

BOARD OF COUNTY COMMISSIONERS

DATE: November 18, 2014

AGENDA ITEM NO. 27

Consent Agenda ☐

Regular Agenda ☒

Public Hearing ☐

 **County Administrator's Signature**

Subject:

Purchase Authorization – Vehicle and Equipment Parts Management System
Contract No. 134-0296-PB(PF)

Department:

Real Estate Management / Purchasing

Staff Member Responsible:

Paul Sacco / Joe Lauro

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE THE PURCHASE AUTHORIZATION FOR A VEHICLE AND EQUIPMENT PARTS MANAGEMENT SYSTEM FROM GENUINE PARTS COMPANY D/B/A NATIONAL AUTOMOTIVE PARTS ASSOCIATION (NAPA), ATLANTA, GEORGIA. PRICING, TERMS AND CONDITIONS ARE PER NATIONAL JOINT POWERS ALLIANCE (NJPA) CONTRACT NO. 010511-GBC.

IT IS FURTHER RECOMMENDED THE CHAIRMAN SIGN THE AGREEMENT AND THE CLERK ATTEST.

Summary Explanation/Background:

The Fleet Management Division of the Real Estate Management Department is requesting Board consideration for approval of this purchase authorization for the purpose of obtaining a parts, services and inventory management system from NAPA. More specifically, the NAPA Integrated Business Solutions (IBS) program is an outsourcing of the Fleet Management Division parts inventory operation which will create efficiencies at many levels. The utilization of NAPA as primary parts supplier will significantly reduce the number of contracts necessary to acquire parts to perform fleet operations; twenty-three current contracts will be reduced to one contract with NAPA. This service will reduce transactional time for parts ordering which will, in turn, improve Fleet Management staff productivity. It is anticipated there will be a reduction of cost allocations from the Purchasing Department and from the Clerk's Finance Division as fewer contracts will be required and fewer invoices will be generated for payment.

This initiative was recommended in Fleet Management's performance audit conducted by the consulting firm of Mercury and Associates (Mercury) during Fiscal Year 2012. Mercury recommended the outsourcing of parts as an efficiency measure to reduce transactional costs, improve Fleet Management productivity, minimize the potential of inventory shrinkage and to improve the overall quality of the automotive part acquisition process. The outsourcing of governmental fleet parts operations is a growing trend nationwide due to the efficiencies realized through this solution. Locally, the City of St. Petersburg, Hillsborough and Polk Counties have outsourced their parts functions to NAPA with documented success.

From an operational perspective, NAPA will operate and manage a parts inventory for the Fleet Management Division main garage and four sub-shops. NAPA will provide an entire inventory management system including personnel, will deliver parts to the County sub-shops and be totally responsible for all inventory housed at Fleet Management. The County will pay all of NAPA's annual operating costs for the parts inventory operation, and will pay a ten percent (10%) management fee on all parts billed to the County.

In addition, NAPA will purchase all current useable, saleable Fleet Management inventory that has had usage in the past twelve months. This outsourcing initiative will affect the reallocation of one current Fleet Management employee to another function of Fleet Management and the elimination of two temporary positions (one full-time and one part-time).

Per a review initiated by the Office of Management and Budget and Fleet Management, the implementation of the NAPA managed IBS program has the potential to save or reduce transactional costs annually by \$74,803 due to:

- Elimination of two temporary positions
- Reduction in cost allocation due to elimination of contracts and invoices
- Inventory carry charges

This contract was competitively procured through the NJPA, a public agency serving as a national municipal contracting organization established under statute by the State of Minnesota. Pricing, terms and conditions of this purchase authorization are based on NJPA contract 010511-GBC awarded February 24, 2011. The initial term of this contract is twenty-four (24) months with provision for three (3) twelve (12) month renewals.

Fiscal Impact/Cost/Revenue Summary:

TOTAL ANNUAL ESTIMATED EXPENDITURE NOT TO EXCEED:	\$1,300,000.00
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Funding is budgeted in Fleet Management's operating expenses.

Exhibits/Attachments:

Agreement

Vehicle and Equipment Parts Management
and
Supply Agreement

between

Pinellas County and

Genuine Parts Company D/B/A NAPA

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AGREEMENT

This Agreement ("Agreement") is made as of _____, by and between Pinellas County, a political subdivision of the State of Florida ("County"), and Genuine Parts Company, a Georgia corporation, qualified to do business in the State of Florida d/b/a NAPA whose Federal Employer Identification Number is 58-0254510 ("Contractor").

WHEREAS, the County's Fleet Management Division currently operates one Primary maintenance facility (the "Primary Facility") and four satellite maintenance facilities (the "Sub-Shop Facilities") (collectively, the Primary Facility and the Sub-Shop Facilities shall be referred to as the "Facilities"), the names and addresses of which are set forth in Exhibit A of this Agreement, at which the County services a diverse fleet of vehicles and equipment, and the County operates a supply shop at each of the Facilities that distributes replacement parts and related supplies, and the supply of parts for all Facilities is currently managed by the County's Primary Facility located at 9685 Ulmerton Road, Largo, FL 33771.

WHEREAS, in order to increase the efficiency of its operations and decrease the related costs, the County desires to have Contractor: (i) assume the parts acquisition operations for all the Facilities; (ii) assume, manage (including distribution) and own the inventory of all parts at the County's Stockroom located at the Primary Facility; and (iii) assume, manage and own the inventory of the parts rooms at each of the Sub-Shop Facilities.

WHEREAS, Contractor represents that it has the necessary experience and expertise to provide the required services and further confirms that it is ready, willing, and able to perform in accordance with the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, the County and Contractor agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

The following terms shall have the meanings specified in this Article 1 when capitalized and used in this Agreement. Capitalized terms not defined in this Article 1 shall have the meanings ascribed to them elsewhere in this Agreement.

Additional Services: means those services beyond the scope of work described in Sections 2.1 through 2.16 of this Agreement and the Exhibits hereto, and all work reasonably necessary to complete the Additional Services to the standards of performance required by this Agreement. Any Additional Services requested by the County must be formalized in a written modification to this Agreement.

Agreement: means this vehicle and equipment parts management and supply agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

Agreement Year: means each Pinellas County fiscal year, or portion thereof, during the term of this Agreement, provided that the first Agreement Year shall be the period from the Effective

Date of this Agreement through September 30, 2015.

Annual Budget: means the budget for any Agreement Year, consisting of a detailed itemization of the maximum projected costs and expenses expected to be incurred for the Services, including staffing schedules for the Services for the Agreement Year, as such budget may be modified from time to time in accordance with the terms and provisions of this Agreement.

Board: means the Board of County Commissioners of Pinellas County, Florida.

Contractor Parts: means the vehicle and equipment parts, materials, supplies, tools, and fluids (except for fuel) owned by Contractor or acquired by Contractor (whether manufactured by Contractor, any of its affiliates, or any other manufacturer) that Contractor will supply to the County to fulfill Contractor's obligations under this Agreement.

Contractor's System: means Contractor's software and related hardware consisting of the Contractor's ordering and billing system, related hardware, and Custom Software, if any.

County: means the Board and the Board acting by and through its authorized designees, agents and employees.

County Equipment: means forklifts, utility carts, phones and computer systems, together with associated hardware.

County Parts: means the vehicle and equipment parts, materials, supplies, tools, and fluids (except for fuel) owned by the County prior to the Full-Services Phase and any parts, materials, supplies, and fluids (except for fuel) acquired by the County during the term of the Agreement.

County Real Property: means the County owned real property depicted on Exhibit B.

County Vendor: means a Local Vendor that has been awarded a competitively solicited bid by the County for the provision of fleet parts.

Current Acquisition Cost: means the price last paid by Contractor for a purchase made pursuant to this Agreement for a particular part.

Facilities: means the Primary Facility, including the Stockroom, and the Sub-Shop Facilities.

FMIS System or FMIS: means the County's Fleet Management Information System for vehicle and equipment maintenance.

Jobber Net Pricing: means the price charged by Contractor for NAPA parts sold to NAPA stores (stores that lawfully use the trade name or trademark NAPA with respect to which NAPA maintains no ownership interest) less any manufacturer rebates.

Local Vendor: means a vendor which has a permanent place of business within the County and which holds a business tax receipt issued by the County that authorizes the vendor to provide the goods, services or construction services and which is issued prior to the order date. If the business is a joint venture/partnership, it is sufficient for qualification as a Local Vendor if at least one (1) of the joint venture partners meets the requirements set forth herein.

NAPA: means National Automotive Parts Association.

NAPA Parts: means all Parts distributed through the NAPA member distribution system.

Non-NAPA Parts: means all Parts not distributed through the NAPA member distribution system.

OEM: means a part that is only available from the original equipment manufacturer and built to their standards.

Parts: means collectively County Parts and Contractor Parts.

Services: means, collectively, the services, duties, and responsibilities described in Article 2 of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

Service Spaces: means the exclusive use and non-exclusive use spaces licensed to the Contractor under this Agreement for conducting Services as defined in Article 2, which may be added to, deleted from, or relocated during the term of this Agreement.

Stockroom: means the exclusive use spaces in the Primary Facility, which is comprised of the areas designated as Parts Storage, Parts Office, and Tire Storage as depicted on Exhibit C attached hereto and made a part hereof.

Subcontractor: means any person or entity, with the exception of all third party suppliers and manufacturers of the products sold hereunder and all third party delivery service providers, specifically hired by Contractor to perform all or part of the work covered by this Agreement. For the avoidance of any doubt, the parties hereto agree that the term 'subcontractor' shall specifically exclude all third party suppliers and manufacturers of the products sold hereunder and all third party delivery service providers (i.e. UPS and FedEx).

1.2 Interpretation

A. All references in this Agreement to Articles, Sections, or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections, or Exhibits of this Agreement.

B. Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to it are solely for convenience or reference and do not affect the meaning, construction or effect of this Agreement.

C. Words of the masculine gender include the correlative words of the feminine gender.

D. All references to a number of days mean calendar days, unless expressly indicated otherwise.

1.3 Order of Precedence of Component Agreement Parts

This Agreement consists of this document and its appendices, including any attachments to the appendices ("Base Agreement") and the following document, which is attached hereto and made a part hereof by reference ("Other Document"): National Joint Powers Alliance Contract No. 010511-GPC.

In the event of an inconsistency or conflict between or among the documents referenced in this Base Agreement, the following order of precedence shall govern: (i) this Base Agreement, exclusive of its appendices and the attachments to the appendices; (ii) the appendices to this Base Agreement, exclusive of attachments to the appendices; (iii) the attachments to the appendices; and (iv) the Other Document.

Unless otherwise expressly provided in this Agreement in the event of any conflict or inconsistency between the terms set forth in Articles 1 through 8 of this Agreement, and the terms and conditions set forth in the Exhibits to this Agreement, the terms and conditions set forth in Articles 1 through 8 of this Agreement will take precedence over the terms set forth in the Exhibits.

ARTICLE 2

DUTIES AND RESPONSIBILITIES OF CONTRACTOR

2.1 Rights and Obligations of the Contractor and County

A. During the Contractor's performance of each phase of the Services, the County grants the Contractor: (i) a revocable, non-exclusive license to conduct the Services on the County Real Property and at the Outlying Facilities; and (ii) a revocable, exclusive license to conduct the Services in the Stockroom. Contractor shall only use the Service Spaces to perform the Services set forth herein and for no other purpose, in the Service Spaces as defined for each phase, subject to the terms of this Agreement. The Contractor accepts from the County the licenses and the rights and assumes the duties of the Contractor provided in this Agreement.

B. This Agreement creates a license only. The Contractor acknowledges that the Contractor does not and must not claim at any time any real property interest or estate of any kind or extent whatsoever in the County Real Property or the Facilities by virtue of this license or the Contractor's use of the County Real Property or the Facilities under this Agreement. Further, the Contractor acknowledges that this license is not a license coupled with such an interest nor is it an irrevocable license.

C. County Duties and Responsibilities. The County's duties and responsibilities during the Term of this Agreement are set forth in Appendix H.

2.2 Scope of Services

A. General

This description of the Services is intended to be general in nature and is neither a complete description of the Contractor's Services nor a limitation on the Services that Contractor will provide under this Agreement. Contractor will provide the Services in accordance with the standard of performance set forth in Section 2.7. The Services also include, but are not limited to, those described in the Exhibits to this Agreement. The Services must be provided in accordance with the time limits for performance that are stated in this Agreement.

B. Overview of Services

1. Start-Up Services and Operational Services as further outlined below and in Exhibit D

The Services are divided into two phases. The first phase consists of those Services that the Contractor must complete in preparation for the Contractor's assumption of the County's Parts supply and management operations (the "**Start-Up Services**"), including the inventory of existing County Parts and installation of the required computer system (hardware and software) necessary to manage the inventory. The second phase consists of those Services the Contractor will provide on an ongoing basis related to the supply and management of the County's vehicle and equipment parts (the "**Operational Services**"), as more fully described in this Agreement. The Operational Services will begin on December 15, 2014 ("**Full-Services Phase**") as described more fully in Sections 2.6 and 2.7. The Services required for each phase are described in greater detail hereunder.

2. Start-Up Services and Completion Date

The Contractor shall commence the Start-Up Services on the Effective Date of this Agreement and shall undertake all of the Start-Up Services described herein and on Exhibit D. The Contractor shall complete this phase of the project by December 1, 2014.

3. Operational Services and Completion Date

On December 15, 2014, Contractor shall undertake all of the Operational Services described herein and on Exhibit D.

2.3 Summary of Start-Up Services

The Start-Up Services include the following, all as more particularly described in Sections 2.4 through 2.5 of this Agreement:

A. Inventory. The Contractor must perform a physical inventory of all of the County Parts that are then located in the Stockroom, and at each of the Sub-Shop Facilities, as described in Section 2.4.

B. Service Spaces. By executing this Agreement, the Contractor warrants that the Service Spaces are adequate in size and will be suitable for the provision of the Services during the Full-Services Phase. The County makes no warranties as to the adequacy of the Service Spaces to meet the needs of the Contractor in providing the Services. Subject to the terms set forth below in this section, the County will not pay for any alterations in the Service Spaces. County shall, at all times during the term of this Agreement, at County's sole expense, maintain in good condition and repair (so as to prevent any damage or injury to Contractor's employees, the inventory or other personal property located in the Service Spaces/On Site Store(s)) the roof, exterior walls, foundation, and structural portions of the Service Spaces/On Site Stores and all portions of the electrical and plumbing systems lying outside of the Service Spaces/On Site Stores but serving the Service Spaces/On Site Stores.

C. Computer Network:

1. Contractor's inventory management system does not currently integrate with the County's inventory management program, but Contractor agrees to review possible integration of the systems following execution of this Agreement. Any costs incurred in such integration shall be subject to mutual agreement between Contractor and the County. The Contractor will provide, install, configure, and test the computer workstations and related equipment and the required software, including all custom software required by this Agreement to run Contractor's System. All Parts ordering and receiving shall be accomplished using the Contractor's ordering and billing system. Contractor will manually enter parts data, by work order, for both NAPA and non-NAPA parts on a daily basis. 2. The Contractor must fully provide, install, configure and test Contractor's System as described above and have it ready for operation as determined by the County by the date on which the Full-Services Phase is required to begin.

a. The Contractor will provide computers and network for all Contractor related software used to generate Parts orders, receipting, and eventual billing to the County.

b. The County will provide and maintain computers and network for the FMIS System. The Contractor will be required to issue all Parts, both inventory and

non-inventory, to work orders using the Contractor's System. No parts invoice will be paid unless it has been issued to a work order in the FMIS system. The Contractor will provide a report (dailies) daily identifying all parts transactions billed in the Contractor's system. At a minimum, the report will include: part number; part cost; part quantity; work order number; asset number; and date/time. Any invoices not reconciled will be returned to the Contractor for non-payment until all issues identified are resolved. The items will not be billed to the County until they have been entered into the FMIS system.

D. Other. Contractor will perform all other Services that may be necessary to allow Contractor to provide the Operational Services within the time frames required by this Agreement.

2.4 Inventory-Related Start-Up Services

A. Determination for Final Inventory Levels. During the Start-Up Phase, the Contractor will complete a full physical inventory of the County Parts located in the Stockroom and for each of the Sub-Shop Facilities and shall provide the County with an inventory summary report. The Contractor may only conduct inventory at such times and pursuant to such schedule as mutually agreed upon by the County and the Contractor. During the inventory, representatives of the County will be present, in such numbers as the County determines, to monitor the Contractor's performance of the inventory. The inventory summary report must, at a minimum, contain a full listing of all County Parts then contained in the Stockroom and Sub-Shop Facilities by part description, part number, part quantity, part cost and part location. In addition, the inventory summary report must contain a line-by-line comparison of all discrepancies between the inventory totals as determined by the Contractor and the inventory totals contained in the County's FMIS System. The County, in its discretion, will have the right to require the Contractor, at the Contractor's expense, to recount any County Parts for which there is a discrepancy, or the County may have County personnel perform a recount. Final inventory will be determined upon mutual agreement of the parties. The Contractor will revise and resubmit the inventory summary report to reflect the final inventory levels which, upon the County's approval, will be referred to as the "Final Inventory Report". In addition, Contractor must advise the County on what parts in the County's Final Inventory Report are useable, obsolete or unneeded and shall cooperate with the County in disposing of these obsolete and unneeded parts in a manner consistent with applicable law. The Contractor shall purchase from the County all remaining useable County Parts at the average price listed in the FMIS System within thirty (30) days from the commencement of the Full-Services Phase, and such Parts may be billed back to the County as they are issued to the County. In addition, Contractor shall pay the County for such parts within said thirty (30) day period. Any County Parts purchased by Contractor must show usage by the County in the last twelve (12) months prior to the effective date of this Agreement and be new, saleable, complete, and currently needed by the County's active fleet/equipment, unless otherwise agreed to by the parties hereto.

B. Contractor's Administration of Parts. With respect to the inventory to be performed by the Contractor during the Start-Up Phase, the Contractor will become responsible for managing the inventory of and distribution to County

personnel as required by this Agreement of all Parts represented in the Final Inventory Report and in the Stockroom as of October XX, 2014. Upon the commencement of the Full-Services Phase, the Contractor shall be responsible for managing the inventory of all Parts and distributing such Parts to County personnel as required by this Agreement. On the date of the commencement of the Full-Services Phase and throughout the term of the Agreement, the Contractor: (i) will assume the risk of loss for all County Parts in the Stockroom; and (ii) will be responsible for any inventory shortages and altered or damaged inventory in the Stockroom unless such inventory shortages, alterations or damage was caused by the negligent acts or omissions or willful misconduct of County or its employees, contractors, representatives and agents. The Contractor will be responsible for performing cycle counts in the Stockroom and at the Sub-Shop Facilities monthly or as requested by the Fleet Management Division Director or his/her designee. If the Contractor identifies any inventory shortages or altered or damaged inventory at the Sub-Shop Facilities, as a Fleet Management Division issue, Contractor shall bill the County for such missing, altered or damaged inventory. In order to assist the County with monitoring inventory at the Sub-Shop Facilities, the Contractor shall add or remove inventory only in the presence of the Fleet Management Division's location supervisor or authorized representative. The Contractor shall prepare a transmittal document itemizing inventory supplied or removed, and the Contractor shall obtain the location supervisor's signature upon delivery or removal. Notwithstanding anything herein to the contrary, the County shall not be responsible for any inventory issued to the Sub-Shop Facilities that has not been issued in accordance with the above procedures. The Contractor is responsible for all inventory maintained at the Stockroom. All Parts shall be issued by the Contractor using an itemized part(s) receipt. The Contractor shall obtain the technician's (or authorized representative's) signature and employee identification number at the time of issue. An accounting of all Parts issued during the previous business day shall be provided to the County in electronic format during the morning of the following business day.

C. **Contractor's Expenses.** All of the services described in this Section 2.4, which occur prior to the commencement of the Full-Services Phase, will be performed at the Contractor's sole expense and will not be billed back to the County, unless such expenses are included within the approved Annual Budget or mutually agreed upon in writing between the parties.

2.5 Computer Network Start-Up Services

A. **The Parts System.** The Parts System will consist of the following:

1. The FMIS System consisting of three personal computers and related network and software to support the FMIS application. All FMIS hardware and software will be provided by, maintained by and paid for by the County. The County will provide, maintain and pay for a web server which will be used to run all interface programs.
2. Contractor's System consisting of the Contractor's ordering and billing system related hardware, and Custom Software, if any. The Contractor must supply and maintain all computer hardware and software necessary to connect the Contractor's System that it installs at the Facilities to

the Contractor's supply network. The Contractor must ensure that the Contractor's System automatically backs-up and stores all Parts-related information. The back-up of all Parts-related information must be stored in an off-site location, and such information must be stored in a manner that will allow the County or the Contractor to recover and reinstall such information expeditiously. All software and hardware related to the Contractor's business network of ordering, receiving and eventual billing of parts and supplies will be provided by and maintained by the Contractor. All of the foregoing operating expenses, including but not limited to, installation expenses, configuration expenses, maintenance expenses, upgrade expenses, licensing expenses for such systems, and interface and reconciliation programs (if such interface and reconciliation is possible and mutually agreed upon) to and from the FMIS System shall be reimbursed by the County, provided that the amount of all expenses does not exceed the amount budgeted for all such expenses in the approved, mutually agreed upon total Annual Budget. All installations and configurations must be completed in accordance with Exhibit D.

B. The Software.

1. Using Contractor's System, the Contractor will issue all parts to a valid work order as identified in the FMIS System. Contractor shall provide a daily invoice transaction report to the County. If at any time the Contractor's or the FMIS System may be inoperable, the Contractor shall keep a manual log of all parts transactions and as soon as the software operations are restored, the Contractor shall resume inputting all requisite information, including data entry of manually logged information.
2. The Contractor's ordering and billing system will be responsible for checking inventory at the Contractor's warehouses and supporting store(s), ordering and receiving of inventory, receipt-issues, and eventual billing of issued Parts that have been properly reconciled with the FMIS System as described above.

C. Custom Software.

1. In the event that the Contractor performs any custom programming, the Contractor hereby grants the County a perpetual, irrevocable, fully paid, and royalty-free license to use such custom-designed software (the "Custom Software") during the term of this Agreement.
2. The parties acknowledge that Contractor's TAMS and TRACS computer software and systems, or any successor software and/or systems, and any modifications thereto, shall remain the sole property of Contractor. The parties further acknowledge that ownership of any software developed by or on behalf of the County, including but not limited to any possible interface between the Contractor's System and the FMIS System, shall remain the sole property of the County.

D. Third-party Software.

Each party shall be responsible to secure and pay for all licenses (or sublicenses) for all software, if any, that is developed by a third party and included by either party as part of such parties respective system("Third-party Software"). Contractor's costs incurred for any licenses for Third-party Software shall be borne by the Contractor and notwithstanding anything herein to the contrary such costs shall not be reimbursed by the County.

E. Programming Language, Technical Specifications of System.

Prior to performing any programming relating to the FMIS and Contractor's System, the Contractor must contact the County, and, if necessary, the County's Department of Business Technology Services to determine the proper programming language and/or other technical details to which the Custom Software must conform. If the Contractor fails to determine the proper programming language or other pertinent technical requirements and such failure leads to the development of Custom Software that does not interface or function properly with the County's existing or planned systems, then the Contractor will re-perform, at its sole expense, all programming work or other Services that are necessary to correct the deficiency and notwithstanding anything herein to the contrary such expense shall not be reimbursed by the County.

2.6 Operational Services: Use of the Service Spaces

A. The Contractor must begin conducting its Operational Services in the Service Spaces as of the commencement of the Full-Services Phase and continue them uninterrupted after that date during all required hours of operation during the term of this Agreement, unless terminated earlier in accordance with the terms of this Agreement. The Stockroom shall be appropriately secured or otherwise maintained separate and apart from the business of the County. There shall be no intermingling of County's parts or other inventory with Contractor's parts or inventory.

B. The Service Spaces must not be used for any purposes other than those expressly permitted under this Agreement, unless the County gives its express written consent. The Contractor must comply in its use, occupancy, and operation of the Service Spaces with all federal, State of Florida, and County laws, rules, regulations, policies and procedures and ordinances, including all building, zoning and health codes including all environmental laws. The County will endeavor to provide Contractor with notice of any modifications to such policies and procedures.

C. The Contractor must not conduct its Operational Services in a manner that in the reasonable judgment of the County:

1. Interferes or might interfere with the reasonable use by others of areas in which the Service Spaces are located;

2. Would or would be likely to constitute a hazardous condition at the Service Spaces;

3. Would, or would be likely to, Increase the premiums for Insurance policies maintained by the County; or

4. Would involve any illegal purposes.

D. The Contractor will not use the Facilities or Service Spaces or other property furnished by the County for provision of parts to vehicles not owned or leased by the County.

E. All employees of the Contractor providing Services in the Service Spaces must at all times be clean, courteous, neat in appearance and helpful to the County's employees and vendors. While on duty, the Contractor's employees must wear appropriate uniforms and must be identified by County-issued Contractor Access Badge. County will issue Contractor Access Badges to all of the Contractor's employees operating out of the Service Spaces. The Contractor must not commit, nor allow, any nuisance, noise, or waste in the Service Spaces or annoy, disturb or be offensive to others in the areas in which the Service Spaces are located. The Contractor is responsible for cleanup of the Stockroom and must maintain the Stockroom in a presentable manner.

F. The Contractor will have the right of ingress to and egress from the Service Spaces for the Contractor, its officers, employees, agents, subcontractors, vendors, suppliers, and invitees, subject, however, to all statutes, ordinances, rules and regulations enacted or established by the County or any other governmental agency or authority.

G. Contractor shall not make any improvements, additions, modifications or alterations to the Service Spaces, the Facilities or the County Real Property.

H. The County shall maintain the Service Spaces and any improvements constructed thereon by County in good condition and repair, normal wear and tear and casualty excepted, at its sole cost and expense. County's maintenance of the Service Spaces shall exclude routine custodial services to the Stockroom, which will be provided for by the Contractor at its sole cost and expense. Contractor shall not be obligated or required to make any repairs or conduct any other maintenance whatsoever to the Service Spaces. Notwithstanding the foregoing, any damage that is caused in any way by the Contractor, its officers, employees, agents, subcontractors, vendors, suppliers or invitees shall be repaired by the County at Contractor's sole cost and expense. Contractor shall reimburse County for such repairs within fifteen (15) days after receipt of an invoice from the County.

I. In addition to the Service Spaces, the Contractor shall be permitted to use County Equipment on the County Real Property solely for the prosecution of this Agreement. Contractor is required to submit a Safety Plan for review and acceptance by the County. Contractor must adhere to training, certification, Safety practices, and Safety programs, which comply with all applicable Federal (OSHA), State, and Local regulatory requirements. The County will be physically and financially responsible for the routine repair, maintenance and renewal/replacement of County Equipment when due to normal use.

The County will also be responsible for the normal operating costs (electricity, phone, data and gasoline) associated with County Equipment. The Contractor will be responsible for all damage to the Facilities, County Real Property, Service Spaces and County Equipment that is caused in any way by the Contractor, its officers, employees, agents, subcontractors, vendors, suppliers, or invitees. In the event of any such damage, the County may repair such damage and/or replace any such equipment and the Contractor shall reimburse County for all expenses incurred by County in doing so. Contractor shall reimburse the County for such expenses within fifteen (15) days after receipt of an invoice from the County.

2.7 Operational Services: Procurement, Management, Administration, and Distribution of Parts

A. Full-Services Phase, (Exhibit D)

From the commencement date of the Full-Services Phase until the end of the term of this Agreement, the Contractor shall provide all of the Services described in this Agreement. The Contractor shall perform these Services in such a way (and staff its operations adequately) so as to achieve the performance goals required by this Agreement.

B. Supply of Required Parts.

In the Full-Services Phase, the Contractor shall furnish all Parts required for the operation and maintenance of all County vehicles and equipment maintained by the County with no less than an overall 80% in-stock, availability at all Facilities in the aggregate (not by individual Facilities) for all Parts requested ("80% Part on Demand Rate") and 90% within 24 hours of demand, subject to safe and responsible driving practices. The remaining 10% shall be procured in the most expeditious and cost effective manner as approved by the Fleet Management Division's Manager or his/her designee, subject to safe and responsible driving practices. The aforementioned Demand Rates will be evaluated and measured by the County in FMIS on the work order level. The Contractor will have 6 months from the first day of the Full-Services Phase to reach the aforementioned rates. Contractor shall identify, establish, and manage all necessary sources of supply, place, process and track all orders with the various parts vendors, and process payment to the vendors for products purchased for use on the County's fleet. The County shall have the right to direct the Contractor to purchase Non-NAPA Parts when it is determined to be in the best interest of the County.

C. Delivery Times.

NAPA agrees to make reasonable commercial efforts to meet required delivery times, but conditions out of NAPA's reasonable control, such as adverse traffic or weather conditions, may delay deliveries that are required from off-site locations. NAPA's employees shall make such deliveries in a manner consistent with safe and responsible driving practices.

D. Hours of Operation.

1. During the Full-Services Phase the Contractor shall, during the same hours set forth in Exhibit A, manage, operate and provide on-site counter service at the

Stockroom with parts support at the Sub-Shop Facilities to ensure the Demand Rate availabilities identified in Paragraph B, unless otherwise instructed by the County.

2. The Contractor shall, if requested by the County, decrease, or increase the hours of operation of any or all of the Service Spaces from those hours specified in Exhibit A as applicable. Any adjustments to the Annual Budget caused by such revisions will be accomplished by amendment to this Agreement, if needed.

3. Notwithstanding anything set forth herein to the contrary, in the event of any type of emergency situation or natural disaster, including, without limitation, a hurricane or other extreme weather event, whereby the County's Emergency Operations Dispatch Center is activated for such emergency situation or natural disaster, the Contractor shall upon notice from the County increase its hours of operation to those required of the Division of Fleet Management by the County's Emergency Operations Dispatch Center. County will reimburse Contractor for the actual direct operational costs incurred by Contractor as a result of such increased hours of operation, during the pendency of the emergency situation or natural disaster (including, without limitation, the time period(s) immediately preceding and following the actual occurrence of the emergency situation or natural disaster).

E. Inventory / Parts Supply Services.

1. From time to time, the County may designate, at its discretion, certain Parts that must be maintained at each of the Facilities and set inventory levels for such Parts. The Contractor must maintain the required inventories of those Parts during the term of this Agreement. The quantity of the inventory will be subject to continuous review by the County. On a monthly basis, the County will provide a report listing all active County fleet vehicles and equipment including recent additions and removals from the County's fleet. The Contractor shall use this report to obtain and put into inventory wear items for such new equipment. It will be Contractor's responsibility to review the report in order to maintain the Part on Demand Rate availabilities. The Contractor shall comply with any such changes at its expense within 1 month of notification of revisions.

2. During emergency situations, the County may obtain through other channels certain Parts considered critical to service and repair. After the emergency is resolved, the Contractor will hold these Parts in the Facilities and will issue them for use on County vehicles at no additional cost to the County.

3. The County may also obtain parts through outside commercial service repairs to County-owned vehicles.

4. County reserves the right to purchase any Parts which are non-work order hardware or supplies outside of this Agreement where it is determined to be more economical or timely to do so.

5. The Contractor must manually input to the Contractor's System all information relating to the Parts supply operations. Failure to comply with this provision will be considered an Event of Default.

6. If the Contractor cannot provide an item within the timeframe needed, the Contractor must promptly notify the Fleet Management Division's Manager (or his/her

designee) to obtain approval for making alternative arrangements to procure the item. The Contractor is responsible for shipping, delivery, packaging and handling. The County will reimburse the Contractor for all shipping costs as part of the operating expenses. Contractor shall obtain prior approval from the County for expedited parts prior to incurring the same.

F. Quality of Parts to be Furnished: Warranties on Parts.

1. The Contractor will administer all warranty claims for all Parts starting as of the commencement of the Full-Services Phase. The Contractor will identify all Part warranty issues and administer all warranty claims. If the Contractor determines that failure of the Parts is not related to warranty issues, the Contractor will relay any findings to the County within a 72-hour period.

2. **Warranty of Parts.** All Parts supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each Part, and Contractor will process all warranty claims that the County may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the County in connection with any warranty claims concerning the Parts supplied to the County pursuant to this Agreement. ALL OTHER CONTRACTOR WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED. Copies of the manufacturers' warranties are available to the County upon request. If any Part is defective or inferior, the Contractor shall at no extra charge replace the Part with a Part meeting the intended application.

3. **Quality of Parts to be Furnished.** The following is in addition to the foregoing warranties. Parts shall be new and shall meet or exceed the quality of parts furnished originally for the equipment (OEM or equivalent). At the discretion of the County, rebuilt parts may be used. However, if the original manufacturer has updated the quality of the parts for the current product, to the extent such updated quality is revealed to the aftermarket industry and updated aftermarket parts are manufactured, Contractor will attempt to procure such updated parts under the terms herein. At the request of the County, Contractor agrees to discuss the supply of any updated after-market or OEM parts with a County-preferred manufacturer. The Fleet Management Division's Manager (or his/her designee) shall specifically approve new product lines or changes to existing product lines before they are introduced for use. If more than one grade of part is available that meets the requirement of this subsection, the Manager of the Fleet Management Division (or his/her designee) may designate which grade will be made available for use. The County may at any time refuse any particular Part and require a specific substitute to be used. Rebuilt /remanufactured parts must conform to the manufacturer's reconditioning tolerances.

G. Procedures for Ordering and Distributing of Parts to County Personnel.

The County shall provide training on the FMIS System to the Contractor's on-site employees. The purpose of this session will be to train Contractor employees to input information into the FMIS System. No access to FMIS will be allowed without prior proper training. All training will occur in accordance with the schedule at Exhibit E.

H. Parts Rebates.

All manufacturers' rebates received by the Contractor for Parts ordered for use by the County will be given to the County as a price reduction reflected in the cost of the Parts and shall be reflected in the price for each part issued by the Contractor. The net monthly cost of parts charged to the County shall reflect all rebates. The Contractor shall provide the County with current rebate information on all Parts issued to the County. The Contractor shall also provide the County with the Contractor's monthly invoice, a report listing rebate detail for all Parts sold to the County for that month. At a minimum, this report shall include customer name, Part number, quantity sold during the month, and total price before and after rebate and rebate percentage.

I. Core Credits.

All Parts involving cores, for example water pumps, alternators, brake shoes, etc., are to be issued to the County without core charge. With respect to cores sold to County hereunder, Contractor will establish a separate core bank account for each On Site Store location (the "Core Account"). For each part sold to County with a core, the core will be charged to the Core Account. If the core is returned to Contractor, the core charge will be credited to the Core Account. For such cores that are not returned to Contractor, Contractor will invoice County for the cost of such core(s) and County will be obligated to pay such amounts to Contractor. The Core Account will be reconciled at the end of each month during the term.

2.8 Condition of Facility

Contractor has inspected the Facility and accepts the condition of the Facility in an "as is" condition. By virtue of such inspection, Contractor is satisfied that the Facility is safe and acceptable for the permitted uses set forth in this Agreement. The County has made no representations, statements, or warranties, either expressed or implied, as to the condition of the Facility, or as to its fitness for a particular use. The County and its respective agents and employees shall not be responsible or liable at any time for (a) any defects, latent or otherwise, in any building or improvements in the Facility or any of the equipment, machinery, utilities, appliances or apparatus therein, or (b) for any loss of life, or injury or damage to any person or to any property or business of Contractor or those claiming by, through or under Contractor, caused by, or resulting from, the bursting, breaking, leaking, running, seeping, overflowing or backing up of water, steam, gas, sewage or ice in any part of the Facility or caused by or resulting from, acts of God or the elements, or resulting from any defect or negligence in the occupancy, construction, operating or use of any buildings or improvements in the Facility, or any of the equipment, fixtures, machinery, appliances or apparatus therein. In the event that Contractor notifies the County of the existence of an unsafe condition in the Facility work environment and the County fails to cure such condition within a reasonable amount of time, Contractor shall have the right to terminate this Agreement by providing written notice to County of Contractor's intent to terminate pursuant to this paragraph, but in no event shall such termination take effect sooner than 60 days from the date County received notice of the condition.

2.9 Relocating/Modification/Return of the Service Spaces

At the termination or expiration for any reason of this Agreement or the Contractor's license as to any portion of the Service Spaces, the Contractor shall promptly, peaceably, quietly and in good order quit, deliver up and return the Service Spaces (or that portion as to which the license has terminated, in the case of a partial termination) in good condition and repair, ordinary wear and tear excepted. The Contractor shall remove all Contractor Parts (subject to the County's right/obligation to purchase the parts as set forth in Section 6.4) and personal property from the Service Spaces or the portions of the Service Spaces within fifteen (15) days after the date of termination (subject to Contractor's obligation to cooperate with the County in an orderly transition under Section 6.5). Any property of the Contractor not removed by the Contractor in accordance with this Section is deemed abandoned, and the County may dispose of it, without any liability to the Contractor or any other person.

2.10 Additional Services

The County may desire to add Additional Services to this Agreement. Such Additional Services may be added to this Agreement by written modification, if needed.

2.11 Right of Entry, Right of Inspection

A. County will grant Contractor the same keys, cards or code access ("Access Rights") as it does to County employees for all of Contractor's employees operating out of the Service Spaces. The access cards/keys are and shall remain the property of the County and shall be returned to County at the expiration or termination of this Agreement. Access to the Service Spaces shall be provided to the Contractor employees and authorized Contractor representatives (for their performance of the Services) as well as County personnel; provided however, access to the Stockroom shall be restricted to Contractor employees and authorized Contractor representatives only, except as described below. By acceptance of the Access Rights, Contractor agrees to comply with the regulations, practices and policies imposed by County governing the Access Rights and to enforce compliance therewith by its employees and authorized Contractor representatives. County reserves the right to withdraw Access Rights of any individual for violation of the rules and regulations. Furthermore, County reserves the right to subject Contractor's employees and authorized representatives to fingerprint-based background checks to the extent permitted by law and to deny Access Rights to any Contractor employee or authorized representative in accordance with adopted laws, policies and procedures. Contractor shall have no recourse or claim against County for denied Access Rights.

B. County and County's agents shall have the right to enter the Stockroom for the purposes of inspection of the Stockroom, together with the improvements located thereon, and for the routine maintenance and repair of the same. During normal business hours, the Contractor shall have, at all times, an authorized representative at the Stockroom to accompany the County personnel if access to the Stockroom is needed. Upon the County's demand for access, the Contractor's authorized representative shall immediately admit County personnel in the Stockroom and shall accompany County personnel in the site visit and/or for the duration of any maintenance or repairs.

During normal business hours, the County will only have access to the Stockroom through such Contractor's authorized representative. The Contractor shall have an employee on call 24 hours a day, seven days a week, to respond to demands for County access to the Stockroom in hours other than normal business hours. If the County requires access to the Stockroom at such times, it must contact such employee, who, upon demand for access, it must within a reasonable time accompany County personnel in the Stockroom.

C. Notwithstanding anything in this Agreement to the contrary, in the event of any type of emergency situation, the County, County's agents and County's employees may gain immediate access to the Stockroom, unaccompanied by Contractor personnel by using the County's access cards/keys. For purposes of this section an emergency situation shall be a situation which creates an imminent danger to persons or property and/or an unsafe condition at the Primary Facility threatening persons or property.

D. In addition, to all other right of audit or inspections that the County may have under this Agreement, the County has the right to examine the inventory levels kept at the Stockroom at all reasonable times, and the County will have the right to perform any other reasonable examination of the Contractor's operations at all reasonable times and shall have access to the Stockroom to conduct such examinations, subject to the procedures identified above.

2.12 No Security Interest

The County does not grant the Contractor any interest in any County property under this Agreement including any security interest in any County Parts while that inventory is being administered by the Contractor. Contractor shall indemnify, defend and hold County harmless from and against any cost, expense, loss or damage as a result of any such interests caused by Contractor.

2.13 Personnel - Adequate Staffing

The Contractor shall assign and maintain during the term of this Agreement, and any extension hereof, an adequate staff of competent personnel that are fully equipped, licensed as appropriate, available as needed, qualified and assigned exclusively to perform the Services in accordance with the Contractor's budget submittal. The Contractor shall, within six months following the effective date of this Agreement, assign to this Agreement for the term of this Agreement a person in a supervisory position who possesses "ASE" Parts highest-level certification relevant to the types of equipment maintained by the County. The level of staffing may be revised from time to time by notice in writing from the Contractor to the County and with written consent of the County. The Contractor will bear the cost of all staffing revisions unless the County requests additional staffing pursuant to a request for Additional Services under Section 2.10 above. Without limiting its remedies for default, the County may require the Contractor to increase its staffing levels at no additional cost to the County if the County determines that the Contractor is not providing the Services pursuant to the terms of this Agreement.

2.14 Budget Process

A. Contractor's Budget. On an annual basis, the Contractor shall develop and submit for the County's approval an Annual Budget broken down by the County's Fiscal Year which reflects all costs relating to the Contractor's operating expenses to be incurred in connection with the Contractor's provision of the Services under this Agreement. The Annual Budget shall itemize, by category of costs, the Services to be provided under this Agreement. The Contractor may not claim reimbursement for any cost or expense in any category of costs not included in the approved Annual Budget. The Contractor agrees that it will, in the year covered by the Annual Budget, perform Services and meet or exceed the requirements of this Agreement (including those set forth in Exhibit D hereof) at or less than the amount in each category of costs contained in the approved Annual Budget. Any expenses in any category of costs incurred by the Contractor over such maximum amount in each category of costs in the Annual Budget will be borne solely by the Contractor, unless the Services required change during the term of this Agreement. For example, by way of illustration only, if the Contractor is not meeting the requirements contained in this Agreement through the staffing schedule contained in the Annual Budget, such failure will be an Event of Default under this Agreement, and any increases in work force to cure the deficiency shall be solely at the expense of the Contractor.

B. Deadlines for Submission. The Annual Budget will be due by January 8th of the year preceding the first year of the budget. For example, the submittal for the Budget for Fiscal Year(s) 2015 must be no later than January 8, 2014. Failure to provide a tentative budget by the foregoing date will constitute an Event of Default under this Agreement. The Annual Budget for fiscal year 2015 as submitted by the Contractor is Exhibit G of this Agreement.

C. County Approval. The Annual Budget will not be effective until approved by the County during its normal budget process.

D. Budget Not Approved. If the tentative Annual Budget submitted by the Contractor is not satisfactory to the County, the County and the Contractor shall negotiate a satisfactory Annual Budget within a reasonable time frame. Otherwise, this Agreement will be terminated at the end of the then current Fiscal Year.

2.15 Record Keeping and Reference Material

The Contractor shall maintain the following information to be available to the County and its agents at its request:

A. Records. The Contractor shall maintain all records including, but not limited to, Part costs, salaries, and overhead expenses. All records pertaining to charges made to the County may include copies of electronic and hard data, books, records, correspondence, instructions, manuals, receipts, vouchers, time cards, and memorandums relating to this Agreement and in accordance with Florida Statutes. Access to this information shall be strictly limited to information directly related to the Parts and Services supplied to the

County herein but in no way limits access to records otherwise required by Section 8.5.

B. Reference Files and Procedures. The Contractor shall maintain or ensure access to service manuals, part manuals, service bulletins, lubrications charts, and other information necessary to procure and supply Parts to properly service and repair the County's fleet. With the exception of such records which are proprietary and/or confidential to Contractor, these records become the property of the County at the expiration or termination of this Agreement. All such records may be subject to Florida Public Record Laws. In the event that the County is requested or required by legal or regulatory authority to disclose confidential or proprietary information of the Contractor, the County shall promptly notify the Contractor of such request or requirement prior to disclosure so that the Contractor, at its own expense, may seek an appropriate protective order.

2.16 Reporting Requirements

A. Daily Invoice Transaction Report. The Contractor shall provide daily invoice transaction reports.

B. Daily Availability Report. A separate daily report shall be submitted, which itemizes special order Parts issued and time required to issue those special order Parts from the time a request is received from the technician. At a minimum, this report should include Work Order number, Part number, Part description, date and time Part was requested, and date and time Part was received.

C. Monthly Invoice Report. A report itemizing all parts invoiced for the month shall be submitted with the monthly invoice.

D. Monthly Availability Report. A separate monthly report shall be submitted, which itemizes special order Parts issued and time required to issue those special order Parts from the time a request is received from the technician. At a minimum, this report should include Work Order number, Part number, Part description, date and time Part was requested, and date and time Part was received.

E. Annual Report. On the calendar year of the effective date of this Agreement and every other anniversary date thereafter, the Contractor must submit to the County a written annual report that summarizes the year's activity in a format agreed upon by the parties.

F. Weekly Warranty Reports. The Contractor must submit a weekly report to the County that fully describes the parts eligible and supplied, by line item and with costs assigned under the warranty provisions of this Agreement.

G. Ad Hoc Reporting. The County reserves the right to obtain additional reports as required at no additional cost which reports are reasonably capable of being produced by Contractor's System or the FMIS System.

H. All reports required under this Section are referred to collectively as "Reports."

2.17 Standard of Performance

A. The Contractor shall perform all Services required of it under this Agreement with that degree of skill, care, and diligence normally shown by a contractor performing services of a scope and purpose and magnitude comparable with the nature of the Services to be provided under this Agreement. The Contractor acknowledges that it may be entrusted with or have access to records of the County, and with respect to that information, the Contractor agrees to be held to the standard of care of a fiduciary, provided, however, that the County's only remedy for the Contractor's breach of such fiduciary duty is a breach of contract claim and not a claim for breach of fiduciary duty.

B. The Contractor shall assure that all Services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. The Contractor shall provide copies of any such licenses. The Contractor remains responsible for the professional and technical accuracy of all Services and Reports furnished, whether by the Contractor or its subcontractors or others on its behalf. All Reports shall be prepared in a form and content satisfactory to the County and delivered in a timely manner consistent with the requirements of this Agreement.

C. If the Contractor fails to comply with the foregoing standards, the Contractor shall perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance, or payment for any of the Services by the County does not relieve the Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Reports. This provision in no way limits the County's rights against the Contractor either under this Agreement, at law or in equity.

2.18 Hazardous Materials

A. Contractor shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any "Hazardous Material" (as hereinafter defined) or permit any of Contractor's employees, agents, representatives, contractors, subcontractors or volunteers to engage in such activities. However, the foregoing shall not prohibit the transportation to and from, and use, storage, maintenance and handling within the Facility of substances customarily used in the management and operation of the Facility, provided: (a) such substances shall be used and maintained only in such quantities as are reasonably necessary for the management and operation of the Facility, strictly in accordance with applicable Laws, highest prevailing standards, and the manufacturers' instructions therefore; (b) such substances shall not be disposed of, released or discharged at the Facility, and shall be transported to and from the Facility in compliance with all applicable Laws; (c) if any applicable Laws or the County's trash removal provider requires that any such substances be disposed of separately from ordinary trash, Contractor shall make arrangements at Contractor's expense for such disposal directly with a qualified and licensed disposal company at a lawful disposal site (subject to scheduling and approval by the County); (d) any such substances shall be completely, properly and lawfully removed from the Facility upon expiration or

earlier termination of this Agreement; and (e) for purposes of removal and disposal of any such substances, Contractor shall be named as the owner and generator, obtain a waste generator identification number, and execute all permit applications, manifests, waste characterization documents and any other required forms. The term "Hazardous Material" shall mean any chemical, substance, material or waste or component thereof which is now or hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body, or for which any such body has adopted any requirements for the preparation or distribution of a material safety data sheet ("MSDS").

B. Contractor shall immediately notify the County of: (i) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Material at the Facility or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any party relating to any loss or injury resulting from any Hazardous Material at the Facility, (iii) any release, discharge or improper or unlawful disposal or transportation of any Hazardous Material on or from the Facility or in violation of this paragraph, and (iv) any matters where Contractor is required by applicable Laws to give a notice to any governmental or regulatory authority respecting any Hazardous Material at the Facility. At such times as the County may request, Contractor shall provide the County with a written list, certified to be true and complete, identifying any Hazardous Material then used, stored, or maintained upon the Facility, the use and approximate quantity of each such material, a copy of any MSDS issued by the manufacturer therefore, and such other information as the County may require or as may be required by applicable Laws.

C. If any Hazardous Material is released, discharged or disposed of by Contractor or its employees, agents, representatives, contractors, subcontractors or volunteers in violation of this paragraph, Contractor shall immediately, properly and in compliance with applicable Laws notify the proper authorities as required by applicable Laws, notify the County, cleanup and remove the Hazardous Material from the Facility and any other affected property and clean or replace any affected personal property (whether or not owned by the County), at Contractor's expense (without limiting the County's other remedies therefore). Such cleanup and removal work shall be subject to the County's prior written approval (except in emergencies) and shall include, without limitation, any testing, investigation, preparation and implementation of any remedial action plan required by any court or governmental body having jurisdiction or required by the County. In the event the County elects in its sole discretion to have any testing, investigation and/or cleanup (including but not limited to preparation and implementation of a remedial action plan) performed by a County provider (or providers), Contractor shall assist the provider(s) with such testing, investigation and/or cleanup as directed by the provider(s) and the County and promptly pay the provider(s) the total amount charged by the provider(s) in connection with the testing, investigation and cleanup. If the County or any governmental body arranges for any tests or studies showing that this paragraph has been violated, Contractor shall pay for the costs of such tests. Nothing contained in this paragraph shall limit or otherwise affect Contractor's indemnity

obligations set forth in this Agreement.

ARTICLE 3

TERM OF PERFORMANCE

3.1 Term of Performance

The initial term of this Agreement shall commence upon the Effective Date and will continue for two years or until this Agreement is terminated in accordance with its terms, whichever occurs first. Upon expiration of the initial term, this Agreement may be renewed for an additional year, unless either party notifies the other party in writing of its intent not to renew the Agreement at least sixty (60) days prior to the expiration of the initial term. There are a total of three (3) available one year renewals. If the term of this Agreement is extended as provided for herein then all references to the term of the Agreement shall also include such extension.

3.2 Timeliness of Performance

A. The Contractor shall provide the Services and Reports within the term and within the time limits required by this Agreement, pursuant to the provisions of Section 3.1 and elsewhere in this Agreement. **Further, the Contractor acknowledges that TIME IS OF THE ESSENCE and that the failure of the Contractor to comply with the time limits described in this Agreement may be declared an Event of Default by the County.** Notwithstanding the forgoing, Contractor shall make reasonable commercial efforts to meet required delivery times, but conditions out of Contractor's reasonable control, such as adverse traffic or weather conditions, may delay deliveries that are required from off-site locations. Contractor's employees shall make such deliveries in a manner consistent with safe and responsible driving practices.

B. Neither the Contractor nor the Contractor's agents, employees, or subcontractors are entitled to any damages from the County, nor are they entitled to be reimbursed by the County, for damages, charges, excess costs or other losses or expenses incurred by the Contractor by reason of delays or hindrances in the performance of the Services.

C. Whenever performance by Contractor of any of its obligations is substantially prevented by reason of any act of God, major industrial or transportation disturbance, fire, floods, riots, acts of enemies, acts of terrorism, national emergencies or by any other cause not within the reasonable control of Contractor 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.

ARTICLE 4

COMPENSATION

4.1 Payment Terms/Pricing

Contractor shall invoice the County for all inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. Provided the Contractor faithfully performs its obligations contained in this Agreement, the County agrees to pay the entire amount of all statements received

from Contractor in accordance with the Local Government Prompt Payment Act, F.S., §218.70, following receipt of any such statement; provided that all costs set forth therein do not exceed the approved and mutually agreed upon total Annual Budget, all of the terms and conditions set forth in this Article 4 have been complied with, and Contractor has provided County with all supporting documentation that may be required by the County. The Payment for parts, supplies, and for management and operating expenses shall not exceed one million three hundred thousand dollars (\$1,300,000) per year. If, during an Agreement Year, either party notifies the other party that the County's expenditures are likely to exceed the Annual Budget, specifically including an allowance for an amount to cover any of the County's parts purchase obligations under section 6.4, the parties will seek to conform usage to the Annual Budget through mutual agreement, and the County may seek additional funding.

PRICING PLAN

NAPA Product Costs	Billed to County at Jobber Net Pricing
Non-NAPA Product Costs	Billed to County at Current Acquisition Cost
Management Fee	10% Management on parts billed to County
Operational Costs	Billed to County at cost

Product Costs. The pricing of the inventory to be supplied to County by Contractor pursuant to this Agreement. Product Costs shall be further divided into "*NAPA Product Costs*," which is the pricing of Contractor supplier manufactured products, and "*Non-NAPA Product Costs*," which is the pricing of products which have not been manufactured by Contractor suppliers but which have been acquired for the County by Contractor pursuant to this Agreement.

Operational Costs. Any and all costs and expenses incurred by the Contractor associated with the operation of the Facilities or the County Equipment used by Contractor in the operation of the Facilities, including, but not limited to, salary and benefits payable to Contractor employees at the Facilities, worker's Compensation benefits and insurance, unemployment insurance, personal property insurance for the Facilities and inventory, any deductible for losses covered under the personal property, automobile liability or general liability insurance policies of Contractor and all equipment supplied by Contractor.

Both NAPA Product Costs and Non-NAPA Product Costs shall be set by Contractor as described herein. Costs for all NAPA Parts sold to the County will be Jobber Net Pricing determined as of the date of issue and will be available to the County via the Contractor's online pricing portal. The Jobber Net Pricing reflected on the Contractor's online pricing portal will be automatically updated when prices change. Contractor will

bill County for NAPA Parts at Jobber Net Pricing. Contractor will bill County for Non-NAPA Parts at their Current Acquisition Cost.

Management Fee of ten percent (10%) mark up on such price will be charged to the County monthly based on the value of the NAPA and Non-NAPA parts sold. The County will be billed at the end of each month for operational costs on an "in arrears" basis.

Operational Costs incurred by the Contractor will be charged to County at cost, with all such charges included in County's monthly billing statement. County will be billed at the end of each month for operational costs on an "in arrears" basis.

In addition, Contractor may use any subcontractor for the procurement of "outside" purchases or services (i.e. those parts or services not traditionally stocked or performed by Contractor), and County will be billed at Contractor's cost plus ten percent (10%).

4.2 Budget for Services

As provided in Section 2.13, the Contractor must prepare and operate within the approved mutually agreed upon Annual Budget for its Services.

4.3 Method of Payment

Payment will be made by check after commodities/services have been received, accepted and properly invoiced as indicated in this Agreement.

4.4 Criteria for Payment

At the end of each month, the Contractor will submit an invoice that must include the purchase order number, Contractor's monthly operating statement and any reports required by the County to substantiate the costs and any expenses associated with running the parts facility for the County. No other invoices for Parts or expenses for running the County's parts operation shall be accepted or paid. Costs may not exceed the total annual budgeted amount. The County will determine whether any rates, costs, and expenses invoiced are in accordance with the approved Annual Budget and the terms of the Agreement. The County will conduct daily and monthly checks to confirm the accuracy of the Contractor's invoicing of NAPA Parts by comparing the Jobber Net Pricing listed on the Contractor's online pricing portal to the Jobber Net Pricing reflected on the corresponding work order. All invoices for Non-NAPA Parts shall be submitted to County with evidence, which must be satisfactory to County in its reasonable discretion, of the actual price paid by Contractor for such parts. Parts issued by the Contractor and subsequently returned by the County unused and in resalable condition as mutually determined between the parties, must be fully credited back to the work order through FMIS immediately upon return to the Contractor. If any Non-NAPA special order parts returns are rejected by the vendor and the parties agree that the return is attributable to the County, and then such cost will be billed back to the County; if the parties agree that the return is attributable to Contractor, then Contractor shall bear such cost. Any restocking fees associated with returns to Non-NAPA vendors will be charged to the party responsible for the return, as mutually agreed by the parties, and when such charges are attributable to the County they shall be charged through the operational

overhead expense. Should any discrepancies arise between the parties regarding restocking fees, Contractor will work in good faith with the County to resolve such discrepancies.

4.5 Non-Appropriation

If no funds or insufficient funds are appropriated and budgeted in any fiscal period, the County will notify the Contractor in writing of that occurrence, and this Agreement will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Similarly, Contractor has no obligation to continue providing services to the County if funds are not sufficiently appropriated or if funds appropriated for payment under this Agreement are exhausted. Payment for work completed through the effective date of termination will be made to the Contractor. No payments will be made or due to the Contractor under this Agreement beyond those amounts appropriated and budgeted by the County to fund payments under this Agreement.

ARTICLE 5 **RECORDS AND AUDITS**

5.1 Records

A. The Contractor shall deliver all documents, including but not limited to, all invoices and Reports prepared for the County under the terms of this Agreement, to the County promptly and in accordance with the time limits prescribed in this Agreement. If no time limit is specified, then such documents shall be delivered to the County upon reasonable demand therefore or upon termination or completion of the Services required under this Agreement. If the Contractor fails to make such delivery upon reasonable demand, the Contractor shall pay to the County any damages the County may sustain by reason of Contractor's failure.

B. The Contractor must maintain all records not delivered to the County or demanded by the County, for a period of five (5) years after the record is produced by the Contractor.

5.2 Audits

A. The Contractor and the Contractor's sub-contractors must furnish the County with all information that may be requested directly pertaining to the performance and cost of the Services. The Contractor must maintain records showing actual time devoted and costs incurred. The Contractor must keep books, documents, paper, records, and accounts in connection with the Services open for audit, inspection, copying, abstracting, and transcription, and the Contractor must make these records available to the County and any other interested governmental agency at reasonable times during the performance of its Services.

B. To the extent that the Contractor conducts any business operations separate and apart from the Services required under this Agreement using, for example, personnel, equipment, supplies or facilities also used in connection with this Agreement, the Contractor must maintain and make similarly available to the County detailed records supporting the Contractor's allocation to this Agreement of the costs and expenses attributable to any such shared usages.

C. The Contractor must, for a period of five (5) years following the termination of this Agreement, maintain in Pinellas County Contractor's books, records, documents, and other evidence and shall adopt accounting procedures and practices sufficient to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred for or in connection with the performance of this Agreement. This system of accounting must be in accordance with generally accepted accounting principles and practices as required by law, consistently applied throughout.

ARTICLE 6

EVENTS OF DEFAULT, REMEDIES, TERMINATION, AND SUSPENSION

6.1 Default, Remedies, and Termination

A. Contractor Default Provisions and Remedies of County.

1. Events of Default. Any of the following shall constitute a "Contractor Event of Default" hereunder: (i) Contractor fails to maintain the staffing necessary to perform the Services as required in the Agreement, fails to perform the Services as specified in the Agreement, or fails to complete the Services within the completion dates as specified in the Agreement; (ii) Contractor breaches the provisions of this Agreement regarding confidential information; (iii) Contractor fails to gain acceptance of a deliverable, if applicable, for two (2) consecutive iterations; or (iv) Contractor fails to perform or observe any of the other material provisions of this Agreement.

2. Cure Provisions. Upon the occurrence of a Contractor Event of Default as set out above, the County shall provide written notice of such Contractor Event of Default to Contractor ("Notice to Cure"), and Contractor shall have thirty (30) calendar days after the date of a Notice to Cure to correct, cure, and/or remedy the Contractor Event of Default described in the written notice.

3. Termination for Cause by the County. In the event that Contractor fails to cure a Contractor Event of Default as authorized herein, or upon the occurrence of a Contractor Event of Default as specified in Section 6.A.1.(iii), the County may terminate this Agreement in whole or in part, effective upon receipt by Contractor of written notice of termination pursuant to this provision, and may pursue such remedies at law or in equity as may be available to the County.

B. County Default Provisions and Remedies of Contractor.

1. Events of Default. Any of the following shall constitute a "County Event of Default" hereunder: (i) the County fails to make timely undisputed payments as described in this Agreement; (ii) the provisions of this Agreement regarding confidential information; or (iii) the County fails to perform any of the other material provisions of this Agreement.

2. Cure Provisions. Upon the occurrence of a County Event of Default as set out above, Contractor shall provide written notice of such County Event of Default to the County ("Notice to Cure"), and the County shall have thirty (30) calendar days after the date of a Notice to Cure to correct, cure, and/or remedy the County Event of Default described in the written notice.

3. Termination for Cause by Contractor. In the event the County fails to cure a County Event of Default as authorized herein, Contractor may terminate this Agreement in whole or in part effective on receipt by the County of written notice of termination pursuant to this provision, and may pursue such remedies at law or in equity as may be available to the Contractor.

6.2 Early Termination

A. In addition to termination rights provided elsewhere in this Agreement, the County may terminate this Agreement, or all or any portion of the Services to be performed under it, for its convenience, upon providing at least thirty (30) days prior written notice to the Contractor. The County will give a notice to the Contractor in accordance with the provisions of Article 7. The effective date of termination will be the date stated in the notice (provided that such 30 days prior written notice has been given). If the County elects to terminate the Agreement in full, all Services to be provided under it must cease upon the effective date of termination stated in the notice.

B. After the notice is received, the Contractor must restrict its activities, and those of its sub-contractors, to winding down any reports, analyses, or other activities previously begun. Contractor must remove its property from the Service Spaces within thirty (30) days of the effective date of termination. No costs incurred after the effective date of the termination are allowed. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth in Article 4. Contractor hereby waives any claims for damages from this early termination, including loss of anticipated profits, on account thereof, but as the sole right and remedy of Contractor, County only shall pay Contractor as provided herein. The payment so made to the Contractor will be in full settlement for all Services satisfactorily performed under this Agreement.

C. If the County's election to terminate this Agreement for default pursuant the terms of this Agreement is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be deemed to be an early termination pursuant to this Section.

6.3 Suspension

A. The County may request at any time that the Contractor suspend its Services, or any part of them, by giving fifteen (15) days prior written notice to the Contractor or without prior notice in the event of emergency. No costs incurred after the effective date of such suspension are allowed. The Contractor must promptly resume its performance of the Services under the same terms and conditions as stated in this Agreement upon written notice by the County and such equitable extension of time as may be mutually agreed upon by the County and the Contractor when necessary for continuation or

completion of Services. Any additional costs or expenses actually incurred by the Contractor as a result of recommencing the Services must be treated in accordance with the compensation provisions under Article 4 of this Agreement.

B. No suspension of this Agreement is permitted in the aggregate to exceed a period of 45 days within any one Agreement Year. If the total number of days of suspension exceeds 45 days, the Contractor by written notice may treat the suspension as an early termination of this Agreement pursuant to Section 6.2.

6.4 Disposition of Parts Inventory upon Expiration or Termination of Agreement

A. Non-NAPA Parts. Upon the expiration, termination, or non-renewal of this Agreement, the County will buy and the Contractor will sell any Contractor Parts which are Non-NAPA Parts held by the Contractor pursuant to this Agreement at the Current Acquisition Cost; provided that such parts were either: (i) initially purchased from the County by the Contractor, pursuant to the terms set forth in Section 2.4 of this Agreement; or (ii) included within the Monthly Non-NAPA Parts Inventory Report and specifically approved by the County to be included within the County's obligation to repurchase such parts in accordance with the procedure set forth below.

Within five (5) days of the end of each month, Contractor shall submit to the County a monthly report that itemizes all Non-NAPA Parts in inventory as of the last day of each month ("Monthly Non-NAPA Parts Inventory Report"). Such Monthly Non-NAPA Parts Inventory Report shall, at a minimum, contain a full listing of all Non-NAPA Parts contained in the Stockroom, Outlying Facilities and the Road Service Trucks by part description, part number, part quantity, part cost and part location. County shall review such report and within ten (10) days of County's receipt of such report provide Contractor with its written approval of which Non-NAPA Parts may be included within County's obligation to repurchase in accordance herewith. Once County approves specific Non-NAPA Parts included within a specific Monthly Non-NAPA Parts Inventory Report, it cannot, in a later month, reject such specific Non-NAPA Parts. Also, once Non-NAPA Parts are included within a specific Monthly Non-NAPA Parts Inventory report, the County will be obligated to re-purchase such parts at the expiration, termination, or non-renewal of this Agreement. Contractor hereby acknowledges that County's approval of whether such Non-NAPA Parts may be included within the County's obligation to repurchase in accordance herewith may be granted or denied in the County's reasonable discretion. Furthermore, the parties acknowledge that Contractor's failure to submit the Monthly Non-NAPA Parts Inventory Report to the County shall not constitute a default under the terms of this Agreement, but will make Non-NAPA Parts that have yet to be approved for repurchase to be ineligible from being included within County's repurchase obligation as set forth herein.

B. NAPA Parts. Upon the expiration, termination or non-renewal of this Agreement, County will have the option, which may be exercised in the County's sole and absolute discretion, to purchase any NAPA Parts held by the Contractor pursuant to this Agreement. If the County elects to purchase any such NAPA Parts, the Contractor will sell them to the County at the current Jobber Net Pricing as reflected on the Contractor's

online pricing portal.

C. **Removal of Parts.** The Contractor will remove any Contractor Parts not purchased by the County from the Service Spaces without charge to the County.

6.5 Orderly Transition

Upon any expiration or termination or non-renewal of this Agreement, the Contractor must cooperate with the County in an orderly transition of the Parts management function to a new contractor or the County, at the County's option. Contractor must remove its property from the Service Spaces within fifteen (15) days.

ARTICLE 7 NOTICES

All notices, consents, approvals, and elections (collectively, "notices") to be given or delivered by or to County/Contractor shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service (provided in each case a receipt is obtained), telecopied or faxed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with confirmed answer back if telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The County and Contractor hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

If to the County at:

Director, Real Estate Management
509 East Ave.
Clearwater, FL 33756

With a copy to:

Manager, Fleet Management Division
9685 Ulmerton Road
Largo, FL 33771

County Attorney's Office
315 Court Street, 6th Floor
Clearwater, FL 33756

If to Contractor at:

Genuine Parts Company

Florida Division IBS Manager
Attn: John K. Crane
11716 North Florida Avenue
Tampa, FL 33612
Fax: (813) 932-2151

With a copy to:

Genuine Parts Company
Associate Counsel
2999 Circle 75 Parkway
Atlanta, GA 30339
Fax: (770) 956-2216

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article. Notices delivered by mail are deemed received three days after mailing in accordance with this Section. Notices delivered personally are deemed effective upon receipt. Refusal to accept delivery has the same effect as receipt.

ARTICLE 8
MISCELLANEOUS PROVISIONS

8.1 Indemnification (General Liability)

The Contractor shall indemnify, hold harmless, and defend the County and the Board of County Commissioners, their agents and employees and anyone directly or indirectly employed by either of them, from and against any and all liabilities, losses, claims, damages, demands, expenses or actions, either at law or in equity, including court costs and reasonable attorneys' fees, that may hereafter at anytime be made or brought by anyone on account of personal injury, property damage, loss of monies, or other loss, to the extent caused or incurred, as a result of any negligent, wrongful, or intentional act or omission of, or based on any act of fraud or defalcation by the Contractor, or anyone performing any act required of the Contractor in connection with performance of the Agreement. These obligations shall survive acceptance of any Services and payment by the County.

8.2 Copyright/Patent Indemnification

Contractor agrees to indemnify the County and hold it harmless from and against all claims, liability, loss, damage or expense, including attorney's fees, arising from or by reason of any actual or claimed trademark infringement or litigation with respect to the Parts supplied hereunder based on the trademarks owned by Contractor, or licensed to Contractor from NAPA. Contractor agrees to use reasonable commercial efforts to assist the County in processing any copyright or patent infringement claim against the applicable manufacturer.

8.3 Insurance Required

Before starting and through the term of the Agreement, the Contractor shall procure and maintain insurance of the types and to limits specified in Exhibit F.

8.4 Assignments and Subcontracts

A. The Contractor will not assign, delegate or otherwise transfer all or any part of its rights or obligations under this Agreement without the prior written consent of the County, which consent may be withheld in the County's sole and absolute discretion. The absence of such authorization or written consent will void the attempted assignment, delegation, or transfer, and the transactions so voided will have no effect as to the Services or this Agreement.

B. All subcontracts and all approvals of subcontractors are, regardless of their form, deemed conditioned upon performance by the subcontractor in accordance with the terms and conditions of this Agreement. If any subcontractor fails to observe or perform the terms and conditions of this Agreement to the satisfaction of the County, the County has the absolute right upon written notification to immediately rescind approval and to require the performance of this Agreement by the Contractor personally or through any other County-approved subcontractor. Under no circumstance will the County's approval of a subcontractor relieve Contractor of any of its obligations or liabilities under this Agreement.

C. Upon entering into any agreement with a subcontractor, the Contractor shall furnish the County with a copy of that agreement. All subcontracts shall contain provisions that require the Services be performed in strict accordance with the requirements of this Agreement, provide that the subcontractors are subject to all the terms of this Agreement and are subject to the approval of the County. If the agreements do not prejudice any of the County's rights under this Agreement, such agreements may contain different provisions than are provided for in this Agreement with respect to extensions of schedule, time of completion, payments, guarantees and matters not affecting the quality of the Services.

D. The Contractor will not transfer or assign any funds or claims due or to become due under this Agreement without the prior written consent of the County. The attempted transfer or assignment of any Agreement funds, or any interest in such funds which are due or will become due to the Contractor without such prior written consent, will have no effect upon the County.

E. The County expressly reserves the right to assign or otherwise transfer all or any part of its interest under this Agreement to any successor upon receiving the prior written consent of Contractor, which shall not be unreasonably withheld.

8.5 Applicable Law - Venue

Unless otherwise specified, all phases and provisions of this Agreement, including but not limited to interpretation, proposing, award, execution and implementation, shall be governed by the laws, rules, and regulations of the State of Florida. Venue of all disputes shall be in a state court of competent jurisdiction located in Pinellas County, Florida.

8.6 Pinellas County Equal Opportunity Clause

A. During the performance of this Agreement, the Contractor agrees as follows:

1. **General.** The Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, national origin, age, disability, familial status, marital status, sexual orientation or gender identity or expression.

2. **Recruitment.** The Contractor will in all solicitations or advertisements for employees placed by or on behalf of the Contractor state that all qualified applicants will receive consideration for employment without regard to race, sex, color, religion, national origin, age, disability, familial status, marital status, sexual orientation or gender identity or expression.

3. **Federal Requirements.** In the event this Agreement is paid in whole or in part from any federal governmental agency or source, the specific terms, regulations, and requirements governing the disbursement of these funds shall be specified herein and become a part of this clause after such terms, regulations and requirements have been disclosed to Contractor and accepted by Contractor in writing.

8.7 Scrutinized Companies

As provided in F.S., §287.135, by entering into this Agreement or performing any work in furtherance hereof, Contractor hereby certifies that Contractor and Contractor's affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the Scrutinized Companies With Activities in Sudan List or Scrutinized Companies With Activities in The Iran Petroleum Energy Sector List created pursuant to F.S., §215.473. If the County determines, using credible information available to the public, that a false certification has been submitted by Contractor, this Agreement may be terminated and a civil penalty equal to the greater of \$2 million or twice the amount of this Agreement shall be imposed, pursuant to F.S., §287.135.

8.8 Public Entity Crime Information Statement

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in F.S., §287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list. Contractor represents and warrants that it is not on the convicted vendor list and shall not utilize contractors or subcontractors on the convicted vendor list.

8.9 No Third Party Rights

Nothing in this Agreement, express or implied, is intended to nor shall confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

8.10 Entire Agreement

The foregoing constitutes the entire Agreement between the parties with respect to the subject matter contained herein.

8.11 Independent Contractor

The Contractor is, and shall be, in the performance of all work, services, and activities under this Agreement, an Independent Contractor and not an employee, agent, or servant of the County. All persons engaged in any of the work or services performed pursuant to this Agreement shall at all times, and in all places, be subject to the Contractor's sole direction, supervision, and control, and shall be paid directly by Contractor. The Contractor shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Contractor's relationship, and the relationship of its employees, to the County shall be that of an Independent Contractor and not as employees or agents of the County.

The Contractor does not have the power or authority to bind the County in any promise, agreement, or representation other than specifically provided for in this Agreement.

8.12 Recording

Contractor shall not record this Agreement, or any memorandum or short form thereof, without the written consent and joinder of County, which may be granted or withheld at County's sole discretion.

8.13 Waiver, Accord and Satisfaction

The consent or approval by County to or of any act by Contractor requiring County's consent or approval shall not be deemed to waive or render unnecessary County's consent to or approval of any subsequent similar act by Contractor. Likewise, the consent or approval by Contractor to or of any act by County requiring Contractor's consent or approval shall not be deemed to waive or render unnecessary Contractor's consent to or approval of any subsequent similar act by County.

8.14 Construction

No party shall be considered the author of this Agreement since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of this Agreement shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

8.15 Survival

Notwithstanding any early termination of this Agreement, Contractor shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Contractor hereunder arising prior to the date of such termination.

8.16 Effective Date of Agreement

This Agreement is expressly contingent upon the approval of the Pinellas County Board of County Commissioners, and shall become effective only when signed by all parties and approved by the Pinellas County Board of County Commissioners (the "Effective Date").

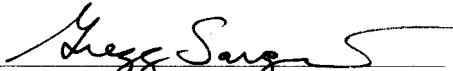
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IN WITNESS WHEREOF the parties herein have executed this Agreement for _____
pursuant to Contract No. _____ as of the day and year first written above.

PINELLAS COUNTY, FLORIDA
by and through its
Board of County Commissioners

CONTRACTOR

Chairman

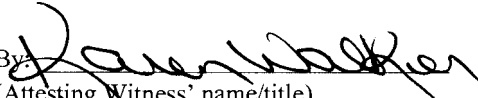

Division Vice President (Signature)

Gregg Sargent
Division Vice President (Printed Name)

ATTEST:

By: _____
(Attesting Witness' name/title)

ATTEST:

By: 
(Attesting Witness' name/title)
KAREN WALKER
EXECUTIVE ADMIN ASSISTANT

APPROVED AS TO FORM:

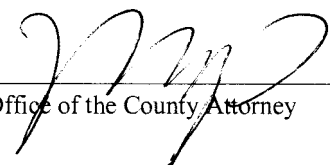

Office of the County Attorney

EXHIBIT A

PINELLAS COUNTY FLEET MAINTENANCE FACILITIES AND HOURS OF OPERATION

Primary Facility, including the Stockroom

Fleet Management
9685 Ulmerton Road
Largo, FL 33771

Monday- Friday 7:00a.m. to 5:00 p.m., excluding County recognized holidays

Sub-Shop Facilities

North Field Services - 3950 Dunn Drive, Palm Harbor FL
Monday- Friday 7:00a.m. to 3:30p.m., excluding County recognized holidays

142nd Avenue Facility - 6730 142nd Avenue North, Largo FL
Monday- Friday 7:00a.m. to 3:30p.m., excluding County recognized holidays

U.S. 19 Central Facility - 22211 U.S. 19 North, Clearwater FL
Monday- Friday 6:30a.m. to 3:30p.m., excluding County recognized holidays

46th Street Facility - 14204 46th Street North, Clearwater FL
Monday- Friday 6:45 a.m. to 3:15 p.m., excluding County recognized holidays

EXHIBIT B
COUNTY REAL PROPERTY

- **Real property locations as described in Exhibit A**

EXHIBIT C

STOCKROOM

- **Stockroom layout to be provided by NAPA following commencement**

EXHIBIT D

CONTRACTOR PHASE-IN OF PARTS MANAGEMENT

1. Start-Up Phase:

Complete physical inventory counts and reports for all County Parts.
Installation of any Contractor owned hardware and software and successful testing of all Contractor owned hardware and software.
Determine optimum stocking levels for all Facilities (as listed in Exhibit A).
Complete the staffing of the County's Stockroom.
Successful completion of FMIS System training for all Contractor employees working in the County's Stockroom, in accordance with Exhibit E.

2. Full-Services Phase:

Contractor will issue check to County for payment for all County Parts which show usage in the last twelve (12) months by County and that are new, saleable, complete, and currently needed by the County's active fleet/equipment, unless otherwise agreed to by the parties hereto, at average price in FMIS System.
Order inventory and stock all Facilities.
Manage the Parts inventory at the Stockroom and Sub-Shop Facilities.
Completely take over the Parts operations for the County, in accordance with this Agreement.
Receive and sign for Fleet Management Division deliveries and forwarding to proper personnel.
Deliver Parts required by the County to each of the Sub-Shop Facilities on a daily route basis.
Obtain written or e-mail approval before changing current part supplier for NAPA and non-NAPA parts.
Contractor shall provide a profit and loss statement of the parts operation to the County on approximately the 15th day of each month for the on-site stores.

EXHIBIT E
FMIS TRAINING GUIDE

- Logging on to FMIS
- Understanding FMIS Menus and Frames
- Work Order Part Charge

* Training will take place within the Start-Up Phase.

EXHIBIT F

INSURANCE REQUIREMENTS

Notice: The Contractor/Vendor must provide a certificate of insurance and endorsement in accordance with the insurance requirements listed below (Section C) prior to recommendation for award. Failure to provide the required insurance within a ten (10) day period following the determination or recommendation of lowest responsive, responsible bidder may result in the County to vacate the original determination or recommendation and proceed with recommendation to the second lowest, responsive, responsible bidder.

If subcontracting is allowed under this agreement, the Contracted Vendor shall obtain and maintain, at all times during its performance of the Agreement, insurance of the types and in the amounts set forth; and require any subcontractors to obtain and maintain, at all times during its performance of the Agreement, adequate insurance limits as it may apply to the portion of the Work performed by the subcontractor; but in no event will the insurance limits be less than \$500,000 for Workers' Compensation/Employers' Liability, and \$1,000,000 for General Liability and Auto Liability if required below.

All subcontracts between Proposer and its subcontractors shall be in writing and may be subject to the County's prior written approval. Further, all subcontracts shall (1) require each subcontractor to be bound to Proposer to the same extent Proposer is bound to the County by the terms of the Contract Documents, as those terms may apply to the portion of the Work to be performed by the subcontractor; (2) provide for the assignment of the subcontracts from Proposer to the County at the election of Owner upon termination of the Contract; (3) provide that County will be an additional indemnified party of the subcontract; (4) provide that the County will be an additional insured on all insurance policies required to be provided by the subcontractor except workers compensation and professional liability; (5) provide waiver of subrogation in favor of the County and other insurance terms and/or conditions as outlined below; (6) assign all warranties directly to the County; and (7) identify the County as an intended third-party beneficiary of the subcontract. Proposer shall make available to each proposed subcontractor, prior to the execution of the subcontract, copies of the Contract Documents to which the subcontractor will be bound by this Section C and identify to the subcontractor any terms and conditions of the proposed subcontract which may be at variance with the Contract Documents.

The Contracted vendor shall obtain and maintain, and require any sub-contractors to obtain and maintain, at all times during its performance of the Agreement, insurance of the types and in the amounts set forth. For projects with a Completed Operations exposure, Contractor shall maintain coverage and provide evidence of insurance for two (2) years beyond final acceptance. All insurance policies shall be from responsible companies duly authorized to do business in the State of Florida and have an AM Best rating of A- VIII or better. Within ten (10) calendar days after contractor's receipt of notice of award, the Contractor shall provide the County with properly executed and approved Certificates of Insurance to evidence compliance with the insurance requirements of the agreement. The Certificate(s) of Insurance shall be signed by authorized representatives of the insurance companies shown on the Certificate(s). **A copy of the endorsement(s) referenced in paragraph six (6) for Additional Insured shall be attached to the certificate(s).**

No work shall commence at any project site unless and until the required Certificate(s) of Insurance are received and approved by the County. Approval by the County of any Certificate of Insurance does not constitute verification by the County that the insurance requirements have been satisfied or that the insurance policy shown on the Certificate of Insurance is in compliance with the requirements of the Agreement. County reserves the right to inspect a certified copy of the entire insurance policy, including endorsements, at any time during the RFP and/or contract period at the headquarters of Contractor.

All policies providing liability coverage(s), other than worker's compensation policies obtained by the Contractor and any sub-contractors to meet the requirements of the Agreement shall be endorsed to include Pinellas County Board of County Commissioners as an Additional Insured.

Within thirty (30) days following the effective date of this Agreement, Contractor will provide to County an endorsement to the required insurance policies herein stating that the County will receive at least thirty (30) days written notice prior to the expiration, cancellation, nonrenewal or adverse material change in coverage of any required insurance.

Notice shall be given by certified mail to: Pinellas County Purchasing Department, 400 S. Ft. Harrison Avenue, 6th Floor, Clearwater, Florida 33756; and nothing contained herein shall absolve Contractor of this requirement to provide notice.

Should the Contractor, at any time, not maintain the insurance coverages required herein, the County may terminate the Agreement, or at its sole discretion may purchase such coverages necessary for the protection of the County and charge the Contractor for such purchase. The County shall be under no obligation to purchase such insurance, nor shall it be responsible for the coverages purchased or the insurance company or companies used. The decision of the County to purchase such insurance shall in no way be construed to be a waiver of any of its rights under the Agreement.

Each insurance policy shall include the following terms and/or conditions in the policy:

- (1) The Named Insured on the Certificate of Insurance must match the entity's name that responded to the solicitation and/or is signing the agreement with the County.
- (2) Companies issuing the insurance policy, or policies, shall have no recourse against County for payment of premiums or assessments for any deductibles which all are at the sole responsibility and risk of Contractor.
- (3) The term "County" or "Pinellas County" shall include all Authorities, Boards, Bureaus, Commissions, Divisions, Departments and Constitutional offices of County and individual members, employees thereof in their official capacities, and/or while acting on behalf of Pinellas County.
- (4) The policy clause "Other Insurance" shall not apply to any insurance coverage currently held by County or any such future coverage, or to County's Self-Insured Retentions of whatever nature.
- (5) All policies shall be written on a primary, non-contributory basis.
- (6) Any certificate of insurance evidencing coverage provided by a leasing company for either workers compensation or commercial general liability shall have a list of covered employees certified by the leasing company attached to the certificate of insurance. The County shall have the right, but not the obligation to determine that the contractor is only using employees named on such list to perform work for the County. Should employees not named be utilized by contractor, the County, at its option may stop work without penalty to the county until proof of coverage or removal of the employee by the contractor occurs, or alternatively find the contractor to be in default and take such other protective measures as necessary.
- (7) Insurance policies shall include waivers of subrogation in favor of Pinellas County from both the Contractor and sub-contractor(s).

The insurance requirements for this Agreement, which shall remain in effect throughout its duration and for two (2) years beyond final acceptance for projects with a Completed Operations exposure, are as follows:

(A) Workers' Compensation Insurance

Limit

Florida Statutory

Employers Liability Limits

Per Employee	\$ 100,000
Per Employee Disease	\$ 100,000
Policy Limit Disease	\$ 500,000

- (B) Commercial General Liability Insurance including, but not limited to, Fire Damage Limit, Independent Contractor, Contractual Liability Premises/Operations, Products/Completed Operation and Personal Injury.

Limits

Single Combined Single Limit Per Occurrence	\$ 1,000,000
Products/Completed Operations Aggregate	\$ 1,000,000
Personal Injury and Advertising Injury	\$ 1,000,000
Fire Damage Limit—Any One	\$ 1,000,000
General Aggregate	\$ 2,000,000

- (C) Business Automobile Liability Insurance covering owned hired and non-owned vehicles. Coverage shall be on an "occurrence" basis., such insurance to include coverage for loading and unloading hazards, unless Contractor can show that this coverage exists under the Commercial General Liability policy.

Limit

Combined Single Limit Per Accident	\$ 1,000,000
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- (D) Excess or Umbrella Liability Insurance excess of the primary coverage required , in paragraphs (A), (B), and (C) above:

Limits

Each Occurrence	\$ 1,000,000
General Aggregate	\$ 1,000,000

- (E) Pollution Legal/Environmental Legal Liability Insurance for pollution losses arising from all services performed to comply with this contract. Coverage shall apply to sudden and gradual pollution conditions including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, which results in Bodily Injury or Property Damage. If policy is written on a Claims Made form, a retroactive date is required, and coverage must be maintained for 3 years after completion of contract or "tail" coverage must be purchased. Coverage should include and be for the at least the minimum limits listed below:

- 1) Bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death; property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean up costs, and the loss of use of tangible property that has not been physically injured or destroyed;

- 2) Defense including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensation damages.
- 3) Cost of Cleanup/Remediation.

Limits

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

For acceptance of Pollution Legal/Environmental Legal Liability coverage included within another policy coverage required herein, a statement notifying the certificate holder must be included on the certificate of insurance and the total amount of said coverage per occurrence must be greater than or equal to the amount of Pollution Legal/Environmental Legal Liability and other coverage combined.

For herbicide and pesticide spraying operators only, an endorsement to the Commercial General Liability policy that provides Pollution Liability coverage for herbicide and pesticide spraying is acceptable.

- (F) Property Insurance Contractor will be responsible for all damage to its own property, equipment and/or materials unless such damage was caused by the negligent acts of the County.

EXHIBIT G

ANNUAL BUDGET FOR FY 2015

Pinellas County Fleet Management - BUDGET PROJECTION				
OPERATING STATEMENT	MONTHLY	Month Percentage to Sales	YEARLY	EXPENSE DESCRIPTION
Cost of Parts Purchases	\$ 83,500.00		\$ 1,002,000.00	Cost of Parts Sold
Gross Profit		0.00%	\$ -	Profit earned with Sales
TOTAL SALES	\$ 83,500.00		\$ 1,002,000.00	Total Part Sales
Executive Salaries	\$ 835.00	1.00%	\$ 10,020.00	Set Fee based on 1.00% of Sales for Management Personnel
Acctg & Data Proc.	\$ 417.50	0.50%	\$ 5,010.00	Set Fee based on 0.50% of Sales for Accounts Receivable and Payable Office Personnel
General Office	\$ 417.50	0.50%	\$ 5,010.00	Set Fee based on 0.50% of Sales for HR, LP, Inventory Control Office Personnel
Manager Payroll	\$ 4,000.00	4.79%	\$ 48,000.00	Gross Pay for Store Manager
Counterperson Payroll	\$ 2,350.00	2.81%	\$ 28,200.00	Gross Pay for Counterperson
Driver Payroll	\$ 1,850.00	2.22%	\$ 22,200.00	Gross Pay for Driver
Pensions	\$ 375.75	0.45%	\$ 4,509.00	Set Fee based on 0.45% of Sales for Pension, 401K
Payroll Taxes	\$ 724.15	0.87%	\$ 8,689.76	Combined Employer Paid Payroll Taxes for All Store Employees
Group Insurance & Benefits	\$ 1,400.00	1.68%	\$ 16,800.00	Combined Employer Paid Benefits for All Store Employees
TOTAL PAYROLL	\$ 12,369.90	14.81%	\$ 148,438.76	Total Payroll Expenses
Delivery Insurance	\$ 226.54	0.27%	\$ 2,718.48	Insurance for Delivery Vehicle
Maintenance & Fuel	\$ 600.00	0.72%	\$ 7,200.00	Vehicle Expenses- Fuel, Repairs, Toll
Depreciation - Vehicles	\$ 433.33	0.52%	\$ 5,200.00	Monthly Depreciation of Vehicles (incl. Tag, Tax Title)
Depreciation - Fixed Assets	\$ 225.00	0.27%	\$ 2,700.00	Monthly Depreciation of Stockroom Refurbishment Costs and/or Equipment
Freight & Postage	\$ 450.00	0.54%	\$ 5,400.00	Freight & Postage
Insurance	\$ 175.00	0.21%	\$ 2,100.00	General Liability Insurance, Workman's Comp, Liability for Assets
Stationery, Ship, Supply	\$ 250.00	0.30%	\$ 3,000.00	Office Supplies
Store Expense	\$ 100.00	0.12%	\$ 1,200.00	Store Operating Expenses
Taxes (Not Income)	\$ 45.50	0.05%	\$ 546.00	Taxes: Sales and use, Personal Property (Inv)
Telephone	\$ 275.00	0.33%	\$ 3,300.00	Phone/Modem lines, DSL Support, NAPA WAN access fees
TAMS	\$ 1,200.00	1.44%	\$ 14,400.00	Computers (Lease or Depreciation) and Support fees
TOTAL MISC. EXPENSES	\$ 3,980.37	4.77%	\$ 47,764.48	Total Misc Operating Expenses
		0.00%	\$ -	
TOTAL EXPENSES	\$ 16,350.27	19.58%	\$ 196,203.24	Total Payroll and Misc Operating Expenses
IBS Management Fee	\$ 8,350.00	10.00%	\$ 100,200.00	
GRAND TOTAL PARTS AND EXPENSES	\$ 108,200.27		\$ 1,298,403.24	Total of Parts, Expenses, and Management Fee

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

EXHIBIT H

COUNTY'S DUTIES AND RESPONSIBILITIES

The County's duties and responsibilities are as follows:

1. Make the Facility available to Contractor for performance of the Services.
2. Complete a physical inventory count in conjunction with the Contractor during start-up phase and provide a list of such inventory and quantity of automotive parts to be sold to the Contractor.
3. Furnish three (3) telephone lines, one (1) facsimile line, provide electricity and the equipment for the Facility set forth in Attachment 1 which is attached to Appendix B and made a part hereof.
4. Furnish three (3) computers and security-approved network access for three (3) employees of Contractor who will be given access to AssetWorks, the County's Fleet Management System.
5. Provide notice to Contractor when there are changes to Fleet vehicle inventory so that Contractor can adjust inventory accordingly.
6. Provide notice to Contractor of any new Pinellas County vendor and certified small business enterprise that can provide automotive parts.
7. Designate an individual in the Fleet Management Division to monitor and administer the Agreement.
8. Provide notice to the Contractor of any changes to the County's contact persons for the Fleet Management Division and/or Finance Department.
9. Conduct monthly inspection of the Facility and review all reports and services with Contractor.
10. Conduct a performance evaluation of the Contractor after Contractor has provided six months of service then annually thereafter for the remainder of the term of the Agreement.
11. Provide building maintenance and repairs as required for the heating, ventilation and air conditioning, plumbing and electrical.
12. Provide a forklift to load/unload and deliver parts within the Fleet Management compound.
13. Customer shall use Contractor 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 that Contractor is unable to provide the needed part at competitive prices, so that the customer receives the best value for public dollars expended and that it would be more economical to purchase such items from a different supplier. If County's decision is to purchase parts from a different supplier is based on Contractor's inability to provide the best pricing, such purchases shall not be deemed a breach of the County's obligation herein to use the Contractor as its Primary Supplier.