the Request for Proposal (RFP) for FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS, the undersigned warrants that I/we have examined this RFP and, being familiar with all of the instructions, terms and conditions, general specifications, expectations, technical specifications, service expectations and any special terms, do hereby propose, fully commit and agree to furnish the defined equipment/products and related services in full compliance with all terms, conditions of this RFP, any applicable amendments of this RFP, and all Proposer's Response documentation. Proposer further understands they accept the full responsibility as the sole source of responsibility of the proposed response herein and that the performance of any sub-contractors employed by the Proposer in fulfillment of this proposal is the sole responsibility of the Proposer.

Company Name: Genuine Parts Company/NAPA Integrated Business Solutions (IBS) Date: June 10, 2015

Company Address: 2999 Circle 75 Parkway SE

City: Atlanta State: GA Zip: 30399

Contact Person: Jett Kuntz Title: Vice President, NAPA IBS

Authorized Signature (ink only):  Jett Kuntz
(Name printed or typed)



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

23rd

day of

July

, 20

15

NJPA Contract Number 061015-GPC

PROPOSER ASSURANCE OF COMPLIANCE



Proposal Affidavit Signature Page

PROPOSER'S AFFIDAVIT

The undersigned, representing the persons, firms and corporations joining in the submission of the foregoing proposal (such persons, firms and corporations hereinafter being referred to as the "Proposer"), being duly sworn on his/her oath, states to the best of his/her belief and knowledge:

1. The undersigned certifies the Proposer is submitting their proposal under their true and correct name, the Proposer has been properly originated and legally exists in good standing in its state of residence, that the Proposer possesses, or will possess prior to the delivery of any equipment/products and related services, all applicable licenses necessary for such delivery to NJPA members agencies nationally, and that they are authorized to act on behalf of, and encumber the "Proposer" in this Contract; and
2. To the best of my knowledge, no Proposer or Potential Proposer, nor any person duly representing the same, has directly or indirectly entered into any agreement or arrangement with any other Proposers, Potential Proposers, any official or employee of the NJPA, or any person, firm or corporation under contract with the NJPA in an effort to influence either the offering or non-offering of certain prices, terms, and conditions relating to this RFP which tends to, or does, lessen or destroy free competition of the Contract sought for by this RFP; and
3. The Proposer or any person on his/her behalf, has not agreed, connived or colluded to produce a deceptive show of competition in the manner of the proposal or award of the referenced contract; and
4. Neither the Proposer nor any officer, director, partner, member or associate of the Proposer, nor any of its employees directly involved in obtaining contracts with the NJPA or any subdivision of the NJPA, has been convicted of false pretenses, attempted false pretenses or conspiracy to commit false pretenses, bribery, attempted bribery or conspiracy to bribe under the laws of any state or federal government for acts or omissions after January 1, 1985; and
5. The Proposer has examined and understands the terms, conditions, scope, contract opportunity, specifications request and other documents of this solicitation and that any and all exceptions have been noted in writing and have been included with the proposal submittal; and
6. If awarded a contract, the Proposer will provide the equipment/products and/or services to qualifying members of the NJPA in accordance with the terms, conditions, scope of this RFP, Proposer offered specifications and other documents of this solicitation; and
7. The undersigned, being familiar with and understand the expectations requested and outlined in this RFP under consideration, hereby proposes to deliver through valid requests, Purchase Orders or other acceptable forms ordering and procurement by NJPA Members. Unless otherwise indicated, requested and agreed to on a valid purchase order per this RFP, only new, unused and first quality equipment/products and related services are to be transacted with NJPA Members relating to an awarded contract; and
8. The Proposer has carefully checked the accuracy of all proposed products/equipment and related services and listed total price per unit of purchase in this proposal to include shipping and delivery considerations. In addition, the Proposer accepts all general terms and conditions of this RFP, including all responsibilities of commitment as outlined and proposed; and

9. In submitting this proposal, it is understood that the right is reserved by the NJPA to reject any or all proposals and it is agreed by all parties that this proposal may not be withdrawn during a period of 90 days from the date proposals were opened regarding this RFP; and
10. The Proposer certifies that in performing this Contract they will comply with all applicable provisions of the federal, state, and local laws, regulations, rules, and orders; and
11. The Proposer understands that submitted proposals which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "nonpublic" will not be accepted by NJPA. Pursuant to Minnesota Statute §13.37 only specific parts of the proposal may be labeled a "trade secret." All proposals are nonpublic until the contract is awarded; at which time, both successful and unsuccessful vendors' proposals become public information.
12. The Proposer understands and agrees that NJPA will not be responsible for any information contained within the proposal.
13. By signing below, the Proposer understands it is his or her responsibility as the Vendor to act in protection of labeled information and agree to defend and indemnify NJPA for honoring such designation. Proposer duly realizes failure to so act will constitute a complete waiver and all submitted information will become public information; additionally failure to label any information that is released by NJPA shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

[The rest of this page has been left intentionally blank. Signature page below]

By signing below, Proposer is acknowledging that he or she has read, understands and agrees to comply with the terms and conditions specified above.

Company Name: Genuine Parts Company/NAPA Integrated Business Solutions

Contact Person for Questions: Jett Kuntz
(Must be individual who is responsible for filling out this Proposer's Response form)

Address: 2999 Circle 75 Parkway SE

City/State/Zip: Atlanta, GA 30339

Telephone Number: (770)855-2221 Fax Number: (303)623-5143

E-mail Address: Jett_Kuntz@genpt.com

Authorized Signature: *[Handwritten Signature]*

Authorized Name (typed): Jett Kuntz

Title: Vice President, NAPA Integrated Business Solutions

Date: June 10, 2015

Notarized

Subscribed and sworn to before me this 10th day of June, 2015

Notary Public in and for the County of Arapahoe State of Colorado

My commission expires: 12/20/2016

Signature: *[Handwritten Signature: Priscilla K. Gonzales]*

PRISCILLA K GONZALES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20044045305
MY COMMISSION EXPIRES 12/20/2016



PROPOSER QUESTIONNAIRE
Payment Terms, Warranty, Products/Equipment/Services, Pricing and Delivery, Industry Specific

Proposer Name: Genuine Parts Company/NAPA Integrated Business Solutions

Questionnaire completed by: Jett Kuntz

Payment Terms and Financing Options

1) Identify your payment terms if applicable. (Net 30, etc.)

On a monthly basis, we deliver parts billing and operational cost billing as part of our IBS services to our IBS contract customers. Our contract payment terms for parts purchases and operational expenses as part of our IBS services are Net 30th.

2) Identify any applicable leasing or other financing options as defined herein.

There are no applicable leasing/finance options as part of the services we provide for our customers since they are buying parts and paying us for monthly services rendered as part of our contracts.

3) Briefly describe your proposed order process for this proposal and contract award. (Note: order process may be modified or refined during an NJPA member's final Contract phase process).

a. Please specify if you will be including your dealer network in this proposal. If so, please specify how involved they will be. (For example, will the Dealer accept the P.O.?), and how are we to verify the specific dealer is part of your network?

Our order process is often a longer than normal process as our outsourced services often take longer due to working with government and educational fleet operations and management on case studies, financial analysis, and specific tracking metrics for each individual contract. This process is completely customizable to the needs of our customer and may be modified or refined during the NJPA member's contract adoption phase.

Step One - Discover the need with fleet operations and management on outsourcing parts and service needs. This will require analysis of current staffing, inventory, hours of operation, fleet needs, software adoption, billing processes, paperwork flow, audit procedures, and approvals.

Step Two - Introduce co-operative contract solution as a means to contract during the early phase of our analysis. If customer is not an NJPA member, we use this time to present the easy steps to become a member. If they already are an NJPA member, we present our contract opportunity with IBS along with documentation on the solicitation. At this point we have added a step in our process to verify documentation of NJPA membership with our NJPA contract manager.

Step Three - Complete financial and staffing analysis to determine needs of customer.

Step Four - Once customer has agreed to proceed to contract, our GPC legal and NAPA IBS representative present our NJPA IBS contract terms to the customer for their legal review.

Step Five - Customer builds business exceptions as part of our master IBS NJPA contract. NAPA IBS will negotiate specific terms for the customer based on their hours of operation, staffing needs, inventory needs, etc...

Step Six – NAPA IBS and Customer come to terms on NJPA contract.

Step Seven - NAPA IBS will inform NJPA when a contract has been agreed to between NAPA and customer. NAPA sets the commencement date with customer and ensures all operational systems are in place during mobilization. For NJPA, this is the window where we turn flags on in our system to accurately report sales per our NJPA contract agreement.

Step Eight – contract tracking and reporting will be communicated to NJPA on a quarterly basis along with announcements of all new contracts.

a) **Yes** – Our independent dealer network will be part of this proposal. Genuine Parts Company controls the process much like was outlined above for our independent dealer network. The dealer is responsible during the analysis phase to provide staffing, inventory and operational documentation. The dealer must agree to all of the terms of the NJPA IBS contract as well as the customization for a NJPA contract holder in the final agreement. To ensure these steps are made and done in our dealer network, Genuine Parts Company has provided an assignment document as part of the NJPA contract that must be signed by the customer, Genuine Parts Company, NJPA (if required), and the independent dealer as part of the contract process. The dealer is required to abide by the terms of the contract or will need to assign the business back to Genuine Parts Company.

4) Do you accept the P-card procurement and payment process?

Our NAPA IBS operations typically do not accept p-cards for payment on our monthly parts statement or monthly operations charges statement. We do make exceptions where customers are required to pay us via p-cards. However, since our NAPA IBS operations bill customers for all operating costs incurred in our services, we will be required to bill back any p-card service charges incurred by our IBS store operations on the monthly operating statement bill. For this reason, most NAPA IBS customers do not use their p-cards for our monthly billing – as we would bill them back any service charges.

Warranty

5) Describe, in detail, your Manufacture Warranty Program including conditions and requirements to qualify, claims procedure, and overall structure.

As an outsourced vendor managing hundreds – if not thousands –of vendors for a fleet operation, NAPA IBS accepts the responsibility to manage all parts warranties for our customers. NAPA will work with the NJPA contract customer to assist with and manage the manufacturer warranty process. All parts supplied under our agreement – OE, aftermarket, tires, supplies, etc. -- will be tracked and credit issued upon manufacturer approval. Reports will be available as needed for credit tracking purposes. Original equipment parts will be supplied where most beneficial to maximize manufacturer participation in the warranty process. NAPA will issue warranty credit immediately for any part that is determined to be defective. NAPA will then process the warranty claim on behalf of the customer. If the manufacture denies the claim, NAPA will work with the customer to work through the vendor to expense out the cost of the product – only as a last resort. All inventory supplied pursuant to this agreement is 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. Designated NAPA personnel will process all warranty claims and provide the customer with information received from each claim processed. Copies of the manufacturers' warranties will be available to our contract IBS customers upon request.

In some specific cases, we have worked with customers to add warranty documentation and due diligence in writing to ensure protection for our customers. This may include additional indemnity agreements and warranty documentation and processes. All agreements of this nature must be approved as part of our contract processes with NJPA IBS contract customers. Details of our warranty language appear in the sample contract attached in our response in Exhibit G.

6) Do all warranties cover all products/equipment parts and labor?

The written manufacturer's warranty covers parts warranties in most every case within our contract. Labor cost will be requested from specific vendors – however, in our experience manufacturers of parts may not cover labor as part of product sales to commercial applications – and some require documentation from the shop technicians to request labor reimbursement. If available through the vendors that supply parts to NAPA IBS and the customer through this contract, NAPA IBS will manage the process to recover all available warranties from the vendors that provide parts. That is a big service we provide all IBS customers.

7) Do warranties impose usage limit restrictions?

Most warranties have a date/mileage restriction for warranty as well as a misuse clause in their documentation of warranty. NAPA IBS will keep a written record of all warranty information on file within our on-site store and will track warranty periods on the parts we sell via this contract.

8) Do warranties cover the expense of technicians travel time and mileage to perform warranty repairs?

Typically warranties on the parts and supplies we sell within the scope of NAPA IBS services do not cover outside vendor technician time on outside sources sent to do a repair since most of the customer technicians do the work. Therefore mileage and travel time do not come into play within the scope of services we provide. If we discover that an NJPA contract IBS may need these types of warranty coverage for unique warranty situations, we will address this with the vendor at the beginning of the contract and will ask them to include their solution in our due diligence paperwork for that vendor. The customer will have to agree to that warranty arrangement before we proceed with that vendor.

9) Please list any other limitations or circumstances that would not be covered under your warranty.

NAPA IBS is extremely engaged in warranty recovery as part of the services we provide. The only other circumstances where we may need to address warranty concerns will be for parts and services that were purchased by the customer before we begin our contract but then come to light after we have started our contract. We will work with manufacturers and distributors on behalf of our NJPA contract customer to resolve and recover warranty on parts we did not provide. The only additional foreseen warranty issue that may come up is when warranties are rejected because of technician error or misuse of equipment. No different than the first example – NAPA IBS responsibility will be to work directly with the supplier of the part/service to resolve and recover what we can for our customer.

10) Please list any geographic regions of the United States for which you cannot provide a certified technician to perform warranty repairs. How will NJPA Members in these regions be provided service for warranty repair? Please provide a list of your network service providers for warranty work and repairs.

Since we will be providing a service – and that service will be providing hundreds of thousands of parts – the warranty procedures will be the same for any NJPA contract IBS customer in all 50 US states. The technicians and fleet management will present a defective or warranty part and our responsibility will be to process with the manufacturer or distributor who sold the product, recover the available, and process the paperwork on behalf of our customer. As a result we will use local and regional sources to process warranty work on the parts and services we provide. It is one phone call for an NJPA contract member to their local IBS on-site store to process any warranty. As soon as the warranty part is presented to our on site location, the store will be required to immediately replace the warranty part for the technician and credit the customer. The IBS store will then begin the warranty processing on behalf of the customer and present results after the proper vendor has processed the claim.

Equipment/Product/Services, Pricing, and Delivery

11) Provide a general narrative description of the equipment/products and related services you are offering in your proposal.

NAPA Integrated Business Solutions (IBS) is a customized on-site (or off-site) vendor managed parts and supplies inventory management program offered by NAPA Auto Parts under the trademark name Integrated Business Solutions.

In the simplest form NAPA IBS is a service for fleet customers in any government segment (State, DOT, City, County, Utility, etc.) or education segment (Higher Education and K-12) where the customer has a need to more effectively manage the parts, supplies and materials it takes to maintain their fleet vehicles.

Today, NAPA IBS operates over 350 on-site locations for multiple government and private fleet and warehousing operations in the US and over 20 sites in Canada.

Each IBS contract is unique because each fleet we service has different hours of operation, different vehicles, varying ages of vehicles, and unique staffing situations...no two fleets are the same. **Each IBS location is customized for the government/education customers business.** We start with a blank sheet of paper and build the store entirely around them (people, vendors, services, hours, space, and inventory).

NAPA IBS manages **any product our customers need us to handle** (NAPA and Non-NAPA Automotive/Truck/GSE Parts, OE parts, office supplies, safety material, tires, bulk fluids, and more).

How does NAPA IBS help our government/education customers? NAPA IBS works with the customer to build a customized on-site (or in some cases off-site) store that has dedicated NAPA IBS staff who are dedicated 100% to the specific contract customer. When we come to project scope agreement and contract agreement with our customers, NAPA IBS installs a full-scale dedicated on-site parts, supplies and warehouse materials system at the fleet operation that services that particular customer around the business hours of that customer.

Here are the immediate benefits to our contract customers of having an on-site NAPA IBS location service:

- **Inventory Reduction** – NAPA IBS owns the parts supply and inventory. In many cases, we buy the existing non-obsolete parts the customer stocked prior to IBS – relieving them of the inventory investment. Then we add additional inventory on NAPA's investment to support the fleet and improve fill rates. NAPA IBS stores **sell our contract customers parts and supplies as they need them – on-demand...** dramatically reducing the expensive world of owning and managing inventory. The customer only pays for the part when they use it.
- **Staffing** – NAPA IBS provides the staff to run the parts operation during the hours the customer needs us. This staff is 100% dedicated to their contract customer and will also be available to cover the parts operation after hours and in emergency situations (if requested by customer).
- **Transaction Cost Reduction** – NAPA IBS works with fleet departments and procurement departments to reduce the number of transactions by reducing paperwork and reducing the vast number of vendors usually servicing a fleet. We source from all vendors NAPA and non-NAPA and provide our customers with **one bill at the end of the month.** By consolidating the monthly parts bill into one statement, our customers experience a big transactional cost savings reduction by paying one bill versus hundreds.
 - NAPA IBS also works to reduce transactional time and cost by integrating our exclusive TAMS (Total Automotive Management System) point of sale system with existing fleet and warehousing software systems. By integrating with a fleets existing software platform, we help them leverage a major investment they have made in their fleet software and fully utilize the billing, reconciliation, work orders, and reporting available in their software. **Most importantly, it ensures that all parts and supplies used in the shop get billed to a proper work order – allowing our customers the auditability of what they do in their fleet operations.** NAPA seamlessly integrates with dozens of the most popular systems on the market (including Assctworks –Fleet Focus, FA, M4 and M5, Faster, Mitchell One, RO Writer, RTA, Dossier, Chevin).
- **Shop Productivity Improvement** -- NAPA IBS on-site store handles the day-to-day productivity killers (parts management, paperwork, cores, defects, warranties, new part returns). A very important part of our service is

providing regular reporting of on-demand fill rates. Between inventory management, customized min-max services and our nationwide vendor network, NAPA IBS builds a transparent, auditable inventory plan with our customers that builds in specific KPI's and benchmarks for on-time parts delivery to the technicians. Our goal with this is to eliminate the expensive downtime in a shop spent waiting for parts delivery in the traditional parts procurement system. Our goal is to help the government/educational customer by keeping technicians turning wrenches through having the proper inventory on hand and taking the ball on parts pickup and service to ensure the shop gets their parts on time – by dealing with hundreds of vendors.

In summary, IBS is customizable inventory solution that can be built around one shop, multiple shops and broad geographies.

12) Provide a general narrative description of your pricing model identifying how the model works (line item and/or published catalog percentage discount).

The NAPA IBS program is a turnkey, full-service inventory and parts supply program for fleet and warehouse operations. Services we provide will be outlined in our response to question #24 of Form P.

The program will be made available to all participating Genuine Parts Company/NAPA company-owned and independent NAPA stores in the US. Each governmental agency will use the sample contracts provided in the RFP response (**Exhibit G**) as a basis to come to contractual relationship with the servicing NAPA store. Both parties must agree and sign a contract summarizing the business relationship.

Pricing Model – Industry Standard – With over 350 current contract sites in the US and over 20 in Canada – NAPA IBS proposes the industry standard pricing model for the purposes of responding to this RFP. In our 20+ years of providing this service to government, educational and non-profit customers – as outlined in this RFP – our customers have asked for and have come to expect a pricing model that consists of two distinct parts:

1. IBS PARTS PRICE: The price of all parts and supplies purchased by the NJPA customer factored at an acquisition price divided by a margin factor to arrive at customer parts price.
2. IBS OPERATIONS COST: The monthly operating expenses charged to customer – based on agreed upon service and staffing agreements.

IBS Parts Price Narrative:

Today, NAPA IBS manages over one million parts skus from over 1,300 unique manufacturers and distributors for fleet operations nationwide. This does not count the NAPA branded 445,000+ skus we also can manage in an operation. As a result, the industry standard for managing and selling such a wide range of vendors and skus has made it important for our customers in this space to work on an actual acquisition parts cost vs. a list price less contract.

Most of our government IBS customers wish to have our parts pricing and contract margin clearly defined – along with a separate operating cost for our IBS services broken down separately to distinguish the true cost of operating an on-site location. The pricing models listed in this RFP are the same models used in virtually every government and educational IBS location we have today -- as well as the model that has been presented in several RFPs of this nature in fleets where we are not the contract holder. For this reason, we are presenting our pricing model solution as within the industry standard for these types of services.

In both models we present, we will define the “acquisition cost” on parts as this:

NAPA Branded Parts – Acquisition price will be the jobber net store acquisition cost for NAPA parts (on 10% margin model) and 9071 profile price (on Pricing Profile model)

Non-NAPA/Sourced Parts -- Acquisition price will be the net invoice price for NAPA IBS to acquire the part from the non-NAPA source

IBS Operations Cost Narrative:

Due to the different nature and business structure at each governmental agency, each individual IBS agreement will have a different level of expense depending on the unique needs of the fleet – different staffing, different hours, and different needs. For this reason, NAPA and the customer must complete an analysis of the fleet’s needs before deciding on the proper expense structure for the IBS site. Due to the nature of the IBS contract, the expenses involved with projected monthly operating expenses must be looked at separately from the parts pricing. NJPA contract member should consult with NAPA on structure of IBS and possible expenses. All operating expenses are agreed on by both parties before moving to final contract. Operating expenses are billed to the IBS customer at true cost with no markup and a sample of expected, agreed expenses are added to the final contract for approval from all parties before proceeding.

Sample monthly operating expense details are listed in Exhibit F of NAPA IBS’s RFP response.

Summary Narrative:

Our contract proposal gives NJPA members the most flexibility to select from two pricing options for our services within our contract to account for parts billing and operational costs – giving them easy audit capabilities on the price or parts and full accounting on all operating expenses for their project to gain a clear picture of total cost of services. Our two options are:

- Option 1: 10% gross margin model
- Option 2: NJPA Pricing profile model

The specifics of these two options will be outlined in our response to Form P - Question #14 below.

- 13) Please quantify the discount range presented in this response pricing as a percentage discount from MSRP/published list.

NAPA IBS is a vendor managed service for fleet related parts and services. In many cases we handle hundreds of vendors across broad scopes of products. As a result, the traditional methodology of calculating an “off-list/off-MSRP” methodology for the vast array of product supplied is not applicable. The products we sell are a function of our service. The products we sell under an IBS program are based on a cost factor – not on a total margin factor. Due to the wide array of products supplied in a vendor managed inventory, our customers have traditionally preferred to have us provide products at a negotiated cost plus factor (unless asked to provide an alternative model like our pricing profile model listed in the previous question). Because many vendors today do not maintain a true suggested MSRP or List price, the “off-list” discount numbers can vary wildly across multiple vendors – so the ability to have a true apples-to-apples comparison on list less discounts becomes clouded. As a result, a vast majority of our 350 contracts are based on an acquisition cost factored margin methodology to determine selling price to the customer. Our government customers overwhelmingly prefer the transparent cost nature of our IBS pricing model, as they have auditable invoices from our suppliers to measure the true cost factor on our margin/markup.

Many parts vendors do not provide a true MSRP or list price. That is the main reason the industry standard for parts pricing in this model is using the factored margin approach – NIPA contract members will purchase parts at the store acquisition cost (less any rebates and discounts that are passed to the customer via the acquisition price) divided by the factored margin agreed to in our contract. That allows the customer to see the invoice cost of the part and to easily factor the contract margin based on the contract to audit pricing. For vendors that do provide MSRP or List Pricing - we can estimate a wide range of discounts off list price from 10% off list to 75%.

On the NAPA branded product we sell in our agreements – since we are the sole distributor of NAPA branded products – we may have an average of 20%-50% off list price on NAPA branded products – depending on the pricing model our customers select.

- 14) Provide an overall proposed statement of method of pricing for individual line items, percentage discount off published product/equipment catalogs and/or category pricing percentage discount with regard to all equipment/products and related services and being proposed. Provide a SKU number for each item being proposed.

NJPA Customer Option 1: 10% Gross Margin Model

Parts Costs

NAPA Branded Parts - Supplied to customer at NAPA JOBBER NET Store Acquisition Cost divided by a factor of .90 = Customer purchase price of NAPA branded part. This is a not-to exceed pricing structure.

Sourced (non-NAPA Branded) Parts - Supplied to customer at IBS store acquisition cost from vendor divided by a factor of .90 = Customer purchase price of Sourced part. This is a not-to exceed pricing structure. Examples of these types of Sourced Parts vendors are outlined in Question #15 – Form P – below. **This price structure is outlined in our RFP proposal Exhibit H – electronically.**

This will be the cost factor for every sku sold from every vendor in this pricing model.

Operating Costs

The operating expenses of the store are billed on a separate bill to the customer in their entirety at cost. Industry standard for vendor managed inventory services has been for the vendor to supply a monthly, detailed operating statement to show all operating expenses and billing categories for expenses to run these operations per contract. In most cases customers prefer this model to bill operating expenses separate from the price of the part.

Example: If NAPA IBS and fleet agree that the IBS will stock and source a Ford OE brake part. The part is sourced by NAPA IBS and sold to the contract customer under our agreement at NAPA IBS acquisition cost from local Ford dealer divided by .90 to equal the selling price of the part. i.e. – Ford brake parts net acquisition cost is \$47.00 divided by .90 = IBS selling price to customer of \$52.22. This formula for gross margin is the same for NAPA branded product and non-Source/non-NAPA product. This will be the not to exceed price factor for each sku we provide in our agreement.

Under the term of this agreement with a customer, we would provide the customer a monthly parts detail with the parts acquisition cost and gross margin detail – as well as an audited operating statement. All parts from NAPA and non-NAPA Sourced vendors are put on to one consolidated billing statement. NAPA provides a separate bill for the operating expenses in this model.

A sample estimated operating statement showing the price model for the 10% gross margin model and sample operating expenses is included in Exhibit F of this document as well as documented in the pricing section of the sample contract listed in Exhibit G of our response.

NJPA Customer Option 2: NJPA Pricing Profile Model

We have some government/education fleet customers -- usually ones that service and bill multiple internal customers -- who ask us for an alternative model where our IBS operating expenses are built into the parts margins -- so they may bill the proportionate operating expenses within the price of the part when they bill their internal agencies. For that reason, we have created a second pricing option for NJPA contract holders wishing to go to IBS contract.

This model builds an extra gross margin on parts for the NJPA customer from the NAPA store. In this model the operating costs are paid entirely by NAPA. The NAPA store still receives a contract 10% net margin so amounts will be refunded or charged based on failure to achieve an overall 10% net margin after gross profit dollars and expenses are compared. Simply put, this model builds the price of most operating expenses into the price of the part. The NAPA Branded Parts Pricing in this model is billed to customer on the identical 9071 pricing profile used

in our NAPA Auto Parts Awarded Traditional NJPA contract #031212. **This price structure is outlined in our RFP proposal Exhibit II- electronically.**

Parts Costs

NAPA Branded Parts -- Supplied to customer at the NAPA Parts Contract Pricing profile schedule 9071. This is a not-to exceed pricing structure.

Sourced (non-NAPA Branded) Parts -- Supplied to customer will be sold at IBS store acquisition cost from vendor divided by a factor of .75 = Customer purchase price of sourced/Non-NAPA branded part. This is meant to yield a 25% margin on parts. This is a not-to-exceed pricing structure. Examples of these types of Sourced Parts vendors are outlined in Question #15 – Form P – below.

This will be the cost factor for every sku sold from every vendor in this pricing model.

Operating Costs

In this option, the operating expenses are not billed to the customer. The additional gross margin from all parts sales for the month are intended to cover most of the monthly operating expenses in this model. At the end of each month, the customer will be refunded or charged based on failure to achieve an overall 10% net margin for NAPA IBS for that month. We show a sample operating statement for this model in Exhibit G of our proposal.

Example: In this model, the IBS customer will be billed 9071 pricing (not to exceed) on all NAPA branded product and billed a cost factor of acquisition cost divided by .75 on all non-NAPA/Sourced parts (not to exceed price). The intent of these two profiles will be to produce a higher margin than pricing model 1. For the purposes of our example in Exhibit G – we used a blended gross margin of 25% on parts. The customer would pay the total price of parts in this model and the expenses would not be billed to the customer. One important note – if the gross margin in this model does not exceed the expenses to ensure NAPA of a 10% net margin per contract, the customer may be billed the difference.

15) Propose a strategy, process, and specific method of facilitating “Sourced Equipment/Products and/or related Services” (AKA, “Open Market” items or “Non-Standard Options”).

We have a clear-cut strategy for how potential NJPA customers will approach our proposed services in this offering space. Traditionally, customers will contact NJPA and NAPA IBS asking for one of two things when it comes to parts supply for their fleet or warehousing operations. The parts supply scope covered in NAPA Auto Parts NJPA contract #031212 which was awarded to NAPA Auto Parts in 2013 addresses traditional parts supply. In that model, NAPA retail stores across the country supply and deliver NAPA branded parts to NJPA customers.

The NAPA IBS model we propose in this solicitation is a completely different model. In IBS we propose an alternative method from traditional government procurement. Our model is a services related contract model that deals across multiple vendors offering an inventory management model that allows governments to use an NJPA contract to build a transformational model of parts supply and inventory management. Our model is facilitated by working directly with municipal and educational NJPA contract members to build a financially sound case for outsourcing their parts facility and supply chain to NAPA IBS. We have a vast marketplace of government and education fleets that we work with every year on major transformational operating strategies through IBS. The basic premises outlined in Form A of this response delineates the different aspects these fleet operators look at when determining our services. Some of the added value services we provide in our IBS services could be considered “Non-Standard Options”, and the basic services we provide could be considered “Open Market” services. We facilitate each customer based on their specific needs and provide them a menu of operational, vendor and service options to fit exactly what they need for their shops.

What specifically sets us apart from other vendors in the vendor managed inventory marketplace is the depth of experience and broad range of vendors available under our program. NAPA IBS has an incredible network of non-Source/Non-NAPA vendors that cannot be matched. This depth of experience dealing with vast amounts of local

businesses, diverse businesses, regional businesses, and national brand name vendors for parts and supplies -- give our NAPA IBS customers a unique opportunity to have sources available to them for parts.

We work in hundreds of government and educational fleet operations and many private fleet operations. That gives us a unique breadth of sources for parts – a very important aspect considering the broad range of fleet vehicles and operations across the NJPA verticals: light-medium-heavy duty, OE trucks, fire apparatus, ambulances, construction equipment, lawn maintenance equipment, semi-trucks, police cruisers, cement mixers, road maintenance vehicles, snow plows, garbage trucks, school buses, transport buses, airport maintenance, fueling....we have worked with most major brands of fleet vehicles and equipment. NAPA IBS sources millions of dollars each year from suppliers like:

IBS Non-Source/Non-NAPA Sample Vendor List	
Tires - Multiple Brands: incl. Goodyear, Bridgestone, Michelin, etc..	Motion Industries
Ford Motor Parts	Kenworth Trucks
International - Navistar - IC Bus - Monaco - Workhorse	Thomas Built Bus
General Motors F	BMW
Caterpillar	Terex - Amida Brand
Freightliner	Toyota
Cummins	John Deere - Green
McNeilus	Mercedes Benz
John Deere - Yellow	Nissan
Altec Industries	Volvo
Chrysler Family of Vehicles	Federal Signal
Wheel Lights	Jasper Engines & Transmissions
Granger	Isuzu
E-One Fire Trucks	Continental Battery
Tug Technologies	Bobcat
Labrie Environmental Group - Leach / Wittke / Juggler	Blue Bird Corporation
Peterbilt	New Flyer
Toro	Hall Industries
Hell Environmental	Komatsu
Elgin Sweeper Co	Prevost / Nova
Case Equipment - New Holland - International Harvester	Witgen - Vogele / Hamm / Kleemann Equipment
Mack	Imperial Supply
Fol. Seasons Radiator	Honda - Acura
Pierce Manufacturing - Fire Trucks	Hydraulic Solutions
AC Delco	Vactor Equipment
Hale Products	Detroit Diesel / Allison Transmission
Hell Heating & Cooling	Terex - Amida Brand

We leverage local, regional and national buying sources -- and have a national database of pricing - to compare prices and ensure our customers get fair prices in their operations. Our customers see the actual invoice price when we source parts from these type of non-NAPA Sourced parts vendors and the customer can easily see the margin factor we apply to these parts to show part price per the contract.

16) Describe your NJPA customer volume rebate programs, as applicable.

Based on our cost-based model, we do not provide rebates as part of a volume program with our IBS customers. Parts are sold at cost plus and any negotiated vendor rebates or discounts from ANY vendor in our operation are immediately accounted for in the raw acquisition cost of the part or supply for the customer. The true cost savings for the customer is encumbered in the total solution of NAPA IBS – cost savings come from buying parts and supplies at the “after rebate” price net acquisition cost on parts, inventory reduction and/or acquisition, transaction cost reductions, and shop productivity.

17) Identify any Total Cost of Acquisition (as defined herein) cost(s) which is NOT included "Pricing" submitted with your proposal response. Identify to whom these charges are payable to and their relationship to Proposer.

Our total cost of acquisition has been defined in our pricing response in line items 12-14. There are no hidden costs of acquisition in our IBS model. Parts costs are transparent to the customer and gross margin is added as a factor on our pricing schedule. On the operating expense pricing, NAPA IBS provides an audited operating statement to every NJPA IBS contract customer on a monthly basis – complete with backup for the expenses listed. The total cost of acquisition is the sum of the parts purchased by the NJPA contract customer at acquisition cost + contract gross margin + total agreed operating expenses. The only other additions to total cost may be special request projects – like IT projects, mobilization costs or overtime charges that come up as part of our agreement. Those expenses are verified and agreed to by a customer before we begin our services.

18) If freight, delivery or shipping is an additional cost to the NJPA member, describe in detail the complete shipping and delivery program.

Our IBS store services include inventory management and parts supply. NAPA branded parts are primarily supplied from our closest NAPA Distribution Center (at no freight charge to the customer). Our NAPA Distribution Centers are available for parts supply 7 days per week for our On-site NAPA IBS stores. Nightly freight deliveries to IBS locations are available on Monday-Friday with special pickups and deliveries on weekend. We also handle a huge array of local, regional and national non-NAPA vendors. Our goal is to have a vast majority of stock on hand to avoid freight charges. We work with all vendors to deliver parts at FOB destination cost. As part of our IBS services, the only freight or shipping costs come in the form of special order parts and supplies as requested by the customer. For example, if we have a specific application part that is an emergency and the only supply for that particular part is from a vendor in another state, we provide the customer with a freight approval form and will only ship upon approval from authorized NJPA IBS customer approver. Freight and shipping on special order items is billed to customer on the itemized operating statement on a monthly basis and is billed at cost with no markup. In addition, freight for these special order items is included on our invoice along with the part for auditing and tracking.

19) As an important part of the evaluation of your offer, indicate the level of pricing you are offering.

Prices offered in this proposal are:

- a) Pricing is the same as typically offered to an individual municipality, Higher Ed or school district.
- XX b. Pricing is the same as typically offered to GPOs, cooperative procurement organizations or state purchasing departments.
- c) Better than typically offered to GPOs, cooperative procurement organizations or state purchasing Departments.
- d. Other; please describe.

Explanation: The hallmark of our NAPA IBS program is pricing and service cost transparency. That's why our pricing model presented here is the same as we present to government agencies in the US and Canada. Parts supply vendor managed inventory contracts are unique in that a customer gets handed a detailed operating statement from a vendor and is provided auditable backup on all expenses and product costs on a monthly basis. For this reason, our IBS program presented to NJPA for consideration for this RFP is the same premise and conditions that we expect in every government offering or procurement event focused specifically on our IBS services. What varies in each contract is the services, staffing, overhead, and products as requested as part of the services we provide. In one IBS operation, the customer may request 7 people to staff their operation 24/7. In another operation, with similar needs, we may have 5 people. The expense bill back for these two operations will be a different cost to each customer because their needs are different. Both will work on the same pricing platform agreed to in the contract for parts and supplies, but the operations expense charge or "price of operation" will differ because they require different resources.

It is important to clarify and note that the services we are proposing for this RFP are a services-based, non-traditional procurement. Typically a procurement organization puts a bid out for parts, and vendors negotiate an acceptable margin to pay rebates, service the customer, and make a profit for their business. NAPA IBS is an atypical procurement in that the cost of the parts is not the "price" of the parts. Because of the service aspect of charging IBS customers for IBS services, we can say that traditionally parts prices can be lower, the same, or higher, depending on the mix of product we sell. It would not be accurate to say that prices across the board will be better – mainly because we do not know that until we get involved in an engagement and understand who is supplying parts and supplies.

In many cases we have been able to reduce the parts "price" for a customer through NAPA branded vendors and some non-NAPA vendors as well. We stand shoulder to shoulder with procurement and fleet to provide the agreed products they want for their fleet. We have had examples where fleet and procurement have been buying an aftermarket product from a vendor – only to find the quality of the parts to be poor. We jointly make the decision to purchase the higher priced OE part for a customer. In that case, our parts "price" was not lower, but the reduction of downtime, gain of tech productivity time, and overall "cost" has been reduced by the services we provide.

On a broad scope in our IBS services, we have been able to produce significant "cost" reductions for customers which many times includes price reduction on the raw acquisition of the parts "price".

20) Do you offer quantity or volume discounts?

YES NO Outline guidelines and program.

No. See response to question #16 on Form P above.

21) Describe in detail your proposed exchange and return program(s) and policy(s).

One of the hallmark services we will provide NJPA IBS contract customers is our incredible returns and exchange program managed by our on-site point of sale TAMS system. As part of a 6,000 site retailer, our IBS sites get to use the same technology NAPA uses to manage its 6,000 retail stores which manage millions of dollars in returned/exchanged merchandise every year. TAMS processes three type of returns: **New part returns, core returns, and warranty returns.** NAPA IBS will issue returns immediately upon physically receiving the returned goods parts and a return request from technicians or appropriate customer personnel. If any warranty fails to meet manufacturer warranty terms and NAPA IBS does receive credit, we will work with the customer to reissue the cost of the return to the appropriate asset. NAPA will maintain comprehensive warranty information and terms within the customer's fleet system as well, if requested.

As for core returns, NAPA IBS will either bill customers for cores or track the return of all cores - or – if the customer requests – we may set up a core bank which will be reconciled on a regular basis. When NAPA IBS issues out a part with a core value, the core value will automatically be billed to the separate core account. The core value remains on this account as pending awaiting return from the customer. NAPA will issue credit upon receiving the appropriate rebuild-able core. If the customer is unable to return a rebuild-able core within a timely manner, NAPA will issue the customer for the core value on the primary billing account.

To effectively track all core, warranty and new return parts - NAPA IBS will be able to provide the customer daily and on demand a list of open and pending cores to be returned to NAPA. New part returns and warranty returns are processed immediately and the customer is issued instant credit - no matter the vendor. All returns are measured exclusively in our TAMS Report RPT130 – Special Invoice Report and are reconciled daily by our on-site NAPA IBS manager and team.

22) Specifically identify those shipping and delivery and exchange and returns programs as they relate to Alaska and Hawaii and any related off shore delivery of contracted products/ equipment and related services.

Since we have brick and mortar store and warehouse operations in Alaska and Hawaii, they will have the exact same benefits as the other 48 states. Since they are part of the Genuine Parts Company family and NAPA network, NAPA branded products are delivered at the same cost as the mainland US. Freight and shipping for special order parts and parts not available through local and regional vendors would be vetted the same as in the 48 mainland states. Freight charges would be on an approval basis from the customer on special order and national vendors. NAPA also has export distribution centers on the West Coast (Sacramento) and East Coast (Miami) that already have international channels of distribution in place that can expand the services proposed in this agreement to the Caribbean, South America, and the South Pacific (including Guam).

23) Please describe any self-audit process/program you plan to employ to verify compliance with your anticipated contract with NJPA. Please be as specific as possible.

Self-audit process/program. NAPA IBS manages a similar process with audits on all 350+ IBS contracts nationally.

Corporate auditing and governance: First and foremost – as a publicly traded company, Genuine Parts Company is governed by Sarbanes-Oxley corporate governance and auditors as part of our public responsibility. Our business units in all company operations -- including IBS -- are audited on a regular basis.

IBS Corporate Auditing: Genuine Parts Company supplies each of our IBS locations with 3rd party inventory auditing through 3rd party contract inventory teams – per Sarbanes Oxley regulations. Each NJPA/NAPA IBS customer agreement will include monthly monitored electronic tracking of all customer purchases handled through our NAPA Headquarters in Atlanta, GA. The contracts will be subject to a quarterly compliance business review with involvement from the contract owner (GPC or independent dealer) and the customer and will be signed off and logged at NAPA Headquarters for compliance.

Parts Pricing and Operations Statements Compliance: Our HQ's IBS operations department -- listed in Form A of this response -- produces and reviews month end contract compliance reporting to insure each customers prices match their specific agreements with any deviation reported to the operations for corrections. This team will perform quarterly pricing reviews along with our local operations to ensure our customers receive contract pricing per our agreed NJPA contract. Our TAMS on-site point of sale system will be the system of record for all transactions -- and we have dozens of daily, weekly and monthly reporting available to any IBS customer for contract margin compliance. In many of our IBS sites, we are very familiar with contract compliance and audit measures, so our team is seasoned to report and audit our operations. This transparency is reflected in our IBS NJPA contract agreement attached. As a rule, in many of our IBS contracts, we provide a specific market basket of products to our customer with specific margins and costs to ensure compliance – typically on a quarterly basis. Our customers may pick the parts from parts acquired in the contract and may ask us to do an analysis on our contract price vs. the price charged. For example, the City of Chicago -- on a quarterly basis -- currently randomly selects 100 skus from the market basket of parts supplied through our contract and asks us to produce acquisition cost proof in the form of a statement from the vendor we purchased the product. We then produce TAMS reports and billing showing specific markup in the billed parts vs. the contract price to ensure compliance. The audit needs of our NJPA contract customers may differ – so we write the information requirements specifically in our contract language. NAPA IBS lives in a transparent government and education fleet environment every day and takes price compliance very seriously.

One additional note: All IBS customer purchases are stored and protected in our GPC secured network daily. Purchases are held in two separate secure corporate servers/data warehouses and preserved for the term of the contract – for internal and external audit purposes.

NJPA Marketing Requirements: In regards to marketing and advertising requirements our VP of IBS will assign the designated IBS Marketing Coordinator to insure the IBS website has the most current NJPA marketing materials posted and maintained monthly.

Reporting Compliance: Our IBS Operations Department will be notified of all new members and will insure that the locations' purchases are properly tracked to insure accurate quarterly reporting to the designated NJPA representative. Under our current contract, we have customized reporting on our NJPA contract for the co-op. We can deliver sku level data and overall program progress to NJPA on quarterly basis.

Industry-Specific Items

24) Describe your on-site inventory management solution, if applicable.

Integrated Business Solutions or IBS - Overview of Turn-Key Services Provided: The primary function of NAPA IBS services is to provide an on-site, turnkey replacement parts, supply warehouse/store within the walls of the

customers we serve. NAPA IBS has the responsibility to staff, stock and manage the warehouse/stockroom parts inventory for the NJPA contract fleet customer.

Pre-contract Phase

Project Analysis: Prior to initiating contracts with NJPA members for our services, our initial service is to perform a project/financial analysis for the customer to determine the viability of the project. This analysis includes -- but is not limited to: current parts pricing analysis, current hours of operations, staffing, technician service rates, inventory, historical fill rates and service levels, transactional costs, shop productivity, down vehicle history, fleet makeup, return part processes, and operational costs to maintain parts room, parts supply or warehousing for fleet or maintenance operation.

This co-operative analysis effort with the NJPA member will determine:

- Expected staffing and operational costs associated with managing the turnkey operation
- Projected initial parts vendors to be used in the operation
- Targeted key performance areas to be addressed in the agreement
- Project plan and timeframe of project launch

Once the NJPA member agrees to move forward, we move to the contract phase. *The last step in the pre-contract phase is to contact NJPA and get written documentation of the NJPA member status with our NJPA contract manager.*

Contract Phase

- NAPA IBS and NJPA member come to terms on specifics in the turnkey vendor managed IBS solution using the contract documents template proposed in the NAPA IBS response in this RFP –**Exhibit G**.
- Once a contract has been agreed to by both parties and NJPA member status has been verified, GPC legal will work with the customer to properly execute the contract.
- Once the contract is signed, NAPA IBS begins the project launch phase.

Project Mobilization/Launch Phase

NAPA IBS will next execute a well-organized project plan that includes:

- **Staffing Selection:** NAPA IBS staffs the personnel and management to operate each customer on-site parts warehousing location. We suggest the customer interview and approve on-site staff candidates and welcome their input and approval of our staff. The number of people and/or scheduling will be mutually agreed upon between the parties and accounted for every month with an audited operating statement. The following staff members will be mutually agreed upon by the NJPA contract customer and NAPA IBS: On-site staff may include:
 - Project managers
 - Site managers
 - Parts sourcing clerks
 - Inventory clerks
 - Paperwork clerks
 - Delivery drivers to source local pickup parts
- **Point of Sales/IT Implementation:** NAPA IBS installs our TAMS point of sale system of record within the proposed on-site location and connects all appropriate wide area network connections and software integrations. **NAPA IBS Exclusive:** Total Automotive Management System (TAMS) inventory management and point of sale billing computer system with the following capabilities: Invoicing, cataloging, master interchange, inventory control, custom pricing, inventory stocking information, inventory on order information, inventory on backorder information, lost sales reports and analysis, automatic inventory min/max review, inventory costing and much more. In addition, this system is a great benefit for the customer as it allows access to the area's largest inventory of automotive and heavy-duty replacement parts, paint, supplies and equipment. This access provides real-time warehouse stocking levels and electronically produces daily stock orders to the customer's location from NAPA's Distribution Centers to replenish the inventory on a regular basis.
- **Physical Inventory Count:** NAPA IBS provides -- at no charge to the customer -- an inventory count team comprised of NAPA team members to execute a full physical inventory of current fleet and warehouse parts and supplies. Once the full physical inventory is complete, our team provides bar coding, location loading, and

data loading of all applicable product into NAPA point of sale inventory system. NAPA IBS will work with customers to determine if there is an amount of working inventory that is in good, sellable condition and with a recent (24 month or less) significant purchase history. NAPA IBS reserves the right to inspect inventory and make a determination on the amount of inventory we may purchase up front on behalf of the NJPA member for use in their operation. Upon completion of physical inventory, NAPA and the customer will agree on the proper min/max levels for all products needed to meet fleet demands and contractual fill rates.

- **Vendor Orientation and Selection:** NAPA IBS takes the lead – with the assistance of the customer’s purchasing and fleet departments – to select a list of key vendors to meet with regarding pricing and supply terms for the project. This will consist of current fleet vendors and new fleet vendors.

Evaluation of Non-NAPA Vendors. With the current number of government customers utilizing the IBS program from NAPA IBS, we take our job very seriously on evaluating the vendors we use to serve our IBS contracts. As a result, we have strict criteria for any parts or supplies vendors who supply parts through our IBS services, including:

- o Shipping performance and turnaround time from vendor to our customer site
- o Order fill rate on special orders and stock replenishment orders – over 90% fill
- o Warranty, core and returns procedures
- o Product Quality -- understand the unique aspects of IBS as it relates to specifications and quality control within our customers fleets
- o Electronic Ordering Capabilities
- o Sales/Inventory Support – adaptable to changes or special requirements
- o Pricing Support – pricing shall be competitive with the industry standard
- o General Services
- o Offering of Clinics or Technical Information
- o Effective Cataloging
- o Communication/Responsiveness

Local Business Enterprise. Every year our IBS sites spend millions of dollars with local, small and diverse business entities to support the contract customers we serve. NAPA IBS agrees to work with the customer to meet and exceed small business and diverse business spend goals. In addition, our IBS services include documentation and reporting of all small business and diverse business spends – as the customer requires.

- **Operational Work Flow Plan:** NAPA IBS will meet with all appropriate customer management to insure seamless transition in billing, service and support. This includes training all support staff on IT, billing, invoicing product, and service expectations. We will also take this time to ensure our new on-site employees will meet the safety and security standards within the customer’s place of business.

Store Go-Live

Our launch date arrives, the staff is in place, inventory has been signed off by both parties, and vendors are in place. NAPA IBS’s turn-key solution is fully operational and we are ready to execute the terms of our agreement.

NAPA IBS is now under contract to supply parts, supplies and services as put forth in our agreement.

Our day-to-day duties include:

Inventory controls and management: IBS agrees to be wholly responsible for the on-site inventory at the customer’s shops provided that the stock area is totally secured and NAPA is the only authorized party for access. *NAPA IBS takes the burden of inventory cost* by owning all parts and supplies inventory within the secured on-site parts room for the customer. NAPA IBS takes ownership of inventory replenishment, inventory costs, and continuous management. When we own the inventory, the customer only pays for parts as they use them instead of incurring inventory holding costs, obsolescence and loss.

Our on-site staff is required to maintain and manage min/max and service levels to meet the service requirements of our contract. That includes daily stock orders, special order parts, vendor negotiations and managing new part/core and warranty returns for customers. NAPA IBS will bar code parts we manage to ensure accuracy and will manage inventory records within a customer's fleet management system - if requested.

NAPA IBS may also offer the ability to work on *off-site inventory management solutions* with customers that have small, satellite shops that may not require staffing to manage their parts needs.

Parts and Supplies Sourcing – Non-Source (Non-NAPA) and NAPA Branded: NAPA IBS delivers a best-in-class solution to leverage our 350+ on-site operations and network of 62+ NAPA Distribution Centers and 6,000 NAPA stores by giving our on-site stores the ability to check inventory levels and order from any NAPA Distribution Centers in the entire United States with approximately \$1 billion in inventory availability. **In addition, our IBS sites have access to the largest OE, proprietary, and aftermarket parts supply database in the industry (sourced parts/non-NAPA product) with over 1,300 non-NAPA manufacturers and distributors.** This gives our customers broad geographic comparisons on parts supply resources in all 50 states and Canada.

NAPA IBS agrees to provide stock and non-stock O.E. equipment parts, supplies, and equipment or NAPA aftermarket items of equal or higher quality (unless directed differently by customer) including but not limited to the following:

- Automotive Replacement Parts - OE and aftermarket
- Light, Medium and Heavy Duty Parts - OE and aftermarket
- Bulk Oil and other Lubricants/Chemicals – including management of SDS sheets
- Tools and Equipment – including management of tool cribs for customers
- Automotive Accessories
- Paint and Refinishing Supplies
- Tires - multiple vendors across our 350+ store network
- MRO, safety and necessary operations supplies
- Necessary equipment for lube equipment for dispensing oils and greases or hydraulic hose making equipment

Parts Availability and Quality: If a situation arises where NAPA IBS cannot locate a given part, the customer will be notified. If NAPA IBS cannot provide the item within the time frame required, our customers are allowed to procure this item from another source. NAPA agrees to provide stock and non-stock O.E. equipment parts, supplies and equipment or NAPA aftermarket items in equal or higher quality to OE or to customer specs. NAPA agrees to allow customers to inspect the quality of materials, supplies and equipment proposed to be furnished and allow the customer to reserve the right to reject any item(s) that do not meet O.E. or fleet specifications.

Billing, Invoicing and Reporting day-to-day parts inventory, operations and parts activity:

- NAPA IBS has the responsibility to properly invoice all parts at the time of sale and **ensure all parts are billed to the proper work order** in the customer's system. We will also enter any information into the customer's fleet, billing or inventory database system at the time of sale as required by customer, including complete repair order information -- as required by customer.
- **NAPA IBS provides all daily and monthly reports** generated by TAMS computer upon request of the customer including key performance metrics of the customer contract.
- At the end of each month we provide the customer with a **detailed statement** showing all invoice numbers, sku level data, and amounts purchased ensuring contract pricing transparency and detailed operating statement transparency. NAPA IBS will produce a separate detailed billing statement for the monthly operating expenses of the operation.

The level of staffing and operating expenses vary based on the size and scope of customers. A mutually agreed staffing plan is included in every NJPA contract. **Our sample staffing plan and sample operational expense recap for our IBS pricing models are included in Exhibit F of this response**

25) If you are proposing an on-site inventory management solution, can you customize it based on NJPA member requests? If so, please provide an example(s) of when and how you have done this.

A trademark of our NAPA IBS program is the customizability of our services around the needs of our customers. Our solution can customize the program for fleets of any size. Typical requests for customization usually revolve around inventory, staffing, and/or operations support.

We have hundreds of examples where government fleet customers have worked with NAPA IBS to build a specific custom solution for their fleet operations. Some important solutions are outlined below:

State of Georgia – Independent Involvement to support NJPA State Contract

The State of Georgia broke new ground by adopting the NJPA contract for parts and supplies and related services in 2010. As part of that project, the State asked us to reach out to local small business NAPA independent owners in Georgia and coordinate an effort to solicit IBS services as part of the State of Georgia NJPA contract. Our local IBS sales resources and NAPA IBS Headquarters resources worked with State of Georgia resources to find specific opportunities within the State. The result of our NJPA IBS campaign was the addition of several new K-12 IBS contracts on the existing State of Georgia contract that includes: Newton County Schools, Muscogee County Schools, and Richmond County Schools – all IBS sites managed by small business, Georgia-based ownerships. This was a win-win-win for all parties involved.

The State of Georgia was able to help local County K-12 organizations through the cooperative NJPA contract and brought significant business to the small business Georgia-based NAPA owners in Georgia. The K-12 organizations gained big savings by getting out of the inventory business and showed huge productivity gains by having NAPA IBS operate their parts operations. The small business NAPA owners gained new business and were able to support the State of Georgia in their efforts to gain contract adoption through our IBS contracts. This was a great example of how co-operative purchasing should work.

Dallas County Schools – Staffing

In 2014, NAPA IBS worked with another educational opportunity in Texas. The customer understood the many benefits of IBS – inventory, productivity, procurement leverage, and transactional savings. They operate 11 school bus garages across a large metropolitan area. They had several key current employees who would fit our new IBS model. Our customer solution for Dallas County Schools included Genuine Parts Company hiring several of their current parts staff to our company, giving them the training and tools provided in our IBS program – including them in the solution. This was a win-win for Dallas County Schools and NAPA IBS: The Schools were able to restructure their staffing to better serve the public while the staff were given an enhanced role in management of our GPC IBS operations and the schools got the financial benefits of IBS.

City of Chicago – Inventory Management Process

When NAPA IBS entered into our IBS agreement with the City of Chicago Fleet operations in 2000, their primary need was a growing obsolete and excessive parts inventory of over \$20 million dollars. NAPA developed a customized plan to work with existing vendors and new vendors with one main goal: Help the City out of a \$20 million dollar inventory liability while leveraging the power of our NAPA IBS services. As NAPA IBS added important inventory on our books to service the fleet, we worked with other vendors to reduce the City-owned parts and supplies inventory organization-wide. The results of this customized inventory effort:

- City of Chicago-owned inventory was reduced from \$20,000,000 to \$3,000,000 within the first 3 years of the contract.
- The current City owned inventory is valued under \$500,000. Most of the City owned inventory is made up of internally fabricated and rebuilt parts, used and recapped tires, and warranty compensated parts.
- The balance of City owned inventory (managed by NAPA) is issued at no charge until depleted.
- The City was able to eliminate the parts inventory annual investment.
- NAPA owns the majority of the City parts inventory – over \$5.5 million currently.
- Annual losses due to obsolescence and shrinkage were eliminated.

26) What is your parts fill rate, if applicable?

Another trademark of our IBS program for fleet and warehouse operations is our ability to track and report regular parts fill rates on the parts and supplies we maintain for fleet operations. In fact, we believe in fill rate requirements so much that we make it a requirement in our IBS contract. This allows us to give our operations a daily report card in fill rate activity – the real measurement of our program. By tracking every transaction and being integrated into the operation, we can provide valuable information to our fleet IBS customers on the status requests for parts.

With the wide range of fleets we service, NAPA IBS has different fill rate requirements in most contracts. The IBS standard – after initial mobilization, inventory and vendor agreements, service changes and integration is to achieve 90 percent fill rates for on-demand, standard use items within a specified fill rate timeframe based on the customer. From our experience, there will always be non-standard parts requests -- some special orders, some new product sourcing, and some special build requests -- that are not able to be filled on demand. NAPA IBS sites work with customers in the first weeks of an operation to analyze current inventory and purchase history to build and invest in a model to hit the customer's productivity goals. Within the first 120 days of operation -- scope and inventory needs differ – we are usually able to deliver 80% of all parts requests on demand as we work through prior fleet data, current inventory, and vendor selection in the new project. Within the first 6-12 months of operation we target 90%+ fill rate on demand.

Signature: _____ Date: _____

www.njpacoop.org



10/14/2011
10/14/2011
10/14/2011

Pricing, financials and marketing material were submitted with the response and is available upon request. Due to the difficulty in emailing such a large file they were not included.

As a public agency, NJPA proposals, responses and awarded contracts are a matter of public record, except for that data included in the proposals, responses and awarded contracts that is classified as nonpublic; thus, pursuant to NJPA policies and RFP terms and conditions, all documentation, except for data which is nonpublic, is available for review through a formal request process including a written request.



INTEGRATED SUPPLY AGREEMENT

BY AND BETWEEN

GENUINE PARTS COMPANY

AND

CITY OF LANSING, MICHIGAN

**INTEGRATED SUPPLY AGREEMENT
BY AND BETWEEN
GENUINE PARTS COMPANY
AND
CITY OF LANSING, MICHIGAN**

THIS INTEGRATED SUPPLY AGREEMENT (this “Agreement”) is made by and between **GENUINE PARTS COMPANY**, a Georgia corporation (d/b/a NAPA Auto Parts) (“NAPA”), and the **CITY OF LANSING, MICHIGAN** (“CUSTOMER”), to be effective as of the ____ day of February, 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”), the State of Michigan 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:

AGREEMENT

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):

Lansing Public Works
530 E. South St.
Lansing, MI 48910
Manager: Tim Smith

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.

3. **TERM.** This Agreement shall begin the date this Agreement is fully executed 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. This Agreement shall terminate automatically upon the termination, for any reason, of the NJPA Contract. Notwithstanding the foregoing, 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.

4. **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 locations. 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 daily route basis. 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) 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.

(d) NAPA shall provide a cost statement of the parts operations to the CUSTOMER on approximately the 12th of each month for each On Site Store.

(e) NAPA shall provide back-up emergency service during non-working hour contingencies. This overtime expense (calculated at time and one half) will be charged on a cost basis to CUSTOMER, and must be pre-approved by CUSTOMER. The parties shall mutually agree upon the pre-approval process for such emergency situations. NAPA will provide a list of personnel, including telephone numbers, who will respond to emergency service requests.

5. **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. CUSTOMER shall provide NAPA a safe work environment that is free from hostility, violence, or discrimination. NAPA reserves the right to terminate the contract immediately should NAPA encounter a hostile, violent, discriminatory, or unsafe work environment.

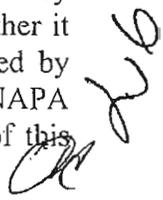
(b) CUSTOMER shall use NAPA as its Primary Supplier of the Inventory under this Agreement. CUSTOMER reserves the right to purchase any item outside this Agreement where it is determined to be more economical or timely so long as the purchase of aforesaid part or parts does not result in NAPA no longer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

(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. 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 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.

6. **ALTERNATIVE SUPPLIERS.** Each On Site Store may be serviced by a NAPA Owned Store or a NAPA Jobber. CUSTOMER acknowledges that whether it will be serviced by a NAPA Owned Store or a NAPA Jobber will be determined by NAPA, in its sole discretion, and that if CUSTOMER is to be serviced by a NAPA Jobber, then such NAPA Jobber must evidence its desire to abide by the terms of this Agreement by entering into an Assignment in the form of Exhibit B hereto. 

7. **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 agrees to pay the entire amount of all statements received from NAPA by the 25th day of the month following receipt of any such statement. If CUSTOMER has not paid the entire amount of all statements received from NAPA within 10 days of the 25th day of the month following receipt of such invoice, CUSTOMER shall be put on COD until such amount is paid in full. 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") by adjusting the pricing of two elements:

- (a) ***Product Costs.*** The pricing of the Inventory to be supplied to CUSTOMER by NAPA pursuant to this Agreement. 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) ***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 a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit C. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit C are subject to change based on actual monthly costs and expenses incurred relative to the operation of the On Site Store(s).

PRICING PLAN SUMMARY

NAPA Product Costs	Billed to CUSTOMER at a 10% gross profit rate (gross profit is store acquisition cost divided by .90)
Non-NAPA Product Costs	Billed to CUSTOMER at a 10% gross profit rate (gross profit is acquisition cost divided by .90)
Operational Costs	Billed to CUSTOMER at cost
Net Profit Target	10% net profit for NAPA

Both NAPA Product Costs and Non-NAPA Product Costs shall be set by NAPA to yield a gross profit of ten percent (10%). Gross profit is calculated by dividing the acquisition cost by .90. 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.

In addition, NAPA may use any sub-contractor for the procurement of "outside" purchases or services (i.e., those parts or services not traditionally stocked or performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a ten percent (10%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing of such outside purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

8. INSURANCE.

(a) CUSTOMER is a state agency and is self-insured for liability and workers compensation through the Department of Administrative Services. CUSTOMER shall provide to NAPA, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above.

(b) NAPA shall maintain during the term of this Agreement worker's compensation insurance coverage for its employees located at the On Site Store(s) in amounts required by law. 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).

(c) The insurance policies in this section required to be held by each party shall contain a waiver of subrogation against the other party.

(d) Neither Customer nor the Department of Administrative Services shall procure or provide insurance for NAPA property or Inventory.

9. NO LIENS.

(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 grants NAPA a power of attorney to execute such documents as are necessary to protect NAPA's interest in the Inventory on consignment on CUSTOMER's premises, including any UCC-1 statements.

10. 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.

11. WARRANTY/LIABILITY DISCLAIMER. All products supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each product, 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 products 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.

12. TERMINATION FOR CAUSE. This Agreement may be terminated immediately, unless otherwise stated in this Section 12, by either party for cause:

(a) In the event that the other party fails or refuses to pay any amounts due under this Agreement and such failure continues for ten (10) days;

(b) 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

(c) 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.

13. EFFECT OF TERMINATION. Immediately upon termination of this Agreement by either party for any reason:

(a) All duties, responsibilities and other obligations of each party hereunder shall terminate, except for the payment of any amounts due and owing to NAPA at the time of termination.

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

Nothing contained in this Section shall be deemed a waiver of, or in any other manner impair or prejudice, any other legal rights that either party may have against the other party for any breach of this Agreement. The provisions and obligations of Sections 9, 11, 14, 15, 17, 18, and 20 shall survive the termination of this Agreement for any reason.

14. BUY-BACK OF INVENTORY. Upon termination, expiration, or non-renewal of this Agreement, NAPA shall have the option to require CUSTOMER to purchase all non-NAPA branded 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 branded Inventory, owned by NAPA and located in the On Site Store(s) at NAPA's current acquisition cost. CUSTOMER INITIALS: SMC

15. **CHANGE OF CONTROL.** NAPA may unilaterally terminate this Agreement by giving thirty (30) days written notice to CUSTOMER upon the occurrence of any one or more of the following events:

(a) A change in the management or ownership of CUSTOMER;

(b) A sale, lease, assignment or other transfer of CUSTOMER'S business or assets, whether through a stock purchase, merger, asset purchase, or other similar transaction, of at least a ten percent (10%) interest therein.

16. **LANDLORD CONSENT AND WAIVER.** Not applicable.

17. **INDEMNIFICATION.** NAPA shall be responsible for and shall indemnify and hold CUSTOMER harmless from and against all damages, claims or demands that may, during the term of this Agreement, arise or be occasioned by the negligent or intentional acts of NAPA or NAPA's employees.

18. **NOTICES.** Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be hand-delivered in person or sent via facsimile, by overnight mail through a reputable service, or by certified mail, return receipt requested, to the addresses set forth below:

As to NAPA: NAPA Grand Rapids
3402 Patterson Ave, S.E.
Grand Rapids, MI 49512
Attn: John Sedlecky
Telephone: (616) 957-3105
Facsimile: (616) 951-4616

As to CUSTOMER: City of Lansing, MI
124 W. Michigan Avenue
Lansing, MI 48933
Attn: Chad Gamble
Telephone: (517) 285-7191

Each such notice shall be deemed delivered (i) on the date of receipt if delivered by hand, overnight courier service or if sent by facsimile, or (ii) on the date three (3) business days after depositing with the United States Postal Service if mailed by registered or certified mail. Either party may change its address specified for this notice by giving the other party at least ten (10) days written notice in accordance with this Section 18.

19. **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 judgement of NAPA.

20. **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.

21. **AMENDMENTS.** No amendment to this Agreement shall be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Agreement is executed.

22. **NO WAIVER OF RIGHTS.** No failure of either party hereto to exercise any power given such party hereunder or to insist upon strict compliance by the other party to its obligations hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

23. **LIMITATIONS ON RIGHTS OF THIRD PARTIES.** All obligations of a party under this Agreement are imposed solely and exclusively for the benefit of the parties, and no other person shall, under any circumstances, be deemed to be a beneficiary of such obligations.

24. **INDEPENDENT CONTRACTOR.** The parties hereunto are independent contractors. Nothing in this Agreement shall create or shall be deemed to create any fiduciary relationship or the relationship of principal and agent, partnership, joint venturers or any other similar or representative relationship between the parties hereto.

25. **CHOICE OF LAW.** This Agreement shall be construed and interpreted under the laws of the State of Michigan.

26. **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.

27. **SECTION HEADINGS.** Section titles or captions contained herein are inserted only as a matter of convenience or reference and in no way define, limit, extend, or describe the scope hereof or the intent of any provision hereof.

28. **SEVERABILITY.** In the event any part of this Agreement shall be finally determined by a court of law to be illegal or unenforceable for any reason, then that illegal or unenforceable part shall be severed from the Agreement, and the remaining terms shall continue in full force and effect.

29. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement of the parties hereto and no prior representation, inducement, promise or agreement, oral or written, between the parties not embodied herein shall be of any force and effect.

30. **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.

31. **AMENDMENT TO INTEGRATED SUPPLY AGREEMENT.** Simultaneous with the execution of this Agreement, NAPA and CUSTOMER shall execute that certain Amendment to Integrated Supply Agreement dated as of even date herewith, attached hereto as Exhibit D.

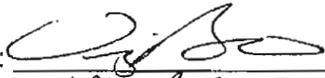
[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto cause their hands and seals to be affixed by their duly-authorized representatives effective as of the date and year first above written.

GENUINE PARTS COMPANY

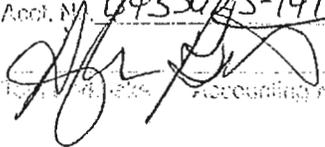
By: 
Name: Bret Robyck
Title: President

CITY OF LANSING, MICHIGAN

By: 
Name: Vig Belner
Title: Mayor

I hereby certify that funds are available.

Acct. No. 6433623-141350/6433623-743000


Accounting Officer

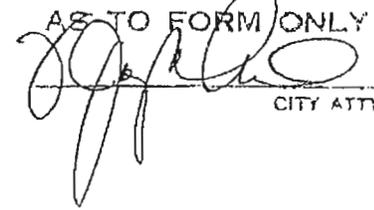
APPROVED
AS TO FORM ONLY

CITY ATTY

EXHIBIT A
NJPA CONTRACT

See attached.



FORM D

Formal Offering of Proposal
(To be completed Only by Proposer)

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

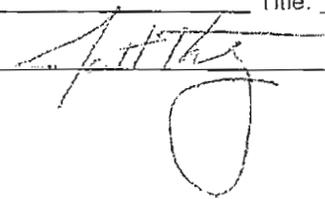
In compliance with the Request for Proposal (RFP) for FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS, the undersigned warrants that I/we have examined this RFP and, being familiar with all of the instructions, terms and conditions, general specifications, expectations, technical specifications, service expectations and any special terms, do hereby propose, fully commit and agree to furnish the defined equipment/products and related services in full compliance with all terms, conditions of this RFP, any applicable amendments of this RFP, and all Proposer's Response documentation. Proposer further understands they accept the full responsibility as the sole source of responsibility of the proposed response herein and that the performance of any sub-contractors employed by the Proposer in fulfillment of this proposal is the sole responsibility of the Proposer.

Company Name: Genuine Parts Company/NAPA Integrated Business Solutions (IBS) Date: June 10, 2015

Company Address: 2999 Circle 75 Parkway SE

City: Atlanta State: GA Zip: 30399

Contact Person: Jett Kuntz Title: Vice President, NAPA IBS

Authorized Signature (ink only):  Jett Kuntz
(Name printed or typed)



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

20th

day of

July

, 20

15

NJPA Contract Number 061015-GPC

EXHIBIT B
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.

Handwritten initials: JTB and CM

[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: *[Signature]*
Name: *Bret Robysek*
Its: *Division Vice President*

By: _____
Name: _____
Its: _____

Agreed and acknowledged:

_____ [CUSTOMER]

By: _____
Name: _____
Its: _____

EXHIBIT C

SAMPLE OPERATIONAL COSTS STATEMENT

See attached.

CITY OF LANSING - 5 year proforma and ROI



Projected Expenses	NAPA Monthly Parts and Operational Projections	% To Sales	Target Year One	Target Year Two Escalation 3%	Target Year Three Escalation 3%	Target Year Four Escalation 3%	Target Year Five Escalation 3%
Parts Purchases	92,810	100.00%	1,113,725	1,147,136	1,181,550	1,216,997	1,253,507
Cost of Goods	85,000	91.58%	1,020,000	1,050,600	1,082,118	1,114,582	1,148,019
Markup on Parts	7,810	8.42%	93,725	96,536	99,432	102,415	105,488
GROSS PROFIT	7,810	8.42%	93,725	96,536	99,432	102,415	105,488
Accounting Fees	920	0.99%	11,040	11,371	11,712	12,064	12,426
PAYROLL:							
Manager/Counter Salaries	6,360	6.85%	76,320	78,610	80,968	83,397	85,899
Delivery Driver Salaries	1,914	2.06%	22,968	23,667	24,367	25,068	25,851
Pension	415	0.45%	4,960	5,129	5,283	5,442	5,605
Insurance	908	0.98%	10,896	11,223	11,560	11,906	12,264
Workers Comp Insurance	285	0.29%	3,180	3,275	3,374	3,475	3,579
FICA/SECA/FUI/SUI	1,336	1.44%	16,032	16,513	17,008	17,519	18,044
Total IBS Payroll	11,198	12.07%	134,376	138,407	142,559	146,836	151,241
Miscellaneous Expenses	-	-	-	-	-	-	-
Delivery Truck Insurance	-	0.00%	-	-	-	-	-
Delivery Maintenance/Gas	-	0.00%	-	-	-	-	-
Truck Payment ** Driver expense	-	0.00%	-	-	-	-	-
Shelving/Cage Depreciation	50	0.05%	600	618	637	656	675
Freight & Postage	300	0.32%	3,600	3,708	3,819	3,934	4,052
General Liability Insurance	150	0.16%	1,800	1,854	1,910	1,967	2,026
Interest	-	0.00%	-	-	-	-	-
Light, Heat, Water	-	0.00%	-	-	-	-	-
Rent	-	0.00%	-	-	-	-	-
Stationary, Shipping Supplies	100	0.11%	1,200	1,236	1,273	1,311	1,351
Stock Loss	-	0.00%	-	-	-	-	-
Store Expenses	100	0.11%	1,200	1,236	1,273	1,311	1,351
Personal Property Taxes	400	0.43%	4,800	4,944	5,092	5,245	5,402
Telephone	-	0.00%	-	-	-	-	-
Inventory Computer	1,050	1.13%	12,600	12,978	13,367	13,768	14,181
Training	-	0.00%	-	-	-	-	-
TOTAL MISC. EXP.	2,150	2.32%	25,800	26,574	27,371	28,192	29,038
TOTAL EXPENSES	14,268	15.37%	171,216	176,362	181,643	187,092	192,705
Gross Profit Less Expenses	(6,458)	-6.96%	(77,491)	(79,816)	(82,211)	(84,677)	(87,217)
Miscellaneous Discounts	0	0.00%	-	-	-	-	-
MGMT FEE	14,272	15.38%	171,267	176,405	181,697	187,148	192,763
NET PROFIT	7,815	8.42%	93,776	96,589	99,487	102,471	105,545

Profit Guarantee Profit Achieved 8.42% 8% 8% 8% 8%

EXHIBIT D

AMENDMENT TO INTEGRATED SUPPLY AGREEMENT

See attached.

**AMENDMENT TO INTEGRATED SUPPLY AGREEMENT
BETWEEN
GENUINE PARTS COMPANY
AND
CITY OF LANSING, MICHIGAN**

THIS AMENDMENT TO INTEGRATED SUPPLY AGREEMENT (this "Amendment") is entered into this ____ day of February, 2016 (the "Amendment Effective Date"), by and between **GENUINE PARTS COMPANY**, a Georgia corporation ("NAPA") and the **CITY OF LANSING, MICHIGAN** ("CUSTOMER").

WHEREAS, NAPA and CUSTOMER are parties to that certain Integrated Supply Agreement dated as of February ____, 2016 (the "Agreement") for the supply and sale of automotive parts and related supplies at certain locations as required by CUSTOMER; and

WHEREAS, NAPA and CUSTOMER desire to amend the Agreement according to the terms set forth below.

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 hereby acknowledged, NAPA and CUSTOMER hereby agree to amend the Agreement as follows:

1. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

2. Section 4(e) of the Agreement is hereby deleted in its entirety and replaced with the following:

(e) NAPA shall provide back-up emergency service during non-working hour contingencies. This overtime expense (calculated at time and one half after accrual of 40 hours per work week) will be charged on a cost basis to CUSTOMER, and must be pre-approved by CUSTOMER. The parties shall mutually agree upon the pre-approval process for such emergency situations. NAPA will provide a list of personnel, including telephone numbers, who will respond to emergency service requests.

3. A new Section 4(f) is hereby added to the Agreement as follows:

(f) NAPA shall comply with all applicable laws, rules and regulations which are now or may hereafter be made effective by the United States or its agencies or the State of Michigan, or any other governmental or governing body, including the City of Lansing, which may now or hereafter have jurisdiction over the subject matter of this Agreement. NAPA shall comply with all permit requirements (including right of way permits) of CUSTOMER; provided, however, that CUSTOMER shall reimburse NAPA as an Operational Cost in accordance with Section 7 below for the costs incurred by NAPA in the procurement of such permits.

4. Section 7 of the Agreement is hereby deleted in its entirety and replaced with the following:

7. **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 agrees to pay the entire amount of all statements received from NAPA by the 25th day of the month following receipt of any such statement. If CUSTOMER has not paid the entire amount of all statements received from NAPA within 10 days of the 25th day of the month following receipt of such invoice, CUSTOMER shall be put on COD until such amount is paid in full. No prompt pay discount is available under this Agreement.

The overall goal of CUSTOMER's pricing plan is to achieve an 8.4% net profit for NAPA (the "Net Profit Target") by adjusting the pricing of two elements:

- (a) **Product Costs.** The pricing of the Inventory to be supplied to CUSTOMER by NAPA pursuant to this Agreement. Product Costs shall be further divided into "**NAPA Product Costs**," which is the pricing of NAPA supplier manufactured products, "**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, "**Tires and Bulk Fluids**," which is the pricing of tires and bulk fluids supplied to CUSTOMER under this Agreement, and "**Outside Purchases and Services**," which is the pricing of those parts or services not traditionally stocked or performed by NAPA.
- (b) **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 a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit C. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit C are subject to change based on actual monthly costs and expenses incurred relative to the operation of the On Site Store(s).

PRICING PLAN SUMMARY

NAPA Product Costs	Billed to CUSTOMER at a 9% gross profit rate (gross profit is store acquisition cost divided by .91)
Non-NAPA Product Costs	Billed to CUSTOMER at a 9% gross profit rate (gross profit is acquisition cost divided by .91)

Tires, Bulk Fluids and Outside Purchases and Services	Billed to CUSTOMER at a 6% gross profit rate (gross profit is acquisition cost divided by .94)
Operational Costs	Billed to CUSTOMER at cost
Net Profit Target	8.4% net profit for NAPA

Both NAPA Product Costs and Non-NAPA Product Costs shall be set by NAPA to yield a gross profit of nine percent (9%). Tires and Bulk Fluids and Outside Purchases and Services (as discussed in further detail below) shall be set by NAPA to yield a gross profit of six percent (6%). 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.

In addition, NAPA may use any sub-contractor for the procurement of "outside" purchases or services (i.e., those parts or services not traditionally stocked or performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a six percent (6%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing of such outside purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

5. Section 8 of the Agreement is hereby deleted in its entirety and replaced with the following:

8. INSURANCE.

(a) CUSTOMER is a state agency and is self-insured for liability and workers compensation through the Department of Administrative Services. CUSTOMER shall provide to NAPA, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above.

(b) NAPA shall maintain during the term of this Agreement worker's compensation insurance coverage for its employees located at the On Site Store(s) in amounts required by law as well as employer's liability insurance with limits of not less than \$1,000,000 each accident; \$1,000,000 bodily injury by disease-each employee and \$1,000,000 bodily injury by disease-aggregate. In addition, NAPA shall maintain during the term of this Agreement the following insurance: (i) 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); (ii) commercial general liability insurance with limits of not less than \$2,000,000 each occurrence and \$3,000,000 general aggregate; and (iii) business automobile liability insurance with limits of not less than \$5,000,000 combined single limit each accident. Insurance is to be placed with insurers authorized to do business in the State of Michigan

with a current A.M. Best Rating of no less than A-. Insurance is to be evidenced via a Certificate of Insurance. All Certificates are to be received and approved by CUSTOMER prior to the commencement of this Agreement. CUSTOMER shall be named as an additional insured on all liability policies to the extent of NAPA's indemnification obligations herein. NAPA shall maintain such coverage in full force and effect throughout the term of this Agreement and shall endeavor to provide CUSTOMER at least thirty (30) days prior written notice of any material change or termination or expiration of the above required insurance.

(c) The insurance policies in this section required to be held by each party shall contain a waiver of subrogation against the other party.

(d) Neither CUSTOMER nor the Department of Administrative Services shall procure or provide insurance for NAPA property or Inventory.

6. Section 10 of the Agreement is hereby deleted in its entirety and replaced with the following:

10. **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. NAPA shall not discriminate in the hiring of any employees or contractors, or in its use of the On Site Store premises, directly or indirectly on the basis of age, race, color, religion, national origin, sex, height, weight, handicap, marital status or political orientation or on any other illegal basis.

7. Section 17 of the Agreement is hereby deleted in its entirety and replaced with the following:

17. **INDEMNIFICATION.** NAPA shall be responsible for and shall indemnify and hold CUSTOMER harmless from and against all damages, claims or demands that may, during the term of this Agreement, arise or be occasioned by the negligent or intentional acts of NAPA or NAPA's employees.

Further, NAPA shall be responsible for and shall indemnify, defend and hold harmless CUSTOMER, its officers, agents and employees from and against any and all claims, suits, damages, losses, specifically including loss of use of property, and all other liabilities whatsoever, including related expenses and reasonable attorney fees, for or on account of injuries to or death of any person, including but not limited to the employees of CUSTOMER and/or loss of or damage to any property, including but not limited to the property of CUSTOMER, in any way sustained or alleged to have been sustained by reason of or resulting from:

- (a) The negligent use and maintenance of the On Site Store premises by NAPA, its employees, agents or officers;
- (b) NAPA's breach of any terms or conditions of this Agreement; and/or

- (c) The contamination of the On Site Store premises, during the term of this Agreement, by any hazardous waste, environmental toxin or underground tank, as broadly defined by federal, state or local law to the extent such contamination of the On Site Store premises arises from the negligent acts or omissions or intentional misconduct of NAPA, its employees, agents or officers.

8. Section 25 of the Agreement is hereby deleted in its entirety and replaced with the following:

25. **CHOICE OF LAW.** This Agreement shall be construed and interpreted under the laws of the State of Michigan.

9. A new Section 31 is hereby added to the Agreement as follows:

31. **LICENSE.**

- (a) The space to be provided by CUSTOMER for NAPA's On Site Store(s) and Inventory is being made available by CUSTOMER pursuant to a license ("License") and said use of such space does not constitute a lease or a sublease. The License is provided for cost control purposes to NAPA. Upon termination, expiration or non-renewal of this Agreement, the License granted herein shall immediately terminate. NAPA, as licensee, agrees to repair at its cost and expense any damage or injury caused by or resulting from NAPA's negligent acts or omissions related to its use of the On Site Store(s) premises.
- (b) NAPA's privilege to use the On Site Store premises shall be solely in connection with NAPA's commercial use and may not be assigned or in any other way transferred to another unless CUSTOMER provides its prior written consent to such assignment or transfer.
- (c) Any and all construction or other work to be performed on or about the On Site Store premises by NAPA shall be performed in a proper and workmanlike manner and as expeditiously as possible so as to minimize any interference with the use of the premises and its surrounding environs.
- (d) NAPA shall not install or place any signs on the On Site Store premises without the prior consent of CUSTOMER and NAPA shall keep everything therein in good order and repair and in a clean, safe and healthful condition.
- (e) CUSTOMER shall not be responsible or liable to NAPA, or anyone else, for any fire, theft, loss or damage to the On Site Store premises and improvements or any property (including motor vehicles) located, kept or stored on the On Site Store premises, that is caused by or through the negligent acts or omissions of NAPA, its employees, agents, and officers hereunder. NAPA shall give immediate written

notice to CUSTOMER in case of fire, damage or accidents at or to the On Site Store premises.

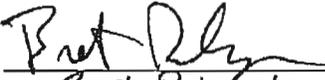
- (f) NAPA shall not utilize, deposit or discharge any material, debris or goods down any drains or sewers which in any way may cause or result in blockage or obstruction of normal sewer activities.
- (g) After the termination, expiration or non-renewal of this Agreement, NAPA shall, within three (3) months, restore said On Site Store premises to its former condition to the reasonable satisfaction of the Director of the Public Service Department of CUSTOMER, ordinary wear and tear excepted. Upon said termination, expiration or non-renewal, if NAPA fails to restore said premises to a condition reasonably satisfactory to the Director of the Public Service Department of CUSTOMER within the time period set forth above, ordinary wear and tear excepted, CUSTOMER may remove all improvements, foundations, and any debris or personal property, and restore said premises to the condition aforesaid, at the sole risk, cost and expense of NAPA. NAPA shall promptly reimburse and pay to CUSTOMER such cost and expenses incurred by CUSTOMER in doing so on demand.
- (h) NAPA shall comply with all applicable local, state or federal laws, ordinances or regulations relating to Hazardous Materials and aboveground and underground storage tanks on, in, under or about the On Site Store premises. "Hazardous Materials" shall mean any flammable explosives, radioactive materials, hazardous wastes, "injurious substance," toxic substances or related materials, including without limitation, any substance defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "contaminants," or "pollutants" under any applicable federal or state law or regulation.

10. Except as amended herein, all other terms and conditions of the Agreement shall remain unaltered and the Agreement remains in effect, enforceable against each of the parties and is hereby ratified and acknowledged by each of the parties.

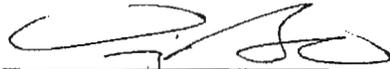
11. This Amendment shall be construed and interpreted under the laws of the State of Michigan without giving effect to the provisions thereof relating to conflicts of law.

IN WITNESS WHEREOF, the parties hereto cause their hands and seals to be affixed by their duly-authorized representatives effective as of the date and year first above written.

GENUINE PARTS COMPANY

By: 
Name: Bret Rodaych
Title: Division Vice President

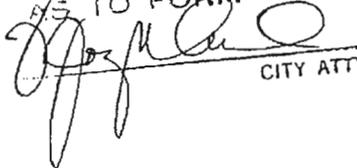
CITY OF LANSING, MICHIGAN

By: 
Name: Virg Bernero
Title: Mayor

I hereby certify that funds are available:

Acct. No. 6433623-141359/6433623-743050


Tom Karloske Accounting Manager

APPROVED
AS TO FORM ONLY

CITY ATTY.

PROJECTED NAPA Store Savings

	Savings	
Labor	\$ 89,878.00	2 positions
Longevity	\$ 4,000.00	2 positions
Fringe Benefits	\$ 134,986.00	Variable and Fixed Fringes
Invoicing	\$ 2,372.16	Savings of at least 8 hours a month on invoicing
	<u>\$ 231,236.16</u>	subtotal
Napa Cost	\$ 171,267.00	Napa
Savings	\$ 59,969.16	Savings year one

*Napa staff includes supervisor that will translate in saving time and money by Fleet Manager not having to supervise this operation

*Also expect significant reduction in parts inventory and savings by paying for parts as we need items.

*Also Napa will assist in unloading obsolete inventory

DRAFT

COUNCIL MEMBERS _____
RESOLVED BY THE CITY COUNCIL FOR THE CITY OF LANSING

WHEREAS, the Lansing City Council has been made aware that the Administration has entered in an agreement with NAPA Auto Supply to be the designated “supplier” for vehicle parts for the City of Lansing within the City owned Fleet Garage; and

WHEREAS, this agreement will displace two UAW employees who are currently responsible for vehicle part, and NAPA will be bring in two employees and a supervisor to oversee the parts division; and

WHEREAS, this reorganization was not part of the Fiscal Year 2015-2016 Budget, nor part of any discussions before any City Council Committee. There has been no transparency or public hearings as part of the process; and

WHEREAS, a request has been made for a copy of the agreement but as of yet is not been forthcoming to the City Council; and

WHEREAS, this agreement is a violation of UAW 2256 Collective Bargaining Agreement which was negotiated by the UAW and the Administration ratify by the membership and approved by City Council.

BE IT RESOLVED that the Lansing City Council demands a cease to this reorganization until there is thorough review made by the Council.



OFFICE OF MAYOR VIRG BERNERO
124 W. MICHIGAN AVENUE – NINTH FLOOR
LANSING, MI 48933

FOR IMMEDIATE RELEASE
Friday, February 19, 2016

CONTACT: Randy Hannan
517-483-4147

Lansing City Attorney on Leave of Absence; Mayor Bernero Appoints Interim

(LANSING) – The City of Lansing announced today that City Attorney Janene McIntyre is on a leave of absence for an indeterminate period of time.

Mayor Bernero has appointed Deputy City Attorney F. Joseph Abood as interim city attorney. Mr. Abood's appointment has been referred to the Lansing City Council for their advice and consent.

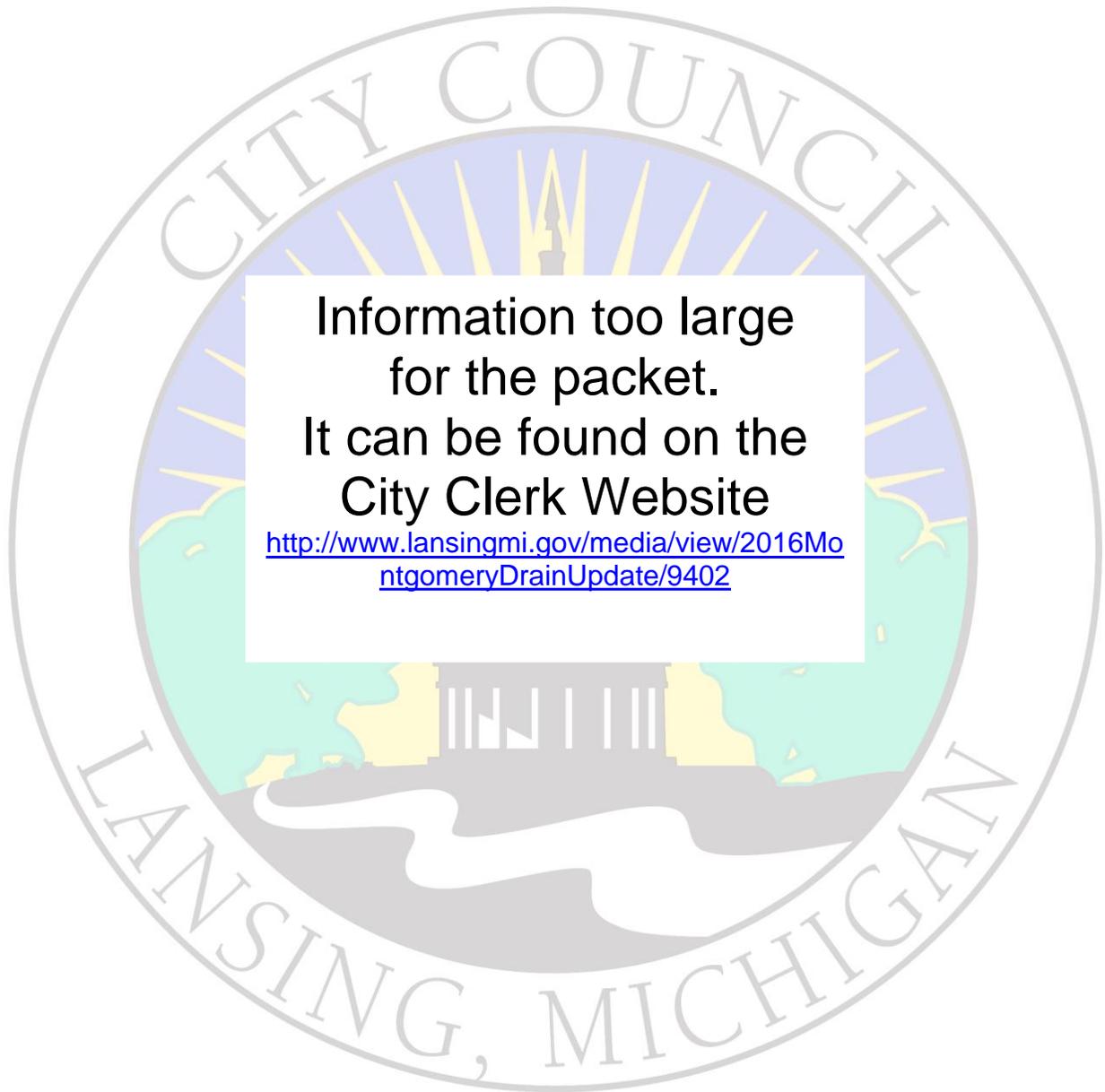
##

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS the City Attorney Janene McIntyre will be unavailable an indeterminate period of time because of a leave of absence; and

WHEREAS, to facilitate the orderly conduct of business in the City Attorney Office the Mayor deems it appropriate to appoint an Interim City Attorney.

THEREFORE, BE IT RESOLVED that the Lansing City Council hereby confirms the appointment of F. Joseph Abood as Interim City Attorney, effective February 29, 2016.



Information too large
for the packet.
It can be found on the
City Clerk Website

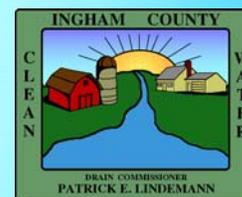
<http://www.lansingmi.gov/media/view/2016MontgomeryDrainUpdate/9402>

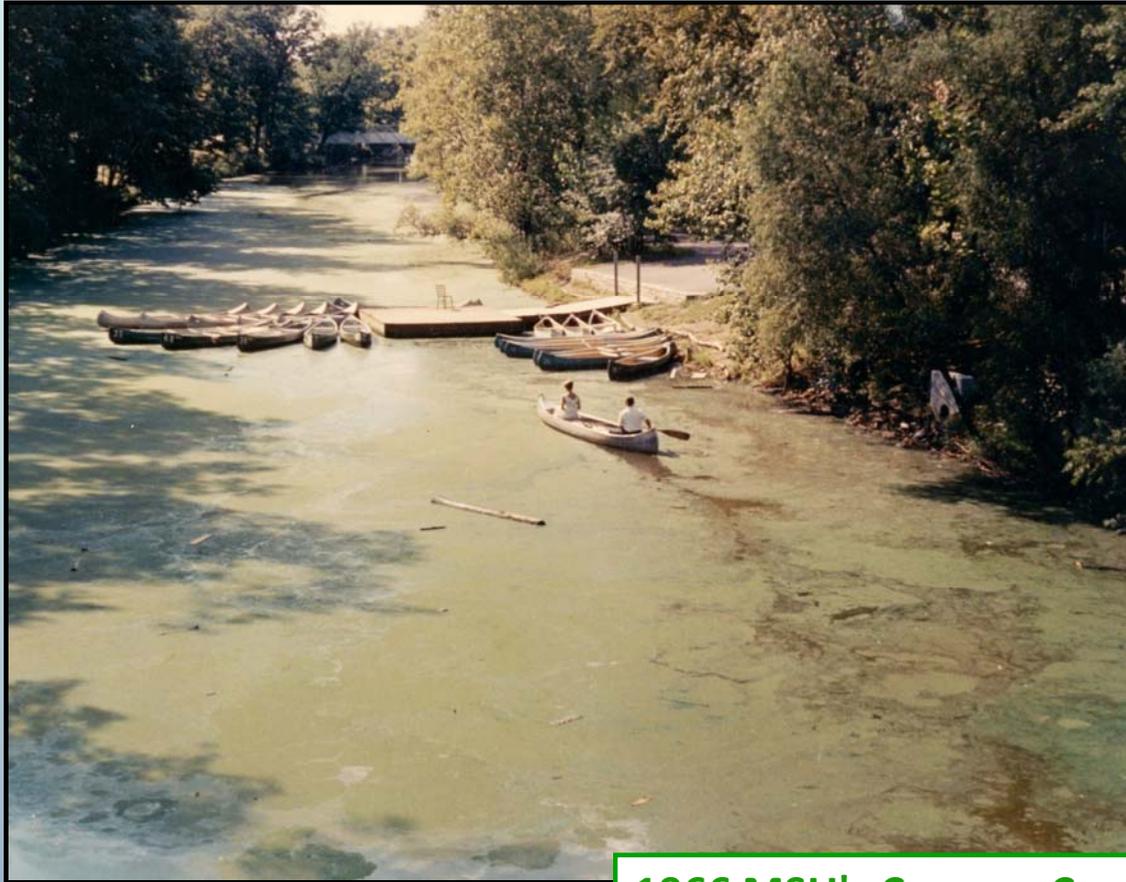
Red Cedar River - Clean Water
Healthy Environment

INCLUDING

Land Development - Better Economy
More Jobs

MONTGOMERY DRAIN

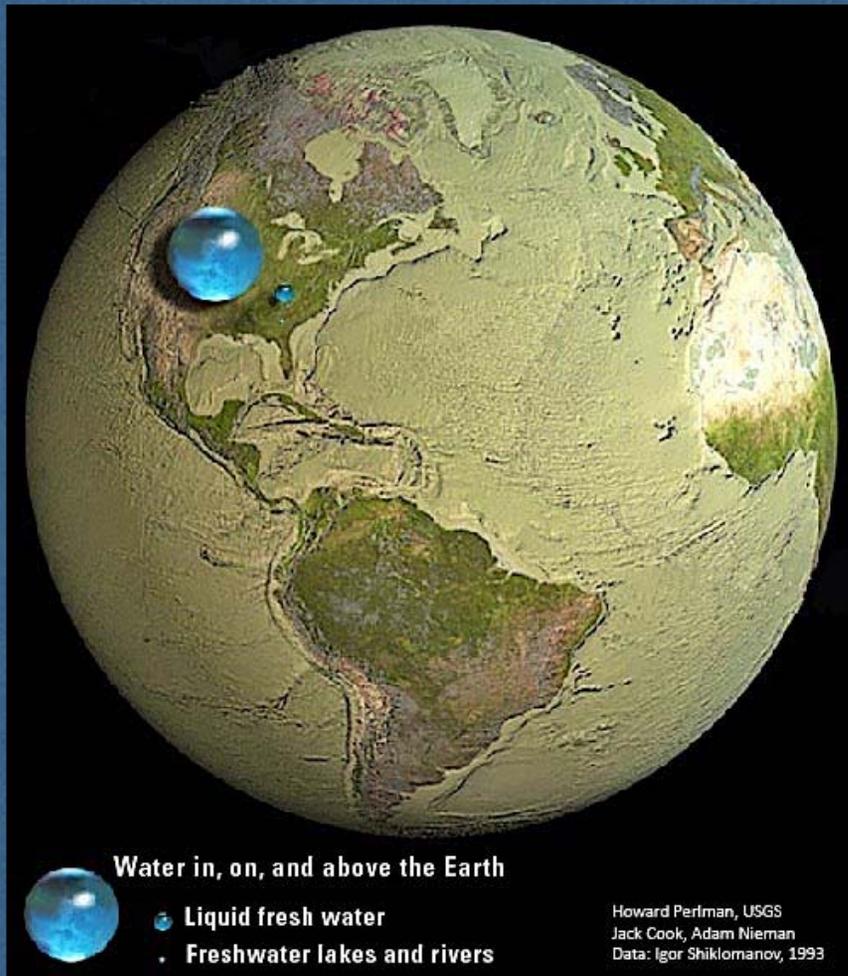




1966 MSU's Campus Canoe Livery

The problem
Many years of
land-use abuse

How could we
ever have let this
happen to our
water resources?



It seems remarkable to me that the earth which seems to have so much water, has so little water.

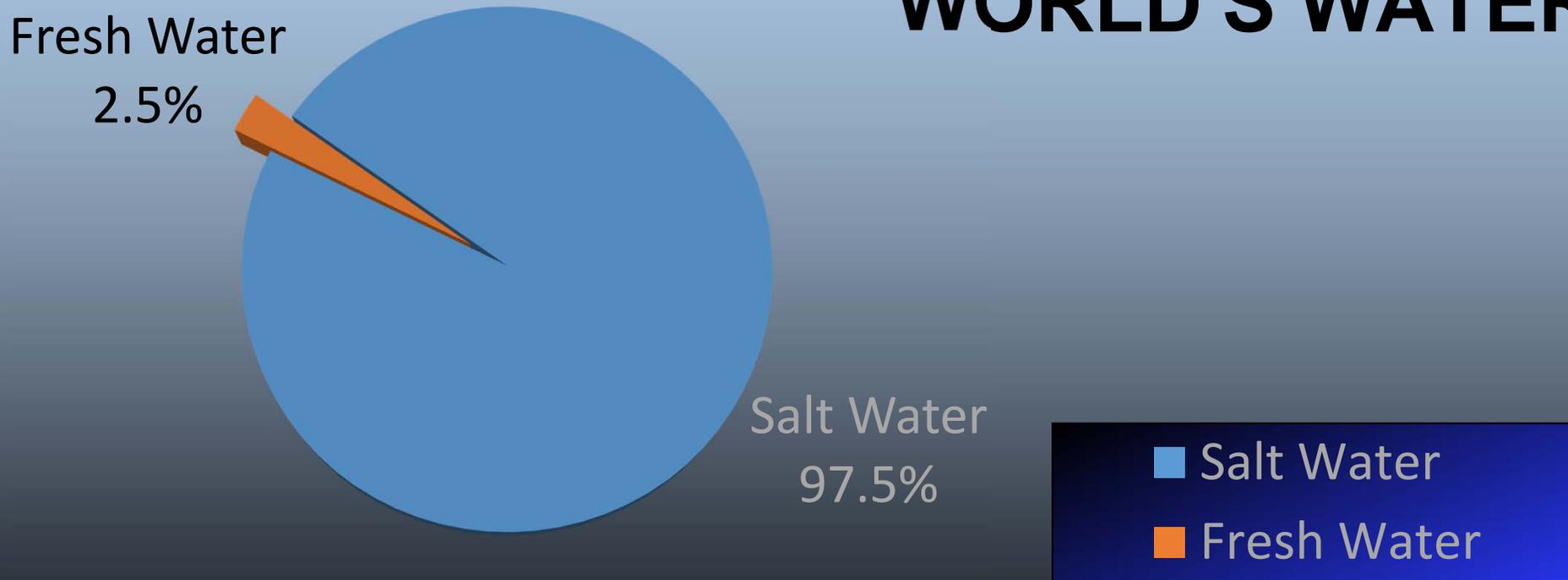
This graphic shows all the water in the world. The reality is, our water is really a thin layer on our globe's surface.

Note the size relationship between how much freshwater there is, compared to all the water there is.



70% of the world is covered in water.

WHERE IS THE WORLD'S WATER?



2.5% of all the World's Water is Fresh Water



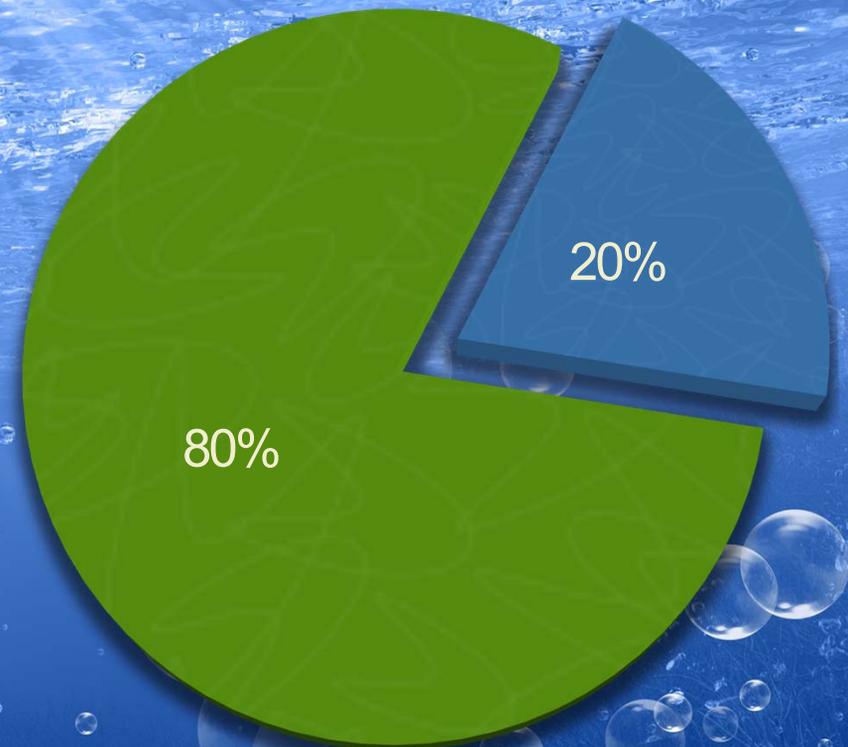
Usable Surface or
Shallow Ground
Water
0.4%

Most of the world's fresh water is not easily reached and therefore not available to our use

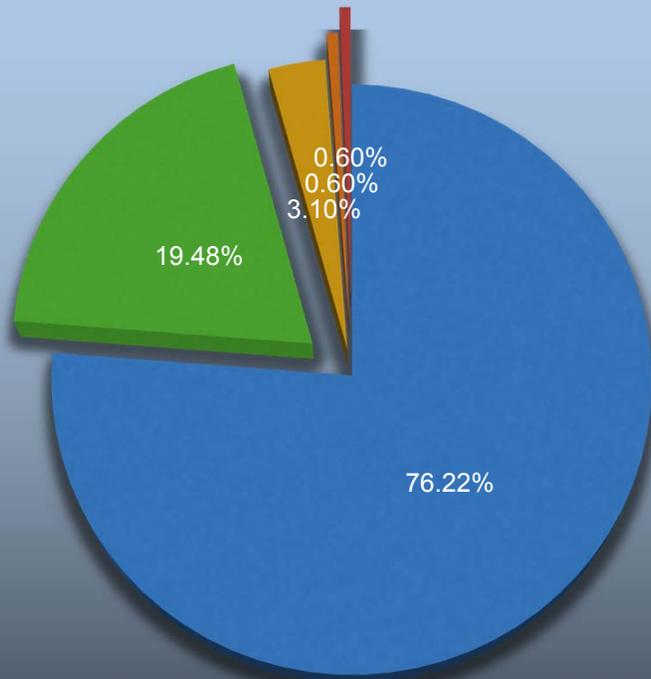


- Fresh water Tied up in Glaciers
- Deep Ground Water
- Usable Surface or Shallow Ground Water

**Of the World's accessible or usable
0.4% Fresh Water
about 20% is in the
Great Lakes Basin**



- Great Lakes
- The Rest of the World



Project Goal

- ◆ The design concept for the Montgomery Drain can manage and clean 95.7% of all the storm events.
- ◆ Leaving only 4.3% partially cleaned.
- ◆ The design criteria for this project is to collect, store and clean the storm water before it is sent to the Red Cedar River.
- ◆ The capacity of this system can handle slightly over a 2 inch storm in 48 hours (which represents roughly 96% of all the storms).

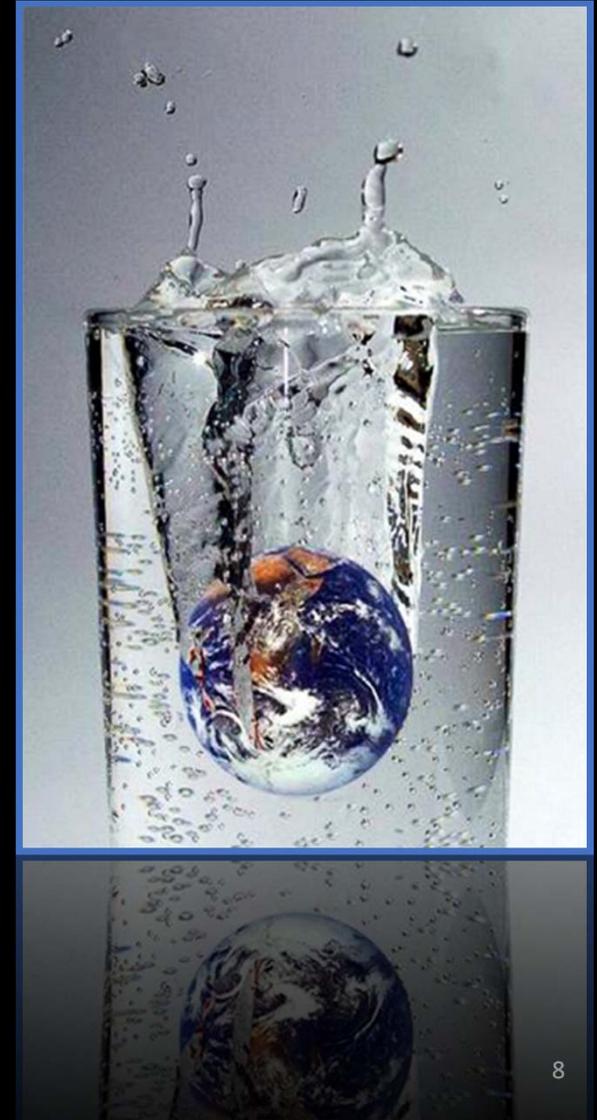
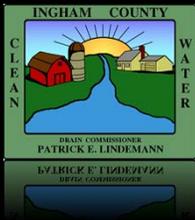
■ 0-1in ■ 1-2in ■ 2-3in ■ 3-4in ■ 4in+

Improving Water Quality by managing the World's Fresh Water

Not for short term gain, but for the future

What folly we perform when
we act contrary to our best
interest

why do we do it?
how can we stop?



How Clean is Clean?

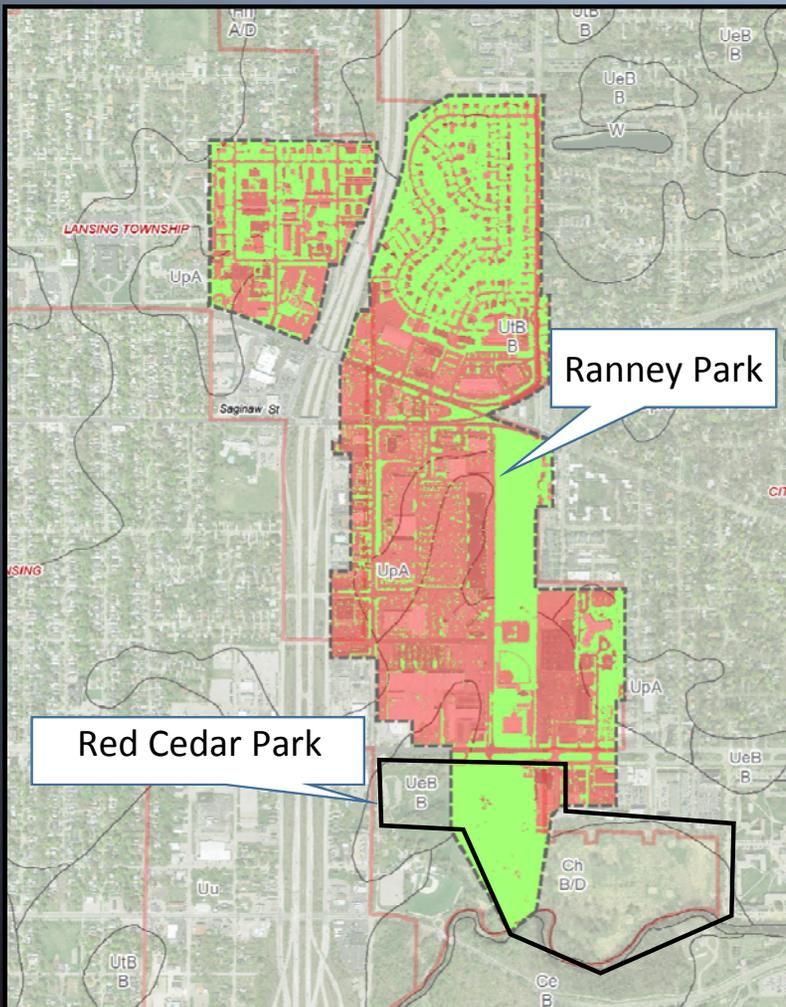
The Clean Water Act of 1972 Sets the Standard

- **“Fishable and swimmable” wherever attainable by 1983**
- Elimination of the discharge of pollutants (zero discharge) by 1985
- Prohibition of the discharge of “toxic pollutants in toxic amounts.”
- “Restore and maintain the chemical, physical, and biological integrity of the Nation’s water”



Intensive Land Use

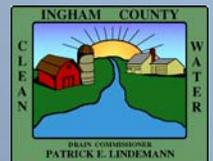
Montgomery Drain's watershed is about 80% impervious. The stormwater from any storm event makes it to the Red Cedar River in a matter of hours or less, untreated and heavily polluted from impervious surfaces of its watershed.



A watershed is a geographical area which holds a system of many complex and interrelated sets of an ecosystem (layers) that are interdependent on a common flow of energy, material transport (waste removal), and nutrient input and output as a result of water collection, storage and movement.



Patrick E. Lindemann (1996)



Grants for this Project.

SAW Grant

2016 Grant Award anticipated
\$1,537,000 total amount
\$1,319,417 state portion

MDNR GRANT

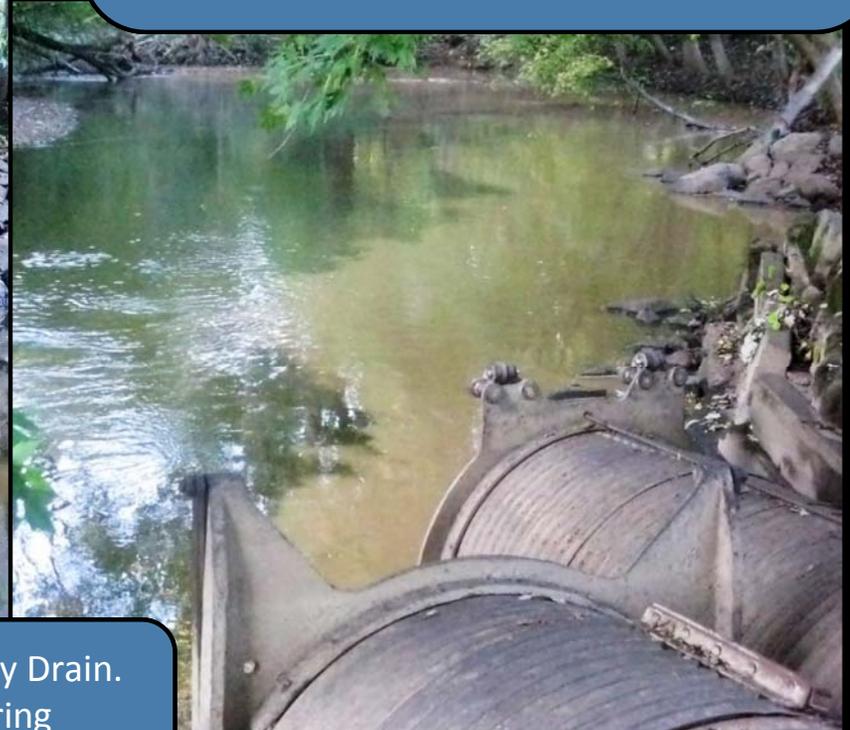
2017 Grant applied for
\$500,000 total



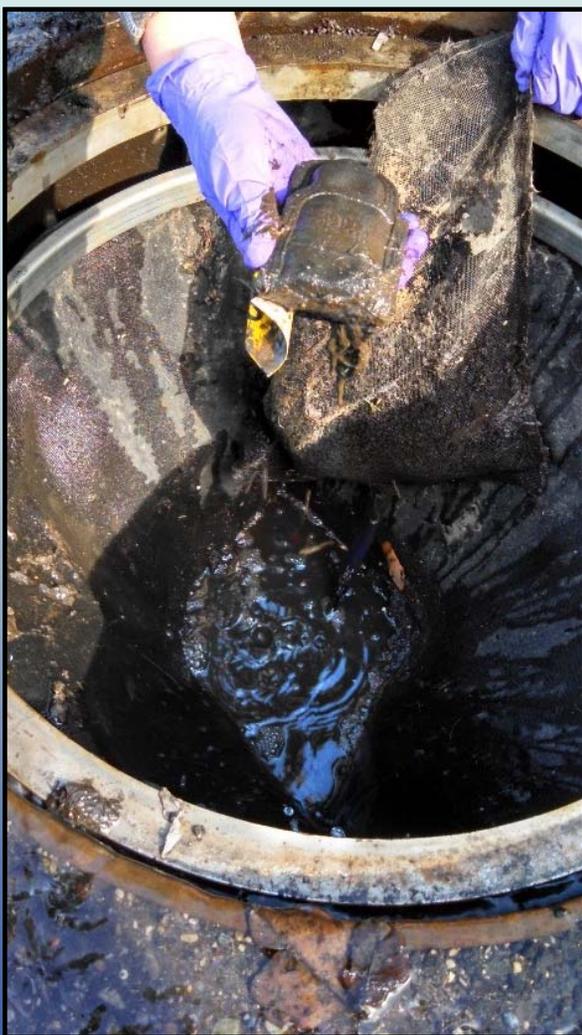
A PROBLEM WAS FOUND MID-90'S



In 1995, and for many years after, the Drain Commissioners of Ingham and Livingston County's, looked closely at 236 County Drains tributary to the Red Cedar River in both counties. Detailed analyses showed that this drain was by far the most polluted.

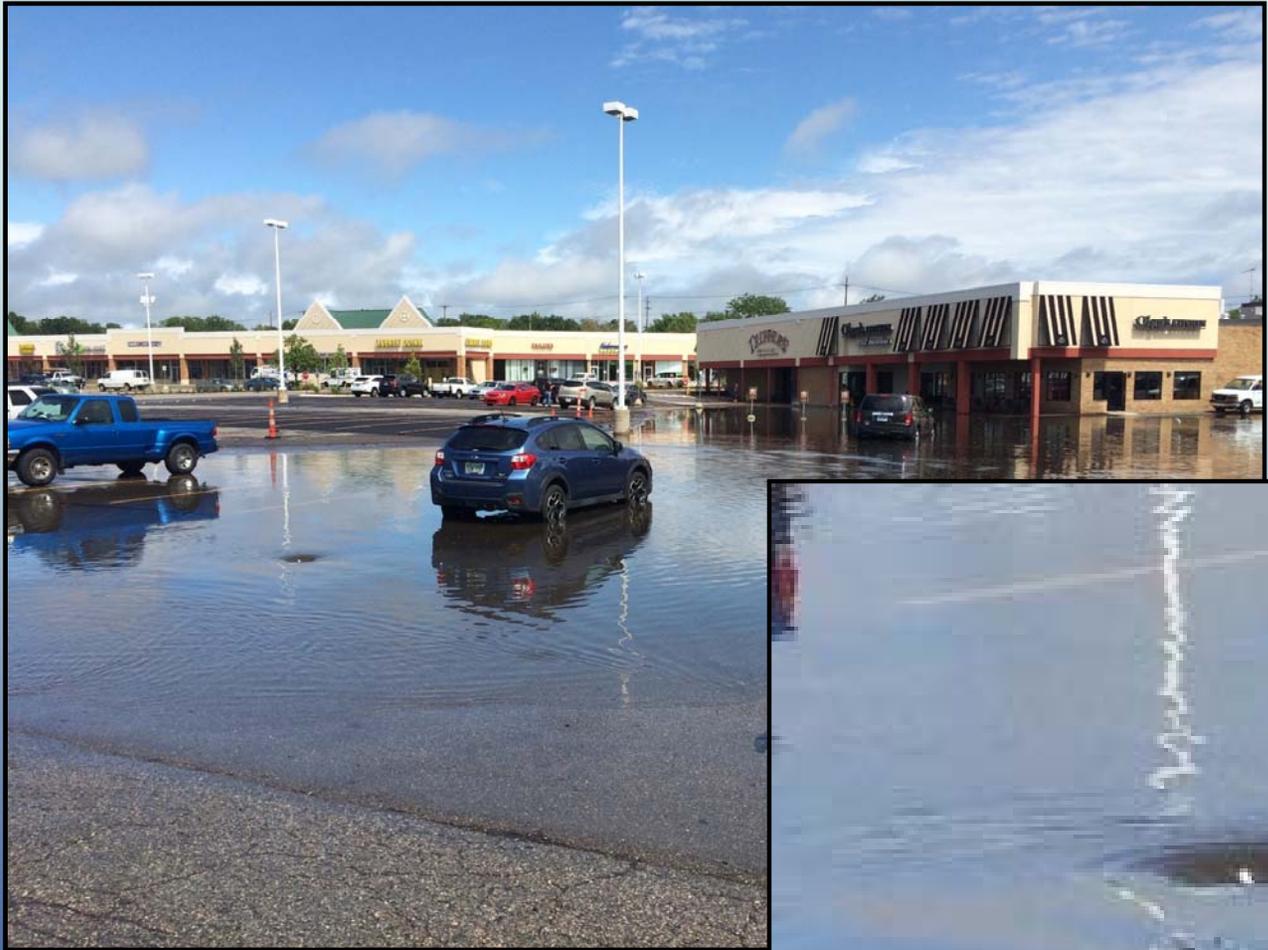


These Pictures show Pollution coming from the Montgomery Drain. Draining into the Red Cedar River on a sunny day in late spring

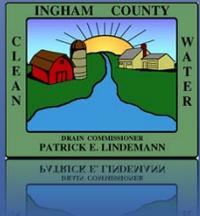


Recent data collection on the condition of the stormwater runoff showed that this watershed is more polluted than we thought.

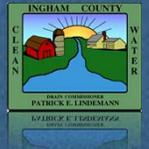
POLLUTION CAPTURED CATCH BASIN IN PARKING LOTS



This project will reduce minor storm flooding like this one. The amount of reduced flooding will vary with each storm but there will be a noticeable difference.



In this presentation we will include some data that we've collected. There are much more data. If you wish to see more let us know. The contaminants of concern are consistently identified in sample events. Loads on the following slides were observed for 0.5" rain events.



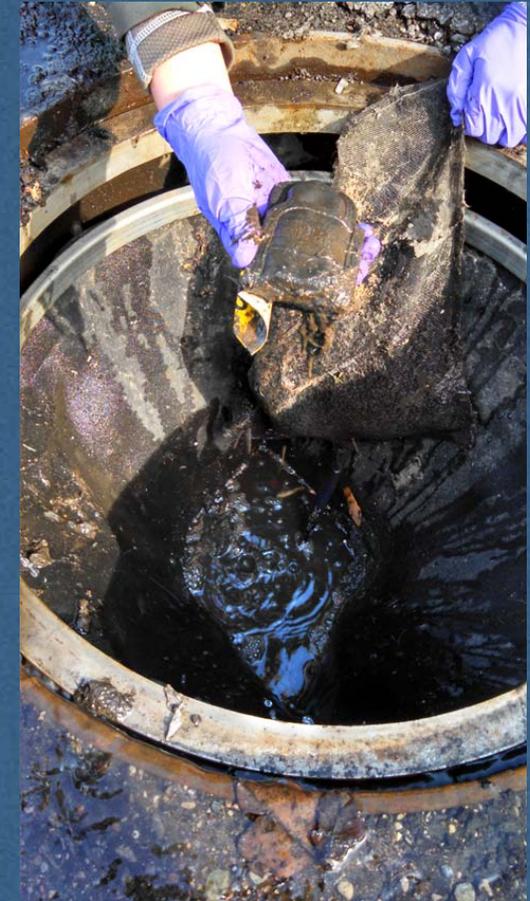
Runoff contaminated with pollutants from the drainage district flushes directly into the Red Cedar River.



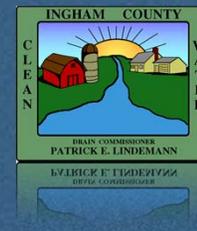
Identified Contaminants of Concern

Metals
Hydrocarbons
Nitrogen
Phosphorous
Particulates
Low Dissolved Oxygen Concentrations
Chloride
Cyanide
Total Dissolved Solids

NOTE: Each contaminant listed exceeded Michigan Department of Environmental Quality and United States Environmental Protection Agency standards or recommendations for the protection of water quality.



Montgomery Drainage District, 2015.



Metals

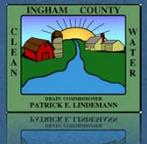
Metals of concern: Copper, lead, sodium, and zinc

Sources: Auto fluids (oils, grease) and deterioration (brake pads, tires, rust), galvanized metals, paints, wood preservatives, roofing materials, asphalt wear, road salt

Environmental and human health effects: The metals observed are non-biodegradable pollutants, some of which cause cellular damage, can build up in the body, and cannot be metabolized or removed. Many heavy metals commonly found in urban areas are highly toxic and lethal to organisms.



Montgomery Watershed, 2015.



Hydrocarbons

Hydrocarbons of concern:

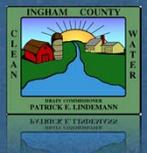
benzo(a)anthracene, benzo(a)pyrene, benzo(b)fluoranthene, benzo(ghi)perylene, benzo(k)fluoranthene, bis(2-ethylhexyl)phthalate, carbazole, chrysene, di-n-octyl phthalate, fluoranthene, indeno(1,2,3-cd)pyrene, phenanthrene, pyrene

Sources: Combustion, gasoline spills and vapor, motor oil, asphalt sealcoats

Environmental and human health effects: Identified hydrocarbons of concern are cancer-causing and have toxic effects on the immune, reproductive, nervous, and circulatory systems.



Montgomery Watershed, 2015.



Nitrogen and Phosphorous

Sources: Fertilizers, detergents, leaking sanitary sewers, animal waste, fossil fuel combustion

Environmental and human health effects: Excessive nitrogen is harmful to ecosystems as it may lead to oxygen depletion in the water, which inhibits the growth of aquatic life and can be lethal.



Algae Ingham County Stormwater Outlet, 2015.

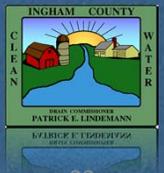
Particulates

Sources: Non-dissolved solids from construction activities, automotive deterioration, eroded pavement and landscape, dust buildup on surfaces, high runoff flow rates

Environmental and human health effects: In urban areas, heavy metals and hydrocarbons often bind to particulates. Particulate-bound chemicals transported in runoff are introduced to water systems, increasing contaminant availability to aquatic life. Particulates can cause direct harm to aquatic species and deteriorate habitats, as well as degrade the aesthetic quality of water bodies.



Montgomery Watershed, 2015



Oxygen Demand

Oxygen demand concerns:

Microorganisms and chemical reactions can use up large amounts of oxygen from the water as it is required for many processes by which organic and chemical substances are broken down.

Sources: Nutrients, animal wastes, detergents, fats, oils, grease, engine coolants, antifreeze, leaves and grass clippings

Environmental and human health effects:

Runoff during precipitation events introduces impurities to the water which serve as food for microorganisms. Excessive amounts of these substances may increase microorganism populations too rapidly which reduces oxygen availability for other aquatic life.



Snowmelt Samples from the Montgomery Watershed, 2015.



Low Dissolved Oxygen Concentrations

Dissolved oxygen concerns:

Concentrations observed below levels that support aquatic life.

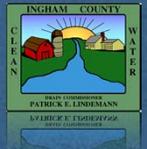
Sources: Dissolved oxygen is decreased by oxygen-demanding microorganisms and chemical reactions. Physical conditions, such as high temperatures, also lower oxygen concentrations.

Environmental and human health effects:

Sufficient levels of oxygen are needed to support aquatic life. Low dissolved oxygen availability can inhibit the growth of aquatic life and prove lethal.



Snowmelt Samples from the Montgomery Watershed, 2015.



Chloride

Sources: Road salts and deicers, water conditioning salt, synthetic fertilizer (primarily KCl)

Environmental and human health effects: Chloride in surface waters causes aquatic stress and can be toxic to many aquatic species inhibiting survival, growth, and reproduction. It can lead to illness in other wildlife species and inhibit plant growth. Chloride and other salts can increase the availability of other toxic substances in the water and lower dissolved oxygen levels.



Montgomery Watershed, 2015

Cyanide

Sources: Road salt (anti-caking agent), vehicle exhaust, chemical processing

Environmental and human health effects: Cyanide inhibits reproduction, is a neuro toxin, affects the respiratory and osmoregulation systems, and is lethal at low concentrations (in the parts per billion range for some aquatic organisms).



Montgomery Watershed, 2015

Total Dissolved Solids

Sources: Road salts, construction activities, poor landscape maintenance, auto leaks and deterioration, galvanized metals, paints, wood preservatives, roofing materials, excessive fertilizers and pesticides, atmospheric pollution and dust buildup

Environmental and human health effects: The concentration of total dissolved solids can provide a general indication of pollution in water. Dissolved solids can impact aquatic life directly by reducing spawning rates and causing juvenile mortality, and indirectly by increasing salinity, which increases the toxicity of other contaminants in the water column.



Sampling Red Cedar River, 2015

Pollutant Loads-Metals

2.5 lbs of metals – Metal pollution of the tire wear of 6,069 drivers of whom drive the total Montgomery Watershed road mileage each day for a week.



Source: Faris Tires. Accessed 2016. http://www.faristires.com/tire_inventory_pictures

Pollutant Loads-Nutrients

Over 17 lbs of nutrients – Nitrogen and phosphorous within 2 bags (total of 66 lbs) of 13-13-13 lawn care fertilizer (N-P-K)



Source: Smith Farm Supply. Accessed 2016. <http://www.smithfarmsupply.com/13-13-13-products>



Algae Observed at an Ingham County Stormwater Outlet, 2015.

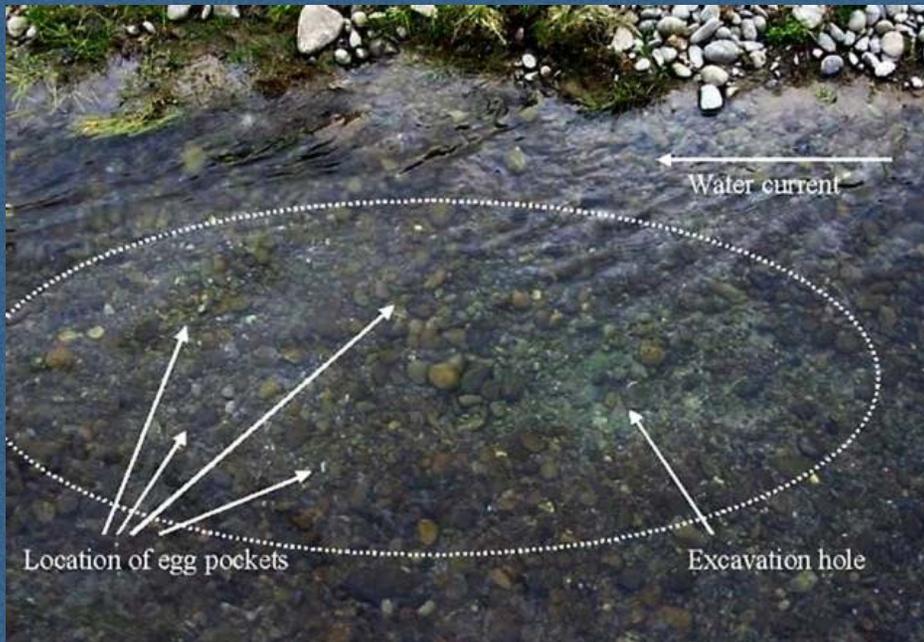
Pollutant Loads-Sediment

Over 900 lbs of sediment - Water volume of a baseball infield 22 ft deep would be required to dilute the sediment load observed in runoff to levels of non-concern



Pollutant Loads-BOD

Over 150 lbs of BOD– The oxygen consumption of 26,747 steelhead trout beds (1000 eggs per bed) through a complete incubation period (4 weeks)



Source: Big Hole Lodge. Accessed 2016. <http://montanafishingblog.com/2011/04/page/2/>



Source: Biology Around Kris. Accessed 2016. <http://www.krisweb.com/stream/sediment.htm>

Pollutant Loads-Total Dissolved Solids

Almost 2500 lbs of total dissolved solids – 125 bags (20 lbs each) of sidewalk/road salt



Source: Population Education. Accessed 2016. <https://www.populationeducation.org/content/environment-under-salt>



Source: Cloud Snow Removal. Accessed 2016. <http://www.iceandsnowremovalservice.com/salt-sales.aspx>



This is the Goal

References

WATER QUALITY CRITERIA:

Part 4: Michigan Department of Environmental Quality Part 4 Rules

Digital Source: http://www.michigan.gov/deq/0,4561,7-135-3313_3686_3728-350340--,00.html

Part 201: Michigan Department of Environmental Quality Part 201 Rules

Digital Source: http://www.michigan.gov/deq/0,1607,7-135-3311_4109_9846_30022-251790--,00.html

USEPA: United States Environmental Protection Agency (USEPA) National Recommended Water Quality Criteria

National Recommended Water Quality Criteria - Aquatic Life Criteria Table

Digital Source: <http://water.epa.gov/scitech/swguidance/standards/criteria/current/index.cfm#D>

National Recommended Water Quality Criteria - Human Health Criteria Table

Digital Source: http://www.epa.gov/wqc/national-recommended-water-quality-criteria-human-health_criteria-table

NURP: National Urban Runoff Program study conducted by the USEPA

Digital Source: http://www3.epa.gov/npdes/pubs/usw_b.pdf

ECO-25: Ecoregion VII Rivers and Streams study conducted by the USEPA

Digital Source: <http://www.epa.gov/sites/production/files/documents/rivers7.pdf>

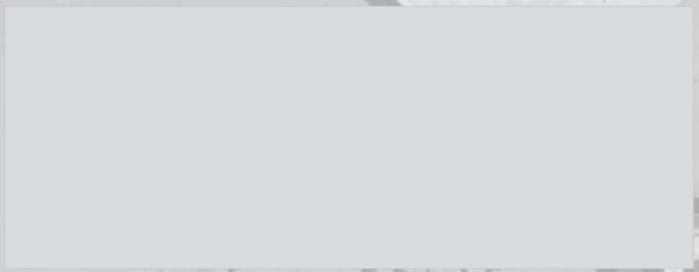
RCRB: Red Cedar River Baseflow water quality criteria developed from measured parameters of the Red Cedar River under baseflow conditions—sampling and data analyses were performed by Spicer Group

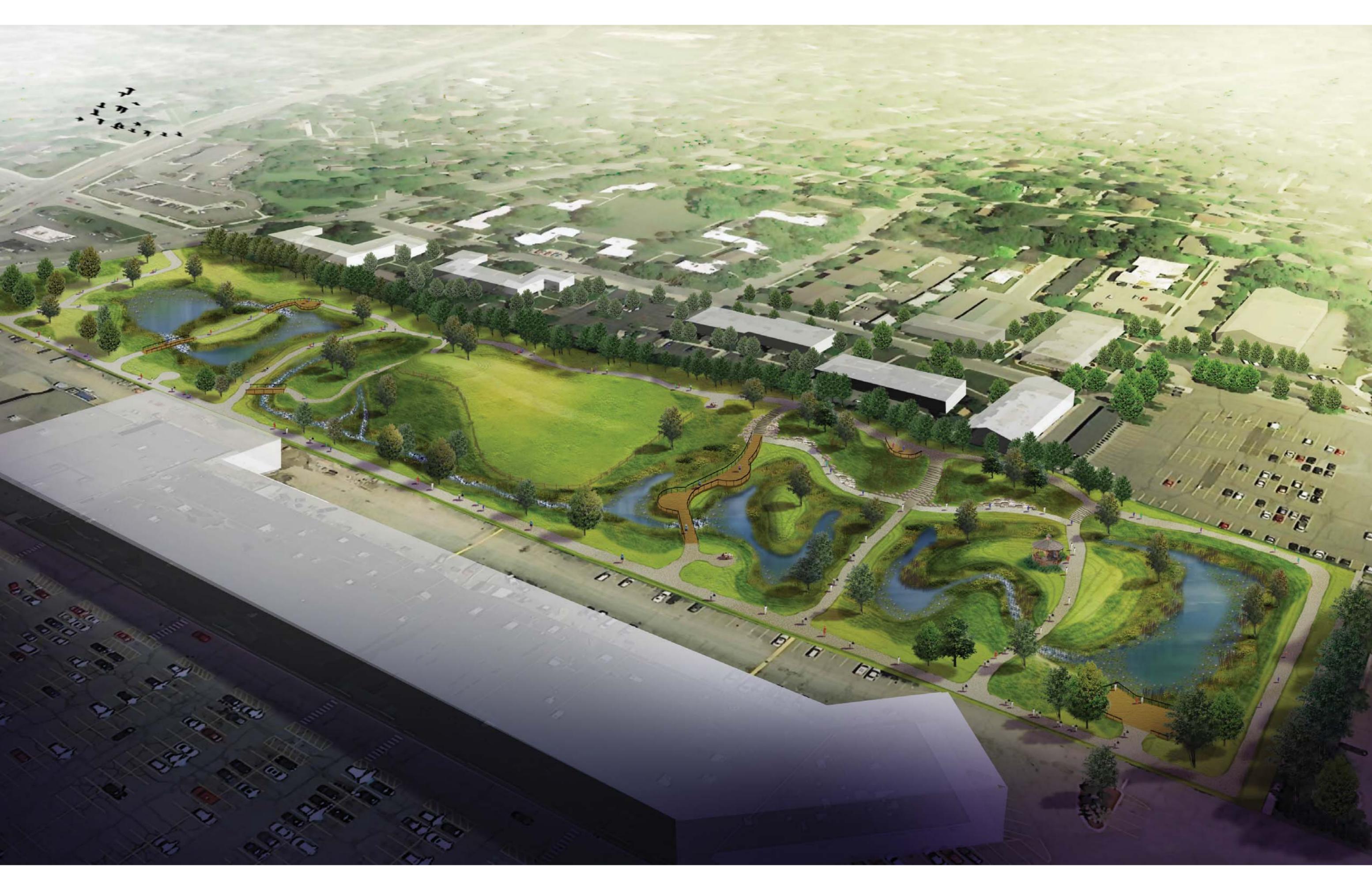


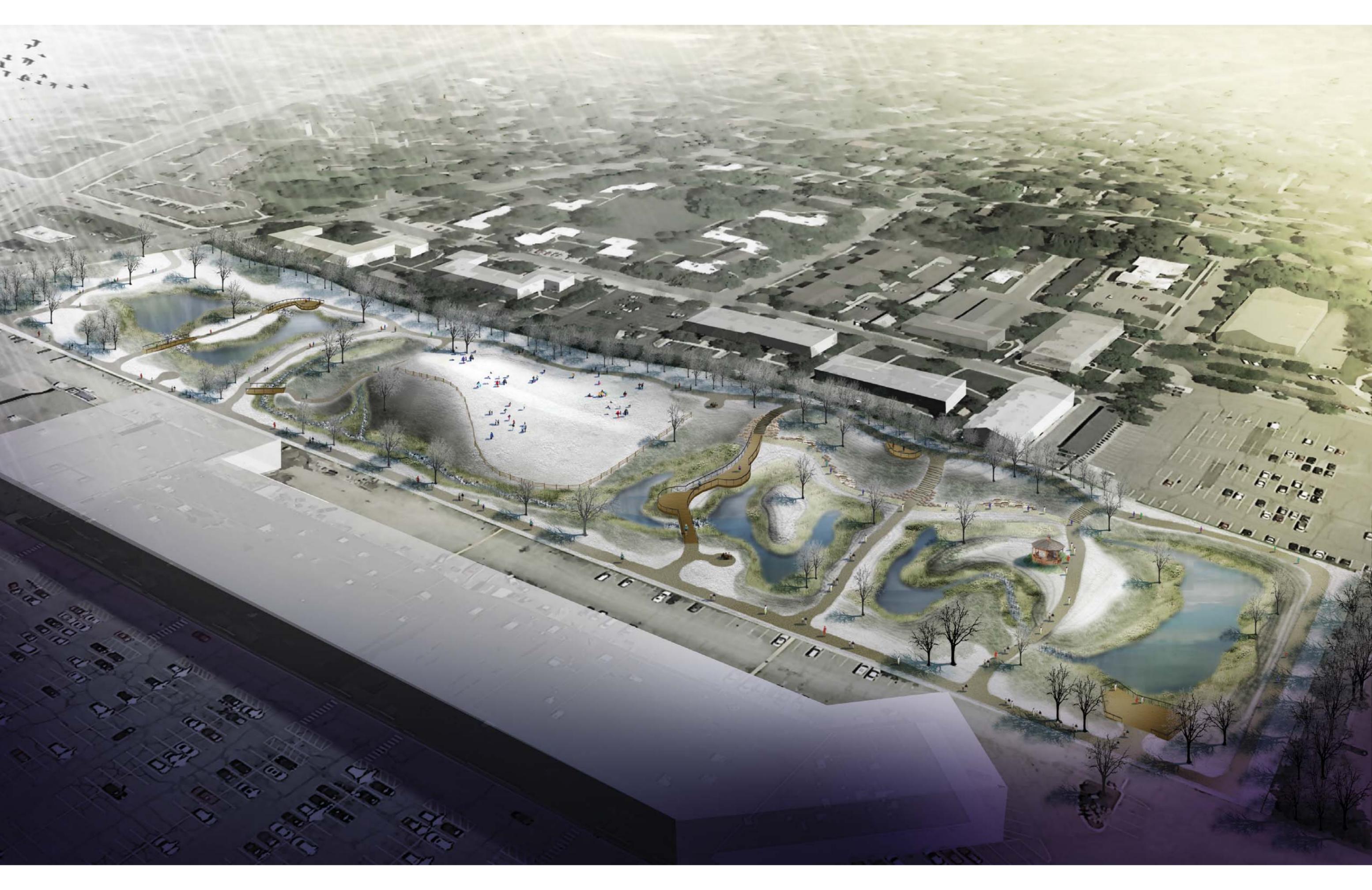
EAST GRAND RIVER AVENUE

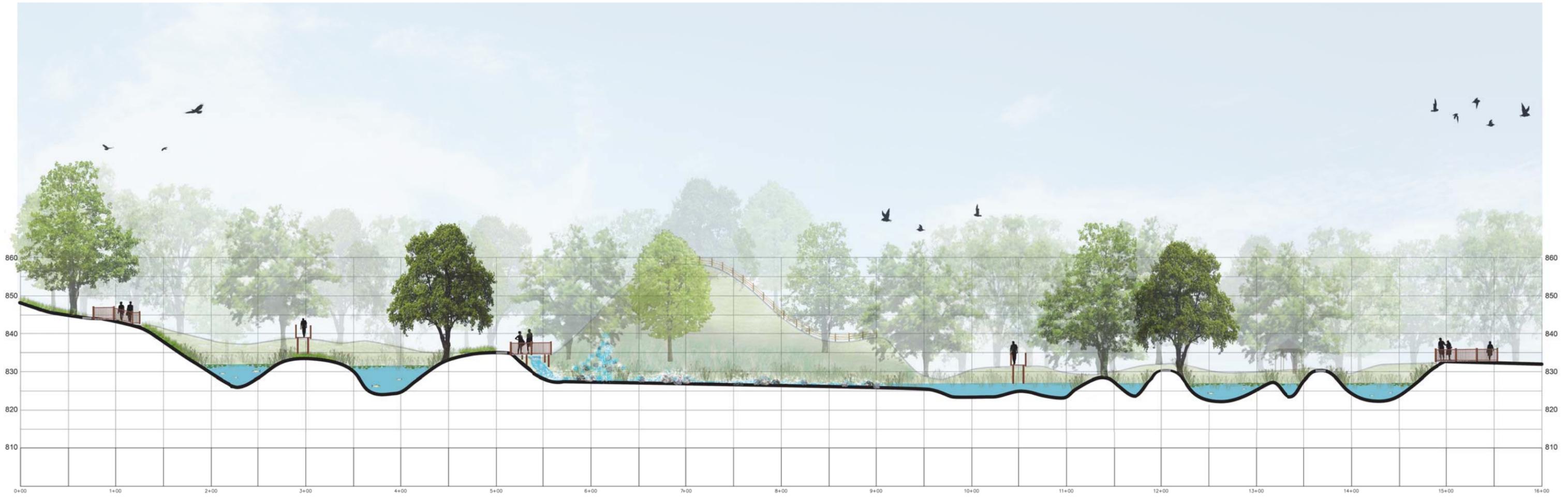
FRANDOR SHOPPING CENTER

INGHAM COUNTY DRAIN COMMISSIONER PATRICK E. LINDEMANN
MONTGOMERY DRAIN - RANNEY PARK CONCEPTUAL PLAN
FEBRUARY 2016









INGHAM COUNTY DRAIN COMMISSIONER PATRICK E. LINDEMANN

MONTGOMERY DRAIN - RANNEY PARK CROSS-SECTION

FEBRUARY 2016



INGHAM COUNTY DRAIN COMMISSIONER PATRICK E. LINDEMANN
MONTGOMERY DRAIN CONCEPTUAL SITE PLAN
FEBRUARY 2016



RESOLUTION # 0556 Passed by Council on October 28, 2002
BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the State of Michigan enacted the State Housing Development Authority Act in 1966 to provide housing for its residents of low income and to encourage the development of such housing through rehabilitation by providing for tax breaks, specifically a payment in lieu of taxes (PILOT), as an option for local communities to enhance the likelihood of those developments; and

WHEREAS, the Lansing City Council, acknowledging that the construction and rehabilitation of such housing for persons of low income is a public necessity and believing that the City would be benefitted and improved by such housing, enacted ordinances to grant PILOTs for the development of low-income elderly persons and multi-family dwelling projects; and

WHEREAS, the Lansing City Council has approved over 25 requests from developers for PILOTs to help finance the building or the rehabilitation of low income housing since 1978; and

WHEREAS, the Lansing City Council desires to analyze whether the existing PILOTs have met or are meeting the expectations and justifications for the PILOT program and effect of future PILOTs;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council hereby establishes that a six-month moratorium on PILOTs beginning January 1, 2003, to enable the Council to analyze the impact PILOTs in Lansing.

BE IT FURTHER RESOLVED that the Administration is requested to provide information that is necessary to expedite the completion of the analysis at or before the time period of this moratorium.

By Vice President Carol Wood to accept the Substitute Resolution

Yeas: 7

Nays: 0

Absent: 1 (Councilmember Allen)

RESOLUTION #328
BY THE COMMITTEE OF THE WHOLE
Resolved by the City Council of the City of Lansing

WHEREAS, the Lansing City Council adopted a temporary moratorium in order to study the effectiveness of PILOTS on housing needs for the community. After an extensive review of Payments In Lieu of Taxes (PILOTS) to determine whether they were meeting the goals of Council, it was concluded that not only did the use of PILOTS provide housing for the low to moderate incomes, but they have a positive affect on crime in the area and improves the affected property values; and

WHEREAS, the Committee of the Whole met to discuss the findings of the study that indicated that PILOTS are a tool that may be used to improve properties through rehabilitation, helping to make a project affordable to justify extensive improvement cost instead of maintaining the status quo. Without this tool, it is likely some significant rehabilitation projects would not occur within the community and organizations that utilize PILOTS for rehab projects would seek work elsewhere; and

WHEREAS, the Committee of the Whole met on June 19, 2003 to review the PILOT policy and process and endorsed it;

NOW, THEREFORE, BE IT RESOLVED, that the Lansing City Council adopts the June 19, 2003 PILOT Policy and process for PILOTS filed June 20, 2003 with the City Clerk to become effective July 1, 2003.

BE IT FINALLY RESOLVED, that new developments be restricted to the 10% PILOTS, while PILOTS for less than 10% be available on a case by case basis utilizing the June 19, 2003 PILOT Policy.

By Councilmember Jeffries

Carried Unanimously

**PILOT Policy
June 19, 2003**

PILOT PROPOSAL

0-9% PILOT

Criteria for Analysis:

1. Project is for rehabilitation, conversion or adaptive reuse of existing building and will be to develop affordable housing or shelter facility.
2. Project is located in approved City target area such as a CDBG eligible area, Neighborhood Strategy Area or Renaissance Zone qualified area. Develop a map.
3. Project is part of and supported by an overall neighborhood improvement or revitalization plan or strategy as recognized by the City. Examples include a Neighborhood Preservation Program plan, City Master Plan or other City development plan such as the Seven Block Plan. Development of such plan shall have included a Citizen participation process.
4. Application for PILOT shall include the following:
 - a. Request and description of project
 - b. Description of organization, list of board members and/or partners and information about development background and experience
 - c. Construction and operating proformas for project
 - d. Tax Credit application including market study
 - e. Proposed time line for project
 - f. Capital improvements schedule for project over life of PILOT
5. Recommendation from Administration on % and term based on analysis of the above and need for PILOT. Review by Finance, Law, Planning and Development.
6. Requirement that developer provide to City annual report and audit of project prepared for MSHDA or other mortgage entities.

10% PILOT

Automatically available for all other affordable housing projects not meeting above criteria.

OTHER CONSIDERATIONS

1. Consider granting 0-9% PILOTs for a shorter period, say 10 years, and then re-evaluate performance and need for possible extension thereafter.
2. Grant a better % as an incentive to promote mixed income housing in association with new construction. For example: projects with 15% of the units reserved for market rents would be eligible to receive an 8% PILOT; projects with 30% reserved, 6% PILOT; projects with 45% reserved, 4%.

CURRENT PILOT STATS (Approximate)

Current Pilot Units - 3664 (6.7% of total units in City)
1235 - elderly (34%)
885 - LHC (24%)

2579 - 4% PILOT or less
1065 - greater than 4% PILOT

PILOT Process

Flow Chart

1. City Council receives request
2. City Council refers request & information to distribution agency and law office for legal document preparation.
3. Distribution agency reviews information supplied for completeness and request further info as necessary. Once complete information is received then:
4. Distribution agency refers the application to necessary agencies for comment & preparation of paperwork (Finance, Development, Planning, Code Compliance, Police, Fire Marshall)
5. Public hearing is set by City Council
6. Public hearing is held & PILOT referred to committee
7. Comments are received by reviewing agencies (3-4 weeks)
8. Comments are summarized and supplied to City Council through the administration with any recommendation.
9. Council committee considers request and information received and makes recommendation.
10. Council takes actions.

Time frame is approximately 60 days

**PILOT REQUEST
AGENCY REFERRAL SHEET**

FROM:
DATE:

FILE:

- Development Office
- Code Compliance
- Police
- Fire Marshal
- City Attorney
- Finance
- Planning

Other _____

The following request has been submitted to City Council for consideration. We invite your comments, requirements and recommendations for this proposal relative to your official function and in relation to the attached policy.

PROPOSAL:

LOCATION:

This is a request by for a _____% PILOT (Payment in Lieu of Taxes) for the property at _____
The applicant intends to rehabilitate the _____ unit residential property. Attached, please
find the application and supportive information supplied by the applicant.

Please provide your remarks in the space provided below, and return this sheet to the
Planning Office by _____ 5:00 p.m. or fax to 483-6036 or e-mail to
_____@ci.lansing.mi.us

Representative

Date



MINUTES
Committee of the Whole
Tenth Floor Conference Room, City Hall
Thursday, June 19, 2003
1:30 p.m.

Called to Order

The Meeting was called to order at 1:37 p.m.

Committee Members Present

Councilmember Carol Wood, President
Councilmember Joan Bauer, Vice President – Excused Absence
Councilmember Sandy Allen
Councilmember Harold Leeman
Councilmember Brian Jeffries
Councilmember Larry Meyer
Councilmember Geneva Smith – Excused Absence
Councilmember Randy Williams – Excused Absence

Guests and Staff

Terese Horn, Council Staff
David Wiener, Mayor's Office
Jim Smiertka, Law Dept.
Mark Latterman, Latterman & Asso.
Doug Rubley, Finance
Jim Ruff, PND
John Elashkar, BWL Interim General Manager
Nancy Wonch, BWL Board of Commissioners
Ron Callen, BWL Board of Commissioners
Diane Royal, BWL Board of Commissioners

C.O.W.
6/19/2003

Mr. Smiertka reported on the agreement and stated that the proposed resolution would approve the agreement and leave flexibility for him to make some minor changes. He expressed his support with the agreement. This resolution authorizes them to move forward with project.

COUNCILMEMBER MEYER MADE A MOTION TO SUPPORT THE PROPOSED RESOLUTION TO PROVIDE AUTHORIZATION TO ADMINISTRATION TO PROCEED WITH THE AGREEMENT. MOTION CARRIED, 5-0.

→ Payments in Lieu of Taxes (PILOT) Moratorium

Mr. Ruff distributed documentation with respect to the recommendation with respect to PILOTS. He reviewed the documentation that outlined the criteria, procedures, and referrals. He reported that the research was inconclusive. However, he stated that they selected sample properties to get a well rounded idea of improvements to those granted PILOTS and to provide raw data with respect to the decline in crime. Administration determined that PILOTS were a positive tool and a means to help to improve properties. They recommend that Council adopt the policies presented as attached and reviewing it on an annual basis to determine if there needs to be changes. The PILOT program is geared to assist in getting housing into the low-moderate area and to help to get better quality affordable housing.

The Committee reviewed some properties that were developed as part of the PILOT projects. The proposed resolution would lift the present moratorium on July 1, 2003. It also would set up a process to follow when setting up a PILOT. The criteria will be important tool to help determine on whether or not to grant a PILOT.

Councilmember Wood reviewed the three choices that the Council has before them: extend the moratorium, allow moratorium to be lifted with no recommendations, or to lift the moratorium with recommendations presented from administration.

COUNCILMEMBER MEYER MADE A MOTION FOR COUNCIL TO ENDORSE AND ADOPT THE POLICY RECOMMENDATIONS AS PRESENTED AND REFER THE REVIEW OF EACH PILOT REQUEST TO THE P&D COMMITTEE REVIEW AND TO BRING BACK TO COW BY SEPTEMBER 15th. MOTION CARRIED, 5-0.

Council President Wood expressed that the P&D Committee needs to review PILOTS of 10% even if Council approval is not need. She also requested that the Committee look at NEZ and other tools with dealing with housing to help in the formation of a housing policy or direction by Council.

Councilmember Jeffries encouraged focusing on more homeowner occupied housing instead of rental. He suggested that this be one of the considerations that the P&D Committee have during the review process.



MINUTES
Committee of the Whole
Tenth Floor Conference Room, City Hall
Thursday, April 3, 2003
1:30 p.m.

Called to Order

The meeting was called to order at 1:32 p.m.

Committee Members Present

Councilmember Carol Wood, President
Councilmember Joan Bauer, Vice President
Councilmember Sandy Allen
Councilmember Harold Leeman
Councilmember Brian Jeffries
Councilmember Larry Meyer - excused absence
Councilmember Geneva Smith
Councilmember Randy Williams

Guests and Staff

Terese Horn, Council Staff
Ron Wilson, Council Staff
Jim Ruff, PND
Dave Wiener, Mayor's Office
Doug Rubley, Finance
Jim Smiertka, City Attorney
Tanya Moore, Parks Dept.
Murdock Jemerson, Parks Dept.
David Tijerina, City Assessor

C. O. W.
4/3/2003

Detroit Metro Airport. The program would include incentives to help counteract loss. He expressed the program will be a proactive program to promote growth. It is an aggressive program, and it is expected to be self-sufficient by the end of five years. The County has been presented with the plan and has expressed support.

Mr. Baker expressed there is also a Strategic Plan developed with a four prong approach that will also address: corporate crafts, cargo, and charter service.

Councilmembers were given an opportunity to ask questions about the program and airport services and were provided with a response.



Update on PILOTS

Mr. Ruff updated the Councilmembers on the PILOT projects. Supporting documentation listing the suggested criteria for PILOTS and considerations for Council to determine PILOT requests under 10% was distributed to the Councilmembers. He offered a possibility of a PILOT for mixed projects. He suggested evaluating each request as to whether or not it is located in a NPP area.

Council President Wood reminded the Committee a moratorium was placed on PILOTS (under 10%) for any request received since December 31, 2002.

Mr. Tijerina displayed and reviewed a map of PILOT properties. There are approximately twenty-five PILOTS. It was explained that on a procedure standpoint, there could be a contact list developed for requests that come in for a PILOT that would list information to be provided to evaluate the PILOT requests. Thus, each one could be evaluated separately. The check list would indicate if the property was in a CDBG area or if other PILOTS were in place in the area.

Councilmember Bauer suggested examine whether or not the PILOTS have actually made a difference.

Council President Wood indicated that there is also some information that Council has requested from administration and that will be incorporated with the information that Mr. Ruff has established. After everything is put together, then the Committee would decide whether or not to go forward with PILOTS.

Councilmember Jeffries suggested including in the information whether or not the property was in a Neighborhood Enterprise Zone.

Councilmember Williams suggested inquiring whether or not there is a perceived idea in the neighborhood that the property should be rehabilitated.

This matter will be reviewed again after budget.

Pending.

Review of Parks Department Dedicated Park Land and Other Land Managed by the Parks Department

Mr. Jemerson appeared before the Committee and requested finalization of a designation of the proposed dedicated park land. A list of proposed dedicated park land provided in the packet was considered. Documentation indicating the differences between the 1981 resolution and the proposed resolution before Council was distributed to the Councilmembers. The Park Board supports the resolution.

Mr. Smiertka explained that after passage of dedicated park land by resolution and the property has been included as part of the Master Plan, the property could not be sold without the vote of the people. However, within the process, the Council could remove the property from the designated park land and then could be sold without the vote of the people.

Councilmember Allen requested that Parcel B be added into the dedicated park land. Mr. Jemerson stated that the property has to fit into the Five Year Master Plan of land to be developed and this parcel does not fit into that criteria. It was explained that Parcel B could be added at some time; however, there is a strip of property that is part of the parcel of which there is an issue with respect to the access to the property and that matter would have to be resolved before this land could be dedicated.

COUNCILMEMBER ALLEN MADE A MOTION TO APPROVE THE PROPOSED RESOLUTION WITH THE AMENDMENT TO CLARIFY THE PROPERTY DEDICATED. MOTION CARRIED, 7-0.

Receipt of Communications:

- 1) Letter dated March 14, 2003 from City Clerk Miner
- 2) Ballot Proposal for District Wide Tax
- 3) CADL Application

RECEIVED AND PLACED ON FILE

- 4) L-HOPE Program Update – Pulled
- 5) Letter dated March 25, 2003, from Mr. Rabaut – Pulled



MINUTES
Committee of the Whole
Thursday, February 13, 2003 – 1:30 p.m.
Tenth Floor City Hall

Call To Order

Council President Wood called the meeting to order at 1:35 p.m.

Roll Call

Council President Carol Wood
Council Vice President Joan Bauer – excused absence

Councilmember Sandy Allen
Councilmember Brian Jeffries
Councilmember Harold Leeman
Councilmember Larry Meyer
Councilmember Geneva Smith

Others Present

Ellie Kennedy, GLNAWI
Judith Bommer, GLNAWI
Anabel Dwyer, GLNAWI
Beth Monteith, GLNAWI
Bob Alexander, GLNAWI
Christine Timmon, Citizen
Susan Hill, Capital Area District Library
Ray Ziarno, Green House Program

Matt Ferguson WKAR
Patti Cook, EDC
Shane Silsby, Transportation Division
Emil Winnicker, Development Division
Eleanor Love, Code Compliance Office
Jim Ruff, Planning Department
David Wiener, Mayor's Office
Jim Smiertka, City Attorney
Ron Wilson, Council Staff
Tina Gallante, Council Staff

Approval of Minutes

COUNCILMEMBER SMITH MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 6 AND FEBRUARY 10, 2003, MEETINGS AS SUBMITTED. MOTION CARRIED 6-0.

Public Comment on Agenda Items

Ms. Timmons spoke in regard to an incident downtown establishment.

DISCUSSION/ACTION

War Resolutions

Ms. Monteith appeared before the Committee on behalf of the Greater Lansing Network Against War in Iraq. She submitted a packet of information that included press releases, letters, and supporting anti war from various groups and individuals.

Ms. Kennedy also spoke on the impact of the proposed war.

Ms. Dwyer spoke against weapons of mass destruction and encouraged the Council to support a resolution to repeal the Patriot Act and Homeland Security Act and have it submitted to the White House

Ms. Bommer also spoke on behalf of GLNAWI.

Mr. Ziarno spoke in support of the Green House Peace Project.

C.O.W.
2/13/2003

Councilmember Allen withdraws the motion.

Consensus to add one hour onto the Committee of the Whole schedule for next Thursday, February 20, 2003, to review this matter.

Capital Area District Library Millage

Ms. Hill appeared before the Committee to provide an update on new programs the district library has implemented. There is a program that goes out to senior citizen facilities, Books by Mail, and more family activity days. The library has been very successful during this past quarter, with increasing support for of a mill increase. The Millage Committee recommended that a 1.5 mills increase be considered, for five years. It was emphasized that expanded hours is a great concern.

The current budget is approximately \$7 million. They will be asking for 1.46 mills for three years. The increase for a \$100,000 home would be a \$9.00 increase, or \$78.00 total, per year.

For information.



PILOT Presentation

Council President Wood referred to the information contained in the packet. She reminded the Committee of the moratorium that went into effect January 1, 2003, and that it could stay into effect for six months. This is the beginning discussions and receiving preliminary discussions. Some of the items that came up

- Looking at all the PILOTS the City has
- Are they meeting all the objections intended.
- Impacts on the surrounding community.
- Creating more problems for code compliance, public services, and police.
- In granting these, is the City receiving an additional benefit other than providing housing.

Mr. Winnicker reported the Committee wanted an evaluation of the success of operation of properties that have received a PILOT. He does not view that differently than any other property. A PILOT is really a creature of the financing. There is no mention of any other goal.

Essentially, each project stands on its own, and the project is to provide affordable housing.

The discussion was opened for a roundtable discussion.

Mr. Roberts reported the status at this time, is the resolution provided for all PILOTS for at least six months. If the financing comes through MSHDA or is a federal income tax program, which is administered through MSHDA, or is a HUD contract or mortgage, those are the ones for which a PILOT has been established for.

Council President Wood questioned if the members had any suggestions or proposals for the administration.

Mr. Roberts reported the administration has questioned what the Council's intention was for PILOTs. The administration would like direction on those PILOTS that had been filed before the moratorium was placed in effect.

Councilmember Leeman questioned what ~~rationale~~ the Council can use to explain to the public.

Councilmember Jeffries questioned the economic impact on tax basis. Mr. Winnicker reported that for each individual PILOT, a tax financing comparison sheet was prepared. No one building is going to make a difference in a neighborhood. He spoke to the number of police calls that are received. He can make a case that is so because of the number of residents that move into a building and become more aware.

It was agreed upon that the administration will come back within three to four week with a proposed policy. Mr. Winnicker requested the Council provide input in writing so they may have something to go on.

Planning and Development Pre Budget Presentation

Mr. Ruff first addressed the areas that have direct budgetary concern.

Mr. Nelson spoke on behalf of the Building Safety Office, specifically the commercial buildings. The department cannot board up commercial buildings and place them on the tax roll due to State statue. Therefore, a mechanism must be set in place. The administration is in the process of working with the law department to come up with these policies. He did respond that he does not feel the legislators realized the impact.