

AGENDA ITEM SUMMARY

[x] Consent

☐ Regular

[] Ordinance

[] **Public Hearing**

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Vehicle and Equipment Parts Management and Supply Agreement (“Agreement”) with Genuine Parts Company d/b/a NAPA (“NAPA”), a Georgia corporation, qualified to do business in Florida, for onsite integrated inventory management services for the Fleet Management Division at an estimated annual cost of \$2,739,000.

Summary: This Agreement sets forth the terms and conditions under which NAPA will continue to provide comprehensive in-house store automotive parts functions for Facilities Development & Operations/Fleet Management (“FDO/Fleet”) to include all materials, equipment, parts and supplies required for the operation and maintenance of the County’s fleet with no less than an eighty percent (80%) in-stock availability for all parts requested. NAPA has consistently met or exceeded this measurement since implementation of the full services phase of the 2012 agreement. County fill rate prior to NAPA assumption of services averaged 66%. The higher fill rate decreases equipment downtime and increases the productivity of the technicians. NAPA will provide on-going review and adjustment of inventory; access to automotive and heavy-duty replacement parts; and delivery of non-stocked parts. The Agreement provides that the County will pay NAPA; (i) 10% above both NAPA product costs and Non-NAPA product costs, and (ii) operational costs that are included within the annual budget approved by the County during its normal budget process. NAPA has been providing these services since implementation of the full services provision of the current Vehicle and Equipment Parts Management and Supply Agreement (R-2012-1322) in 2012. This Agreement is substantially the same as the current agreement except for changes intended to clarify both intent and reflect the continuation of the original agreement which is effective through February 23, 2016. The term of this Agreement commences on February 24, 2016 and continues through July 21, 2019 with an automatic one year renewal, unless notice of intent to not renew is provided by either party at least 60 days prior to the expiration of the initial term. This Agreement is made in accordance with the Palm Beach County Purchasing Code, which authorizes the County to purchase supplies from a competitively bid proposal or contract secured by another governmental entity or government-related association, in this case the National Joint Powers Alliance Contract No. 061015-GPC. The Agreement contains local preference language for all Non-NAPA products purchased by FDO/Fleet and during the most recent year of the contract, NAPA achieved 59.2% local participation of which 5.3% was by Glades vendors. **(FDO/Fleet) Countywide (MJ)**

Background and Justification: As part of the FY13 budget process Facilities Development & Operations/Fleet Management (“FDO/Fleet”) staff was tasked with finding ways to increase effectiveness of its operation, gain efficiencies and reduce the operating budget. FDO/Fleet determined that outsourcing Fleet’s automotive parts function, located at its primary maintenance facility in West Palm Beach and at two (2) outlying maintenance facilities located in Pahokee and in Delray Beach, would accomplish the goals. Therefore, beginning on September 11, 2012, FDO/Fleet outsourced its automotive parts function to NAPA pursuant to a Vehicle and Equipment Parts Management and Supply Agreement (R-2012-1322) which continues through February 23, 2016.

Continued on Page 3

Attachments:

Vehicle and Equipment Parts Management and Supply Agreement

Arman Wolf

Department Director

11/21/15

Date _____

W. Baker

County Administrator

12/9/15

Date _____

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures					
Operating Costs	\$2,739,000	\$2,739,000	\$2,739,000		
External Revenues	(\$2,739,000)	(\$2,739,000)	(\$2,739,000)		
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	\$0	\$0	\$0		
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Current Budget: Yes ☒ No ☐

Budget Account No: Fund 5000 Dept 410 Unit 7220 Object Various

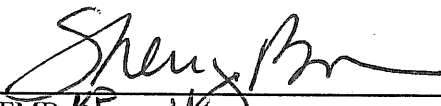
B. Recommended Sources of Funds/Summary of Fiscal Impact:

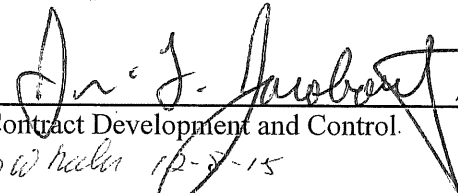
FDO/Fleet is an Internal Service Fund and this Agreement is fully funded from revenue received from Fleets customers.

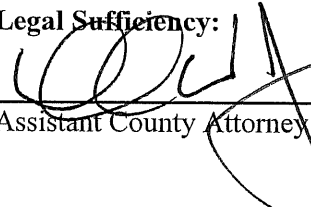
C. Departmental Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:


OFMB ^{KP} 11/24/15


Contract Development and Control. 12/8/15

B. Legal Sufficiency: 
Assistant County Attorney 12/9/15

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

Background & Justification (Cont'd)

By outsourcing Fleet's automotive parts function, the County eliminated responsibility for excess inventory and parts obsolescence, increased the quality of service/performance and realized cost savings by reducing FDO/Fleet procurement and transaction management activities. Since 2012 Staff estimates there to be an estimated annual budget savings to Fleet's fund of approximately \$353,000, consisting of inventory reduction, employee reductions, and indirect cost reductions. In addition, as part of the initial contract implementation NAPA purchased County's existing parts inventory and paid County \$370,961.43 for the inventory "buy-out" following a detailed audit that was overseen and reviewed by Fleet Staff as well as the Internal Auditor.

This Agreement requires NAPA to meet a quality of service/performance measurement of 80% fill rate (percentage of time that a Technician can receive a parts order on first trip to the parts counter). NAPA has consistently met or exceeded this measurement since implementation of the full services phase of the 2012 agreement. County fill rate prior to NAPA assumption of services averaged 66%. The higher fill rate decreases equipment downtime and increases the productivity of the technicians.

This Agreement requires NAPA to utilize a local vendor for Non-NAPA parts provided that the local vendor can meet all product specifications (including timeliness of delivery) and costs do not exceed 5% more than the price which NAPA can obtain the part meeting identical specifications from a non-local vendor. The annual volume of non-NAPA parts purchases from local businesses has increased from \$1,123,927.50 in FY 2012 to \$1,177,983.24 in FY 2015. During the most recent year of the contract, NAPA achieved 59.2% local participation of which 5.3% was by Glades vendors.

This Agreement is made in accordance with the Palm Beach County Purchasing Code, which authorizes the County to purchase supplies from a competitively bid proposal or contract secured by another governmental entity or government-related association, in this case the National Joint Powers Alliance (NJPA) Contract No. 061015-GPC. FDO/Fleet chose this contract to piggyback due to its favorable terms. Without impacting the competitive aspects of the NJPA Contract, the Agreement has several sections that are customized for County. One example of this is that Agreement provides NAPA with a revocable: (i) non-exclusive license to conduct its services on the County's real property and at the Outlying Facilities; and (ii) exclusive license to conduct its services in the stockroom ("Stockroom") located in the Primary Facility. A second example is the type and responsibility for interfaces and modifications to NAPA's and County's IT applications.

Vehicle and Equipment Parts Management

and

Supply Agreement

between

Palm Beach County

and

Genuine Parts Company D/B/A NAPA

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AGREEMENT

This Agreement ("Agreement") is made as of _____, by and between Palm Beach 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 two satellite maintenance facilities (the "Outlying Facilities") (collectively, the Primary Facility and the Outlying 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

WHEREAS, on September 11, 2012 the County approved a Vehicle and Equipment Parts Management and Supply Agreement (R-2012-1322) ("the Original Agreement") with Contractor to (i) assume the parts acquisition operations for all the Facilities and the Road Service Trucks; (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 Outlying Facilities and on the County's Road Service Trucks; for a Term that ends on February 23, 2016; and

WHEREAS, the Contractor successfully completed the Start-Up Services described and required by the Original Agreement and has been continuously providing the Operational Services described and required by the Original Agreement; and

WHEREAS, the County has successfully demonstrated efficiencies and savings pursuant to the implementation of the Operational Services and the Contractor has met the performance goals established pursuant to the Original Agreement; and

WHEREAS, the Original Agreement expires on February 23, 2016, and the County and Contractor have agreed to continue the Contractor's performance of the Operational Services through the execution of this Agreement to become effective on February 24, 2016 (the "Effective Date").

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 2.11 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 except that without invalidating the Agreement, the County, through its Director of Purchasing, reserves the right to, at any time or from time to time, issue increases or decreases to the authorized expenditure; provided that, increases of more than ten percent (10%) which have reached or exceeded two hundred thousand dollars (\$200,000) per annum must be approved by the Board of County Commissioners. After a Board of County Commissioners approval of an increased authorized expenditure amount, the Director of Purchasing may authorize increases of up to ten percent (10%) of the increased authorized expenditure amount.

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, restatements, modifications or revisions made in accordance with its terms.

Agreement Year: means each Palm Beach 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, 2016.

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 Palm Beach 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, interfaces and reconciliations to and from the FMIS 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 as of the Effective Date of this Agreement and any parts,

materials, supplies, and fluids (except for fuel) acquired by the County during the term of this 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.

Effective Date: has the meaning set forth in the Recitals.

Facilities: means the Primary Facility, including the Stockroom, and the Outlying Facilities.

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

Glades: means the area from the Broward County line North along Canal L-36 to the Loxahatchee National Wildlife Refuge, thence North to Southern Boulevard along Canal L-40, thence West along Southern Boulevard to a North-South line 1 ½ miles West of Canal L-8, which coincides with a private agricultural road heading North from Southern Boulevard at the point where State Road 880 intersects Southern Boulevard from the South, thence North along the line of this North-South road to the boundary of the J.W. Corbett Wildlife Management Area, thence East and North along the boundary of the J. W. Corbett Wildlife Management Area to the Martin County line.

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

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.

Operational Services: means ongoing Services the Contractor provided related to the supply and management of the County's vehicle and equipment parts after the Start-Up Services were completed pursuant to the Original Agreement, as more fully defined in the Original Agreement.

Original Agreement: means the Vehicle and Equipment Parts Management and Supply Agreement (R-2012-1322) dated September 11, 2012.

Parts: means collectively County Parts and Contractor Parts.

Road Service Trucks: means the County's current inventory of ten (10) service/lube trucks (which number may change from time to time during the term of this Agreement) each having a parts inventory located within the vehicles.

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.

Start-Up Services: means those Services that the Contractor was required to complete in preparation for the Contractor's ongoing assumption of the County's Parts supply and management operations (the "Start-Up Services") pursuant to the Original Agreement, including the inventory of existing County Parts and installation of the required Contractor's System (hardware and software) necessary to manage the inventory.

Stockroom: means the exclusive use spaces in the Primary Facility which is comprised of the Parts Storage, Parts Office, Tank Farm and Tire Storage areas established and in use as Stockroom pursuant to the Original Agreement and depicted on the "Fleet Stockroom diagrams" maintained by the Fleet Management Division Director. The "Fleet Stockroom diagrams" are subject to the confidentiality provisions of Sections 119.073(3)(a)1 and 2 and 119.071(3)(b), Florida Statutes.

Subcontractor: means any person or entity with whom the Contractor contracts to provide any part of the Services, including subcontractors of any tier, suppliers and materials providers.

1.2 Interpretation

1.2.1 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.

1.2.2 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.

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

1.2.4 All references to a number of days means calendar days, unless expressly indicated otherwise.

1.3 Order of Precedence of Component Agreement Parts

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

2.1.1 During the Contractor's performance 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.

2.1.2 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.

2.2 The Original Agreement (R-2012-1322)

This Agreement is intended to effectuate a continuation of the Operational Services provided pursuant to the Original Agreement without interruption. The parties agree that the Original Agreement and this Agreement shall be construed to effectuate this intent. The Original Agreement provided for various Start-Up Services including, but not limited to; (1) completing an inventory of County Parts located in the Stockroom, at each of the Outlying Facilities and on each of the Road Service Trucks, (2) the purchase of existing County Parts, (3) installation of the Contractor's System and the interfaces to and from the FMIS System and to and from the Contractor's supply network, and (4) establishment of budgeting and reporting procedures. The Contractor completed the Start-Up Services as required by the Original Agreement and has been continuously providing the Operational Services as described in the Original Agreement up to the date of this Agreement.

2.3 Services

2.3.1. 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 2.10. The Services also include, but are not limited to, those described in the Exhibits to this Agreement.

2.3.2 Performance Standards

A. The Contractor shall provide all of the Services described in this Agreement and perform these Services in such a way (and staff its operations adequately) so as to achieve the performance goals required by this Agreement.

B. The Services must be provided in accordance with the time limits for performance that are stated in this Agreement.

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

2.3.3 The Parts System and Reconciliation of Parts

A. The "Parts System" consists of the following:

1. The County-provided computers and the network for the FMIS System. The FMIS System consists of four personal computers and related network and software to support the FMIS application. All FMIS hardware and software is provided, maintained,

supported, and paid for, by the County. The County will also maintain, support and pay for a web server which will be used to run all interface programs; and

2. The Contractor-provided Contractor's System and the computer workstations and related equipment and required software, including, all Custom software required by this Agreement to run Contractor's System and any interfaces to and from the FMIS System. The computers workstations will not be connected to the County's network. The Contractor will maintain, support and pay for, the Contractor's System and the related equipment and software required to perform this Agreement.

B. The Contractor will provide a training manual regarding use and operation of the FMIS System to the Contractor's on-site employees.

C. Each party shall be responsible to secure and pay for all licenses (or sublicenses) required 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"). Third-party Software licenses for staff assigned at the Facilities to provide the Services shall be initially borne by the Contractor and the County shall reimburse Contractor for such costs, provided such costs are included within the approved Annual Budget.

D. The parties acknowledge that Contractor's TAMS and TRACS computer software and systems, or any successor software and/or systems, and any other type of software and/or systems (including their successors) owned by Contractor and any modifications thereto, shall remain the sole property of Contractor. The parties further acknowledge that any software (including but not limited to the interface between the Contractor's system and the FMIS System) owned by the County shall remain the sole property of the County.

E. The Contractor's System interfaces shall work from the Contractor's System to the FMIS System. All Parts ordering and receiving shall be accomplished using the Contractor's ordering and billing system. Parts data will be interfaced upon demand into FMIS. It shall be the Contractor's responsibility to correct any data not properly downloaded.

F. Using the Contractor's software, the Contractor is required to issue all Parts from inventory to valid work orders as identified in the FMIS System using the Contractor's System. Daily issues will be interfaced upon demand from the Contractor's System to the FMIS System. No Parts invoice will be paid unless it is interfaced from the Contractor's System to the FMIS System.

G. The Contractor will produce, on a daily basis in electronic format, a reconciliation report of all Parts transactions billed in the Contractor's invoicing system to the related transaction (issue) in FMIS. At a minimum, this reconciliation will match:

- Part Number
- Part Cost
- Part Quantity

- Work Order Number and
- Date/Time

Any invoices not reconciling will be returned to the Contractor for non-payment until all issues identified are resolved. The items should not be billed to the County until they are fully reconciled with the County's FMIS System.

H. 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/interface operations are restored, the Contractor shall resume inputting all requisite information, including data entry of manually logged information. If deemed necessary by the County, which determination shall be made in the County's sole discretion, the County will provide at the County's sole expense a reconciliation program between the Contractor's ordering and billing system and the FMIS System. Notwithstanding the foregoing, the County shall not be obligated to incur any such costs or expenses in an amount greater than \$50,000. This reconciliation program will provide reports containing the following information at a minimum: (i) each Part transaction from the Contractor's ordering and billing system for the previous day from the Contractor's System that matches a transaction in the FMIS System (based on equipment number, Work Order number, Part number, Part quantity and Part cost) and (ii) separately identify those transactions from the previous day that do not match a related transaction in FMIS. It will be up to the Contractor to resolve all non-reconciling items. The County will pay only for those items properly reconciled through the FMIS System that have been issued from the Contractor's ordering and billing system. This reconciliation also should be run at the end of each month and submitted with the Contractor's invoice for that month.

I. 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.

J. 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 is provided by and maintained by the Contractor.

K. If at any time the Contractor performs any custom programming for County's use in order to execute the scope of Services under this Agreement, the Contractor hereby grants to County a perpetual, irrevocable, fully paid, royalty-free license to use such custom-designed software (the "Custom Software") during the term of this Agreement.

L. Operating expenses, including but not limited to maintenance expenses, upgrade expenses, and licensing expenses for such systems shall be reimbursed by the County,

provided that such expenses are required for the continued provision of the Services and are included within the approved Annual Budget.

2.3.4 Procurement, Management, Administration, and Distribution of Parts

A. Managing Inventory

The Contractor is responsible for managing the inventory of all Parts and distributing such Parts to County personnel as required by this Agreement. Contractor shall use reasonable good faith efforts to follow a policy of first in, first out for inventory dispersal. As of the Effective Date of this Agreement, the Contractor: (i) assumes the risk of loss for all County Parts in the Stockroom; and (ii) is responsible for any inventory shortages and altered or damaged inventory in the Stockroom, unless such damage, losses, shortages, or alterations are caused by the negligent acts or omissions or willful misconduct of the County. The Contractor will be responsible for performing cycle counts in the Stockroom, at the Outlying Facilities and the Road Service Truck locations 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 Outlying Facilities, or Road Service Truck locations 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 Outlying 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. In order to assist the County with monitoring inventory at the Road Service Truck locations, the Contractor shall add or remove inventory only in the presence of the Fleet Management Division's Road Service Truck technician or authorized representative. The Contractor shall prepare a transmittal document itemizing inventory supplied or removed, and the Contractor shall obtain the Road Service Truck technician's signature upon delivery or removal of any inventory. Notwithstanding anything herein to the contrary, the County shall not be responsible for any inventory issued to the Outlying Facilities or Road Service Truck locations 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.

B. Supply of Required Parts

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 80% in-stock, availability at all Facilities for all Parts requested ("80% Part on Demand Rate"). The 80% Part on Demand Rate will be evaluated and measured by the County in FMIS on the work order level. The remaining 20% shall be procured in the most expeditious and cost

effective manner as approved by the Fleet Management Division's Director or his/her designee. 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. Hours of Operation

1. 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 Outlying Facilities and the Road Service Truck locations to ensure 80% Part on Demand Rate availability 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).

D. 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 on the Road Service Trucks 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 80% Part on Demand Rate availability. 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 input to the Contractor's System all information relating to the Parts supply operations. Information on Parts issued must be transferred via interface from the Contractor's System to FMIS. The only authorized data regarding Parts issued for the County will be made via FMIS interface. Failure to comply with this provision will be considered an Event of Default.

6. Shipping, delivery and freight will be billed to County at cost, with no mark-up.

7. County will not be responsible for fees, costs or charges, including restocking fees, resulting from Contractor order mistakes or errors.

E. Quality of Parts to be Furnished; Warranties on Parts

1. Administration of Warranties. The Contractor will administer all warranty claims for all Parts and will identify all Parts warranty issues. 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 24-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 Director (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 Director 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.

F. Road Service Trucks

The Contractor will advise the County on the most effective composition of Parts inventories to be maintained in the County's Road Service Trucks. The Contractor must provide all inventory for these Road Service Trucks as determined by the County. Contractor will comply with all the procedures set forth in this Agreement in distributing Parts to the County's Road Service Trucks. The Contractor will retain ownership of Parts that are inventoried on the Road Service Trucks. The Parts shall not be invoiced to the County until such time they are issued to a work order.

G. 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.

H. Core Credits

All Parts involving cores, for example water pumps, alternators, brake shoes, etc., are to be issued to the County without core charge. The used part will be provided to the Contractor as a credit within the core account for the core on the new Part. If it is later determined that the core was bad, then the core for the new Part may be charged to the County with the approval of the Fleet Management Division's Director, or his/her designee.

2.4 Service Spaces and County Equipment

2.4.1 Contractor Use of Service Spaces

A. The Contractor must provide its Services in the Service Spaces and continue them uninterrupted 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.

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's policies and procedures are posted at <http://pbcportal.pbcgov.org/PPM/Forms/Allitems.aspx>, which policies and procedures may, from time to time, hereafter be established or modified by County. The County will endeavor to provide Contractor with notice of any modifications to such policies and procedures.

C. The Contractor must not conduct its 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.

2.4.2 Maintenance of Service Spaces

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, subcontractor's, 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.

2.4.3 Contractor Use of County Equipment

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. 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.

2.4.4 Damages to Facility/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.

2.4.5 Access, 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 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, 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. 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.

2.5 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.

2.6 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 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 2.11. 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.

2.7 Budget Process

2.7.1 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 C** 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.

2.7.2 Deadlines for Submission

The Annual Budget will be due by January 8th of the year preceding the upcoming fiscal year. For example, the submittal for the Budget for fiscal year 2018 must be no later than January 8, 2017. 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 2016 as submitted by the Contractor is **Exhibit E** of this Agreement.

2.7.3 County Approval

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

2.7.4 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.

2.8 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. These records become the property of the County at the expiration or termination of this Agreement.

2.9 Reporting Requirements

The Contractor's reporting requirements are as follows:

A. Daily Reconciliation Report. The Contractor shall submit a daily reconciliation report as described in Section 2.3.3.G above.

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

C. 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.

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

2.10 Standard of Performance

2.10.1 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.

2.10.2 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.

2.10.3 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.

2.11 Additional Services

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

ARTICLE 3
TERM AND TIMELINESS OF PERFORMANCE

3.1 Term of Performance

The initial term of this Agreement shall commence upon the Effective Date and will continue through July 21, 2019 or until this Agreement is terminated in accordance with its terms, whichever occurs first. Upon expiration of the initial term, this Agreement shall automatically be renewed for one (1) 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. 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

3.2.1 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 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 result in economic or other losses to the County which shall be deducted from any funds owed to the Contractor 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.

3.2.2 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, whether or not the delays or hindrances are caused by the County.

3.2.3 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. 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 fall within the approved Annual Budget, all of the terms and conditons 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.

PRICING PLAN

NAPA Product Costs	Billed to County at Jobber Net Pricing plus 10%
Non-NAPA Product Costs	Billed to County at cost plus 10%
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 plus a ten percent (10%) mark up on the price listed. Costs for all Non-NAPA Parts, will be the actual price paid by the Contractor for the part. Contractor will bill County for Non-NAPA Parts at the actual price paid by Contractor plus a ten percent (10%) mark up on such price.

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 an additional charge for any such purchases at Contractor's cost plus ten percent (10%).

4.2 Budget for Services

As provided in Section 2.7, the Contractor must prepare and operate within the approved 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 Annual Budget approved by the Board. 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. The County will also review the reconciliation and, as stated in Section 2.3 above, will pay only for those Parts which have been properly reconciled through FMIS to a work order. Parts issued by the Contractor and subsequently returned by the County unused, must be fully credited back to the work order through FMIS immediately upon return to the Contractor.

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. Payment for work completed to the date of the notification 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.

4.6 Local Vendor Preference

4.6.1 Non-NAPA Parts

Contractor will be required to utilize a Local Vendor for Non-NAPA Parts provided that the Local Vendor can meet all product specifications (including timeliness of delivery) and costs do not exceed 5% more than the price which Contractor can obtain the Part meeting identical specifications from a non-Local Vendor.

4.6.2 NAPA Parts

Contractor will be required to utilize a County Vendor for NAPA Parts provided that the County Vendor can meet all product specifications (including timeliness of delivery) and costs do not exceed 5% more than the Jobber Net Pricing for the NAPA Part meeting the same specifications. County will provide Contractor with a copy of all County Vendor contracts (including contract pricing, which Contractor will reference/utilize when performing cost comparisons) applicable to this Agreement and will continue to do so throughout the term of this Agreement.

4.6.3 Records

In addition to any record-keeping obligations of the Contractor contained elsewhere in this Agreement, the Contractor agrees to maintain detailed records of the costs associated with the Outlying Facility located in Pahokee, Florida and shall provide to County a report of the costs to compare the effectiveness (cost and performance) of acquiring NAPA Parts and/or Non-NAPA Parts through Glades Businesses on a monthly basis. In the event it is determined that acquisition through Glades Businesses is in the best interest of the parties hereto, then the County Administrator or her designee, and the Contractor will enter into a written amendment to this Agreement specifying the terms pursuant to which acquisition through Glades Businesses would be accomplished.

ARTICLE 5
RECORDS AND AUDITS

5.1 Records

5.1.1 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 demand, the Contractor shall pay to the County any damages the County may sustain by reason of Contractor's failure.

5.1.2 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

5.2.1 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.

5.2.2 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.

5.2.3 The Contractor must maintain in Palm Beach County, for a period of five (5) years following the termination of this Agreement, 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, consistently applied throughout.

ARTICLE 6
EVENTS OF DEFAULT, REMEDIES,
TERMINATION, AND SUSPENSION

6.1 Events of Default Defined

The following constitute Events of Default:

1. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by the Contractor to the County.

2. The Contractor's material failure to perform any of its obligations under the Agreement including the following:

(a) Failure due to a reason or circumstance within the Contractor's reasonable control to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the performance of the Services;

(b) Failure to perform the Services in a manner reasonably satisfactory to the County or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

(c) Failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;

(d) Discontinuance of the Services for reasons within the Contractor's reasonable control; or

(e) Failure to comply with a material term of this Agreement, including but not limited to the provisions concerning insurance and nondiscrimination or compliance of procedures and services with the provisions concerning non-discrimination.

3. The Contractor's default under any other agreement it may presently have or may enter into with the County during the life of this Agreement. The Contractor acknowledges and agrees that in the event of a default under this Agreement, the County may also declare a default under any such other agreements.

4. Any other occurrence that is specifically identified as an Event of Default elsewhere in this Agreement.

6.2 Remedies for Default

6.2.1 The occurrence of any Event of Default permits the County, at the County's sole option, to declare the Contractor in default. Except in extraordinary circumstances, the County

will give the Contractor written notice of default in compliance with Article 7, in the form of a cure notice ("Cure Notice") providing a thirty (30) day cure period.

6.2.2 The County may give a Default Notice if the Contractor fails to affect a cure within the cure period given in a Cure Notice or if extraordinary circumstances exist. After giving a Default Notice, the County may invoke any or all of the following remedies:

1. The right to take over and complete the Services or any part of them;
2. The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the County;
3. The right of specific performance, an injunction, or any other appropriate equitable remedy;
4. The right to money damages;
5. The right to withhold all or any part of the Contractor's compensation under this Agreement; or
6. The right to deem the Contractor non-responsible in future contracts to be awarded by the County for a two-year period.

6.2.3 If the County considers it to be in the County's best interests, it may elect not to declare the Contractor in default or to terminate the Agreement. The parties acknowledge that this provision is solely for the benefit of the County and that if the County permits the Contractor to continue to provide the Services despite one or more Event of Default, the Contractor is in no way relieved of any of its responsibilities, duties or obligations under this Agreement nor does the County waive or relinquish any of its rights.

6.2.4 The remedies under the terms of the Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may exercised from time to time and as often as the County deems expedient.

6.3 Early Termination

6.3.1 In addition to termination pursuant to Sections 4.5 and 6.2 of this Agreement, the County may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by a notice in writing from the County 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 the notice is received by the Contractor or the date stated in the notice, whichever is later. If the County elects to terminate the Agreement in full, all Services to be

provided under it must cease effective thirty (30) days after the date the notice is considered received as provided under Article 7 of this Agreement (if no date is given) or upon the effective date stated in the notice.

6.3.2 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. 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.

6.3.3 If the County's election to terminate this Agreement for default pursuant to Sections 6.1 and 6.2 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.

6.4 Suspension

6.4.1 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.

6.4.2 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 6.3.

6.5 Disposition of Parts Inventory upon Expiration or Termination of Agreement

6.5.1 Non-NAPA Parts

This Agreement continues the Services established by the Original Agreement without interruption. Therefore, any Non-NAPA Contractor Parts approved for repurchase pursuant to the Original Agreement shall remain Contractor Parts in the Contractor's inventory and shall be included in the County's obligation to repurchase at the termination, expiration or non-renewal of this Agreement.

Upon the termination, expiration 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 for County inventory pursuant to this Agreement, at the Contractor's lifetime average cost for the Non-NAPA Parts as determined in the Contractor's System; 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 the Original Agreement; or (ii) included within the Monthly Non-NAPA Parts Inventory Report, as hereinafter defined, 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) business 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. The County's failure to review a report and provide Contractor with its written approval of which Non-NAPA Parts may be included within the County's obligation to repurchase within the time frame set forth above shall be deemed an approval by the County of all the Non-NAPA Parts set forth on the report. 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 termination, expiration 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. Notwithstanding anything contained herein to the contrary, upon County's termination of the Agreement for an Event of Default, County reserves and retains all of its available remedies for an Event of Default as set forth in Section 6.2 of this Agreement.

6.5.2 NAPA Parts

Upon the termination, expiration 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.

6.5.3 Removal of Parts

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

6.6 Orderly Transition/Return of the Service Spaces

6.6.1 Upon any expiration or termination 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.

6.6.2 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 6.5) 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 6.6). 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.

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, Facilities Development & Operations
2633 Vista Parkway
West Palm Beach, FL 33411
Fax: (561) 233-0206

With a copy to:

Director, Fleet Management Division
2601 Vista Parkway
West Palm Beach, FL 33411
Fax: (561) 233-4580

County Attorney's Office
301 North Olive Avenue
West Palm Beach, FL 33401
Fax: (561) 355-3965

If to Contractor at:

Genuine Parts Company
Florida Division IBS Manager
Attn: Mark A. Smith
11716 North Florida Avenue
Tampa, FL 33612
Fax: (813) 935-8414

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 D**.

8.4 Assignments and Subcontracts

8.4.1 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.

8.4.2 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.

8.4.3 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.

8.4.4 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.

8.4.5 The County expressly reserves the right to assign or otherwise transfer all or any part of its interest under this Agreement to any successor.

8.5 Palm Beach County Office of the Inspector General

Palm Beach County has established the Office of the Inspector General, Palm Beach County Code Section 2-421, *et seq*, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and audit, investigate, monitor, and inspect the activities of the contractor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and detect corruption and fraud. All contractors and parties doing business with the County and receiving County funds shall fully cooperate with the Inspector General including receiving access to records relating to procurements or any resulting contract.

8.6 Applicable Law - Venue

Unless otherwise specified, all 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 Palm Beach County, Florida.

8.7 Palm Beach County Equal Opportunity Clause

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

A. General. Pursuant to Resolution R-2014-1421, as amended, it is the policy of the Board of County Commissioners of Palm Beach County that Palm Beach County shall not conduct business with nor appropriate any funds to any organization that practices discrimination on the basis of race, color, national origin, religion, ancestry, sex, age, familial status, marital status, sexual orientation, gender identity and expression, disability, or genetic information. Contractor has submitted a copy of its non-discrimination policy which is consistent with the above, as provided in Resolution R-2014-1421, as amended, or in the alternative, if the Contractor does not have a written non-discrimination policy or one that conforms to the County's policy, it has acknowledged through a signed statement provided to County that Contractor will conform to the County's non-discrimination policy as provided in R-2014-1421, as amended.

B. 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, color, national origin, religion, ancestry, sex, age, familial status, marital status, sexual orientation, gender identity and expression, disability, or genetic information.

C. 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.

8.8 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.

8.9 Public Entity Crime Information Statement

As provided in F.S. 287.132-133, by entering into this Agreement or performing any work in furtherance hereof, Contractor certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list

maintained by the State of Florida Department of Management Services within the 36 months immediately preceding the date hereon. This notice is required by F.S. 287.133(3)(a).

8.10 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.

8.11 Entire Agreement

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

8.12 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.

8.13 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.

8.14 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.

8.15 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.

8.16 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.

8.17 Effective Date of Agreement

This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective on February 24, 2016, when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the “Effective Date”).

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

COUNTY:

PALM BEACH COUNTY, a political
subdivision of the State of Florida

By: Deputy Clerk

By:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND
CONDITIONS

By: Assistant County Attorney

By: Department Director

CONTRACTOR

GENUINE PARTS COMPANY,
a Georgia corporation

By: Gregg Sargent

Gregg Sargent, Division Vice President

(Witness)

ERIK MAURKEY

(Print Witness Name)

(Witness)

KAREN WALKER

(Print Witness Name)

(SEAL)

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this

17th NOV 2015 By GREGG SARGENT

(Date)

(Name of officer or agent, title of officer or agent)

of GENUINE PARTS COMPANY a GEORGIA corporation,
~~NAPA NAPA AUTO PARTS~~
(Name of corporation acknowledging) (State or place of incorporation)

on behalf of the corporation, pursuant to the powers conferred upon said officer or agent by the corporation. He/she
personally appeared before me at the time of notarization, and is personally known to me or has produced

N/A as identification and did certify to have knowledge of the matters stated
(Type of Identification)

in the foregoing instrument and certified the same to be true in all respects.

Subscribed and sworn to (or affirmed) before me this

11-11-15

(Date)

Karen C Walker

Commission Number FF 093988

(Official Notary Signature and Notary Seal)

KAREN C WALKER

Commission Expiration Date 3-4-18

(Name of Notary typed, printed or stamped)

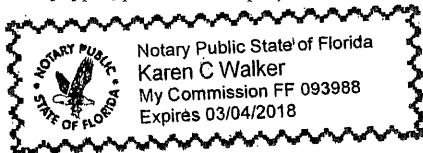


EXHIBIT A

PALM BEACH COUNTY FLEET MAINTENANCE FACILITIES AND HOURS OF OPERATION

Primary Facility, including the Stockroom

Fleet Central
2601 Vista Parkway
West Palm Beach, FL 33411-5609

Monday - Friday 6:30 a.m. to 5:00 p.m., excluding County recognized holidays

Outlying Facilities

Pahokee Shop
580 State Market Road
Pahokee, FL 33476

Monday - Thursday 6:30 a.m. to 5:00 p.m., excluding County recognized holidays

South Region Shop
13026 Jog Road
Delray Beach, FL 33484

Monday - Friday 6:30 a.m. to 5:00 p.m., excluding County recognized holidays

**EXHIBIT B
COUNTY REAL PROPERTY**

OPERATIONS & SUPPORT CENTER SITE PLAN

Real Property Attachment
NOT TO SCALE

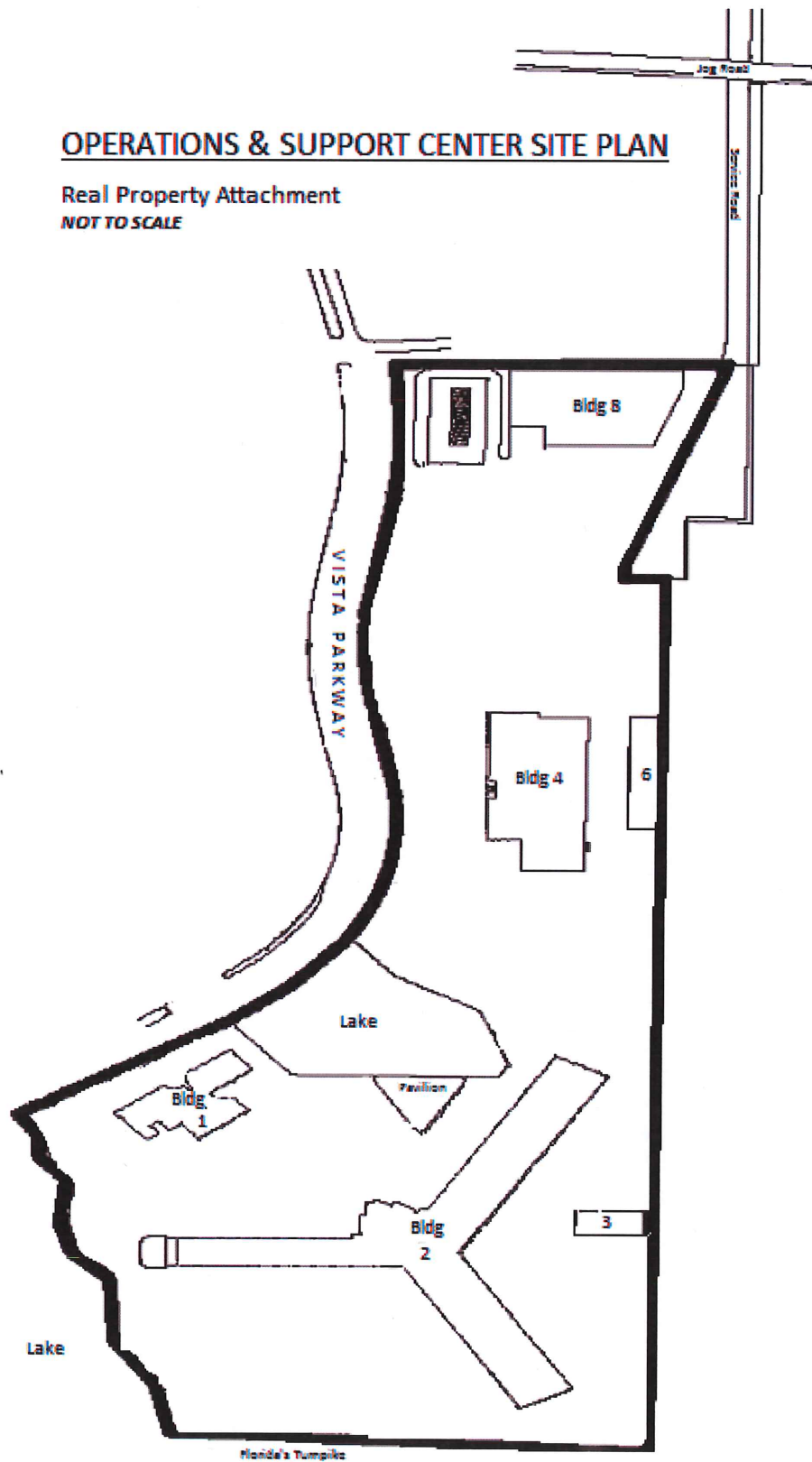


EXHIBIT C
CONTRACTOR PARTS MANAGEMENT

1. -Services:

- Order inventory and stock all Facilities to include the Road Service Trucks.
- Manage the Parts inventory at the Stockroom, Outlying Facilities and on the Road Service Trucks.
- Provide Parts operations for the County, in accordance with this Agreement.
- All required interfaces shall be working in accordance with this Agreement.
- Supply all required reports.
- Receive and sign for Fleet Management Division deliveries and forwarding to proper personnel.
- Deliver Parts required by the County to each of the Outlying Facilities and to the Road Service Truck locations.

EXHIBIT D

INSURANCE REQUIREMENTS

Contractor's Liability Insurance

The Contractor shall procure and maintain in force such insurance as will protect him from claims under Workers' Compensation laws, disability benefit laws or other similar employee benefit laws; from claims for damages because of bodily injury, occupational sickness or disease, or death of his employees including claims insured by usual personal injury liability coverage; from claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees including claims insured by usual personal injury liability coverage; and from claims for injury to or destruction of tangible property including loss of use resulting therefrom, any or all of which may arise out of or result from the Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or anyone directly or indirectly employed by any of them or for whose acts any of them may be legally liable. This insurance shall be written for not less than any limits of liability specified in this Agreement or required by law, whichever is greater, and shall include contractual liability insurance. Before starting the work, the Contractor will file with the County certificates of such insurance, acceptable to the County; these certificates shall contain a provision for cancellation as found in paragraph 4 of Section B immediately below.

Insurance Required:

A. General

Simultaneously with the Contractor's execution of the Agreement, and through the term of this Agreement, the Contractor shall procure and maintain insurance of the types and to the limits specified in paragraphs B. (1) through (3) below and provide evidence of the minimum amounts of insurance to:

Palm Beach County c/o Insurance Tracking Services, Inc. (ITS)
P.O. Box 20270
Long Beach, CA 90801
pbcc@instracking.com or Fax: (562) 435-2999

The Contractor shall, during the term of the Agreement and prior to each renewal thereof, provide such evidence of insurance to ITS at pbcc@instracking.com or fax (562) 435-2999, which is Palm Beach County's insurance management system, prior to the expiration date of each and every insurance required herein.

All policies of insurance under this Agreement (with the exception of Workers' Compensation) shall include as additional insured Palm Beach County. All policies shall provide for separation of insured's interests such that the insurance afforded applies separately to each insured against whom a claim is made or a suit is brought.

B. Coverage

The Contractor shall procure and maintain in force during the life of this Agreement the following types of insurance coverage written on standard forms and placed with insurance

carriers acceptable to the County and approved by the Insurance Department of the State of Florida. The amounts and type of insurance shall conform to the following requirements:

1. **Workers' Compensation** - The Contractor shall procure and shall maintain in force during the life of this Agreement, Workers' Compensation Insurance providing statutory benefits as required by Florida law, including those that may be required by an applicable federal statute, for all of his employees to be engaged in work on the project under this Agreement. In case any class of employee engaged in hazardous work on the project under this Agreement is not protected under the Workers' Compensation statute, the Contractor shall provide employer's liability insurance for all said employees.

2. **Commercial General Liability** - Coverage must be afforded on a form no more restrictive than the latest edition of the Commercial General Liability Policy filed by the Insurance Service office with limits of not less than those listed below and must include

General Aggregate	\$2,000,000
Products & completed operations	\$2,000,000
Personal and advertising injury	\$N/A
Each occurrence	\$2,000,000
Fire Damage (any one fire)	\$ 250,000

3. **Business Automobile Liability** - Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability Policy filed by the Insurance Service office with limits not less than those listed below and must include:

- a. **\$2,000,000** combined single limits each accident, for bodily injury and property damage liability.
- b. Owned Vehicles
- c. Hired and Non-owned Vehicles
- d. Employer Non-ownership

4. **Certificate of Insurance and Copies of Policies** - Certificates of Insurance shall be furnished to Palm Beach County through ITS at pbc@instracking.com or fax (562) 435-2999 evidencing the insurance coverage specified in the previous paragraphs B. 1. through 3. on a timely basis.

The required Certificates of Insurance shall list "Palm Beach County, a political subdivision of the State of Florida, its officers, agents and employees, as additional insured for the operations of the Contractor under this Agreement" (excluding the worker's compensation policy), shall name the types of policies provided, and shall refer specifically to this Agreement.

If the initial insurance expires prior to the completion of the Agreement, renewal Certificates of Insurance shall be furnished thirty (30) days prior to the date of their expiration.

The required limits for insurance may be achieved through a combination of primary and umbrella policies.

These policies will provide that: the insurer(s) waive their rights of subrogation against the Palm Beach County Board of Commissioners, their officials, employees, agents, and consultants.

Cancellation - Should any of the above described policies be cancelled or non-renewed before the stated expiration date thereof, insurer will not cancel same until at least **thirty (30)** days prior written notice has been given to the below named certificate holder.

Project Title: NAPA Contract

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EXHIBIT E
ANNUAL BUDGET FOR FISCAL YEAR 2016

Palm Beach County		Month Percentage to Sales	FY 2016 Budget
FY 2016 BUDGET	FY16 MONTHLY EXPENSES		
Cost of Parts Purchases	\$ 181,818.18		\$ 2,181,818.18
NAPA Mgmt. Fee - 10%	\$ 18,181.82	10.00%	\$ 218,181.82
TOTAL SALES	\$ 200,000.00		\$ 2,400,000.00
Management Fees - 1.0%	\$ 2,000.00	1.00%	\$ 24,000.00
Manager Payroll (David)	\$ 4,332.01	2.21%	\$ 51,984.10
Asst. Manager Payroll (Luis)	\$ 3,156.18	1.61%	\$ 37,874.13
Counterperson Payroll (Pete)	\$ 2,705.30	1.38%	\$ 32,463.54
Counterperson Payroll (Raul)	\$ 2,524.17	1.29%	\$ 30,290.08
Delivery Payroll (Jason)	\$ 1,900.78	0.97%	\$ 22,809.35
Pensions - .45%	\$ 900.00	0.45%	\$ 10,800.00
Group Ins./Benefits	\$ 2,121.80	1.08%	\$ 25,461.60
Payroll Tax	\$ 1,768.17	0.90%	\$ 21,218.00
TOTAL PAYROLL	\$ 21,408.40	10.91%	\$ 256,900.80
Acct. and Data Processing Fixed .50%	\$ 1,000.00	0.50%	\$ 12,000.00
General Office Fixed .50%	\$ 1,000.00	0.50%	\$ 12,000.00
Delivery - Insurance	\$ 300.00	0.16%	\$ 3,600.00
Maintenance and Fuel	\$ 1,245.43	0.66%	\$ 14,945.20
Truck Depreciation	\$ 450.00	0.24%	\$ 5,400.00
Depreciation - F & F	\$ -	0.00%	\$ -
Freight and Postage	\$ 550.00	0.29%	\$ 6,600.00
Insurance	\$ 154.50	0.08%	\$ 1,854.00
Stationery, Ship, Supply	\$ 375.00	0.20%	\$ 4,500.00
Stock Loss	\$ 75.00	0.04%	\$ 900.00
Store Expense	\$ 200.00	0.11%	\$ 2,400.00
Telephone	\$ 291.67	0.15%	\$ 3,500.00
TAMS	\$ 1,200.00	0.63%	\$ 14,400.00
TOTAL MISC. EXPENSES.	\$ 6,841.60	3.55%	\$ 82,099.20
	\$ -		
TOTAL EXPENSES	\$ 28,250.00	14.46%	\$ 339,000.00
	\$ -		
TOTAL PARTS AND EXPENSES	\$ 228,250.00		\$ 2,739,000.00