



AGENDA
Committee of the Whole
Monday, April 18, 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:**
 - April 11, 2016
4. **Public Comment on Agenda Items**
5. **Discussion/Action:**
 - A.) Public Hearing on Revocation of Fahrenheit Ultra Lounge Liquor License
 - B.) Discussion on City Garage Fleet Service Follow Up (NAPA)
 - C.) Budget
City Council & Internal Auditor
 - D.) Discussion on City Attorney Issues
6. **Place on File**
 - Letter from Causeway Bay Lansing Hotel RE: Fahrenheit Lounge Violence
7. **Other**
8. **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, April 11, 2016 @ 5:30 p.m.
City Council Chamber

CALL TO ORDER

The meeting was called to order at 5:31 p.m.

PRESENT

Councilmember Brown Clarke
Councilmember Jessica Yorko
Councilmember Patricia Spitzley
Councilmember Adam Hussain
Councilmember Kathie Dunbar- arrived at 5:38 p.m.
Councilmember Carol Wood
Councilmember Jody Washington
Councilmember Tina Houghton-arrived at 5:38 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Angie Bennett, Finance Director
Randy Hannan, Mayor's Executive Assistant
Jim DeLine, Council Internal Auditor
Joseph Abood, Interim City Attorney
Theresa Lark, Mid- MEAC
Michael Woodworth
Dennis Louney, Spicer Group
Patrick Lindemann, Ingham County Drain Office
Joel Ferguson
Mary Ann Prince
Carolyn Condell

Approval of Minutes

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM MARCH 21, 2016 AS PRESENTED. MOTION CARRIED 6-0.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM MARCH 28, 2016 AS PRESENTED. MOTION CARRIED 6-0.

Public Comment

No Public Comment

DRAFT

DISCUSSION/ACTION

Debt Book Presentation- Council Internal Auditor

Mr. DeLine outlined the Debt Book which focuses on the debt information, bonds, loans and what each is for. The debt instruments are business type activities; it takes that information and organizes it by fund. Highlighted in this year's Debt Book was a refund of bonds noted in Section IV of the book, of those was a dominating factor from the Wet Weather State Revolving Fund Limited Tax General Obligation Bond.

Council Member Washington stepped away from the meeting at 5:37 p.m.

Council Member Spitzley referred Mr. DeLine to Section III, page 1 and asked for details on the layout of the spreadsheet starting with FY2018 with the Principal for the Ball Stadium Fund at \$790,769, then in FY2019 \$814,052, then 2024 \$944,741. Mr. DeLine confirmed each fiscal year has a principal column and an interest column but they are not added together by fiscal year.

Ms. Bennett referred the Committee to an error in Section III, page which showed a significant debt service increase in 2017-2018 from \$1,014,272 in FY 2016. Mr. DeLine acknowledged the request and confusion, and stated he would make any adjustments.

Council Member Washington returned to the meeting at 5:40 p.m.

The Committee finished the review of the book.

BUDGET

Budget General Overview; Fringe Benefits; Capital Improvement Program (CIP); Council & Internal Auditor Budget

Ms. Bennett distributed revised CIP documents for page 109-111, and also a power point handout.

Council Member Houghton stepped away from the meeting at 5:42 p.m.

Ms. Bennett went thru the budget book distributed at an earlier meeting, section by section beginning with the General Fund Revenue.

Council Member Houghton returned to the meeting at 5:43 p.m.

Ms. Bennett noted that the surplus of \$500,000 is proposed for three purposes; General Fund, funding for initiatives and Capital Improvements. Initiatives include the recently proposed "Block by Block", funding for lead base testing, funds for HRCS to address abusive housing circumstances; and code enforcement. There are also proposals for the Financial Empowerment Center, filling of two (2) mechanic positions, and areas in the Police Department. The Budget overall remains balanced, but the Administration continues to focus on finding solutions for the longer term. Ms. Bennett continued to take the Committee thru the budget book outlining funding, sources and the proposed resolution. This year's book also included performance measurements for the first time and they plan to evolve.

Council President Brown Clarke asked about the status of the performance based budgeting and if the departments will report with performance outcomes. Ms. Bennett confirmed and referred to the individual department section which depicted the function fits and what are the measures.

DRAFT

Ms. Bennett moved the discussion to the overview beginning with the budgeted revenue of \$124,000,000. The property values are projected at a 2% rise, and this will be the first FY of personal property tax elimination impact. Income tax is a large revenue source at 27% and property taxes at 37%. There will be no change on the BWL return on equity for next fiscal year. Council President Brown Clarke asked if there was a challenge identified on the growth of property taxes, and Ms. Bennett agreed.

The Committee then looked at pages 14-15 of the budget book showing street funds/major and local. There will be a \$2 million increase of gas and weight tax, just under \$6 million by 2021, which is based on growth of the State of Michigan.

In regards to the drug forfeiture funds there is no projection into the future, because of the unforeseen and the multiple jurisdictions involved. The Police Department is proposing the replacement of their current record management system and using these funds. Other areas highlighted were the entitlement grants with CDBG, HOME and EMG, the stadium revenues which reflects the agreement and the first full year of debt payment. In regards to the recycling funds, there are no proposed fee increases.

Council Member Wood asked how many cases are in tax tribunal. Ms. Bennett noted 16-18 cases pending which are commercial/industrial and she did not have a number on residential. Out of the cases there is one from 2014, all the others are 2015. Since assessments just went out in March, there are none from 2016 in yet.

Council Member Wood asked if the projected income tax is based on increases in wages or projection of new jobs. Ms. Bennett noted it was a combination of both, there has been a general notice an increase in wages, but not an indicator for the future, but they do look at employers and what their projections are.

Council Member Wood asked if the charges for service with code compliance increased based on the fact we are now at full staff, or are there additional fee increases. Ms. Bennett again noted both, they are at full staff but they are proposing new fees. They are projecting \$100,000- \$200,000 revenue from the new fees.

Council Member Wood asked for the update on the funds that were supposed to be sent to the City from the State for fireworks licensing. Ms. Bennett stated she would have to look into that.

Council Member Wood questioned the parking fund on page 22 of the budget, which noted \$23,000 in 2016 and then over \$1 million in 2017. Ms. Bennett clarified it is has to do with underlying bonds with the parking debt. Refunding was done for TIFA a couple years ago, and it was staged changes in the debt service with 2017 as the recognition year. The majority is from the TIFA. Council Member Wood informed the group that at one point the general fund loaned funds to TIFA to make payments, was that paid back, and Ms. Bennett agreed noting also there was also interest charged, but she could not confirm the balance of what was left and will provide that.

Council Member Wood referred the group to the recycling budget and how it is noted that there is no revenue coming in from recycling. Ms. Bennett pointed to the varying use of recycling year to year and to be conservative there is no projection. Council Member Wood noted that based on this, Council needs to look at other options since when it was proposed it was supposed to generate revenue, and now we are charging the public. Council President Brown Clarke asked about the actual costs, and Ms. Bennett stated the City does have costs and processing costs. Council Member Yorke asked if there were thoughts to investigate into a regional recovery facility. Council President Brown Clarke asked if there was an additional cost since we are now doing single stream recycling, meaning there is more labor and cost

DRAFT

when the items make it to the facility. Ms. Bennett noted are there are additional fees, but they have seen more people recycling once they switched to single stream recycling.

Council Member Yorke asked about new fees proposed, and specifically it appeared there were mostly late fees for code compliance, and questioned with the fees being increased in the other areas was there any look at the existing fees for rental registration and inspection and potential of increasing those. Ms. Bennett answered by stating that all Departments looked at their fees, and the majority is nominal in nature.

Mr. Hannan went back to the recycling topic, noting that the Administration is looking into a regional recycling facility for consideration and there was even a State grant by the coalition to study that, but would too require surrounding areas to participate. Currently the East Lansing uses the City of Lansing transfer station for recyclables and the City gets paid for that.

Council Member Houghton went back to the fees and questioned why the large amounts in Planning and Neighborhood Development for filling out an application on paper compared to online. Ms. Bennett reviewed and it appeared there could be an error and Council President Brown Clarke asked for Mr. Johnson to revisit that line item.

Council Member Wood reminded the group that some fees are reflected in the Ordinance and she then asked law to make sure they review any proposed new fees to see if the ordinance needs to be changed.

Council Member Washington asked what the fee comparison was for the grave monument difference between resident and non-resident. Ms. Bennett stated she would ask the question.

Fringe benefits

The Committee reviewed page 5 of the handout which reflected the FY2017 projected fringe benefits which noted pension at \$21.1 million (34%), Retiree Healthcare (Claims/Premiums) \$20.7 million (33%) and Active Healthcare at \$11.5 million (18%). Page 8 of the handout reflected information from the actuarial, and Council President Brown Clarke noted that Council needs to look at the information and be financially responsible.

Council Member Wood referred Ms. Bennett to the budget binder and asked her to speak to savings with the decrease in personnel for the fiscal year and asked if those dollars then are expected to be combinations reflected in this budget. Ms. Bennett clarified that is a comparison and it explains from year to year. Council Member Wood then asked what the savings were, and Ms. Bennett noted there is an increase in amounts that are expected from this years projected, pension amount, and referred to page 6 of the handout that noted \$800,000 less than the current year, based on actuarial information. Council Member Wood asked where the dollars go, and Ms. Bennett clarified that retiree health care still increases, but less than projected, which also included unspent dollars from the general fund. Council Member Wood then referred Ms. Bennett to the General Fund and dollars that were earmarked in the general fund reserve. Ms. Bennett acknowledged \$500,000 proposed going into the General Fund. Council Member Wood asked why that \$500,000 cannot go into the legacy costs. Ms. Bennett referred the Committee to page 5 of the handout that noted amounts set aside for prefunding.

Council Member Yorke asked if slide 7 could project out to 2051 the same slide 8 does.

DRAFT

Council Member Houghton stepped away from the meeting at 6:47 p.m.

Council Member Houghton returned to the meeting at 6:51 p.m.

Council Member Washington referred to page 8 which reflected \$120,000 of property that was sold, and asked what that was. She was informed it was the first installment of Grand Woods Park.

Council Member Washington concluded by reminding Council that economists projecting downward economy, and she hopes that as Council budgets this is being taking into consideration.

CIP

Ms. Bennett distributed an updated CIP Report for FY2017 revised on April 8th. Ms. Bennett then went thru each project for each department. This included \$700,000 for General Facilities, \$1,539,000 for Technology/Equipment, \$825,000 for Planning and Neighborhood Development, \$770,000 for Parks and Recreation, \$8,375,500 for Public Service and \$1,000,000 for Fleet Service.,

Council President Brown Clarke asked if they were on a two-year budget cycle and if that will be seen when the Departments present, and Ms. Bennett stated that was no included. Council Member Houghton asked if question on the CIP should be directed now or with the Departments, and she was advised to address CIP questions with the Departments.

Council and Internal Auditor Budget

Council Member Brown Clarke moved the item to the Committee of the Whole meeting on April 18, 2016.

Red Cedar Project Update – (Tree Cutting)

Council President Brown Clarke asked Mr. Hannan if an agreement had been signed and if the park and golf course was still owned by the City. Mr. Hannan stated the property is still owned by the City. Council President Brown Clarke then asked how the tree cutting was executed. Mr. Hannan informed the group that both the Drain Commissioner and the developer have access to the site for site preparation which includes removal of trees. The Administration granted them the authority to access for that process and the agreement between the City and the Drain Commission, and the City and Ferguson Continental work was authorized.

Council Member Yorke stepped away from the meeting at 7:07 p.m.

Mr. Hannan noted that with Council grant earlier actions on the project.

Council President Brown Clarke asked if the agreement to move forward prior to the project approval something that was in writing, who removed the trees, and was there a contract to remove them.

Council Member Wood stepped away from the meeting at 7:08 p.m.

Mr. Hannan confirmed that Administration granted access per the authority of the Mayor.

Mr. Lindemann spoke on behalf of removal of the trees stating that it is part of the site clearing.

Council Member Wood returned to the meeting at 7:10 p.m.

DRAFT

Mr. Lindemann went on to detail that what occurred it part of site preparation, and there is a compelling reason to cut the trees down now which is to have them down before the Indiana Brown Bat arrives. The company that cut them won't go back in until the ground solid, so their goal is May. Mr. Lindemann reassured the Committee he plans to 3 trees with calipers between 3" – 6" for each 1 tree cut down. Mr. Lindemann assured the Committee he also spoke to foresters at MSU and an arborist who told him he was doing the right thing. There have been attempts to sell the wood to two lumber companies but there is no interest and his opinion is that more than half the trees are dead or hollow. Council Member Spitzley asked if the proposed replacement ratio of 3-1 is codified in the signed agreement with the City, Drain Commission and the Developer. Mr. Lindemann confirmed he makes that in every agreement he does. Council Member Spitzley again asked if it was embodied in the agreement to make sure it happens, and Mr. Lindemann stated that plan as written on this date has it written in it. Council Member Hussain asked if all the trees have been cut, or just the 88 everyone is speaking about, and Mr. Lindemann stated all trees, and those trees were depicted in earlier handouts. Council President Brown Clarke asked if there was a communication plan and any follow up immediately before the trees were cut. Mr. Lindemann stated his believe that he was proactive, held meetings and did media interviews. Council President Brown Clarke asked if he gave the date the trees were going to be cut in the interviews, and Mr. Lindemann he had not, but again stated his belief he had to get them done before April 1st. Council President Brown Clarke encouraged Mr. Lindemann to be proactive on all aspects of the projects and the discussion had nothing to do with the positive or negatives of the project, but the lack of communication.

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

Place on File

Letter from Causeway Bay Lansing Hotel RE: Fahrenheit Lounge Violence

Council President Brown Clarke moved the item to the Committee of the Whole meeting on April 18, 2016.

ADJOURN

The meeting was adjourned at 7:21 p.m.

Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on

RESOLUTION #2016-040

RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Liquor License Non-Renewal/Revocation A Peace of Mind Elite LLC dba Fahrenheit Ultra Lounge, 6810 S. Cedar St. Lansing, MI.

WHEREAS, the City has received a request for non-renewal or revocation of the above-captioned liquor license; and

WHEREAS, in accordance with the Codified Ordinances of Lansing, Michigan, Section 830.07, before filing an objection to the issuance or renewal of a liquor license or requesting the revocation of an already existing license with the Michigan Liquor Control Commission, Council or its designated hearing officer shall hold a hearing on the matter and serve the license holder and any other person known to have a legal interest in such license, by first-class mail, posted not less than ten (10) days prior to such hearing; and

WHEREAS, a request for non-renewal or revocation was placed in the City Clerk's Office March 14, 2016; and

NOW, THEREFORE, BE IT RESOLVED, that the Lansing City Council shall hold a hearing on April 18, 2016 at 5 PM in the City Council Chambers, Tenth Floor, City Hall, 124 West Michigan Avenue, Lansing, Michigan, as provided in Chapter 830, Section 830.07 of the Codified Ordinances of Lansing, Michigan, to receive evidence from the parties; that they be given an opportunity to appear and be heard; and thereafter, to consider a recommendation for non-renewal or revocation of the liquor license for the premises at 6810 S. Cedar Street Lansing, MI, Lansing, Michigan, commonly known as the Fahrenheit Ultra Lounge.

BE IT FINALLY RESOLVED, that City Council hereby supports Lansing Police Chief Michael Yankowski's request of the Michigan Liquor Control Commission for an emergency suspension of the liquor license for Fahrenheit Ultra Lounge and that a copy of this resolution be transmitted to the Michigan Liquor Control Commission as expeditiously as possible.

Chris Swope

03/14/2016

SIGNED BY
CHRIS SWOPE
LANSING CITY CLERK

In the Matter of

Hearing Officer

FARHENHEIT Ultra LOUNGE

Deputy City Attorney Mark A. Dotson

FINDINGS OF FACT AND RECOMMENDATION

After a hearing on March 21, 2016 I as the hearing officer make the make the following Findings of Fact and Recommendations/Conclusions.

Attending the hearing were:

Lansing Chief of Police Michael Yankowski

Detective Joel Cutler

Owner/proprietor Germaine Redding

Dan Doyle: Counsel for Mr. Redding

FINDINGS OF FACT

1. The City of Lansing has issued Cabaret License #3281 to A PIECE OF MIND ELITE LLC dba Fahrenheit. Germaine Redding is listed as the owner of the license.
2. On March 13, 2016 during an event at the Fahrenheit Club, (6810 S. Cedar Lansing, MI) a shooting occurred inside the club resulting in non-life threatening injuries to three individuals.
3. The response to the shooting included at least 16 Lansing Police Department personnel and up to six other law enforcement agencies.

Submitted @ mtg

4. Upon responding law enforcement personnel were met by a substantial number of patrons, some who were fighting among themselves, many who gestured threateningly to the responders and/or otherwise resisted their attempts to secure the situation or render aid to the victims. Force had to be used as well as pepper spray.

5. On the night of the shooting there were anywhere between 24-30 security personnel working the event. Patrons were frisked and swept for weapons upon entering except later in the evening when some were allowed to leave and re-enter without being checked.

6. Evidence taken from the club suggests more than one weapon was used in the shooting.

7. An hour or so prior to the shooting Fahrenheit personnel flagged down a police officer alleging that they had sited a man with a gun.

8. At this point in the investigation there is no indication that Fahrenheit employees intentionally promoted or participated in the shooting.

9. 640 patrons is the capacity for the venue. The security manager indicated that 647 tickets were sold. The event's promoter estimated that 800 people attended the event.

10. By letter dated March 14, 2015 Chief Yankowski asked that Council consider revoking the Fahrenheit's Cabaret License and support revocation of its liquor license.

11. On March 16, 2016 the Michigan Liquor Commission issued an amended Emergence Suspension Order immediately suspending the 2015 Class c and Specially Designated Merchant licenses for Piece of Mind Elite Club, LLC. On at least two prior occasions the LAPD has filed notice of violations with the Michigan Liquor Control Commission regarding Fahrenheit.

12. Since January 1, 2015 the Lansing Police Department has responded to 68 calls for service resulting in 26 criminal investigations.

13. In 2009 there were 139 service calls; In 2010 80 service calls; 2011 37 service calls; 2012 30 service calls; 2013 36 service calls; 2014 46 service calls and in 2015 alone 60 service calls. 60 for a year is considered to be average to above average. Since 2009 there have been 437 calls for service with 167 resulting in criminal reports being filed.

14. In 2011 Germaine Redding as owner of Peace of Mind Elite, LLC entered into a Memorandum of Understanding (Exhibit 15) with the City.

15. There are a number of businesses in the vicinity of Fahrenheit (including a hotel that is connected) as well as apartment buildings. Over the years there have been many complaints filed by either management or patrons of the hotel related to disorderly behavior at Fahrenheit. LPD would often ask the local businesses to adjust their business hours around when Fahrenheit would be closing in an attempt to limit crime related issues that may arise.

16. Mr. Redding did not appear at the hearing to contest the revocation.

RECOMMENDATION

Lansing City Ordinances Chapter 808 requires not only that a license be obtained by anyone who wishes to operate a cabaret but also that the owner of the license operate the cabaret in a manner that "maintains the peace." The March 13, 2016 shooting is yet another manifestation of the problems that have been long standing and seemingly exist no matter the effort to prevent them. On its own, the March 13 incident might warrant revocation, but upon consideration of the operational history of the Club, it is recommended that the Cabaret License be revoked.

**OFFICE OF THE CITY ATTORNEY,
CITY OF LANSING**

Dated:

3/28/16

By:

Mark A. Dotson

Mark A. Dotson (P79761)
Deputy City Attorney



Causeway Bay Lansing Hotel and Convention Center

March 21, 2016

Lansing City Council
10th Floor- City Hall
124 Michigan Avenue
Lansing, MI 48933

Re: Fahrenheit Lounge Violence

Dear Council President and City Council Members:

The main purpose of this correspondence is to support every effort by Mayor Bernero and Lansing City Council to revoke the liquor license currently held by Fahrenheit Lounge in South Lansing and shut the Lounge down; for good

Causeway Bay Lansing Hotel has been concerned and involved in trying to stop the serious violence since 2011; including serious fights and gun violence that has occurred inside and on the property of Fahrenheit Lounge.

Anyone who has been a part of Lansing or East Lansing for a period of years knows about Fahrenheit's nine lives. When they have been close to losing their liquor license, virtually shutting them down, they have promised the City of Lansing that they would institute a different genre of music and promised that a different, less violent kind of patron would begin to move into the bar's environment. The name of the bar may change, however; the genre of music and patrons did not.

At this juncture, we want to emphasize that we in no way are stating that "all" patrons of Fahrenheit are violent. Many patrons of the Lounge just want a place they can frequent and have a good time with friends. They are not supporters of this violence in any way. Their safety is also at risk.

It is important to note that the location of Causeway Bay Hotel is just yards from Fahrenheit and part of the two buildings are actually connected. We share an emergency exit with Fahrenheit and over the years we have had to deal with the negative impact of the conduct and behavior of many of the patrons of the Lounge.

- On several occasions we have had to deal with patrons of the Lounge filtering over to the hotel, extremely inebriated and making frightening scenes in the lobby in the presence of hotel guests.
- When there has been violence and shootings in and around Fahrenheit, we have had the responsibility of trying to comfort guests that could not be comforted. Those affected have been individuals, business travelers, and families. We are not certain that even those in Leadership positions totally understand how this violence affects our business and guests.
- In fact, over the years there have been dozens of employees that are fearful to walk to work and walk home due to the random yet ongoing violence in this area. Fahrenheit has contributed to



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

this fear. On occasion, the hotel has picked up and dropped off employees when they have been needed but are fearful of walking at night.

- South Lansing is a location that desperately needs growing businesses. We have the potential to grow and we have employed many South Lansing residents over the years. We hire Vets, people who have made mistakes and need a second chance, people who have transportation issues etc. However, our growth has been stymied and we have direct evidence that Fahrenheit has been the largest deterrent to our growth. Two more recent examples:
 - ESPN wanted to contract with us for multiple years however; during their first stay in late 2015, there was a shooting at Fahrenheit. They packed their bags and left. We have been proactive in damage control however; they will not be returning.
 - **Michigan State Police Precision Driving Division** also contracted with the hotel to hold their meetings and trainings. Again, during their first stay in 2015, there was a shooting at Fahrenheit. Even with our outreach they made it very clear that they would not be back.

We depend on word of mouth as a strong marketing strategy. Can you begin to imagine how that is working for us?

- We know that Fahrenheit Lounge has allowed minors to enter their establishment. We have had minors staying at the hotel for organized group events that typically have adult advisors supervising the event. Teens will be teens and some have been able to mix with the patrons at Fahrenheit. We have witnessed these teens enter the hotel clearly inebriated after spending time next door at Fahrenheit. Our hands have been tied because we legally have no standing to act.
- Fahrenheit can draw very large crowds. Causeway Bay has many parking lots for our large events. The patrons of Fahrenheit would use our parking lots and we have many testimonies of guests who were intimidated by these individual's and the hotel guest's had to deal with inebriated and threatening patrons of Fahrenheit. It was suggested by some of Lansing's leaders that Causeway Bay should hire more security, set up parking lot metal guards etc., to try to control the Fahrenheit crowds. Our position is the same now as it was then; why would we have to set up these patrols and/or guards when these parking lots are owned by the hotel and are free to our guests?

• Early morning shooting at Fahrenheit Ultra Lounge and Grill

By Haley Herzog Published: **March 13, 2016, 9:33 am** Updated: **March 13, 2016, 9:53 am**

(WLNS) – Two people were shot inside Fahrenheit Ultra Lounge and Grill during an event.

Lansing police shut down South Cedar Street in both directions while they cleared out the club.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

Two ambulance vehicles drove off with the victims, and there is no update on their condition.

Officers told our crew at the scene they have not recovered a weapon, and have not made any arrests at this time.

We're following this story and will have updates online and on 6 News

In letters and communication (2011-2016) with the City Council, former Chief of Police, Teresa Szymanski, current Chief of Police, Chief Michael Yankowski we asked the question: "**When is Enough, Enough**"? We have been forced to lock down the hotel during these incidents. The effect of the lock downs has not only placed guests in fear and apprehension, it has traveled to many online hotel reviews as well as the community. The public is not inclined to use the services offered at the hotel under these present conditions. The hotel is branded as a hotel that is surrounded by violent crime; Aka: not safe.

We sincerely hope that a very serious review will take place by Lansing Leadership regarding the revocation of Fahrenheit Lounge's liquor license. This is the only decision that would stop the continuation of physical and gun violence at Fahrenheit Lounge and immediate area. Based on history, this community needs to know that a "new owner" or manager would not be able to promise a safer environment and would have no intention of delivering that promise. Once a liquor license is granted, we will be right back to square one fearing that the violence will begin again. Please be the Leaders that understand and are committed to the safety of the hotel guests and staff as well as the surrounding community.

Sincerely,

Sherry L. Massey

Sherry Massey MSW; JD
smassey1209@gmail.com



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

ADDENDUM TO LETTER

This Addendum is a chronological collection of letters to the City Council, Chief of Police, Clients/Group damage control efforts and news reports regarding incidents at Fahrenheit Lounge.

2015

October 28th, 2015

Re: ESPN Stay at Causeway Bay Lansing Hotel

Dear Mr. Berano:

It has come to my attention that the ESPN group that stayed with Causeway Bay Lansing MI was not satisfied with their stay and considering not returning to the hotel. The following is a list of the complaints I would like to address.

Noise Level – During the weekend of Michigan States Homecoming game against Purdue the hotel had a very large Professional Group, The Michigan State University Black Alumni. The group uses our hotel and convention center once a year. This professional group is comprised of business men and women, judges, attorneys, doctors, professors etc. The noise level was high at times. Security and management were able to reduce the noise level on most floors however; we are aware that the noise continued in some rooms and corridors and for that, we apologize.

The plan was to have members of ESPN sectioned off in one wing so the potential noise factor would be minimized. Unfortunately, at the time of check-in the assigned rooms for ESPN were not in one wing of the hotel as originally assigned. If ESPN decides to return, I will make sure that they are sectioned off to eliminate noise.

Report of shooting outside a near-by club - We investigated reports of an alleged shooting and below is an article published by WKAR Lansing, MI.

Police Investigating Shots Fired Report at Lansing Club

Updated: Sat 4:05 PM, Oct 03, 2015 By: News 10

..."Lansing Police are investigating a shots fired report at "Fahrenheit [sic] Ultra Lounge.... Nearly a hundred people were at the South Cedar Street club, so Lansing Police, State Police and the Ingham County Sheriff's Office set up a perimeter. Investigators say they didn't find evidence of a shooting at the scene or any victims".

It is important to note that there were no witnesses to any shooting at this club.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

We want to add that there are 40 restaurants, 2 nightclubs and big box retail businesses i.e. Lowes, Sams, Target etc. within a mile of Causeway Bay Lansing Hotel. While we are located in an older part of Lansing, it is a vibrant and growing area.

We would appreciate the opportunity to serve you in the future. If you choose to stay with us we want to offer the following

- Complimentary Dinner for ESPN members on first night
- Complimentary Champagne or Fruit Basket on first night

We sincerely hope that you reconsider. Please allow us to demonstrate our commitment and successful ability to make your stay a pleasant and satisfying one.

Your contact person is the Senior Sales Manager, Mr. Phil Ford.

Phone – 517.694.8123

Email – phillip.ford@causewaybaylansinghotel.com

Sincerely,

Lin Keung

Lin Keung
Owner
Causeway Bay Lansing Hotel
Lansing, MI

Cc: Sherry Massey
Phillip Ford

October 28th, 2015

Re: Michigan State Police Precision Driving Division- Stay at Causeway Bay Lansing Hotel

Dear Lieutenant Gromak:

It has come to my attention that the Michigan State Police Precision Driving Division that stayed with Causeway Bay Lansing MI from 9/18 -9/22 2015 was not satisfied with their stay and considering not returning to Causeway Bay Lansing. Below is a list of Michigan State Police issues I would like to address.

Hospitality Room – We apologize for the misunderstanding regarding placing TV's in this area. We have corrected the oversight and I have been assured that this will not occur again.

Report of shooting outside a near-by club - We investigated reports of an alleged shooting and below is an article published by WKAR Lansing, MI.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

Police Investigating Shots Fired Report at Lansing Club

Updated: Mon 2:34 AM, Sep 21, 2015

Lansing, Mich. Lansing Police are investigating an early morning [report of] shots fired report at [Fahrenheit]club... Witnesses tell police they heard between four to seven shots near Fahrenheit Ultra Lounge on Cedar Street. Officers were called there just after 1:30 a.m. Sunday, but say their search didn't turn up anything.

There were no reported injuries.

It is important to note that there were no witnesses to any shooting at this club.

We want to add that there are 40 restaurants, 2 nightclubs and big box retail businesses i.e. Lowes, Sams, Target etc. within a mile of Causeway Bay Lansing Hotel. While we are located in an older part of Lansing, it is a vibrant area that is seeing more attention to neighborhood and business growth.

We sincerely hope that you reconsider. Please allow us to demonstrate our commitment and successful ability to make your stay a pleasant and satisfying one.

Your contact person is the Senior Sales Manager, Mr. Phil Ford.

Phone – 517.694.8123

Email – phillip.ford@causewaybaylansinghotel.com

Sincerely,

Lin Keung

Lin Keung

Owner

Causeway Bay Lansing Hotel

Lansing, MI

Cc:

Veto Enterprises

Sherry Massey

Phillip Ford



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

2014



A gun went off Sunday morning on Lansing's south side. Lansing Police tell News 10 they were there when it happened. Police say they were responding to reports of a fight at Fahrenheit Ultra Lounge on the 6800 block of South Cedar Street.

They saw a large group leave the club and head out back. Then, police say, they heard a gunshot. Police cleared out the area but did not find a wounded person. Local hospitals have not reported anyone with a gunshot wound either.

At last check, police said they were looking for vehicles that may have been involved, but have not made any arrests.

YOU MIGHT LIKE

September 18th, 2014

Lansing City Council
10th Floor- City Hall
124 Michigan Avenue
Lansing, MI 48933

Re: Fahrenheit Shooting

Dear Council President Wood and City Council Members:

I am writing on behalf of Causeway Bay Hotel Lansing, formerly Best Western Plus of Lansing Michigan. Ownership of the hotel remains with the same owner, Mr. Lin Keung.

Our ongoing and growing concern is that incidents at Fahrenheit continue to pose serious risk to the hotel's guests and employees. There was another shooting on Fahrenheit's property. Please see **Attachment A**. It might as well state that traveling to South Lansing is life-threatening. Not good PR for the hotel or any business for that matter.

I am also enclosing previous letters I have written which provide a background to our continued concerns. I have attended meetings with the Lansing City Council and Chief Yankowski in 2012 and 2013. I believe we were beginning to make progress and find some common ground. Mr. Keung would like to pick up where we left off and continue our efforts. It may be more of a zoning or Lansing City Ordinance Violation issue than a police issue however; it remains important to involve the City Council and Chief Yankowski in this process



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

2013

January 25th, 2013

Chief of Police
Teresa Szymanski,
120 W. Michigan Ave.
Lansing, MI 48933

Re: Fahrenheit Shooting

Dear Chief Szymanski:

I am writing on behalf of Best Western Plus of Lansing Michigan. This past Saturday, January 19th, 2013, a shooting occurred outside Fahrenheit next to the Best Western Plus. Needless to say, guests and employees were upset and fearful for the remainder of the night and early morning. We were forced to lock down the hotel. The effect of the lock down has traveled to many online hotel reviews as well as the community. The public is not inclined to use the services offered at the hotel under these present conditions. The hotel is branded as a hotel that is surrounded by violent crime; not safe.

This is not the first time violent crimes occurred next door at Fahrenheit.

2010-2012- Shootings at Fahrenheit – The department has the police reports.

2012 – Weekend of the Michigan State vs. Notre Dame football game.

- Our hotel was booked. Fahrenheit had a party attended by over 2000 people throughout the evening and early morning.
- Best Western Plus was bombarded with traffic. Fahrenheit used all of our parking lots as well as Lowes.
- Fahrenheit crowds interfered with traffic on Cedar Street to the point of police coming out to direct traffic and control the mass crowds in and around the hotel.
- After the football game, people were attempting to drive through crowds attending the Fahrenheit party.
- Traffic was deadlocked due to large numbers of Fahrenheit patrons crossing Cedar Street.
- Guests driving in from the football game could not get through to the hotel. Over 50 guests turned around and did not enter the hotel or check-in. We lost major business that night. Fahrenheit crowds entered the hotel in great numbers which upset even more guests and employees. Many were intoxicated and made highly offensive comments to guests. Threats were made that actually “terrified” guests as well as employees.

When is Enough, Enough? The owner of this hotel is doing everything in his power to build this hotel. I know you are aware that we are a major hiring entity for South Lansing. We hire Veterans. We hire many people that no other business would hire. We believe in second chances. This hotel is a Lansing landmark and is needed in the State Capitol.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

What is it going to take to deal with this issue from a local government standpoint? Is it going to take a guest or employee being killed by a stray bullet or other crime? The Police Department and City Officials are aware of the legal games that the owners/managers of Fahrenheit have engaged in over the past few years.

We are requesting a meeting with you, Mayor Bernero, City Attorney Smith, and other City officials you deem necessary to discuss this issue. If a viable solution is not reached, this hotel will not be successful. We cannot override or market ourselves pretending we don't have a serious crime issue directly affecting our business. Violent crime is a death sentence to this hotel and its growth in the community.

I look forward to your response to this matter. If you have any questions, please contact me.

Sincerely,

Sherry L. Massey MSW; JD
General Manager
smassey1209@gmail.com

Cc: Mayor Bernero, City Attorney Smith

August 12, 2013

Lansing City Council
10th Floor- City Hall
124 Michigan Avenue
Lansing, MI 48933

Re: Fahrenheit Shooting

Dear Council President Wood and City Council Members:

I am writing on behalf of Best Western Plus of Lansing Michigan concerning events that are posing a serious risk to the hotel's guests and employees.

This past weekend, August 10th/11th, 2013 there was a shooting at the Fahrenheit Bar. Needless to say, guests and employees were upset and fearful for the remainder of the night and early morning. We were forced to lock down the hotel. The effect of the lock down has traveled to many online hotel reviews as well as the community. The public is not inclined to use the services offered at the hotel under these present conditions. The hotel is branded as a hotel that is surrounded by violent crime and not safe to stay in. We have large numbers of conferences/conventions at the hotel and the guests stay in the hotel during these events. Local groups in Lansing are finding it harder to bring their groups to Best Western Plus. This is an ongoing financial blow to the hotel. When we serve fewer guests we need fewer employees. This is not what we envisioned or intended to happen.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

This is not the first time violent crimes have occurred next door at Fahrenheit. Nor is it the first time management of the hotel was forced to lock down the hotel. People who have been partying at the Fahrenheit seem to think they can walk into the hotel in serious numbers and continue their rude, loud and drunken behavior in front of guests and employees. Patrons of the bar use our parking lots which causes problems when we are fully booked and guests cannot find parking places. Many guests of the hotel have commented that they do not feel their cars are safe. Each time a shooting or other violent crime occurs on the Fahrenheit premises, the risk for the hotel becomes greater. We need the City's support and assistance in finding a solution.

The bar property has had many names and owners over the years and they seem to convince the city that they will not be like the previous owners. They promise to have a different genre of music which will attract people who may be less inclined to participate in violent behavior, however; it has not happened and the bar continues to have serious crime problems. We understand that many people who attend Fahrenheit do not cause problems. Many like to dance and socialize with friends and have no intention of causing problems.

The time lines of the shootings are listed below. The list does not include other violent acts that have occurred at Fahrenheit over the last few years.

2013 – August 10th 11th – shooting outside Fahrenheit Bar parking lot which adjoins with Best Western Plus Lansing.

2013- January 19th –shooting outside the Fahrenheit Bar parking lot which adjoins with Best Western Plus Lansing

2012 – Weekend of the Michigan State vs. Notre Dame football game. I would like to comment further regarding this event.

- Our hotel was booked. Fahrenheit had a party attended by over 2000 people throughout the evening and early morning.
- Best Western Plus was bombarded with traffic. Fahrenheit used all of our parking lots as well as Lowes.
- Fahrenheit crowds interfered with traffic on Cedar Street to the point of police coming out to direct traffic and control the mass crowds in and around the hotel.
- After the football game, Best Western Plus guests were attempting to drive through crowds attending the Fahrenheit party.
- Traffic was deadlocked due to large numbers of Fahrenheit patrons crossing Cedar Street.
- Guests driving in from the football game could not get through to the hotel. Over 50 guests turned around and did not enter the hotel or check-in. Many more were highly concerned for their safety. We lost major business that night. Fahrenheit crowds entered the hotel in great numbers which upset the guests and employees even more. Many were intoxicated and made highly offensive comments to guests. Threats were made that actually “terrified” guests as well as employees.



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

2010-2012- Shootings at Fahrenheit – The Lansing Police Department has the police reports. We do not know the exact dates.

When is Enough, Enough? The owner of the hotel is doing everything in his power to build this hotel. I know you are aware that we are a major hiring entity for South Lansing. We hire Veterans. We hire many people that no other business would hire. We believe in second chances. This hotel is a Lansing landmark and is needed in the State's Capitol.

What is it going to take to deal with this issue from a local government standpoint? Is it going to take a guest or employee being killed by a stray bullet or other crime? The Police Department and City Officials are aware of the legal games that the owners/managers of Fahrenheit have engaged in over the past few years.

We are requesting a meeting with you, the City Council Members and any other City Official you deem necessary to discuss this issue. If a viable solution is not reached, this hotel will not be successful. We cannot override or market ourselves pretending we don't have a serious crime issue directly affecting our business. Violent crime is a death sentence to this hotel and its growth in the community.

I look forward to your response and assistance in this matter. If you have any questions, please contact me.

Sincerely,

Sherry L. Massey MSW; JD
smassey1209@gmail.com
(269) 779-3702

2012

2012 – Weekend of the Michigan State vs. Notre Dame football game. I would like to comment further regarding this event.

- Our hotel was booked. Fahrenheit had a party attended by over 2000 people throughout the evening and early morning.
- Best Western Plus was bombarded with traffic. Fahrenheit used all of our parking lots as well as Lowes.
- Fahrenheit crowds interfered with traffic on Cedar Street to the point of police coming out to direct traffic and control the mass crowds in and around the hotel.
- After the football game, Best Western Plus guests were attempting to drive through crowds attending the Fahrenheit party.
- Traffic was deadlocked due to large numbers of Fahrenheit patrons crossing Cedar Street.
- Guests driving in from the football game could not get through to the hotel. Over 50 guests turned around and did not enter the hotel or check-in. Many more were highly concerned for their safety. We lost major business that night. Fahrenheit crowds entered the hotel in great numbers



Causeway Bay Hotels

Causeway Bay Lansing Hotel and Convention Center

which upset the guests and employees even more. Many were intoxicated and made highly offensive comments to guests. Threats were made that actually "terrified" guests as well as employees.

2011

August 19, 2011

It has come to the attention of the General Manager that there was an incident that occurred On Sunday, August 14, 2011. A guest at our establishment heard gunshots coming from the nightclub adjacent to our facility. This guest's room was within 100 feet from the nightclub.

Upon our own investigation, we learned that 911 was called to the scene. We were under the assumption that the nightclub was under new ownership and a new genre of music (Techno music) On Saturday evenings they continue to have the same DJ, the same Hip Hop music and the same patrons as the previous owner.

This nightclub has been the subject of other violent incidents in the past which have been a safety concern of the hotel's guests and staff.

I feel the need to bring this to the attention of the police department as well as other city officials for any further occurrences. I would appreciate a phone call to discuss this matter.

Sincerely,

Sherry L. Massey MSW; JD
smassey1209@gmail.com
(269) 779-3702

RESOLUTION #2016-031

**BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL CITY OF LANSING**

WHEREAS, the Lansing City Council has been made aware that the Administration has entered into 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 parts, and NAPA will provide three NAPA employees, two non-supervisory and one supervisory to oversee the parts division; and

WHEREAS, this approach to handling the City's vehicle parts was not part of the Fiscal Year 2015-2016 Budget, nor part of any discussions before any City Council Committee nor part of any recent discussions with UAW 2256. There has been no transparency or public hearings as part of the process; and

WHEREAS, the contract with NAPA may possibly be in violation of UAW 2256 Collective Bargaining Agreement October 1, 2013 – September 30, 2016 which was negotiated by the UAW and the Administration ratified by the membership and approved by City Council; and

WHEREAS, alleged violations of the UAW 2256 Collective Bargaining Agreement could lead to substantial cost to the taxpayers of Lansing.

THEREFORE BE IT RESOLVED that the Lansing City Council who approved the Collective Bargaining Agreement with RESOLUTION #2010-077 and RESOLUTION #2013-229 requests the Administration suspends the contract with NAPA immediately until all Collective Bargaining alleged violations have been investigated and resolved.

Chris Swope

03/01/2016

SIGNED BY
CHRIS SWOPE
LANSING CITY CLERK



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



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 0124111-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: _____

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://ncesweb.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.

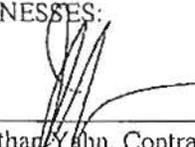
Proposals are evaluated first on responsiveness then on the other criteria included in the RFP. Responsiveness consists of the following criteria:

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:

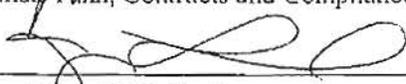
- Factory Motor Parts – received 6/10/15 at 11:13am**
Bidder deemed non-responsive
Form D – missing
Form E – electronic copy missing
Form F - missing
- Ford Motor Company – received 6/9/15 at 11:38am**
Bidder deemed responsive
- Genuine Parts Company/NAPA Integrated Business Solutions (IBS) - received 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:



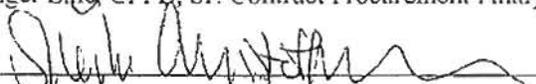
 Jonathan Y. Ahn, Contracts and Compliance Manager, NJPA

6/11/15



 Ginger Line, CPPB, Sr. Contract Procurement Analyst, NJPA

6/11/15



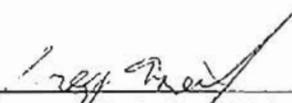
 Sheila Christoffersen, Procurement Support Specialist, NJPA

6/11/15

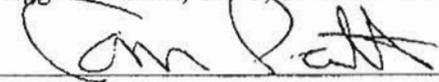


www.njpacoop.org





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

Conformance to Terms/ Conditions to Include	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
Documentation	50	41.25	43.00	41.80	33.00	41.40	34.60
Pricing	400	308.00	314.00	312.00	195.00	295.00	305.00
Financial, Industry and Marketplace Successes	75	89.60	67.60	62.60	49.80	60.00	61.60
Bidder's Ability to Sell/ Service Contract	100	89.00	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	50	39.40	41.20	44.00	31.80	36.80	36.00
Warranty Coverages and Information	200	152.00	168.00	152.00	133.00	127.00	135.00
Selection and Variety of Products and Services	1,000	803.45	831.00	801.40	572.60	727.00	748.00
Total Points							

[Signature]
 Ginger Reed, CPFB, NJPA

[Signature]
 Tracy Pinsky, NJPA

[Signature]
 Gregg Menhofer, CPPO, NJPA

[Signature]
 Isena Garcia, CAFM, City of Sacramento, CA

[Signature]
 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>ABOUT SSL CERTIFICATES</p>			

[12-Step Procurement Process](#)

[About Us](#)

[Affiliations & Relationships](#)

[Become a Member](#)

[Become a Vendor](#)

- Contracts - General
- Contracts - Fleet
- Contracts - e1QC 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

Erop, 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 Clinics and

Administrative Services and

Provider Network Access

- Portable Construction and

Maintenance Equipment and

Trailers with Related

Accessories, Attachments, and

Supplies

- Lullabags, Early Warning,

Systems and Related Products

or Services

- Fleet-Related Maintenance


 | Purchase

[Home](#)
[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 [\[View All Questions\]](#)
Edit Bid
[\[Edit\]](#)
[\[Add Comment\]](#)
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

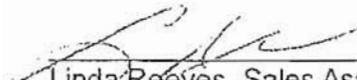
Personally appeared before me, Linda Reeves, Sales Assistant
of THE STATE, and makes oath that the advertisement,

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.

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."

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 Yeh, NJPA, 202 12th Street Northeast, P.O. Box 219, States, MN 56179, or by e-mail at RFP@njpa.com. 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.
1708586

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

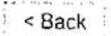
FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS.

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 

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 1B

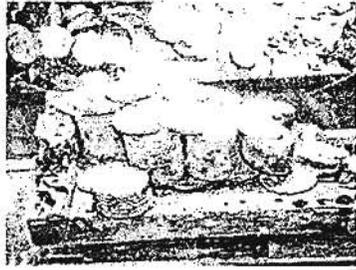
wouldn't want to be your adviser if you'd just looked over First Federal of Paducah. But more importantly, he'd want to know whether you really had \$50,000, or if you had \$50,000 before taxes. A lottery ticket? Possible. Tax inheritance? Not feasible. In most cases.

Next question: How much high-interest consumer debt do you have? If you have credit cards that charge 14% to 20% — or, God forbid, a debt from 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 end up with lots of debt again. This could require getting credit counseling, and certainly will require setting up a budget.

Your next step: Set up an emergency fund. Advisors 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 steps aren't much different than those 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. Bank your money somewhere safe — a bank account or a money market fund — and start thinking about what you want to do with your newfound 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 30 years. A \$50,000 legacy won't enable you to do all those things, however. Even modest, 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 keen on 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 financial advice, you might consider the Garrett Planning Network (www.garrettplanningnetwork.com).

Finally, bear in mind that life is 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 leave the other \$45,000. I'd say, 'Go for it. My job is done. Send me pictures,'" Ferraris says.

Money skulls 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 event will fall on your head.

And a bit of indulgence reaches you, something about money, Ferraris says.

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

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

Alibaba's move signals caution

John Stishid
Special to USA TODAY

SAN FRANCISCO — It's usually wise to take notice 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 may seem odd. 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



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

disappointing that its shares got punished 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 listing freeze at the Chinese e-commerce giant. The news came from the transcript of a meeting at which Ma reportedly warned that the company had grown too quickly.

Alibaba's latest publicly available numbers suggest that's true. The company had 2.681 employees as of Dec. 31, or 63% more than the 1,648 it had a year earlier, according to its regulatory filing for the period.

The surging head count helped push Alibaba's fiscal third-quarter

costs up 69%, 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 38% from a year earlier, to \$5.9 billion.

Early next week, Alibaba is expected to report results for its fiscal fourth quarter. Wall Street analysts are expecting sales to rise 44%, to \$2.78 billion, while profit excluding stock compensation costs and other items is seen at 43 cents a share.

A listing 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 Stishid has covered tech and financial markets for over 15 years.

Stock holds on despite rough quarter for Big Oil

Gary Strauss
USA TODAY

Crude oil's prolonged price slide sank 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 \$67.37 Thursday after the company reported earnings fell to \$1.6 billion from \$1.1 billion in the year-ago quarter — a 46% plunge that was lower than consensus Wall Street estimates.

Revenue sank 36% to \$47.6 billion from \$106.9 billion. "ExxonMobil's balanced portfolio delivered solid financial results in the quarter," CEO Rex Tillerson after the company reported market conditions, we remain focused on business fundamentals and competitive advantages that create long-term shareholder value.

The company cut capital and exploration expenses by nearly 10% to \$7.7 billion, although oil production rose 2.3% to 2.3 million barrels a day.

ExxonMobil also announced a



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

95% increase in its stock dividend.

ConocoPhillips (COP) closed down 11 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 producer earned in the year-ago quarter. But on a per-share basis, the Houston-based company came out with a 95-cent-a-share, slightly above consensus estimates.

Revenue fell 50% to \$7.7 billion from \$15.1 billion in the first quarter of 2009. "Regardless of current market conditions, we remain focused on business fundamentals and competitive advantages that create long-term shareholder value," CEO Ryan Lance said.

The company cut capital and exploration expenses by nearly 10% to \$7.7 billion, although oil production rose 2.3% to 2.3 million barrels a day.

ExxonMobil also announced a

MARKETPLACE TODAY

For advertising information: 1-822-390-0070 www.usatoday.com/class

MOBILES	PUB. NOTICE	BUSINESS OPPORTUNITIES
PERSONALS	SCHOOLS/CLASSES	OWN YOUR OWN
REAL ESTATE	BUSINESS	FROM \$59,900
TRAVEL	FRANCHISES	www.frss.com
TELEPHONE	GOLFERS	FINANCIAL SERVICES

To view more Classified Listings, visit: www.USATODAYClassifieds.com

MARKETPLACE

PUBLICATIONS

The Good, the Bad and the Funny

Get Takes a Look Back at Vietnam in His New Book 'Orange Socks & Other Colorful Tales'

<http://www.js1stories.com>

STUDY THE BIBLE

HEALTH/fitness

VIAGRA

VIAMEDIC

800-551-0352

VIAMEDIC.COM

1-800-THE-LOST

REAL ESTATE

BUSINESS/FARMS

TRAVEL

CALL WITH NOW

NOTICES

PUBLIC NOTICE

MISSING

TESSA ZIEGLER

1-800-THE-LOST

ADVERTISE TO USA TODAY!

(800) 397-0070

USA TODAY Classifieds

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

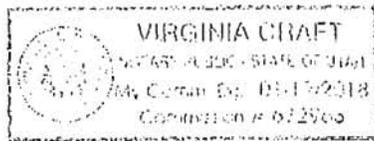
ACCOUNT NAME	
NATIONAL JOINT POWERS ALLIANCE.	
TELEPHONE	AD ORDER# / INVOICE NUMBER
2188945483	0001026020 /
SCHEDULE	
Start 05/01/2015	End 05/01/2015
CUST. REF. NO.	
#061015	
CAPTION	
NOTICE TO CONTRACTORS The National Joint Powers Alliance (NJPA), on behalf of NJPA &	
SIZE	
39 Lines	1.00 COLUMN
TIMES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

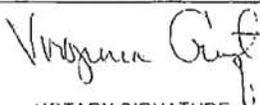
NOTICE TO CONTRACTORS
The National Joint Powers Alliance (NJPA), on behalf of NJPA and its current and potential member agencies, which includes all governmental, higher education, K-12 education, not-for-profit, fiscal management, and all other public agencies located in all fifty states, Canada, and internationally, issue this Request for Proposal (RFP) to result in a contract award for the procurement of a 2015 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 Jonathan Yahn, NJPA, 202 12th Street, Herndon, F.O. 20151, 210 Staples, St. Paul, MN 55115, or by e-mail at njpa@njpa.org. Proposals will be received until 03:00 PM, 2015 at 03:00 pm Central Time or the minute or there and closed JUNE 1, 2015 at 03:00 pm Central Time.
1026020 UPAXLP

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY COMPANY, LLC dba MEDIAONE 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 MEDIAONE 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 UTAHLEGAL.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGAL.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:

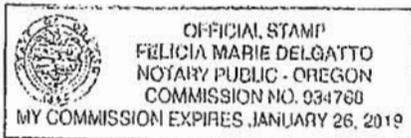
5/1/2015

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.njacoop.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

MONTANA GOV

<http://mt.gov>



[\(1\)](#)

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
 - Stertil-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:

- o Vendor managed fleet parts management services – aftermarket, OE parts, tires, related supplies, paint, tools and equipment
- o Vendor managed facilities MRO warehouse management services - including building materials, industrial materials, school supplies, office supplies
- o Repair and diagnostic equipment for fleet operations
- o Maintenance, repair, and operating replacement supplies for facilities, schools, non-profits, housing authorities, transit agencies
- o IT services for fleet and MRO facilities -- including warehouse enterprise software integration, consulting, fleet software integration, data management
- o Parts and MRO supplies using vending machine solutions –based on customer need
- o Off-site inventory vendor managed services – manned and unmanned
- o Parts and warehouse staffing services
- o Inventory management analysis
- o Exclusive on-line parts ordering via NAPA ProLink
- o 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 Hoglund, 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

dweichma@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 Melnert** - 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 Schleich 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 education 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.NAPAIBIZ.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:

<u>IBS</u>	<u>Participation</u>	<u>Actual Results</u>
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.

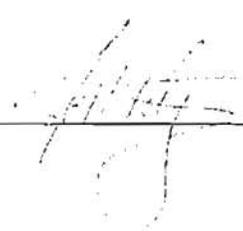
MRO warehouse supply management - In addition to fleet supplies, many of our municipal customers ask us to use the same technology, staffing, and inventory tools we do in fleet-related operations. We have the capabilities and vendor relationships to add this as an added value service to our IBS operations

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: _____





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.NAPAibs.com

VOIDS sometimes exist between management (those who respond to RFPs) and sales staff (those who contact NAPA 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)

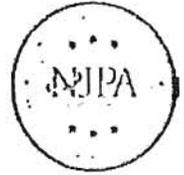
Note: Original must be signed and inserted in the inside front cover pouch.

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]
6/10/15



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

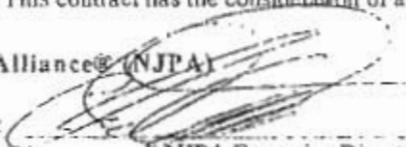
Genuine Parts Company/NAPA Integrated Business Solutions (IBS)
Proposer's full legal name

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, 2015 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 Corquette
(Name printed or typed)

Awarded this

21st

day of

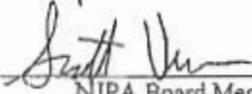
July

, 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

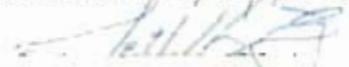
NJPA Contract Number 061015-GPC

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

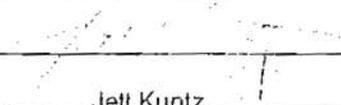
Contact Person for Questions: Jett Kuntz
(Must be individual who is responsible for filling out this Proposer's Response form)

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: 

Authorized Name (typed): Jett Kuntz

Title: Vice President, NAPA Integrated Business Solutions

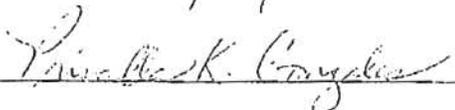
Date: June 10, 2015

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: 

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 he 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 fleet's 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 Assetworks –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 F - 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 – NJPA 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	Flaw Flyer
Toro	Hall Industries
Hell Environmental	Komatsu
Elgin Sweeper Co	Prevost / Nova
Case Equipment - New Holland - International Harvester	Wirtgen - Vogele / Hamm / Kleemann Equipment
Mack	Imperial Supply
Ford 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 initialing 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:

- o Automotive Replacement Parts - OE and aftermarket
- o Light, Medium and Heavy Duty Parts - OE and aftermarket
- o Bulk Oil and other Lubricants/Chemicals – including management of SDS sheets
- o Tools and Equipment – including management of tool cribs for customers
- o Automotive Accessories
- o Paint and Refinishing Supplies
- o Tires - multiple vendors across our 350+ store network
- o MRO, safety and necessary operations supplies
- o 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



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.

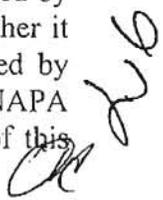
(b) CUSTOMER shall use NAPA as its Primary Supplier of the Inventory under this Agreement. CUSTOMER reserves the right to purchase any item outside this Agreement where it is determined to be more economical or timely so long as the purchase of aforesaid part or parts does not result in NAPA no longer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

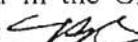
(c) In the event that the other party files any bankruptcy petition, has any bankruptcy petition filed against it, makes any assignment of its assets for the benefit of creditors, or admits in writing its inability to pay its debts as they become due.

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: 

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.

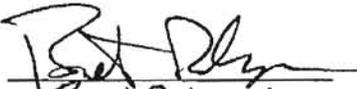
30. **NJPA CONTRACT.** CUSTOMER and NAPA acknowledge and agree that the NJPA Contract is a vehicle by which CUSTOMER may contract directly with NAPA for parts and services, but that the terms and conditions of this Agreement and not the terms and conditions of the NJPA Contract shall govern the relationship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

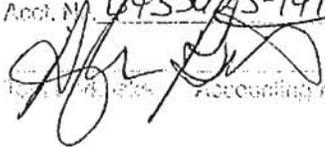
By: 
Name: Bret Robyck
Title: REGIONAL VICE PRESIDENT

CITY OF LANSING, MICHIGAN

By: 
Name: Vicky Belner
Title: Mayor

I hereby certify that funds are available.

Acct. No. 6433623-141350/6433623-743000


Accounting Officer

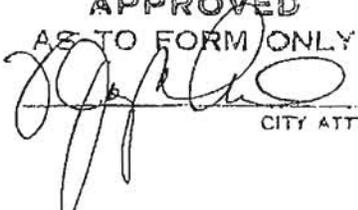
APPROVED
AS TO FORM ONLY

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: [Signature] Dr. Chad Coquette
NJPA Executive Director (Name printed or typed)

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

NJPA Authorized signature: [Signature] Scott Veronen
NJPA Board Member (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: [Signature]
Title: Vice President - NAPA IBS (Name printed or typed)

Executed this 20nd 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.

lib
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: *Bret Robyck*
Name: *Bret Robyck*
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	12,428
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	23,657	24,367	25,098	25,851
Pension	415	0.45%	4,980	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	265	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 - District 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	176,352	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 8.42%
Profit Achieved 8%

8%

8%

8%

8%

8%

8%

8%

8%

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.

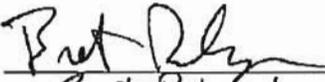
- (f) NAPA shall not utilize, deposit or discharge any material, debris or goods down any drains or sewers which in any way may cause or result in blockage or obstruction of normal sewer activities.
- (g) After the termination, expiration or non-renewal of this Agreement, NAPA shall, within three (3) 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

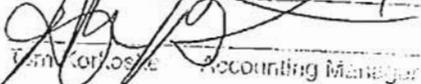
By: 
Name: Bret Rodaych
Title: DIVISION VICE PRESIDENT

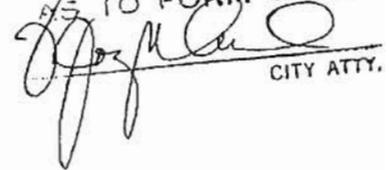
CITY OF LANSING, MICHIGAN

By: 
Name: Virg Bernero
Title: Mayor

I hereby certify that funds are available:

Acct. No. 6433623-141354/6433623-743000


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

Department Summaries

City Council

Description

As the City's legislative branch, the City Council is responsible for the adoption and amendment of ordinances in accordance with the City Charter and State law. The City Council is also vested with oversight and investigative powers and is charged with creating City policy through the adoption of resolutions. At Council Committee of the Whole and regularly scheduled Committee meetings, Council reviews proposals from the Administration and offers citizens an opportunity to make suggestions for the improvement of the City and City operations. The City Council, as required by Charter, adopts an annual City budget, designating appropriations and the amount to be raised by taxation for general purposes and payment of principal and interest on its indebtedness. The Council also works directly with other governmental, business, and community groups to resolve regional and neighborhood issues.

CITY COUNCIL

	FY 2015 <u>Actual</u>	FY 2016 Adopted <u>Budget</u>	FY 2016 <u>Projected</u>	FY 2017 <u>Proposed</u>	% Change FY16 Adopted FY17 Proposed
<u>Department Appropriation</u>					
Personnel	\$ 428,434	\$ 489,340	\$ 471,210	\$ 481,375	-1.6%
Operating	203,464	217,060	212,070	194,425	-10.4%
Total	<u>\$ 631,898</u>	<u>\$ 706,400</u>	<u>\$ 683,280</u>	<u>\$ 675,800</u>	-4.3%

Budgetary Explanations

No significant operational changes are proposed for FY 2017.

The decrease in personnel costs from the FY 2016 adopted budget is due to a combination of less-than-anticipated retiree healthcare costs in FY 2016 and a short-term decrease in projected pension costs for FY 2017 for full-time Council staff. The decrease in operating costs is due to a change in the method used for the allocation of information technology costs.

INTERNAL AUDIT

Description

The Internal Auditor is established by City Charter to review the City's financial compliance in accordance with Council policy. The Internal Auditor works under the direction of the City Council in reviewing external audits of financial transactions and procedures. The Internal Auditor also performs routine audits of other City business. The Internal Auditor is appointed by and is responsible to the City Council. The mission of the Internal Auditor's office is to follow the City Charter, to improve the accountability for public funds and to improve operations of city government for the benefit of the citizens of the City of Lansing.

INTERNAL AUDIT

	FY 2015 <u>Actual</u>	FY 2016 Adopted <u>Budget</u>	FY 2016 Projected	FY 2017 Proposed	% Change FY16 Adopted FY17 Proposed
<u>Department Appropriation</u>					
Personnel	\$ 191,305	\$ 196,394	\$ 155,973	\$ 190,340	-3.1%
Operating	11,031	12,806	12,027	11,860	-7.4%
Total	<u>\$ 202,336</u>	<u>\$ 209,200</u>	<u>\$ 168,000</u>	<u>\$ 202,200</u>	-3.3%

Budgetary Explanations

No significant operational changes are proposed for FY 2017.

The decrease in personnel costs from the FY 2016 adopted budget is due to a combination of less-than-anticipated retiree healthcare costs in FY 2016 and a short-term decrease in projected pension costs for FY 2017. The decrease in operating costs is due to a change in the method used for the allocation of information technology costs.

CITY OF LANSING

CITY COUNCIL
FISCAL YEAR 2017 BUDGET PROPOSAL



**City Council Fiscal Year 2017 Budget Proposal
Table of Contents**

Required Submission to Finance	1
Recent History - All Accounts	2
Salary and Fringe Accounts	3
Miscellaneous Account	4
Promotion Account	5
Individual Accounts	6
Annual Event Accounts	7
Community Funding Account	8
Temporary Help Account	9
Mandated Accounts	10
Training Account	11
Equipment Account	12

Internal Auditor Fiscal Year 2015 Budget Proposal

Required Submission to Finance	14
Recent History - All Accounts	15
Salary and Fringe Accounts	16
Miscellaneous Account	17
Mandated Accounts	18

FY 2016 Year-End Projection/FY 2017 Budget Line Item Worksheet

Department: City Council

Account Code	Description	FY 2015	FY 2015 Actuals	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016	FY 2016
		Budget		Adopted Budget	Amended Budget	Actuals & Enc. Thru Dec. 31	- June Estimate	Jan. End Projection	Year-End Projection	Dept. Submission		
101.112101.702000.00000	SALARIES	260,628	241,987	282,296	282,296	122,699	151,900	274,599	284,566			
101.112101.715300.00000	FRINGE BENEFITS - FIXED	134,417	129,315	140,852	140,852	66,120	65,000	131,120	126,718			
101.112101.715400.00000	FRINGE BENEFITS - VARIABLE	54,756	46,196	61,192	61,192	21,865	30,200	52,065	63,543			
101.112101.741000.00000	MISCELLANEOUS OPERATING	35,000	31,982	30,000	30,000	4,448	24,500	28,948	30,000			
101.112101.741200.00000	PROMOTION	6,000	2,925	6,000	6,000	4,300	1,700	6,000	6,000			
101.112101.741223.00000	COUNCILMEMBER WOOD	2,000	2,004	2,000	2,000	1,093	907	2,000	2,000			
101.112101.741229.00000	COUNCILMEMBER DUNBAR	2,000	1,917	2,000	2,000	934	1,066	2,000	2,000			
101.112101.741231.00000	COUNCILMEMBER QUINNEY	2,000	1,910	-	-	-	-	-	-			
101.112101.741234.00000	COUNCILMEMBER ROBINSON	1,500	1,357	1,500	1,500	1,419	-	1,419	-			
101.112101.741235.00000	COUNCILMEMBER YORKO	1,500	1,592	1,500	1,500	538	962	1,500	1,500			
101.112101.741236.00000	COUNCILMEMBER HOUGHTON	1,500	1,729	1,500	1,500	120	1,380	1,500	1,500			
101.112101.741237.00000	COUNCILMEMBER WASHINGTON	1,500	1,240	1,500	1,500	580	920	1,500	1,500			
101.112101.741238.00000	COUNCILMEMBER BROWN-CLARKE	2,000	1,912	2,000	2,000	1,160	840	2,000	2,000			
101.112101.741239.00000	COUNCILMEMBER DELGADO	-	-	2,000	2,000	595	250	845	-			
new	COUNCILMEMBER HUSSAIN	-	-	-	-	-	750	750	1,500			
new	COUNCILMEMBER SPITZLEY	-	-	-	-	-	1,000	1,000	2,000			
101.112101.741246.00000	MARTIN LUTHER KING JR DAY	1,000	-	1,000	1,000	-	1,000	1,000	1,000			
101.112101.741247.00000	CESAR CHAVEZ EVENT	1,000	500	1,000	1,000	-	1,000	1,000	1,000			
101.112101.741256.00000	BEA CRISTY AWARDS DINNER	1,000	1,000	-	-	-	-	-	-			
101.112101.741289.00000	COMMUNITY FUNDING	5,000	8,750	7,000	7,000	1,000	6,000	7,000	7,000			
101.112101.743050.00000	TEMPORARY HELP-CONTRACTUAL	9,000	10,936	5,000	5,000	9,328	-	9,328	5,000			
101.112101.743720.00000	INFORMATION TECHNOLOGY ALLOC	79,049	79,050	83,000	83,000	41,502	41,498	83,000	87,150			
101.112101.744110.00000	UTILITIES - CITY HALL	39,424	45,467	48,641	48,641	10,393	33,965	44,358	50,000			
101.112101.744200.00000	TELEPHONE	12,300	13,373	12,300	12,300	2,594	8,906	11,500	14,000			
101.112101.747000.00000	TRAINING	2,000	54	2,000	2,000	106	1,644	1,750	2,000			
101.112101.748000.00000	INSURANCE & BONDS	5,826	6,702	7,119	7,119	2,387	5,613	8,000	8,055			
101.112101.977000.00000	EQUIPMENT	5,000	-	5,000	5,000	1,552	3,448	5,000	5,000			
		666,400	631,898	706,400	706,400			679,182	705,032			

CITY COUNCIL
101.112101
fiscal year 2017

Obj	Description	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2017 Request
702000	SALARIES	237,190	237,237	226,740	215,238	252,542	246,583	260,628	241,987	282,296	284,566
712000	LONGEVITY	400	400	400	400	500	0	0	0	0	0
715000	FRINGE BENEFITS	201,373	200,367	0	0	0	0	0	0	0	0
715300	FRINGE BENEFITS - FIXED	0	0	124,660	118,956	151,697	150,103	134,417	129,315	140,852	126,718
715400	FRINGE BENEFITS - VARIABLE	0	0	62,838	36,031	34,300	42,171	54,756	46,196	61,192	63,543
741000	MISCELLANEOUS OPERATING	35,750	27,443	38,000	37,348	38,000	24,084	35,000	31,982	30,000	30,000
741200	PROMOTION	0	0	3,000	1,500	3,000	2,611	6,000	2,925	6,000	6,000
741223	COUNCILMEMBER WOOD	3,000	3,040	2,000	1,825	2,000	2,023	2,000	2,004	2,000	2,000
741227	COUNCIL MEMBER JEFFRIES	3,000	1,927	2,000	1,670	2,000	863	0	0	0	0
741229	COUNCILMEMBER DUNBAR	3,000	2,209	2,000	1,884	2,000	2,140	2,000	1,917	2,000	2,000
741231	COUNCILMEMBER QUINNEY	3,000	2,394	2,000	1,921	2,000	2,138	2,000	1,910	0	0
741233	COUNCILMEMBER HEWITT	2,500	1,804	0	0	0	0	0	0	0	0
741234	COUNCILMEMBER BOLES	2,500	2,685	1,500	1,474	1,500	1,743	1,500	1,357	1,500	0
741235	COUNCILMEMBER YORKO	2,500	2,312	1,500	1,418	1,500	1,643	1,500	1,592	1,500	1,500
741236	COUNCILMEMBER HOUGHTON	2,500	1,627	1,500	1,424	1,500	1,685	1,500	1,729	1,500	1,500
741237	COUNCILMEMBER WASHINGTON	1,250	488	1,500	192	1,500	1,805	1,500	1,240	1,500	1,500
741238	COUNCILMEMBER BROWN CLARKE	0	0	0	0	0	1,154	2,000	1,912	2,000	2,000
741239	COUNCILMEMBER DELGADO	0	0	0	0	0	0	0	0	2,000	0
741XXX	COUNCILMEMBER HUSSAIN										1,500
741XXX	COUNCILMEMBER SPITZLEY										2,000
741246	MARTIN LUTHER KING JR DAY	0	0	1,000	0	1,000	0	1,000	0	1,000	1,000
741247	CESAR CHAVEZ EVENT	0	0	1,000	0	1,000	500	1,000	500	1,000	1,000
741256	BEA CRISTY AWARDS DINNER	0	0	1,000	0	1,000	1,000	1,000	1,000	0	0
741289	COMMUNITY FUNDING	1,500	2,620	6,000	3,070	6,000	4,700	6,000	8,750	7,000	7,000
743050	TEMPORARY HELP-CONTRACTUAL	0	0	3,000	5,103	13,000	4,084	9,000	10,936	5,000	5,000
743720	INFORMATION TECHNOLOGY ALLOC	0	0	0	0	58,550	58,550	79,049	79,050	83,000	87,150
744110	UTILITIES - CITY HALL	26,000	32,924	26,500	37,192	28,360	45,857	39,424	45,467	48,641	50,000
744200	TELEPHONE	10,000	12,156	10,000	11,079	12,300	11,531	12,300	13,373	12,300	14,000
747000	TRAINING	4,500	0	2,000	100	2,000	1,061	2,000	54	2,000	2,000
748000	INSURANCE & BONDS	5,796	3,829	5,912	4,002	6,651	5,941	5,826	6,702	7,119	8,055
977000	EQUIPMENT	10,000	0	10,000	0	5,000	0	5,000	0	5,000	5,000
		555,759	535,460	536,050	481,826	628,900	613,971	666,400	631,897	706,400	705,032

Budgets are as approved without adjustments.

Council Salary and Fringe Accounts

fiscal year 2017

Salary and Fringe - This account is used for the categories noted as itemized below. Fixed fringe includes worker's compensation and retiree benefits. Variable fringe includes social security, medicaid, and current insurance benefits. Budget amounts are calculated by the Finance Department.

	702000	715300	715400
	salary	fixed fringe	variable fringe
Council			
Council President	26,640	519	2,271
Council Vice President	25,140	519	2,156
6 councilmembers @ 24,240	145,440	29,113	17,098
Office Manager 30	51,694	52,093	23,042
Administrative Secretary 28	35,652	44,474	18,976
	284,566	126,718	63,543

Council Miscellaneous Account

fiscal year 2017

741000 - Miscellaneous - This account is used for the categories noted below.

	<u>FY 2012</u> <u>Actual</u>	<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Budget</u>	<u>FY 2015</u> <u>Actual</u>	<u>FY 2016</u> <u>Budget</u>	<u>FY 2016</u> <u>YTD</u>	<u>FY 2017</u> <u>Request</u>
a Water, Coffee, Snack cupboard	2,502	4,445	1,741	4,200	1,045	3,500	452	2,800
b Office Supplies	5,489	4,509	2,661	4,200	3,370	3,500	1,321	4,000
f Office Misc - name plates, business cards	1,307	1,059	2,028	3,800	1,267	3,000	774	3,000
m Business meals, meeting expenses					622	0	746	1,000
p Parking	375	0	1,834	0	823	2,000	0	1,000
c Postage	1,414	930	2,009	3,800	1,430	3,000	79	500
d Copier	5,928	4,937	6,741	5,700	7,950	4,500	0	8,000
e Cable TV	451	452	1,005	1,900	895	1,500	500	1,000
t Temp help	7,377	19,382	0	2,000	0	1,500	0	1,500
g Community Invoivement - sponsorships, ads, etc.	0	91	3,341	4,200	6,701	3,500	426	3,500
h Other / Unclassified	2,599	1,503	2,725	5,200	7,878	4,000	614	3,700
Total	27,443	37,307	24,084	35,000	31,982	30,000	4,913	30,000
Approved Budget	35,750	38,000	38,000		35,000	30,000		30,000

FY 2015 Other includes purchase of chairs for dais - \$7,024

FY 2016 Year-to-Date is current to January 27, though neither December or January Visa charges have been posted.

Council Promotion Account

fiscal year 2016

741200 - Promotion - This account is used at Council's discretion to support various community events.

	FY 2011 actual	FY 2012 actual	FY 2013 actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2017 Request
80'S FLASHBACK TABLE	350						
A Philip Randolph Institute					200		
ACTION OF GREATER LANSING					500		
Ann Council Ad to 741200			200				
ANUL RED/WHITE SCHOLARSHIP AD	100						
ASSOC OF NEGRO BUSINESS PROFESSIONALS				30			
B&GC 21 ANNUAL DINNER	450						
BEA CHRISTY COUNCIL PROMO	128						
BLK MEN INC OF GRTR LANSING -AD	400		150				
BOYS AND GIRLS CLUB					200		
CESAR CHAVEZ - AD				300	300		
Cncl Pro:32 AnSr.Salute FPgAd-ALPHA KAPPA ALPHA	100						
Copper Sponsor-Silent Auction-Hist Society of Grtr Lansing				100			
Council Pro:FPg Ad & 8 Tkts - A PHILIP RANDOLPH INST	400						
Cristo Rey Fiesta Ad to 741200			300				
DREAMS AND VISIONS MANIFESTED					300		
EASTSIDE COMM ACTION CENTER	250			40			
Everett High School Program					250		
Freedom Fund Banquet/Dinner - NAACP				600			
GLACNBPWC AD FOUNDERS' DAY-Assoc of Negro Bus/Pro	50		200		100		
HISTORICAL SOCIETY OF GREATER LANSING					100		
HLTH AWARENESS CONFERENCE				396			
INFLAT WALL - IDV#30	750						
KAPPA ALPHA PSI	250						
LANSING REGIONAL CHAMBER OF COMMERCE				80			
MI BULLETIN-MLK BLK HISTORY AD	250						
MICH WOMENS HALL OF FAME - AD	200						
MICH WOMENS HISTORICAL					125		
MICHIGAN HISPANIC HERITAGE CAUCUS							
MLK HOLIDAY COM AD & TABLE	450						
NAACP AD	200				200		
NACCP TICKETS	400						
PER COUNCILMEMBER BOLES				65			
Progressive Empowerment Educational Resource Services					700		
PURCHASE PAYPAL			500				
PURCHASE PAYPAL PILGRIM REST B			150				
SHOP WITH A COP	500						
TEAM LANSING FOUNDATION					200		
WESTSIDE HOME TOUR AD	250						
ZONTA	250			750			
Total	5,728	0	1,500	2,611	2,925	0	0
Budget	9,000	0	3,000	3,000	6,000	6,000	6,000
Residuals (Over)	3,272	0	1,500	389			

YTD figures are as of 02/10/15

Council Individual Accounts

fiscal year 2017

Individual Councilmember Accounts - These accounts are used for expenses related to holding office and serving constituents.

	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Request
Councilmember Wood	3,000	3,040	2,000	1,825	2,000	2,023	2,000	2,004	2,000	1,173	2,000
Councilmember Jeffries	3,000	1,927	2,000	1,670	1,000	863	0	0	0	0	0
Councilmember Dunbar	3,000	2,209	2,000	1,884	2,000	2,140	2,000	1,917	2,000	934	2,000
Councilmember Quinney	3,000	1,394	2,000	1,921	2,000	2,138	2,000	1,910	0	0	0
Councilmember Hewitt	2,500	1,804	0	0	0	0	0	0	0	0	0
Councilmember Boles	2,500	2,685	1,500	1,474	1,500	1,743	1,500	1,357	0	1,419	0
Councilmember Yorko	2,500	2,312	1,500	1,418	1,500	1,643	1,500	1,592	1,500	538	1,500
Councilmember Houghton	2,500	1,627	1,500	1,424	1,500	1,685	1,500	1,729	1,500	265	1,500
Councilmember Washington	1,250	488	1,500	192	1,500	1,805	1,500	1,240	1,500	580	1,500
Councilmember Brown Clarke	0	0	0	0	1,000	1,154	2,000	1,912	2,000	1,160	2,000
Councilmember Delgado	0	0	0	0	0	0	0	0	2,000	595	0
Councilmember Hussain	0	0	0	0	0	0	0	0	0	1,500	1,500
Councilmember Spitzley	0	0	0	0	0	0	0	0	0	2,000	2,000

NOTE: YTD figures are as of 01/26/16. Visa expenses have only been posted through November.

Council Annual Event Accounts

fiscal year 2017

Annual Event Accounts - This account is used to support and attend the annual events noted below.

		FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Request
741246	Martin Luther King, Jr. Day	0	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000
741247	Cesar Chavez Event	0	0	1,000	0	1,000	500	1,000	500	1,000	1,000	1,000
741256	Bea Christy Awards Dinner	0	0	1,000	0	1,000	1,000	1,000	1,000	0	0	0

Accounts were new as of fiscal year 2013.

YTD figures are current to 01/26/16

Funds for Bea Christy Awards reallocated to Community Funding for FY 2016

Council Community Funding Account

fiscal year 2017

741289 - Community Funding - This account is used to fund events making application to the General Services Committee and meeting Council requirements.

	FY 2011 actual	FY 2012 actual	FY 2013 actual	FY 2014 actual	FY 2015 actual	FY 2016 budget	FY 2017 request
Alpha Kappa Alpha Sorority			100				
African American Parade / Festival	500						
Angel Tree Prison Fellowship					1,000		
Averill Fall Jamboree	500						
Bea Christy Dinner							
Bluebell Picnic			150				
Bld Business BBQ	350						
Capitol Area Blues					500		
Cesar Chavez / TEJ / Latin Music Fest				1,200			
Cinco de Mayo	500						
City Blue Bags	105						
Colonial Village	500						
Cristo Rey Fiesta					1,750		
Fab Acres Annual Block Party	500		500				
J Robinson Games		45					
Juneteenth / PEERS		1,125	1,300		3,500		
Lutheran Social Services World Day	500	500					
March of Dimes Walk				500			
Martin Luther King Day			530				
Men Making a Difference			90	2,500	1,000		
Mosaic Festival	500						
NAACP Freedom Fund			400				
National Night Out	300						
New Mt Calvary Celebration	500						
Northtown Neighborhood Assoc				500			
Northwest Initiative					500		
Old Town Dickens Village	500						
Pinebrook Manor - Get to Know Your Ne	96						
Pow Wow event	50				500		
Shakespeare on the Grand	1,050						
Unknown IDV - June 16 &19, 2011	450						
Unknown IDV - June 17 &18, 2011	500						
Unknown IDV - other 1/2	500						
Unknown - Lot 56 Rental Fee		500					
Wexford Montessori		450					
Total	7,901	2,620	3,070	4,700	8,750	-	-
Budget	12,000	1,500	6,000	6,000	6,000	7,000	7,000
Residuals (Over)	4,099	(1,120)	2,930	1,300	(2,750)		

Council Temporary Help Account

fiscal year 2017

743050 - Temporary Help Account - This account is utilized as needed, but particularly during budget review.

	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Request
Temporary Help	0	0	3,000	5,103	13,000	4,084	9,000	10,936	5,000	9,328	5,000

Account was new as of fiscal year 2013.

YTD figures are through 01/26/16

Council Mandated Accounts

fiscal year 2017

Mandated Accounts - These accounts are required as per City Finance.

		FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Request
743720	Information Technology	0	0	0	0	58,550	58,550	79,049	79,050	83,000	48,419	87,150
744110	Utilities - City Hall	26,000	32,924	26,500	37,192	28,360	45,857	39,424	45,467	48,641	10,393	50,000
744200	Telephone	10,000	13,156	10,000	11,079	12,300	11,531	12,300	13,373	12,300	2,594	14,000
748000	Insurance & Bonds	5,796	3,829	5,912	4,002	6,651	5,941	5,826	6,702	7,119	2,387	8,055

Information Technology account new as of fiscal year 2014.

YTD figures are current to 01/26/16

Utilities posted only through November.

Telephone posted only through October.

Information Technology and Insurance & Bonds are set by Finance Department

Council Training Account

fiscal year 2017

747000 - Training Account - This account is used for seminars, workshops, etc. as needed.

	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Reques
Training	4,500	0	2,000	100	2,000	1,061	2,000	54	2,000	106	2,000

YTD figures are through 01/26/16

Council Equipment Account

fiscal year 2017

977000 - Equipment Account - This account is used for computers and other office equipment as needed when not in the Information Technology budget.

	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2016 YTD	FY 2017 Request
Equipment	10,000	0	10,000	0	5,000	0	5,000	0	5,000	1,552	5,000

YTD figures are through 01/26/16
 In FY 2015, new chairs for the dias were purchased for \$7,024 and charged to Miscellaneous.

CITY OF LANSING

INTERNAL AUDITOR
FISCAL YEAR 2017 BUDGET PROPOSAL



<u>Account Code</u>	<u>Description</u>	<u>FY 2015 Budget</u>	<u>FY 2015 Actuals</u>	<u>FY 2016 Adopted Budget</u>	<u>FY 2016 Amended Budget</u>	<u>FY 2016 Actuals & Enc. Thru Dec. 31</u>	<u>FY 2016 Jan. - June Estimate</u>	<u>FY 2016 Year- End Projection</u>	<u>FY 2017 Dept. Submission</u>
Internal Audit									
101.112120.702000.00000	SALARIES	94,616	92,340	93,817	93,817	44,052	7,163	51,215	93,477
101.112120.707000.00000	TEMPORARY HELP						12,273	12,273	
101.112120.712000.00000	LONGEVITY	1,200	1,500	1,600	1,600	2,000	-	2,000	
101.112120.715300.00000	FRINGE BENEFITS - FIXED	74,689	74,690	77,521	77,521	36,367	73,930	110,297	71,902
101.112120.715400.00000	FRINGE BENEFITS - VARIABLE	23,206	22,775	23,456	23,456	10,643	5,422	16,065	23,400
101.112120.741000.00000	MISCELLANEOUS OPERATING	1,500	647	1,500	1,500	758	442	1,200	2,600
101.112120.743720.00000	INFORMATION TECHNOLOGY ALLOC	7,183	7,183	7,550	7,550	3,774	3,776	7,550	7,928
101.112120.744200.00000	TELEPHONE	-	694	1,000	1,000	173	1,211	1,384	1,000
101.112120.748000.00000	INSURANCE & BONDS	2,256	2,507	2,756	2,756	893	1,000	1,893	3,118
		204,650	202,336	209,200	209,200			203,877	203,425

INTERNAL AUDITOR
 101.112120
 fiscal year 2017

Obj	Description	FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2017 Request
702000	SALARIES	84,132	84,042	90,180	86,679	94,700	78,161	94,616	92,340	93,817	93,477
712000	LONGEVITY	1,200	1,200	1,200	1,200	1,500	1,200	1,200	1,500	1,600	0
715000	FRINGE BENEFITS	61,972	59,833	0	0	0	0	0	0	0	0
715300	FRINGE BENEFITS - FIXED	0	0	63,833	62,405	70,110	69,355	74,689	74,690	77,521	71,902
715400	FRINGE BENEFITS - VARIABLE	0	0	10,189	9,508	10,255	18,368	23,206	22,775	23,456	23,400
741000	MISCELLANEOUS OPERATING	0	0	0	235	1,500	641	1,500	647	1,500	2,600
743720	INFORMATION TECHNOLOGY ALLOCAT	0	0	0	0	5,320	5,320	7,183	7,183	7,550	7,928
744110	UTILITIES - CITY HALL	0	439	0	0	0	0	0	0	0	0
744200	TELEPHONE	0	0	0	0	0	784	0	694	1,000	1,000
748000	INSURANCE & BONDS	2,245	1,432	2,290	1,497	2,575	2,167	2,256	2,507	2,756	3,118
		149,549	146,946	167,692	161,524	185,960	175,995	204,650	202,336	209,200	203,425

internal Audit Salary and Fringe Accounts

fiscal year 2017

Salary and Fringe - This account is used for the categories noted as itemized below. Fixed fringe includes worker's compensation and retireee benefits. Variable fringe includes social security, medicaid, and current insurance benefits. Budget amounts are calculated by the Finance Department.

	702000	715300	715400	71200
	salary	fixed fringe	variable fringe	longevity
Internal Audit				
Internal Auditor 42	93,477.00	71,902.00	23,400.00	0.00

internal Audit Miscellaneous Account

fiscal year 2017

741000 - Miscellaneous - This account is used miscellaneous items such as dues, subscriptions and webinars.

	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2017 Request
Miscellaneous Operating	1,500	641	1,500	540	1,500	2,600

Account created in FY 2014

FY 2017 Proposal	
Membership - Association of Local Government Auditors	\$180
Membership - Institute of Internal Auditors	\$130
MICPA Governmental Accounting & Auditing Conference	\$329
3 ALGA webinars @ \$50	\$150
1 IIA e-seminar @ \$950	\$950
3 ACGA e-workshops @ \$199	\$597
Ass't Office Supplies and Publications	\$264
	\$2,600

Internal Audit Mandated Accounts

fiscal year 2017

Mandated Accounts - These accounts are required as per City Finance.

		FY 2012 Budget	FY 2012 Actual	FY 2013 Budget	FY 2013 Actual	FY 2014 Budget	FY 2014 Actual	FY 2015 Budget	FY 2015 Actual	FY 2016 Budget	FY 2017 Request
743720	Information Technology	0	0	0	0	5,320	5,320	7,183	4,792	7,550	7,928
744110	Utilities - City Hall	0	439	0	0	0	0	0		0	0
744200	Telephone	0	0	0	0	0	784	0	230	1,000	1,000
748000	Insurance & Bonds	2,245	1,432	2,290	1,497	2,575	2,167	2,256	1,132	2,756	3,118

Information Technology account new as of fiscal year 2014.

Information Technology and Insurance & Bonds are set by Finance Department



City of Lansing

OFFICE OF THE CITY ATTORNEY

F. Joseph Abood, Interim City Attorney

TO: CITY COUNCIL PRESIDENT JUDI BROWN CLARKE AND ALL CITY COUNCIL MEMBERS

CC: MAYOR VIRG BERNERO

FROM: F. JOSEPH ABOOD, INTERIM CITY ATTORNEY

DATE: APRIL 12, 2016

RE: OUTSIDE COUNSEL/REPRESENTATION

QUESTIONS PRESENTED

Council President Judi Brown Clarke on behalf of City Council inquired of the Office of the City Attorney the following:

“In negotiation with Janene’s Separation Agreement, was the Dykema firm hired to represent the Mayor or the City of Lansing? Please respond in writing.”

While the Council President’s question is posed in the specific context of the Dykema firm’s representation involving the separation agreement for the former City Attorney, a more general statement of the question asked may be “who is the primary client when outside counsel is required to manage a legal matter relating to the affairs of the City?”

ANSWER TO THE SPECIFIC QUESTION

As the Council has been advised, the Dykema law firm was hired because of the obvious conflict of interest if the City Attorney’s office would have been involved in the negotiations of a separation agreement with the then active City Attorney. As a result of conflict, and this offices necessary recusal, the office of the City Attorney does not have the requisite particulars to directly answer the question specifically.

To state the obvious, it would be inappropriate to render a legal opinion on matters to which the office is not privy.

ANSWER TO THE GENERAL QUESTION

The Charter provides that in appropriate instances outside legal counsel may be retained to manage affairs relating to the City. The primary client of the City Attorney is the municipal corporation of the City. On occasion representation is extended to Council, Department heads, Employees, and Executive Officers including the Mayor. Most often the scope of representation is in direct correspondence to the function that is being litigated or otherwise called into question.

ANALYSIS

Regarding the general question posed, this is not the first time the question has been answered by this office. A number of prior City Attorney Opinions have been issued on the subject of City Attorney representation and the use of outside counsel. Those Opinions have consistently interpreted the City Charter as providing that the City Attorney represents the City of Lansing. Further, "the City Attorney is the attorney for the City, as a Michigan municipal corporation, and within his duties provides legal advice to the Mayor and Council. The City Attorney owes his allegiance to the City to use his best independent professional judgment on behalf of the organization when reviewing matters and issues affecting it. This judgment is not to be skewed towards the Mayor or the Council. However, it must be acknowledged that a major theme of the 1978 Charter was to strengthen the role of the Mayor in administration and the day to day operation of the City." See CAO 05-05 (November 3, 2005) and numerous Opinions cited therein.

Therefore in a matter where, as here, the office of the City Attorney is conflicted or otherwise unavailable to represent the City as to an issue it becomes appropriate for the City Attorney to look to outside counsel to properly manage that legal affair for *the City*. Moreover, when the legal affairs for the City, for whatever reason, involve functions or individuals regardless of whether they are from the legislative or administrative branch of City government, the scope of representation would extend to the appropriate City representative and such dual representation would continue as long as the interests of the City does not diverge from the interests of the individual or individuals involved.



Department of Law

MEMORANDUM

"Equal Opportunity Employer"



TO: MAYOR TONY BENAVIDES

FROM: JOHN M. ROBERTS, JR., Chief Deputy City Attorney

DATE: November 3, 2005

RE: OPINION RE: EFFECT OF COUNCIL RESOLUTION 482, IF COUNCIL OVERRIDES YOUR VETO

ISSUE

You have requested my opinion concerning the effect of the City Council Resolution No. 482, to hire its own outside attorney, in the event Council overrides your veto. You have asked for this opinion in the context of my previous advice and opinions that Council action to hire its own attorney regarding an affair of the City, rather than to hire the attorney on behalf of the City itself, violates the Lansing City Charter.

ANSWER

Consistent with the oral opinion that I provided to the Council at its October 13, 2005 Committee of the Whole, and prior opinions of this office, the City Council is without authority under the Lansing City Charter to hire its own attorney, and therefore, its resolution attempting to do so is void.

ANALYSIS:

I. CHARTER

A. General Charter Authority

The City is governed by its Charter. A charter is the organic law of a city and even ordinances in conflict with it or violating the mandates of the charter are void. Bivens v Grand Rapids, 443 Mich 391; 505 NW2d 239 (1993); Sykes v Battle Creek, 288 Mich 660; 286 NW 117 (1939); Quandt v Schwass, 286 Mich 433; 282 NW 206 (1938). When language of a charter provision is clear and unambiguous, it is controlling. Detroit Fire Fighters Ass'n v Detroit, 127 Mich App 673; 339 NW2d 230 (1983). Hence, it is presumed that the framers of a charter, and the people who ratified it, intended that a charter provision be construed as it reads. Id. Moreover, charter provisions are construed strictly to restrain attempts to evade them. Lee v Taylor, 63 Mich App 221; 234 NW2d 483 (1975); Barrows v Engel, 186 Mich 540; 152 NW 950 (1915); 4 McQuillin, Municipal Corporations (3d ed); § 12.198, pp 97-98.

Succinctly stated:

“the charter or statute by virtue of which a municipal corporation is organized and created is its organic law and the corporation can do no act nor make any contract not authorized by that charter or statute. All acts beyond the scope of the powers granted are invalid.” 2A, McQuilling, Municipal Corporations (3d Ed), § 9.22, p 234.

The Michigan Attorney General has opined in OAG, 1976, No 4983, p 520 (June 25, 1976) that municipal authority to hire legal counsel is specifically governed by a city's charter and unless the charter expressly grants the authority to a municipal body to hire its own attorney, such authority does not exist. The opinion says:

Municipal charters generally include provision controlling the circumstances under which legal counsel may be retained, and unless the authority is expressly granted boards and commission have no such authority. See City of Flint v Board of Hospital Managers, 377 Mich 681; 142 NW2d 5 (1966):

“As a general rule, however, the power to employ counsel is not deemed to be incidental to such boards, and does not exist, except as it is expressly conferred, or results by necessary implication from the powers granted.” Annotation, 2 ALR 1212. See 10 McQuillin, Municipal Corporations (3d ed), § 29.12, pp 204-209. See, also, O’Reilly v Town of Scituate, 325 Mass 154 (102 NW2d 439).”

* * *

Some municipal charters preclude the appointment of special legal counsel and others authorize such appointment under certain circumstances such as are discussed in McQuillin, supra, at § 29.12:

“Contracts for outside legal services are sometimes sustained where there is a vacancy in the office of city attorney; or where the city attorney is ill, disqualified, absent, or unavailable; or where the legal official of the corporation refuses to appear and perform the necessary services; or where he has, or represents, adverse interests; or in case of an emergency . But if an applicable statute, the charter, or an ordinance forbids the appointment of other counsel, a contract for extra services is void.” [footnotes omitted; Emphasis supplied in original]

B. Lansing City Charter

For the reasons stated in my October 13, and October 17, 2005 memoranda to the City Council, it is my opinion that a clear reading of the language of the Lansing City Charter does not provide for or specifically authorize the City Council to hire its own attorney.

In this matter, the City Attorney has recused himself because of a possibility that he, as a department head, could be personally affected by the outcome of the opinion requested. The recusal, however, is not a recusal of the City Attorney's responsibility to the City under the Charter or a recusal of the Law Department function under the Charter. Instead, it is the opposite. The recusal has resulted in a need for the appointment of a special city attorney to perform the function of the City Attorney in his place. Just as the Charter requires the City Attorney to represent the City, rather than the Council, the Mayor or the department heads, so too is the appointed attorney required to represent the City and not a part of it.

This same conclusion was previously reached by former City Attorney James D. Smiertka as an Addendum to Lansing City Attorney Opinion No. 97-18 (August 4, 1997). The opinion dealt with the issue of whether the City Council could avoid veto power by calling its action a motion rather than a resolution. The question of Council's authority to hire an outside attorney to dispute the City Attorney's opinion on that issue through a court action was also addressed as follows:

Addendum - Request for Special Counsel

With respect to Council's request for an opinion under Charter Section 4-304.6 as to whether it can engage the services of an attorney to advise it on the Stormwater veto; it is the opinion of the City Attorney that Council is without such power given the lack of express authority in the Charter. The City Charter has established a law department and given it the responsibility to handle the legal affairs of the City. Section 4-301.1 entrusts the City attorney with the responsibility of seeing that the legal affairs of the City are properly managed and Section 4-304.3 states that the City Attorney shall advise the officers and agencies of the City on matters relating to their official duties. *See 1975 Opinion Attorney General 520.*

My opinion agrees with and follows this precedent.

C. Michigan Rule of Professional Conduct

The fact that the City Attorney represents the City is also necessary to comply with the Michigan Rules of Professional Conduct (MRPC). The MRPC are the rules by which all Michigan attorneys practice law, which, if not complied with, can lead to attorney discipline.

When a lawyer represents a corporation, unincorporated association or governmental agency, the lawyer represents the organization rather than the individual members. MRPC 1.13(a),

(d) and (e) state:

“(a) A lawyer employed or retained to represent an organization represents the organization as distinct from its directors, officers, employees, members, shareholders, or other constituents.”

...

(d) In dealing with an organization’s directors, officers, employees, members shareholders or other constituents, a lawyer shall explain the identity of the client when the lawyer believes that such explanation is necessary to avoid misunderstandings on their part.

(e) A lawyer representing an organization may also represent any of its directors, officers, employees, members, shareholders, or other constituents, subject to the provisions of Rule 1.7. If the organization’s consent to the dual representation is required by Rule 1.7, the consent shall be given by an appropriate official of the organization other than the individual who is to be represented, or by the shareholders.”

In the course of the lawyer’s representation of the city, the lawyer is obligated to competently

represent the client. MRPC 1.1 requires "A lawyer shall provide competent representation to a client." In so doing, the lawyer, for example, cannot draft a proposed contract that would be in violation of the Charter, unconstitutional or unenforceable. The lawyer's goal must be to accomplish the client's request in a way that would be legal and, in the lawyer's opinion, enforceable. If the lawyer cannot do so, the lawyer's obligation is to advise the city council that a contract would likely be held unenforceable. MRPC 1.2(c).

MRPC 1.4(b) provides:

"A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation."

In the matter presented, the City Council intends to hire an outside law firm to represent the City Council regarding an issue that affects the entire City and that potentially may affect the relationship between the Mayor and Council and how City functions are performed. This patently is an issue that relates to "the affairs of the City." For this reason, the advice sought requires that the review be unbiased and impartial as to both the Mayor and Council. This duty is within the Law Department's Charter functions. This means any legal review must have the City as the client for the opinion to be accepted as fair by all interested parties, be they the Council, the Mayor, City employees or the public. That outside counsel must review this issue with the City as the client is mandated by Charter Section 4-304.1 and 4-304.3. It is, therefore, my opinion that for the Council to hire its own attorney at this time would be a violation of the Charter, and MRPC. Therefore, what is proposed is an unenforceable contract. MRPC 1.13(d) requires the City Attorney to clarify for the City Council that the

lawyer's client is the city as an entity, and not the Council as a separate body. This I have done.

While the Lansing City Charter specifically provides that the City Attorney may represent multiple clients, the guiding principle in the Charter is that it is only in "affairs of the City" and, thus, only in those instances when the representation will not adversely affect the primary representation of the organization of the City. Such representation of the City by outside counsel in the matter at hand is acceptable to the City Attorney's office and, in fact, was originally initiated by the City Attorney. With this in mind the Law Department remains committed to its offer of outside legal representation so long as it comports with the Charter with the City of Lansing as the client

II EFFECT OF RESOLUTION 482.

A. Limitations on Council Powers.

In a prior City Attorney opinion, CAO No. 96-11 (May 1, 1996), this office advised on what legally happens if Council exceeds the authority it is granted under the Charter.

"... as to the powers of a City Council, the general rule is that strict construction must be applied in construing statutes granting powers to a city council. A local legislative body is possessed of but special powers, limited by constitutional statutory and charter provisions and all acts by its (sic) in excess of its powers are simply nugatory. It cannot by ordinance acquire powers expressly withheld by the City Charter, nor extend its power beyond the limits prescribed by the

charter. Neither can it abrogate or impair power conferred on it by law. 4 McQuillan, Mun Corp (3d Ed), §13.03.

What is said in the opinion about an attempt to extend powers by ordinance is equally true of an attempt to do so by a resolution. As further pointed out in Section I.A. of this opinion, action that would be taken by the Council in violation of the Charter is void.

B. City Council May Not Contract

Since the inception of the 1978 Lansing City Charter, the City Attorney's office has consistently given the legal opinion that the authority to contract involving the City is vested in the Mayor.¹ As stated in CAO No. 96-11 (May 1, 1996),

“Contract authority is lodged in the Mayor under the strong-Mayor form of government in Lansing, subject to law and regulation, and the City Council has no authority to either award or terminate the contract with Kolt and Serkaian. This conclusion is not new from this office. A similar conclusion was reached in 1979 by a previous City Attorney (See attached 5/31/89 City Attorney Opinion.)”

Although the proposed contract in this instance is not one involving the purchasing ordinance, the same principle applies. However, the CAO No. 79-64 (May 31, 1979) does not limit the opinion to certain types of contracts.

“Several sections of the new City Charter make it clear that the negotiation, approval and specific terms of individual City contracts

¹The exception to this general rule is that City Council may contract with its own staff, Lansing City Charter Section 3-207.3 and council members may spend their own community promotion accounts. Ordinance Section 206.1

is primarily an administrative matter and that the City Council as a legislative body may not interfere with the Mayor or his administration in the letting of contracts. See Section 3-101, 3-207.1 and 3-207.2 of the City Charter.”

Also in accord are CAO 81-55 (October 29, 1981) and CAO 96-20 (September 19, 1996).

This office reaffirms its prior opinion that the Mayor, as the chief executive officer of the City is the person ultimately responsible for entering into City Contracts and not the City Council.

In the very first opinion of former City Attorney James D. Smiertka, addressing the affect of Resolution No. 201, commonly known as the Early Retirement resolution, the City Attorney indicated that an attempt to carry out, by resolution, action that conflicts with the requirement of the City Charter is a nullity and ultra vires. As such, the doctrine of ultra vires precludes the City from engaging in the act.

“A City’s action is ineffectual where legislative purposes were sought to be carried out by resolution. Rollingwood, supra, at page 264; see Shcrier v Kalamazoo, 380 Mich 626, p 636 (1968), where the Court held that the City Commissioner’s failure to comply with the City’s Charter requirements for the adoption of ordinances was declared a nullity. Indeed, the action of implementing Resolution 201 is ultra vires. The doctrine of ultra vires precludes a municipal corporation from engaging in a course of conduct where it specifically lacks authority. Parker v West Bloomfield, 60 Mich App 583 (1985).

CAO 94-1 (1/28/94)

As pointed out in part I. of this opinion, the attempt of the Council to hire its own attorney by Resolution No. 482 is contrary to the City Charter and, therefore, is void and

unenforceable. This conclusion is also consistent with prior City Attorney opinions and the opinion of the Attorney General.

CONCLUSION

You are, as Mayor, the only City officer who can sign a contract to hire outside legal representation called for in Resolution No. 482 and you may refuse to do so on the basis that the resolution countervails the City Charter and, as such, is void.

F:\SHARED\OPINION\2005\mayor re override of veto 110305.wpd