PIGGY BACK CONTRACT

MASTER CONTRACT FOR PRODUCTS AND SERVICES –
THE CITY OF KANSAS CITY, MISSOURI

CONTRACT NO.: EVP4148

TITLE/DESCRIPTION: NAPA- GENUINE PARTS & INVENTORY MANAGEMENT SERVICES

THIS Contract is between KANSAS CITY, MISSOURI, a constitutionally chartered municipal corporation (“CITY”), and GENIUINE PARTS COMPANY DBA NAPA AUTO PARTS (“CONTRACTOR”).

WHEREAS, CONTRACTOR won a competitively solicited contract awarded by the Sourcewell; and

WHEREAS, CITY and CONTRACTOR have negotiated a new contract based on the Sourcewell Contract using the Sourcewell contract 090624-GPC, as a starting point and customizing a contract that meets the unique needs of the CITY;

NOW THEREFORE, the CITY and CONTRACTOR agree as follows:

Sec. 1. The Contract and Order of Precedence. The Contract between the CITY and CONTRACTOR consists of the following Contract Documents with the following order of precedence:

(a) this Piggy Back Contract;

(b) any CITY issued Purchase Order to CONTRACTOR; and

(c) the Leases for the following storerooms in the following facilities, which are collectively attached hereto as Exhibit A: (1) Brooklyn facility – 1901 Brooklyn, Kansas City, MO 64127 and MSC Facility – 5300 Municipal, Kansas City, MO 64120; 2) Aviation facility – 125 Paris Street, Kansas City, MO 64153 (collectively, the “Leases”); and

(d) the Scope of Services attached hereto as Exhibit B; and

(e) CONTRACTOR Staffing Plan attached hereto as Exhibit C; and

(f) the various CITY policies which are collectively attached hereto as Exhibit D; and

(g) CONTRACTOR’s HR Policies attached hereto as Exhibit E; and

(h) Sample Management Fee Statement attached hereto as Exhibit F; and

(i) Sample Inventory Report attached hereto as Exhibit G; and

(c) any and all Attachments and Exhibits attached to the Contract. All documents listed in this Section 1 shall be collectively referred to as the “Contract Documents” and are incorporated into this Contract. CITY and CONTRACTOR agree that the terms “Agreement” and “Contract” and “Contract Documents” are used interchangeably in this Contract and the terms “Agreement” and “Contract” and “Contract Documents” each include all “Contract Documents.”

Sec. 2. Initial Term of Contract and Additional Periods.

(a) Initial Term. The initial term of this Contract shall begin on March 1, 2026 and shall end on April 30, 2027. The Manager of Procurement Services is authorized to enter into an amendment of this Contract with CONTRACTOR to extend the term of this Contract and time of performance for this Contract.

(b) Renewal Terms. At any time prior to the expiration of the initial term or any subsequent term, the CITY, in its sole discretion, may renew this Contract for up to Seven (7) additional one (1) year terms.

(c) Transition Term. Notwithstanding the expiration of the initial term or any subsequent term or all options to renew, CONTRACTOR and CITY shall continue performance under this Contract until the CITY has a new contract in place with either CONTRACTOR or another provider or until the CITY terminates the Contract.

Sec. 3. Purchase Orders, Compensation and Scope of Work.

(a) CITY shall order all Services and Parts, supplies, materials, stock, and equipment (collectively hereinafter “Services and Part(s)” or “Inventory”) to be provided by CONTRACTOR under this Contract by means of a Purchase Order issued by the CITY’s Manager of Procurement Services for which funds have been certified and encumbered by the City’s Director of Finance. CITY shall not have any financial obligation to CONTRACTOR under this Contract until the CITY issues a Purchase Order to CONTRACTOR. CONTRACTOR shall not provide any Services and Parts in excess of the dollar amount contained in any Purchase Order and CONTRACTOR shall not be entitled to any payment in excess of the dollar amount of the Purchase Orders from CITY.

(b) CONTRACTOR shall provide any and all Services and Parts required by this Contract pursuant to the terms and for the amounts set forth in the Contract and Exhibit B. CITY shall pay CONTRACTOR for all Parts and Services in accordance with this Section and Exhibit B. CITY shall pay NAPA as follows for all Parts and Services provided by NAPA to CITY under this Contract:

(1) **Parts and Services**. For all Parts and Services provided by NAPA to CITY under this Contract, CITY shall pay NAPA as follows:

a. **NAPA Parts.** In the case of NAPA branded or NAPA cataloged supplier manufactured Parts (“NAPA Parts”), CITY shall pay CONTRACTOR the Current NAPA Jobber

Acquisition Cost of such Parts with zero percent (0%) markup on the Current NAPA Jobber Acquisition Cost of the NAPA Parts. In this Agreement "Current NAPA Jobber Acquisition Cost" means NAPA's current gold price as set forth on NAPA's Confidential Jobber Cost and Suggested Resales price list.

b. **Non-NAPA Parts**. In the case of Parts which are not NAPA branded or have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CITY by NAPA ("Non-NAPA Parts"), CITY shall pay NAPA' the current product acquisition cost of the Non-NAPA Parts, with zero percent (0%) markup on the current product acquisition cost for the Non-NAPA Parts.

c. **Services**. In the case of Services, CITY shall pay NAPA the actual acquired cost of all Services paid by NAPA and with zero percent (0%) markup of Services acquired by the NAPA for the CITY.

(2) **Operational Expenses**. City shall pay NAPA the actual NAPA incurred cost of all City approved Payroll Expenses of NAPA store managers, counter persons and drivers provided under this Contract as set forth in Exhibit D and CITY shall pay no markup to NAPA on these expenses except as provided in subsection (c) of this Section 3. During the term of the Contract, City and NAPA may agree to increase or decrease the number of NAPA personnel and the allocation of NAPA personnel provided under this Contract by Contract Amendment and CITY shall pay the actual increased or decreased NAPA provided personnel costs of such approved changes. In this Agreement "Payroll Expenses" means the salary, employee pension/401K contributions and costs, group insurance and other employee benefits, cost of workers' compensation insurance and payroll tax cost of NAPA employees in staffing the storerooms, including annual salary increases for NAPA personnel in the storerooms; provided that such annual salary increases shall not exceed the annual increase in the Consumer Price Index, All Urban Consumers, U.S. City Average, as published by the U.S. Bureau of Labor Statistics unless authorized by the City. City shall also reimburse NAPA for any and all other costs and expenses associated with the operation of the on-site stores which are the subject of this Agreement, On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, personal property insurance for the on-site store(s) and inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. NAPA shall provide an expense statement of the parts operations to the City on approximately the 20th of each month for each on site store. The City acknowledges that in order to achieve economies of scale, NAPA utilizes certain headquarters and corporate personnel to assist in the performance of this Agreement in order to have fewer employees performing routine general administrative tasks such as paper work and filing at the onsite store(s), allowing NAPA counter personnel to focus more attention on serving the on-site store operations, and maximizing on-site cost efficiency. As a result, each on site store location is charged certain corporate allocation expenses for various expenses ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement.

(3) Maximum Management Fee.

(a) For all Parts, Services, and Personnel provided by NAPA to CITY under this Contract, NAPA shall charge CITY as NAPA's sole and exclusive compensation under this Contract (other than reimbursement of the amounts set forth in subsections (b)(1) and (b)(2) above), the Management Fee of ten (10) percent per month of the total actual Parts costs and Services costs incurred by NAPA (excluding NAPA Operational Expenses). The Management Fee in a given month shall be that amount (capped at 10% total actual Parts costs and Services costs (excluding NAPA Operational Expenses).

(b) **Example: NAPA's Maximum Management Fee:**

Example: NAPA's Maximum Management Fee

City Part Purchases (Cost of Parts to NAPA)		$4,604,600.00
NAPA Operational Expenses	<u>$698,500.00</u>	
Total Parts, Services, and NAPA Operational Expenses		**$5,303,100.00**
NAPA's Maximum Management Fee		$460,460.00
Total Due Under the Contract:		$5,763,560.00

(c) CITY shall pay CONTRACTOR on the following basis: monthly in arrears.

Sec. 4. Leases. The CITY hereby grants to CONTRACTOR leases to occupy and use, subject to terms and conditions hereinafter the following storerooms in the following described premises, known as the Brooklyn facility – 1901 Brooklyn, Kansas City, MO 64127; MSC facility – 5300 Municipal, Kansas City, MO 64120; Aviation facility – 125 N. Paris Street, Kansas City, MO 64153 (the "Premises") **(Attachment A).** CONTRACTOR shall have exclusive possession of the storerooms in each facility and CITY shall have exclusive right to control all areas other than the storeroom in each of the three (3) facilities. The Leases are incorporated into this Contract by reference. CONTRACTOR agrees that it shall occupy and use the storerooms on the Premises to provide Parts and Services exclusively to the CITY and no one else. CONTRACTOR shall not use the storerooms on the Premises for any other purpose unless the CITY grants permission in writing because there is a benefit to the CITY and its taxpayers. In the event CONTRACTOR's use does not conform to this requirement, the CITY shall have the right to terminate the Lease and the Contract upon ten (10) days written notice to CONTRACTOR, if CONTRACTOR does not cure within such ten (10) day time period. CONTRACTOR's leases shall automatically terminate if the CITY terminates this Contract or this Contract is terminated for any reason.

Sec. 5. Invoices.

(a) CONTRACTOR shall submit to CITY a request for payment (hereinafter "Invoice") for services performed in sufficient detail for the CITY to determine that the amount CONTRACTOR is requesting is in fact due and payable. CITY agrees to pay the entire amount of all approved invoices on statements received from NAPA by the 25th day of the month following receipt of any such statement. No prompt pay discount is available under this Contract.

(b) If damages are sustained by CITY as a result of breach or default by CONTRACTOR, CITY may withhold payment(s) to CONTRACTOR for the purpose of set off until such time as the exact amount of damages due to CITY from CONTRACTOR may be determined.

(c) CITY shall not process CONTRACTOR's Invoice unless CONTRACTOR's Invoice is in proper form, correctly computed, and is approved by CITY as payable under the terms of this Contract.

(d) CITY is not liable for any obligation incurred by CONTRACTOR except as approved under the provisions of this Contract.

(e) If CONTRACTOR is required to meet MBE/WBE goals for this Contract, CONTRACTOR shall not submit an Invoice to the City unless CONTRACTOR's Invoice is accompanied by a copy of the most recent 00485.01 M/WBE Monthly Utilization Report submitted by CONTRACTOR to the City's Civil Rights and Equal Opportunity Department. CONTRACTOR shall remain current on CONTRACTOR's filing of 00485.01 M/WBE Monthly Utilization Reports. CITY shall not pay CONTRACTOR's Invoice unless CONTRACTOR is current on CONTRACTOR's filing of 00485.01 M/WBE Monthly Utilization Reports.

Sec. 6. Representations and Warranties of CONTRACTOR. CONTRACTOR hereby represents and warrants to the CITY the following:

(a) CONTRACTOR is in good standing under the laws of the state of Missouri and each state in which it does business, except any such state where the failure to be in good standing would not have a material adverse effect on CONTRACTOR's ability to perform this Contract in accordance with its terms.

(b) The execution, delivery and performance by CONTRACTOR of this Contract have been duly authorized by all necessary corporate action and do not and will not (i) require any consent or approval of CONTRACTOR's board of directors; (ii) require any authorization, consent or approval by, or registration, declaration or filing with, or notice to, any governmental department, commission, board, bureau, agency or instrumentality, or any third party, except such authorization, consent, approval, registration, declaration, filing or notice as has been obtained prior to the date hereof; (iii) violate any provision of any law, rule or regulation or of any order, writ, injunction or decree presently in effect having applicability to CONTRACTOR or its articles or by-laws; and (iv) result in a breach of or constitute a default under any material agreement, lease or instrument to which CONTRACTOR is a party or by which it or its properties may be bound or affected.

(c) There is no litigation, proceeding or other investigation pending or, to the knowledge of CONTRACTOR, threatened against CONTRACTOR which would prevent consummation of the transaction contemplated by this Contract or would have a materially adverse effect on CONTRACTOR.

Sec. 7. Survival of the Representations, Warranties and Covenants. All representations, warranties and covenants expressed herein shall survive the execution of this Contract for the benefit of the parties hereto.

Sec. 8. Governing Law. This Contract shall be construed and governed in accordance with the laws of the State of Missouri without giving effect to Missouri's choice of law provisions. The CITY and CONTRACTOR: (1) submit to the jurisdiction of the state and federal courts located in Jackson County, Missouri; (2) waive any and all objections to jurisdiction and venue; and (3) will not raise forum *non conveniens* as an objection to the location of any litigation.

Sec. 9. Termination for Convenience.

(a) CITY may, at any time upon thirty (30) days' notice to CONTRACTOR specifying the effective date of termination, terminate this Contract, in whole or in part.

(b) All Leases between CITY and CONTRACTOR entered pursuant to this Contract shall automatically terminate on the same date as this Contract.

Sec. 10. Default and Remedies.

(a) If CONTRACTOR shall be in default or breach of any provision of this Contract, CITY may terminate this Contract, suspend CITY's performance, withhold payment or invoke any other legal or equitable remedy after giving CONTRACTOR ten (10) days written notice and opportunity to cure such default or breach.

(b) If CITY shall be in default or breach of any provision of this Contract, CONTRACTOR may terminate this contract or suspend CONTRACTOR's performance after giving CITY ten (10) days written notice and opportunity to cure such default or breach.

Sec. 11 Buy Back of Inventory. Upon the termination, expiration, or non-renewal of the Contract, CONTRACTOR shall have the option to require the CITY to purchase all Non-NAPA Parts located in the storerooms at the CONTRACTOR's current product acquisition cost of such Non-NAPA Parts with no mark up on such current product acquisition costs. Further, upon termination, expiration or non-renewal of the Contract, the CITY shall have the option to purchase all NAPA Parts located in the storerooms at CONTRACTOR's Current NAPA Jobber Acquisition Cost of such NAPA Parts with no markup on the Current NAPA Jobber Acquisition Cost.

Sec. 12. Waiver. Waiver by CITY of any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or of any other term, covenant or condition. No term, covenant, or condition of this Contract can be waived except by written consent of CITY, and forbearance or indulgence by CITY in any regard whatsoever shall not constitute a waiver of same to be performed by CONTRACTOR to which the same may apply and, until complete performance by CONTRACTOR of the term, covenant or condition, CITY shall be entitled to invoke any remedy available to it under this Contract or by law despite any such forbearance or indulgence.

Sec. 13. Acceptance. No payment made under this Contract shall be proof of satisfactory performance of the Contract, either wholly or in part, and no payment shall be construed as acceptance of deficient or unsatisfactory services.

Sec. 143. Records.

(a) For purposes of this Section:

1. "CITY" shall mean the City Auditor, the City's Internal Auditor, the City's Director of Human Relations, the City Manager, the City department administering this Contract and their delegates and agents.

2. “Record” shall mean any document, book, paper, photograph, map, sound recordings or other material, regardless of physical form or characteristics, made or received in connection with this Contract and all Contract amendments and renewals.

(b) CONTRACTOR shall maintain and retain all Records for a term of five (5) years that shall begin after the expiration or termination of this Contract and all Contract amendments. CITY shall have a right to examine or audit all Records, and CONTRACTOR shall provide access to CITY of all Records upon ten (10) days written notice from the CITY.

(c) The books, documents and records of CONTRACTOR in connection with this Contract shall be made available to the City Auditor, the City's Internal Auditor, the City's Director of Human Relations and the City department administering this Contract within ten (10) days after the written request is made.

Sec. 15. Affirmative Action. If this Contract exceeds $300,000.00 and Contractor employs fifty (50) or more people, Contractor shall comply with City's Affirmative Action requirements in accordance with the provisions of Chapter 3 of City's Code, the rules and regulations relating to those sections, and any additions or amendments thereto; in executing any Contract subject to said provisions, Contractor warrants that it has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract. Contractor shall not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin or ancestry, disability, sexual orientation, gender identity or age in a manner prohibited by Chapter 3 of City's Code. Contractor shall:

(a) Submit, in print or electronic format, a copy of Contractor's current certificate of compliance to the City's Civil Rights and Equal Opportunity Department (CREO) prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years. If, and only if, Contractor does not possess a current certification of compliance, Contractor shall submit, in print or electronic format, a copy of its affirmative action program to CREO prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years.

(b) Require any Subcontractor awarded a subcontract exceeding $300,000.00 to affirm that Subcontractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the subcontract.

(c) Obtain from any Subcontractor awarded a subcontract exceeding $300,000.00 a copy of the Subcontractor's current certificate of compliance and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed. If, and only if, Subcontractor does not possess a current certificate of compliance, Contractor shall obtain a copy of the Subcontractor's affirmative action program and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed.

City has the right to take action as directed by City's Civil Rights and Equal Opportunity Department to enforce this provision. If Contractor fails, refuses or neglects to comply with the provisions of Chapter 3 of City's Code, then such failure shall be deemed a total breach of this Contract and this Contract may be terminated, canceled or suspended, in whole or in part, and Contractor may be declared ineligible for any further contracts funded by City for a period of one (1) year. This is a material term of this Contract.

Sec. 16. Tax Compliance. If the CITY's payments to CONTRACTOR exceed $160,000.00 for the period of May 1st through April 30th, CONTRACTOR shall provide proof of compliance with the CITY's tax ordinances administered by the CITY's Commissioner of Revenue as a precondition to the CITY making the first payment under this Contract. CONTRACTOR also shall submit to the CITY proof of compliance with the CITY's tax ordinances administered by the CITY's Commissioner of Revenue as a condition precedent to the CITY making final payment under the Contract.

Sec. 17. Buy American Preference.

(a) Pursuant to Section 3-69, Code of Ordinances, it is the policy of the CITY that any manufactured goods or commodities used or supplied in the performance of any CITY Contract or any subcontract thereto shall be manufactured or produced in the United States whenever feasible pursuant to Section 17(b) below**.**

(b) When CONTRACTOR procures new product lines not previously sourced for the CITY and the CONTRACTOR receives a bid for such goods or commodities that offer quality, price, conformity with specifications, terms of delivery and other conditions imposed in the specifications that are equal, and the CITY and CONTRACTOR agree to select the bid that uses manufactured goods or commodities that are manufactured or produced in the United States, the CONTRACTOR shall select such goods or commodities.

Sec. 18. Notices. All notices to be given hereunder shall be in writing and may be given, served or made by depositing the same in the United States mail addressed to the party to be notified, postpaid and registered or certified with return receipt requested or by delivering the same in person to such person. Notice deposited in the mail in accordance with the provisions hereof shall be effective unless otherwise stated in such notice or in this Contract from and after the second day next following the date postmarked on the envelope containing such notice. Notice given in any other manner shall be effective only if and when received by the party to be notified. All notices shall be sent to the following addresses:

If to the CITY:
Philip A. Asante,
Chief procurement Officer
Procurement Services
414 East 12th Street, 1st Floor, Room 102 W
Kansas City, Missouri 64106
albert.asante@kcmo.org

With copies to:
Matthew J. Gigliotti, Esq.
City Attorney
Law Department of Kansas City, Missouri
414 East 12th Street, 23rd Floor
Kansas City, Missouri 64106
Telephone: (816) 513-3153

If to the CONTRACTOR:
Genuine Parts Company
ATTN: Tim Crowe
District Manager
NAPA Integrated Business Solutions
720.822.1264
Tim_Crowe@genpt.com

With a copy to: Genuine Parts Company
2999 Wildwood Parkway
Atlanta, GA 30339
Attn: Legal Department

Sec. 19. General Indemnification.

(a) For purposes of this Section only, the following terms shall have the meanings listed:

1. Claims means all claims, damages, liability, losses, costs and expenses, court costs and reasonable attorneys' fees, including attorneys' fees incurred by the CITY in the enforcement of this indemnity obligation.

2. CONTRACTOR's Agents means CONTRACTOR's officers, employees, subcontractors, successors, assigns, invitees, and other agents. For the avoidance of any doubt, the parties agree that the term "subcontractors" as used herein and throughout this Contract shall exclude all third party suppliers and manufacturers of the products sold hereunder and all third party delivery service providers (i.e. UPS and FedEx).

3. CITY means CITY, its Agencies, its agents, officials, officers and employees.

(b) CONTRACTOR's obligations under this Section with respect to indemnification for acts or omissions, including negligence, of CITY, shall be limited to the coverage and limits of insurance that CONTRACTOR is required to procure and maintain under this Contract. CONTRACTOR affirms that it has had the opportunity to recover all costs of the insurance requirements imposed by this Contract in its contract price.

(c) CONTRACTOR shall defend, indemnify and hold harmless CITY from and against all claims arising out of or resulting from all acts or omissions in connection with this Contract caused by CONTRACTOR or CONTRACTOR's Agents hereunder. CONTRACTOR is not obligated under this Section to indemnify, defend or hold harmless CITY for the negligence or intentional misconduct of CITY.

(d) In no event shall the language in this Section constitute or be construed as a waiver or limitation of the CITY's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

Sec. 21. Insurance.

(a) CONTRACTOR shall procure and maintain in effect throughout the term of this Contract insurance policies with coverage not less than the types and amounts specified in this Section. CONTRACTOR must have:
  1. Commercial General Liability Insurance Policy: with limits of $1,000,000 per occurrence and $2,000,000 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:
     a. Severability of Interests Coverage applying to Additional Insureds
     b. Contractual Liability
     c. Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be $2,000,000
     d. No Contractual Liability Limitation Endorsement
     e. Additional Insured Endorsement, ISO for CG20 10, current edition, or its equivalent
  2. Workers' Compensation Insurance and Employers Liability Policies as required by Missouri law.
  3. Commercial Automobile Liability Insurance Policy: with a limit of $1,000,000 per occurrence, covering owned, hired, and non-owned automobiles. The Policy shall provide coverage on an "any auto" basis and on an "occurrence" basis. This insurance policy will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with the Contract, by CONTRACTOR.

(b) Contractor shall provide the CITY ten (10) days written notice of cancellation in the event that the cancellation is for CONTRACTOR's nonpayment of premiums and thirty (30) days written notice of cancellation to CITY for all other reasons of cancellation.

(c) The Commercial General and Automobile Liability Insurance Policies specified above shall provide that CITY and its agencies, agents, officials, officers, and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Contract. CONTRACTOR shall provide to CITY at execution of this Contract a certificate of insurance showing all required endorsements and additional insureds.

(d) All insurance policies must be provided by Insurance Companies that have an A.M. Best's rating of A-, V or better, and are licensed or approved by the State of Missouri to provide insurance in Missouri.

(e) Regardless of any approval by CITY, CONTRACTOR shall maintain the required insurance coverage in force at all times during the term of this Contract. CONTRACTOR's failure to maintain the required insurance coverage will not relieve CONTRACTOR of its contractual obligation to indemnify the CITY pursuant to this Section of this Contract. In the event CONTRACTOR fails to maintain the required insurance coverage in effect, CITY may declare CONTRACTOR in default.

(f) In no event shall the language in this Section constitute or be construed as a waiver or limitation of the CITY's rights or defenses with regard to sovereign immunity, governmental immunity, or other official immunities and protections as provided by the federal and state constitutions or by law.

Sec. 22. Contract Execution. This Contract may be executed in one or more counterparts, each of which will be deemed an original copy of this Contract and all of which, when taken together, will be deemed to constitute one and the same Contract. This Contract shall be effective upon the execution of counterparts by both parties, notwithstanding that both parties may not sign the same counterpart. The parties' signatures transmitted by facsimile or by other electronic means shall be proof of the execution of this Contract and shall be acceptable in a court of law.

Sec. 23. Assignability and Subcontracting.

(a) Assignability. Contractor shall not assign or transfer any part or all of Contractor's obligation or interest in this Contract without prior written approval of City. If Contractor shall assign or transfer any of its obligations or interests under this Contract without the City's prior written approval, it shall constitute a material breach of this Contract. This provision shall not prohibit contractor from subcontracting as otherwise provided for herein.

(b) Subcontracting. Contractor shall not subcontract any part or all of Contractor's obligations or interests in this Contract unless the subcontractor has been identified in a format required by City. If Contractor shall subcontract any part of Contractor's obligations or interests under this Contract without having identified the subcontractor, it shall constitute a material breach of this Contract. The utilization of subcontractors shall not relieve Contractor of any of its responsibilities under the Contract, and Contractor shall remain responsible to City for the negligent acts, errors, omissions or neglect of any subcontractor and of such subcontractor's officers, agents and employees. City shall have the right to reject, at any point during the term of this Contract, any subcontractor identified by Contractor, and to require that any subcontractor cease working under this Contract. City's right shall be exercisable in its sole and subjective discretion. City shall not be obligated to pay or be liable for payment of any monies which may be due to any subcontractor. Contractor shall include in any subcontract a requirement that the subcontractor comply with all requirements of this Contract in performing Contractor's services hereunder.

Sec. 24. Conflicts of Interest. CONTRACTOR certifies that no officer or employee of CITY has, or will have, a direct or indirect financial or personal interest in this Contract, and that no officer or employee of CITY, or member of such officer's or employee's immediate family, either has negotiated, or has or will have an arrangement, concerning employment to perform Services on behalf of CONTRACTOR in this Contract.

Sec. 25. Emergencies.

(a) "Emergency" means any large scale event such as an act of terrorism, major snow or ice storm, fire, wind, tornado, flood, earthquake, major storm or other natural or man-made calamity which results in, or has the potential to result in a significant loss of life or property.

(b) During and after an emergency, CONTRACTOR shall provide special services to the CITY including CONTRACTOR shall open CONTRACTOR's facilities even on nights and weekends as necessary to meet the needs of the City during a disaster.

(c) CITY shall pay CONTRACTOR the agreed upon contract prices for all purchases made by CITY during the emergency and CONTRACTOR shall not charge CITY any additional mark-up, fee or cost for any purchases made by CITY during an emergency except those fees and costs provided for herein.

(d) CONTRACTOR shall quickly mobilize CONTRACTOR's internal and external resources to assist CITY when an emergency unfolds.

(e) Extended hours and personnel. During an emergency, CONTRACTOR's facilities shall stay open 24 hours if requested by the CITY. CONTRACTOR shall utilize additional CONTRACTOR personnel to take CITY orders if necessary. Any overtime expense (calculated at time and one half) will be charged on a cost basis to CITY.

(f) CONTRACTOR shall cooperate with CITY to properly document any and all expenses incurred by CITY with CONTRACTOR and CONTRACTOR shall assist CITY in meeting any and all documentation requirements of the Federal Emergency Management Agency (FEMA).

Sec. 26. Minority and Women's Business Enterprises. Reserved

Sec. 27. Employee Eligibility Verification. CONTRACTOR shall execute and submit an affidavit, in a form prescribed by the CITY, affirming that CONTRACTOR does not knowingly employ any person in connection with the contracted services who does not have the legal right or authorization under federal law to work in the United States as defined in 8 U.S.C. §1324a(h)(3). CONTRACTOR shall attach to the affidavit documentation sufficient to establish CONTRACTOR's enrollment and participation in an electronic verification of work program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration and Reform and Control Act of 1986. CONTRACTOR may obtain additional information about E-Verify and enroll at https://e-verify.uscis.gov/enroll/StartPage.aspx?JS=YES. For those CONTRACTORs enrolled in E-Verify, the first and last pages of the E-Verify Memorandum of Understanding that CONTRACTOR will obtain upon successfully enrolling in the program shall constitute sufficient documentation for purposes of complying with this section. CONTRACTOR shall submit the affidavit and attachments to the CITY prior to execution of the contract, or at any point during the term of the contract if requested by the CITY.

Sec. 28. Reserved.

Sec. 29. Reserved.

Sec. 30. Tax Exemption - Federal and State.

A. The CITY is exempt from Federal Excise and Transportation taxes on purchases under Chapter 32, Internal Revenue Code. The federal tax registration number issued by the St. Louis District Director on November 11, 1974 is No. 43740340K.

B. The CITY is exempt from payment of Missouri Sales and Use Tax in Accordance with Section 39(10) Article 3, of the Missouri Constitution and Sections 144.040 and 144.615 RSMo 1969 and supplement thereto. A copy of the exemption from Missouri Sales and Use Tax is available upon request.

Sec. 31. Annual Appropriation of Funds.

A. Multi-year term supply and service contracts and leases and the exercise of options to renew term contracts are subject to annual appropriation of funds by the City Council. Payments made under term contracts and leases are considered items of current expense. Purchase orders are funded when issued, therefore are current expense items and are not subject to any subsequent appropriation of funds.

B. In the event sufficient funds are not appropriated for the payment of lease payments or anticipated term contract payments required to be paid in the next occurring lease or contract term and if no funds are legally available from other sources, the lease or contract may be terminated at the end of the original term or renewal term and the CITY shall not be obligated to make further payments beyond the then current original or renewal term, excluding the CITY's obligations set forth in Section 11 hereof. The CITY will provide notice of its inability to continue the lease or contract at such time as the Manager of Procurement Services is aware of the nonappropriation of funds; however, failure to notify does not renew the term of lease or contract. If a lease is cancelled, the events of default will occur as described in the lease and/or the section titled TERMINATION FOR DEFAULT. Except as set forth in Section 11 hereof, the CITY has no monetary obligations in event of termination or reduction of a term contract since such contracts represent estimated quantities and are not funded as a contract, but only to the extent of purchase orders issued.

Sec. 32. Non-discrimination in Employment. Contractor shall not discriminate against any employee or candidate for employment on the basis of an individual's race, hair texture or hair style associated with an individual's race, color, sex, religion, national origin, or ancestry, disability, sexual orientation, gender identity, age, or in any other manner prohibited by Chapter 38 of the City Code. Contractor shall not engage in any discrimination as prohibited by Chapter 3 of the City Code.

Sec. 33. Ban the Box in Hiring and Promotion.

(a) Pursuant to Section 38-104, City Code Ordinances, Contractor shall not base a hiring or promotional decision on an applicant's criminal history or sentence related thereto, unless the employer can demonstrate that the employment-related decision was based on all information available including consideration of the frequency, recentness and severity of a criminal record and that the record was reasonably related to the duties and responsibilities of the position.

(b) Notwithstanding subsection (a), Contractor may inquire about an applicant's criminal history after it has been determined that the individual is otherwise qualified for the position, and only after the applicant has been interviewed for the position. Any such inquiry may be made of all applicants who are within the final selection pool of candidates from which a job will be filled.

(c) This provision shall not apply to positions where employers are required to exclude applicants with certain criminal convictions from employment due to local, state or federal law or regulation.

Sec. 34. Title VI of the Civil Rights Act of 1964. Title VI of the Civil Rights Act of 1964 requires that no person in the United States shall, on the grounds of race, color, or national or origin (including limited English proficient individuals), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The City of Kansas

City, Missouri requires compliance with the requirements of Title VI in all of its programs and activities regardless of the funding source.
Contractor shall not discriminate on the grounds of race, color, or national or origin (including limited English proficient individuals).

Sec. 35. Quality Services Assurance Act. If this Contract exceeds $160,000.00, Contractor certifies Contractor will pay all employees who will work on this Contract in the city limits of Kansas City, Missouri at least $15.00 per hour in compliance with the City's Quality Services Assurance Act,
Section 3-66, Code of Ordinances or City has granted Contractor an exemption pursuant to the Quality Services Assurance Act.

Sec. 36. Anti-Discrimination Against Israel. If this Contract exceeds $100,000.00 and Contractor employs at least ten employees, pursuant to Section 34.600, RSMo., by executing this Contract, Contractor certifies it is not currently engaged in and shall not, for the duration of this contract, engage in a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel.

Sec. 36. Compliance with Laws. Contractor shall comply with all federal, state and local laws, ordinances and regulations applicable to the work and this Agreement. Contractor shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.

CONTRACTOR

I hereby certify that I have the authority to execute

this document on behalf of CONTRACTOR.

Contractor: ______________________________________

By: ______________________________________

Title: ______________________________________

Date: ______________________________________

APPROVED AS TO FORM

____

Assistant City Attorney (Date)

KANSAS CITY, MISSOURI

By: ______________________________________

Title: ______________________________________

Date: ____

EXHIBITS

EXHIBIT A: Leases- [See attached.]

EXHIBIT B: Scope of Services- [See attached.]

EXHIBIT C: Contractor's Staffing Plan

EXHIBIT D: CITY Policies- [See attached.]

EXHIBIT E:CONTRACTOR HR Policies- [See attached.]

EXHIBIT F: **Sample Management Fee Statement**

EXHIBIT G: Sample Inventory Report- [See attached.]

EXHIBIT C

SCOPE OF SERVICES

1. GENERAL DESCRIPTION OF WORK

a) FLEET SERVICES DIVISION: The work to be performed under these contract documents consists of Genuine Parts Company ("NAPA") furnishing all parts, materials, equipment, supplies, stock, and appurtenances (collectively hereinafter the "Parts" or "Inventory"), and performing all necessary labor and supervision to: operate two vehicle repair parts On Site Stores, one at the 1901 Brooklyn Avenue Fleet Maintenance Building, and one at the 5300 Municipal Drive Service Center Fleet Maintenance Building. NAPA shall issue Parts, to Fleet Maintenance personnel, pick up and provide delivery service for parts not stocked in the On Site Stores and, as needed, make daily runs to each of two (2) satellite garages. The Fleet Services Division (hereinafter "FSD") is a division of the General Services Department of the City of Kansas City, Missouri ("CITY"). FSD's premises for purposes of this Contract are as follows: two (2) main vehicle repair operations at 1901 Brooklyn Avenue and 5300 Municipal Drive, both in Kansas City, and two (2) satellite garages. The satellite garage facilities are located at Coalmine Road and 2400 Russell Road in Kansas City.

b) FIRE DEPARTMENT: The Fire Department ("KCFD") currently operates two (2) satellite garages, at 5130 Deramus Ave. and 6750 Eastwood Trafficway. These garage storerooms are currently internally managed by CITY staff and not staffed by NAPA. The CITY may need to adjust service levels within its facilities to meet changing future service demands. NAPA and CITY shall mutually agree on any adjusted staffing requirements for these facilities, including addition of any new facilities or departments to be included in the scope of this Contract.

c) POLICE DEPARTMENT: The Kansas City, Missouri Police Department is independently controlled and operated by the Kansas City Board of Police Commissioners ("KCPD") and is not governed by the CITY. KCPD garage storerooms are currently internally managed by KCPD staff and not staffed by NAPA or the CITY. The CITY may need to adjust service levels within KCPD facilities to meet changing future service demands. NAPA and CITY shall mutually agree on any adjusted staffing requirements for these KCPD facilities, including addition of KCPD facilities, any new facilities or departments to be included in the scope of this Contract.

d) AVIATION DEPARTMENT: The work to be performed under these contract documents consist of NAPA furnishing all Parts, and performing all necessary labor and supervision to: operate a single vehicle repair parts On Site Store, at the 125 Paris

Street Fleet Maintenance Building. NAPA shall issue Parts to Fleet Maintenance personnel, provide pickup and delivery service for Parts not stocked in the On-Site Store and, as needed, runs to the Charles B Wheeler Downtown Airport garages. The Aviation Department Fleet Division (hereinafter "AD") is a division of the Aviation Department of Kansas City, Missouri (CITY). AD's premises for purposes of this Contract are as follows: one (1) main vehicle repair operations at 125 Paris Street. Kansas City, and one (1) satellite garage. The satellite garage facility is located at 300 Richards Road, Kansas City.

e) SATELITE FACILITIES- These garage parts storerooms are currently internally managed by CITY staff and not staffed by NAPA. The CITY may need to adjust service levels within its facilities to meet changing future service demands. NAPA and CITY shall mutually agree on any adjusted staffing requirements for these facilities, including addition of any new facilities or departments to be included in the scope of this Contract.

i) FLEET SERVICES DIVISION

(1) 4720 Coalmine Road, Kansas City

(a) NAPA shall deliver parts beginning 7:30 a.m. through 4:00 p.m., Monday through Friday.

(2) 2400 Russell Road, Kansas City

(a) NAPA shall deliver parts beginning 7:30 a.m. through 4:00 p.m., Monday through Friday.

ii) FIRE DEPARTMENT

(1) 6750 Eastwood Trafficway, Kansas City.

(a) NAPA shall deliver parts beginning 8:00 a.m. through 4:00 p.m., Monday through Friday.

(2) 5130 Deramus Ave, Kansas City

(a) NAPA shall deliver parts beginning 8:00 a.m. through 4:00 p.m., Monday through Friday.

iii) AVIATION DEPARTMENT

(1) 300 Richards Road, Kansas City.

(a) NAPA shall deliver parts beginning 7:00 a.m. through 3:30 p.m., Monday through Friday.

f) SPECIAL SERVICES

i) NAPA shall make Part deliveries to satellite garages as needed. Expected number of deliveries shall be at least but not limited to one (1) per day per site. NAPA shall dedicate at least:

- One delivery vehicle at the AD location;
- two delivery vehicles at each CITY location

for the exclusive purpose of fulfilling the requirements of this Contract. If expansion becomes necessary at any of the above forementioned locations (KCFD and /or KCPD) at least one delivery additional vehicle will be added per location.

During CITY's normal business hours and without disruption to CITY's business, NAPA shall have the right, on a monthly basis, to conduct an inspection and a physical count of the NAPA owned Inventory at the satellite garage facilities. NAPA shall only conduct inventory counts/inspections of such NAPA owned Inventory at the satellite garage facilities during CITY's normal business hours, and after providing the CITY twenty-four (24) hours advance notice. Once on site at the satellite garage facility, CITY shall assume responsibility for the care, condition and security of the NAPA owned Inventory. Further, the CITY shall assume liability for the loss of or damage to NAPA's Inventory at the satellite garage facilities, including missing NAPA owned Inventory at the satellite garage facilities for which CITY cannot account.

(1) NAPA shall continually review delivery methodologies for efficiency and cost effectiveness. NAPA will use a combination of scheduled delivery routes and non-scheduled (delivery as directed) on-site drivers, contracted delivery services, supplier provided delivery services, and other undefined resources to provide required delivery services.

i) Each Fleet Supervisor may direct NAPA to make local pickups and/or deliveries of automotive sub-assemblies procured/repaired outside of the contract by the CITY. NAPA shall be responsible for tracking/recording the unit number, work order number, pickup/delivery location, for outside vendor, and invoice number of each sub-assembly presented for transportation. This information will be forwarded to Fleet Supervisor for each sub-assembly.

ii) NAPA shall, where needed, create a memo invoice to track the dispatch and delivery of sub-assemblies to provide visibility in order tracking reporting until IBS Performance Reporting visibility is fully implemented for Fleet Supervisors. NAPA shall have a completed subassembly shipment tracking and reporting system in place within 18 months of the Effective Date of this Contract.

iii) NAPA shall maintain hydraulic hose systems at each satellite facility and NAPA shall replace the existing CITY equipment with new up to date equipment.

iv) CITY Service Truck driver(s) shall have the ability, in order to expedite field repairs, to pick up parts directly from retail NAPA Stores when more efficient under this Contract.

(1) CITY Service Truck Drivers will contact their base storeroom to provide required details for proper billing prior to purchase. If after hours, CITY Service Truck Drivers can provide details the next morning.

(2) STAFFING/PERSONNEL. NAPA will mutually establish an agreeable staffing plan, providing both a sufficient number of trained, knowledgeable and service oriented personnel to efficiently and effectively meet total Parts function service level expectations.

(3) NAPA personnel will be expected to work a standard 40-hour work week. Additional time over the 40-hour work week dedicated for NAPA training, work overload or short staffing must be paid to the NAPA employee from NAPA. The CITY will not be expected to pay for hours exceeding 40 hours per work week. The CITY and NAPA will coordinate the hiring of additional employees to work at the staffed NAPA locations. NAPA shall provide two (2) additional counter people at 1901 Brooklyn and 5300 Municipal to help staffing 40-hour work week and provide coverage to meet the performance standards set forth above. NAPA employees currently working 50-hour work weeks in CITY NAPA locations will not forfeit a pay differential when moving from the practiced 50-hour work week to the new 40-hour work week as their salary will remain at current 50-hour levels. Salaries for new NAPA employees will be agreed upon prior to start date at the City.

a) NORMAL HOURS OF OPERATION FLEET SERVICES DIVISION:
Except for CITY Holidays, NAPA shall operate and staff the parts storerooms and provide service to the satellite locations in accordance with the Weekly Schedule for each facility set forth in this section or in accordance with any new schedule established by the CITY as long as the new schedule does not require additional staffing hours. NAPA On-site Personnel may need access before and after required coverage hours to perform necessary parts room

and inventory activities. Details of this access will be jointly developed between NAPA and the CITY.

i) Brooklyn Fleet Maintenance Building: NAPA shall operate and staff the Storeroom beginning 6:00 a.m. through 3:30 a.m., Monday through Thursday, and beginning 6:00 a.m. through 6:00 p.m. on Friday.

ii) Municipal Fleet Maintenance Building: NAPA shall operate and staff the Storeroom beginning Monday 6:00a.m through6:00pm Friday.

iii) Coalmine Fleet Maintenance Building: NAPA shall deliver parts beginning 7:30 a.m. through 4:00 p.m., Monday through Friday.

iv) Russell Fleet Maintenance Building: NAPA shall deliver parts beginning 7:30 a.m. through 4:00 p.m., Monday through Friday.

v) Eastwood Fire Fleet Maintenance Building: NAPA shall deliver parts beginning 8:00 a.m. through 4:00 p.m. Monday through Friday.

vi) Deramus Fire Fleet Maintenance Building: NAPA shall deliver parts beginning 8:00 a.m. through 4:00 p.m. Monday through Friday.

vii) Aviation Department Fleet Maintenance Building: NAPA shall operate and staff the Storeroom beginning: 7:00 a.m. through 3:30 p.m., Monday through Friday.

viii) Aviation Satellite Garage Facility: NAPA shall deliver parts to the Aviation Satellite Garage Facility beginning 7:00 a.m. through 3:30 p.m., Monday through Friday.

b) NAPA shall provide a complete and detailed staffing plan addressing all service aspects of this Contract which staffing plan will be attached as Exhibit E to the Contract. The staffing plan shall contain, but not be limited to:

i) Number of employees and job titles for each location

ii) Hours of operation and hourly coverage level

iii) Scheduled hours by job position by location

iv) Projected Salary range for each position by location

c) NAPA has hiring standards and practices established by its Corporate HR and Legal Departments to which it must adhere. These standards are consistent with established City, local, State, and Federal employment Laws and regulations. NAPA requires pre-employment background screening, current DMV review, and preemployment and random drug screens. These services are performed by a third party. NAPA agrees to immediately remove from the CITY operations any employee that fails these screens.

d) NAPA shall be responsible for the hiring, staffing, promoting, transferring, dismissal, and payment of all wages, taxes, fringe benefits, and training required for these employees; provided, however, that the CITY shall reimburse NAPA for such costs and expenses in accordance with the terms set forth below in Section 5 (Payment Terms/Pricing) of this Exhibit C. The CITY recognizes it is NAPA's decision whether a member of NAPA’s personnel is hired or dismissed from NAPA’s organization, however, the CITY retains the right to prohibit all person(s) in violation of CITY policies on CITY's property, and from working on the CITY Contract. The Fleet Administrator, or designee be notified on all prospective personnel, prior to final Job offers, to allow the CITY to review their history for known conflicts. NAPA shall abide by those certain City HR policies attached to Exhibit F of the Contract. These policies may be updated and incorporated by written amendment signed by both parties if City HR policies are updated significantly.

e) NAPA agrees to continually review the staffing plan and service levels with the CITY, and provide staffing recommendation if adjustments are deemed prudent. NAPA will collaborate with the CITY to mutually agree on any adjustments to staffing.

f) All of NAPA’s employees are required to have, or attain within two years of employment, and maintain during assignment to the CITY operations, ASE Parts certification.

g) NAPA shall staff Parts rooms during all scheduled working hours, vacation, and sick leave, as well as times of City emergencies, or City special needs.

h) All NAPA employees are required to have City ID Badges to be on City property. NAPA agrees to return all City ID Badges if an employee is no longer assigned to work on City Property or when employment is terminated.

3. PROJECT MANAGERS. The CITY and NAPA shall each designate a Project Manager or Project Manger(s) for this Contract. For purposes of this Contract, with regard to the CITY, the title of "Fleet Operations Manager" shall be deemed to as the City "Project Manager(s)". The role of these Project Managers shall be to mutually collaborate on the higher level operational objectives of the CITY as they apply to this Contract including but not limited

to;

a) Contributing information and recommendations to achieve the CITY's strategic goals and service level objectives.

b) Reviewing current practices, as they relate to productivity, quality, and customer-service standards.

c) Resolving problems.

d) Identifying performance trends that impact efficiencies.

e) Determining program, process, and system improvements.

f) Preparing, implementing and completing subsequent action plans.

g) Implementing cultural changes to promote continuous improvement.

4. EMERGENCIES & NON-EMERGENCY SHIFT CHANGES. NAPA shall provide backup emergency availability during non-work hours to address City emergencies and special needs. NAPA shall provide to the CITY a list of personnel who will respond and be at the CITY facility(s) when needed. NAPA shall respond to all CITY requests within one (1) hour when the CITY declares an emergency as specified in this section.

a) FLEET SERVICES DIVISION: During emergencies declared by the CITY's Fleet Services Division, NAPA shall operate and staff the parts storeroom up to twenty-four (24) hours per day, and shall use commercially reasonable efforts to begin operations in the parts storeroom within one hour of a CITY declared emergency.

b) AVIATION DEPARTMENT FLEET DIVISION: During emergencies declared by the Aviation Department and/or the Aviation Fleet Maintenance Manager, the parts storeroom will be open for a minimum of one (1) additional hour or up to a 24 hour operation.

c) FIRE DEPARTMENT: During emergencies declared by the CITY's Fire Department, NAPA shall provide support as needed to their parts storeroom up to twenty-four (24) hours per day.

d) The CITY may make temporary "NON-EMERGENCY" shift adjustments to address additional repair workforce needs by providing written/email/phone notification to NAPA as soon as possible in advance of shift adjustments, including hours of additional coverage, expected term of adjustments and staffing level requirements. The CITY department requesting the additional coverage will be responsible for any additional payroll expenses incurred, including overtime.

e) NAPA shall make all reasonable efforts to accommodate unexpected “NON-EMERGENCY” shift changes. NAPA employees are preferably limited to a 12 hour work shift.

In those severe emergency situations employees may work up to a maximum of 16 hours with at least 8 hours down time before their next shift. The CITY department requesting the additional coverage will provide written/email notification and will be responsible for any additional payroll expenses incurred, including overtime.

5. PROCEDURES.

(a) Any single part costing more than$1,000.00 must be approved in advance and inwriting/email by the Fleet Supervisor. All technicians issued supplies such as, but not limited to, Personal Protective Equipment, must be approved in advance and in email/writing or signed invoice by the Fleet Operations Manager, AD Fleet Manager or Fire Fleet Division Chief.

(b) Any "Air Freight" or specialty freight shall be paid by NAPA unless prior email/written approval is provided by the CITY or Fleet Supervisor. If the CITY or the Fleet Supervisor provides to NAPA prior email/written approval for “Air Freight” or specialty freight, then the CITY shall be responsible for such costs. NAPA will not be obligated to use “Air Freight” or “specialty freight” if the CITY does not provide its approval for such costs. CITY shall not pay freight charges on stock parts. CITY shall pay freight charges for all non-stock items and non-locally available items. CITY shall not pay stock part premium prices (special shipping charges) if NAPA did not adhere to the established reorder plan.

(c) Any "restock" fee charged by a supplier and/or vendor on a specific item requested by CITY and then returned by the CITY to NAPA will be charged to the CITY on a cost basis. NAPA will endeavor to notify the supervisor of this possible charge prior to ordering.

(d) NAPA shall charge for small part items: bolts, cotter pins, electrical end connectors, etc. in bulk and then issue those items individually with no additional charge to the CITY. The CITY shall determine or concur which items will be handled in this manner. These items shall be identified as "bench stock" items.

(e) Any inventory owned by the CITY, but under the management of NAPA, will be handled as follows: NAPA will affix colored stickers to each part without destroying the CITY Fleet Management part number. This allows any CITY owned inventory to be identified by sight. The goal will be to issue out all CITY owned inventory as soon as possible. All CITY owned inventory will be invoiced at NO charge and eliminated from the original inventory printout.

(f) Credits for returnable product including returnable cores shall be issued immediately upon presentation of product less any restocking fee if applicable; provided that in order for parts to be eligible for credits upon return to NAPA, in addition to being unused, such parts must also be undamaged, in their original packaging, and in resalable condition.

(g) Credits for warranty claims will be processed in accordance with the terms and limitations of the product manufacturers warranty statement.

(h) Credits for incorrect billing or contested invoices will be issued immediately unless requiring additional research to validate. Research must be completed and any credits due issued within thirty (30) days.

(i) Annual salary increases for NAPA personnel in the On-Site Store(s) shall not exceed the annual increase in the Consumer Price Index, All Urban Consumers, U.S. City Average, as published by the U.S. Bureau of Labor Statistics and agreed upon by the CITY and NAPA.

(j) NAPA personnel shall not purchase or charge out any shop tools to CITY, AD, or Fire Tech's or Supervisors without prior written approval from AD, CITY Fleet Operations Managers', or FIRE Fleet Division Chiefs.

6. PARTS ISSUE PERFORMANCE REQUIREMENTS.

NAPA agrees that the CITY relies on vehicles and equipment to provide municipal services, and the availability and reliability of the fleet is of the essence to the CITY and AD. With this in mind, NAPA shall meet the following performance standards at all times.

a) Staffed On Site Stores Performance Standards.

i) To improve CITY technician labor time, efficiency and reduce overall vehicle downtime. NAPA shall fulfill all IN-STOCK parts requested by CITY personnel at the NAPA counter within thirty (30) minutes of the CITY's request. NAPA agrees to meet this thirty (30) minute standard at least ninety percent (90%) of the time. Ninety-five percent (95%) of the IN-STOCK counter orders must be completed within one (1) hour. Special order parts or parts not IN-STOCK but in Kansas City metro area fall under the one (1) hour expected, two (2) hour afforded delivery performance standards outlined in Section 6, Sub Section b – ii. NAPA management agrees to review this section monthly in an effort to reduce the time City technicians spend at the parts counter waiting for IN-STOCK parts.

ii) Standard One- NAPA shall stock on-site adequate inventory to cover normal parts and equipment necessary to provide 85% of parts requirements immediately upon request (stocked on location).

iii) Standard Two- NAPA shall stock on-site adequate inventory to cover mutually agreed “Critical Need” parts and equipment necessary to provide 90% of parts requirements immediately upon request (stocked on location).

v) Standard Three- NAPA shall make all reasonable commercial efforts to provide 90% of non-stocked parts, available from local suppliers, within one business hour, but two (2) business hours from completion of the request will be afforded for performance reporting.

vi) Conditions out of NAPA's reasonable control, such as adverse traffic conditions, distance to suppliers, logistic conflict with existing delivery demands, etc., may delay the pickup of parts that are procured from off-site locations and NAPA will not be held liable in any manner for such delayed deliveries. NAPA’s employees shall make such deliveries in a manner consistent with safe and responsible driving practices.

b) Satellite “Non-Staffed, Off-Site Facilities” Performance Standards.

i) NAPA and CITY shall work to identify if they can develop a mutually agreeable delivery time tracking process that is not a prohibitively time cumbersome manual process. If NAPA and CITY mutually agree upon such a delivery time tracking process, then the performance standards set forth in subsection (b)(iii) below will take effect at such time.

ii) Standard Four- NAPA agrees to make reasonable commercial efforts to deliver 90% of parts requested to the Satellite locations within one hour, in the most efficient manner possible in coordination with the Fleet Supervisors of the Satellite locations but, two (2) hours from the request will be afforded for performance reporting.

Conditions out of NAPA's reasonable control, such as adverse traffic conditions, distance to suppliers, logistic conflict with existing delivery demands, etc., may delay deliveries that are required for off-site locations and NAPA will not be held liable in any manner for such delayed deliveries. NAPA's employees shall make such deliveries in a manner consistent with safe and responsible driving practices.

i) The CITY's satellite garages also use drums and storage tanks to store bulk fluids. NAPA shall deliver the drums of the fluids to the satellite garages in the most efficient manner possible in coordination with the Fleet Supervisors of the Satellite locations.

c) Performance Exceptions. There will be instances, beyond the control of the NAPA, when a part is not available within the established guidelines. The listed events, and other events mutually agreed to be beyond NAPA's control, shall relieve NAPA from meeting these standards, and will be excluded when calculating the Monthly Order Fill Rates. Examples of such instances could be, but are not limited to:

i) Parts from a single source provider that are out of stock
ii) Parts on extended backorder from the manufacturer
iii) Parts that have to be, or that are requested to be, rebuilt
iv) Parts that have to be fabricated
v) Non-NAPA Labor disputes, strikes, and other events beyond NAPA's control

d) Performance Reporting. NAPA shall produce reports to substantiate parts availability, on order status, and cost containment expectations as required under this Contract. NAPA will also make all reasonable efforts to fill special reporting requests.

i) "IBS Performance" Reporting. NAPA shall use its proprietary performance tracking software, to report on fill rates, and order status on all non-stocked parts requested. The IBS Performance Reporting System also produces reports on Cost savings activities and missed opportunities.

(1) GPC Customer Summary Report-
  (a) Quick One-page overview of daily activity.
  (b) Units down for parts Summary.
  (c) Work order and dollar spend activity.
  (d) Daily snapshot and IBS budget year-to-date totals.

(2) Daily Status Report-
  (a) Summarizes pending work orders/units.
  (b) Shows what is completed on summary date, MTD & YTD.
  (c) Shows what is outstanding in a location.
  (d) Summary of work orders, lines and parts, for pending and completed work orders.

(3) Items on Order Report-
- (a) Detailed, ground level report.
- (b) Organized by work order and unit number.
- (c) Key details, including quantities, vendor, ETA, age, status.
- (d) Uses color coding to alert manager to unit down status.

(4) Daily Transaction Report-
- (a) Detailed, ground level report.
- (b) Lists transactions from previous day.
- (c) Details include purchases, new returns, cores & warranties.
- (d) Provided in both PDF and Excel formats.

(5) Inventory Snapshot Report-
- (a) Snapshot of inventory position and owner as of previous day.
- (b) Shows inventory position at a location on a daily basis.
- (c) Shows what the CITY owns vs. what NAPA owns.
- (d) Shows how CITY inventory investment declines over time.

(6) Fill Rate by Customer Report-
- (a) Percentage of parts available to CITY on demand.
- (b) Provides daily and month-to-date calculations

(7) Cost Comparison Summary Report-
- (a) Highlights price comparisons for superseded parts.
- (b) Shows reporting date and budget year.

ii) Monthly KPI Reports. In addition to IBS Performance reporting, NAPA shall provide planning and review reports including but not limited to:
- (1) % of NAPA Parts vs. Non-NAPA
- (2) Top 100 Part Cost
- (3) Top 100 Part # Issues
- (4) MSC / Brooklyn Shop Comparisons Report
- (5) NAPA Purchase Power Savings

iii) Ad Hoc Reporting. NAPA agrees to provide additional reports, as required, so long as the reports are reasonably capable of being produced from data streams available in NAPA's TAMS system, and pertinent to operations covered under this Contract.

iv) Reporting Restrictions. Due to current technology restrictions, fill rate reporting will initially be based on Staffed site performance. NAPA developers are looking at processes and enhancements that would allow reporting on delivered parts, but data streams do not currently exist.

v) Reporting Calculations. The percentage of parts provided to fulfill performance requirements will initially be calculated on total number of pieces provided at time of request, data streams do not currently exist for any

other reporting interval, as a percentage of total pieces invoiced, based on the current programing in the IBS Performance Reporting
software, NAPA's performance reporting software.

vi) Future Development. Currently scheduled development of NAPA's next version of performance reporting software will move to a calculation methodology of total number of SKUs provided at time of request as a percent of total SKUs invoiced and provide multiple reporting intervals to satisfy the balance of fill rate performance standards.

7. INVENTORY MANAGEMENT REPORTING.

On an as needed basis, non-NAPA branded products will be placed into inventory, with minimum and maximum stocking levels as mutually agreed to by the CITY and NAPA in writing.

a) The "Minimum Stocking Level" for each part is defined as the required stocking level. The "Maximum Stocking Level" is defined as the "minimum" stocking level plus an additional number of days to cover typical lead time for replacement orders. "Sales Justification" for preliminary stocking considerations, typically 3+ sales in previous twelve (12) month period, shall be mutually agreed between the CITY's Fleet Management team and NAPA.

b) NAPA shall provide a list of all new non-NAPA branded products added to the "Stocking Inventory" (Parts with assigned Min/Max) each month. The report shall contain at a minimum; line code, part number, description, Minimum Stocking Level, Maximum Stocking Level, and sales quantity. The Report shall be emailed to the CITY's designee by the 10th of each month. The CITY will have until the 20th of the month in which the report was transmitted to review the listing and request removal of any non-NAPA branded products added to inventory that the CITY determines under its reasonable discretion were unjustified or unnecessary. In the event the CITY does not respond in writing of its disapproval within said period, the added non-NAPA branded inventory will be considered acceptable, and the CITY will be obligated to purchase such products at the termination, expiration or non-renewal of this Contract pursuant to the terms and conditions set forth in Section 11 (Buy-Back of Inventory) of the Contract. A sample inventory report is attached to this Contract as Exhibit H.

c) If approved Minimum and Maximum Stocking Levels are found to interfere with NAPA meeting its performance requirements, the CITY and NAPA shall mutually agree to adjust Minimum and Maximum Stocking Levels or to adjust the performance requirement percentages, as applicable.
d) The CITY may designate certain NAPA procured items as mandatory stocked items and will require NAPA to maintain a mutually acceptable quantity in its inventory at all times, regardless of annual part issued. The quantity of inventories added to the onsite operation,

as well as the Minimum and Maximum Stocking Levels will be subject to the continuous review of the Fleet Superintendent in conjunction with NAPA.

e) The mutually agreed upon Maximum Stocking Level for non-NAPA branded products acquired from vendors outside NAPA's corporate supply chain upon commencement of this Contract and continuing throughout the term of this Contract and any remaining non-NAPA branded products acquired under the previous agreement, entitled Contract# EV00000395-INVENTORY MANAGEMENT AND FLEET PARTS, entered into between the CITY and NAPA on March 10, 2009, shall serve as the basis for the CITY'S buy back of Non- NAPA inventories obligation pursuant to the terms and conditions set forth in Section 11 (Buy-Back of Inventory) of the Contract upon termination, expiration or non-renewal of the Contract.

f) Further, CITY shall be obligated to purchase all special order "non-Stocked" products requested to fulfill active Work Order needs returned to inventory but "non-returnable" to the applicable supplier or vendor in accordance with the terms and conditions set forth in Section 11 (Buy-Back of Inventory) of the Contract. NAPA shall provide a listing of all special order "non-Stock parts", purchased under this Contract, in inventory by the 10th of each month for review.

g) The CITY is not, however, obligated to buy back any NAPA branded inventory supplied through NAPA's corporate supply chain and therefore neither NAPA nor the CITY has any liability or required approval requirements in establishing the Maximum Stocking Levels for NAPA branded inventory.

h) NAPA will report on efforts to reduce obsolescence for parts the CITY will be required to purchase from NAPA upon the termination, expiration or non-renewal of the Contract, whether such NAPA efforts are through transfers, returns to vendors, marketed for resale etc., in order to manage and endeavor to reduce the CITY'S overall liability to NAPA.

8. NAPA'S PART ISSUE PERFORMANCE PENALTIES.

This section covers the amount and timing of penalties for not meeting agreed performance standards.

a) In the event that NAPA has failed to meet any of the three (3) performance standards outlined in section 6(a and b) above and such failure continues for three (3) consecutive months, the Management Fee will be reduced by one quarter of one percent (1/4%) during each additional month that the performance deficit continues. For the avoidance of any doubt, the parties agree that the Management Fee will be increased by the amount of the reduction at such time that the performance standard failure has been cured by NAPA for one month.

b) Additionally, if a mutually agreeable tracking mechanism is implemented for “Satellite Garage” part requests as discussed in Section 6(b)(ii) above, penalty calculations will include performance “Standard four”, as outlined in section 6(b)(iii).

c) In the event that NAPA has failed to meet two or more applicable performance standards as outlined in section 6 a) above and such failures continue for more than 90 consecutive days, then the Management Fee will be reduced by an additional one quarter of one percent (1/4%) during each additional month that the performance deficit continues. Notwithstanding the foregoing, the total monthly penalty under this Section 8 shall not exceed one half of one percent (1/2%). For the avoidance of any doubt, the parties agree that the Management Fee will be increased by the amount of the reduction at such time that the performance standard failure has been cured by NAPA for one month.

d) At the end of each month, the CITY and NAPA will review the performance reports and determine the percentage of penalty (if any) to be assessed to NAPA’s Management Fee for the period of continued performance deficit. The amount of any penalty assessment will be based on NAPA’s previous monthly Management Fee.

e) Monthly Reconciliation Process. NAPA shall submit monthly cost reporting relating to operational expenses to the City for each NAPA IBS facility listed in the Contract by the 3rd business day, no later than the 5th business day. The monthly reconciliation process is reliant upon accurate data entry by NAPA If or when the NAPA invoice is not in balance with the City AssetWorks M5 system the Contractor will be responsible for balancing or correcting errors within the AssetWorks M5 system.

f) Timeframe for implementation. In consideration of the ongoing implementation of the Asset Works Software integration and full implementation of "IBS Performance” performance reporting software, for "Order Fill Rate" and "Inventory Turns", these standards will be based on supporting the desired service levels within the Fleet Maintenance facilities while limiting unnecessary inventory liability. NAPA will be given three (3) months from the later of (i) the commencement of the Contract, or (ii) completion of the AssetWorks integration to meet the performance and reporting requirements stated in 6(d)(iv).

9. ADDITIONAL OBLIGATIONS.

a) NAPA shall evaluate the inventory monthly to identify the type and quantity of vehicle parts that should remain in stock, and/or be increased or decreased due to usage history. NAPA has access to sufficient inventory (warehouse system) within the Kansas City area from NAPA’s own warehouse, and through agreements with a cross section of local and national parts suppliers to meet the performance criteria. NAPA will notify the CITY's fleet manager of any item(s) NAPA cannot obtain in an acceptable time frame.

b) Each Fleet Supervisor may direct NAPA to make local pickups and/or deliveries of automotive sub-assemblies procured/repaired outside of the contract by the CITY. NAPA shall be responsible for tracking/recording the unit number, work order number, pickup/delivery location, outside vendor, and invoice number of each subassembly presented for transportation. This information will be forwarded to Fleet Supervisor for each sub-assembly.

c) NAPA shall provide a complete painting inventory system free of charge at Brooklyn and MSC facilities. The painting inventory system shall include paint storage bank, paint mixing scale, and micro-fish system. NAPA shall provide annual training for up to four (4) CFD Body Repairers at no cost to the CITY except CITY shall pay the travel expenses associated with such training.

d) NAPA shall provide all necessary equipment at no charge to CITY to standardize the CITY's hydraulic hoses, at all CITY facilities. All hydraulic hoses and fittings must be approved by the CITY Fleet Administrator or his designee.

e) Hydraulic hose systems will be set up at MSC, Brooklyn and Paris and each satellite facility. NAPA shall maintain the existing CITY equipment.

f) NAPA agrees to provide stock and non-stock OEM equipment parts, supplies and equipment or aftermarket items in equal or any such higher quality as the CITY may specify. NAPA agrees to allow the CITY to inspect the quality of materials, supplies and equipment furnished and the CITY reserves the right to reject the continued usage of any item(s) deemed not to meet OEM specifications. NAPA will not be liable for items obtained by the CITY and issued by the NAPA that fail to perform satisfactorily.

g) To ensure the CITY can verify parts cost, NAPA will make all purchase documentation necessary to demonstrate NAPA's acquisition for all invoiced parts and services and fees issued under this Contract.

10. DISPUTE RESOLUTION.

In the event of any dispute, claim, question, or disagreement (each a “Dispute”) arising from or relating to the Agreement or the breach thereof, the parties hereto will adhere to the following dispute resolution process:

a) Step 1—NAPA or CITY, as applicable, will provide the other party with written notification of any Dispute. If said Dispute is not resolved to the reasonable satisfaction of both parties within fifteen (15) days following the other party’s receipt of such written notice, the parties will proceed to Step 2 set forth below.

b) Step 2--- A CITY fleet business analyst or CITY fleet employee in comparable role and the NAPA area manager/district manager will meet and negotiate with each other in good faith for the purpose of resolving the Dispute. If the Dispute is not resolved within fifteen (15) days following commencement of negotiations, the parties will proceed to Step 3 below.

c) Step 3--- The CITY Fleet Administrator or his designee and the NAPA general manager will meet and negotiate with each other in good faith for the purpose of resolving the Dispute. If the Dispute is not resolved within fifteen (15) days following commencement of negotiations, the parties will proceed to Step 4 below.

d) Step 4--- The CITY Procurement Manager and the NAPA Southwest Division Vice President will meet and negotiate with each other in good faith for the purpose of resolving the Dispute. If the Dispute is not resolved within fifteen (15) days of commencement of negotiations, then either party may, upon providing to the other party prior written notice, pursue litigation in a court of competent jurisdiction and/or terminate this Agreement pursuant to the terms set forth herein. Nothing in this Section 10 prevents a party from seeking a temporary restraining order, injunction, or other equitable relief in relation to a breach (or attempted breach) of this Agreement by the other party.

11. BULK FLUID SYSTEM.

a) NAPA shall use the bulk fluid system provided by the CITY and will monitor the bulk fluid tanks at all CITY facilities on a daily basis. NAPA shall report any problems in the CITY's bulk fluid system to the CITY. The bulk fluid systems are pressurized systems that require the flow into the systems to be pumped and metered. NAPA shall invoice the CITY at the time of delivery in quarts, for the full amount. NAPA shall also stock some fluids in quart and gallon size containers as determined by the CITY.

b) When CITY installs new dispensing equipment, NAPA shall procure and warehouse bulk products as part of NAPA's inventory. NAPA shall invoice products to each work order when used by CITY.

c) Any needed repairs to these systems must be pre-approved and completed with CITY approved vendors.

12. SPECIALTY TOOLS

a) NAPA shall be responsible for handing out and accounting for FSD specialty tools kept in the Brooklyn and Municipal storerooms. NAPA shall be responsible for handing out, accounting for, inventorying, and moving AD's specialty tools into the AD storeroom. NAPA shall be responsible for tracking/recording the tool description, technician, issue date and time, and returned date & time. NAPA shall be responsible for replacing, at no charge any tools unaccounted for by the storeroom unless such loss arises from the negligent acts or omissions or intentional misconduct of the CITY. NAPA shall provide this information monthly to the CITY.

b) NAPA shall assign a specific part number to each CITY owned specialty tool, which will be entered into TAMS, with part number, description of tool and quantity of each tool number. Each tool will be invoiced, at $0 cost, when tool is requested by tech, and then credited when returned to parts counter by tech. If a tool is lost by NAPA, NAPA shall replace it at no cost to the CITY. If a CITY employee damages or loses the tool, the CITY will be responsible for replacement.

c) NAPA agrees to work with CITY on evaluating cost effectiveness of automated tool tracking systems, such as RFID, other electronic tagging, and Vending machines.

13. TECHNICIAN TRAINING.

a) NAPA shall make available training for use of new or current products to CITY Fleet Maintenance Facility Associates. Training shall be made available at the Brooklyn, MSC, Fire, Aviation facilities on the basis of a minimum of 1 and 1/2 hours per month on average for each location. NAPA shall include, if any, the mutually agreed cost of this service in its monthly operation fee. Any such training with fees shall be mutually agreed and approved in advance of the training.

b) NAPA can also provide a complete online training curriculum for ALL CITY technicians. These classes can be assigned to technicians and participation automatically reported to the CITY as technicians complete the classes. If requested, NAPA shall include the mutually agreed cost of this service in its monthly operation fee.

14. COMPUTER SYSTEMS.

To allow ASSETWORKS clients the ability to utilize the NAPA Integrated Stores Solutions for the purpose of managing parts warehousing functionality, integration was developed between the AssetWorks M5 system and the NAPA TAMS system. The sharing of costs for such integration will be in accordance with that certain ASSETWORKS FLEETFOCUS M5 NAPA INTERFACE PROPOSAL document entered into between the parties on September 1, 2016.

a) This integration allows NAPA personnel to use the TAMS system for all procurement activities while performing part issue functions in M5 to facilitate proper work order costing. This integration contains two segments.

> i) The NAPATOMAX segment will pass inventory information including cost and on-hand quantities from TAMS to M5. This allows NAPA personnel to actually issue the parts to work orders from within the M5 application. Once the part issue occurs, ownership of the part is transferred from NAPA to the CITY.

ii) MAXTONAPA segment will pass the part issue information back to TAMS so that NAPA can construct an invoice. The integration also includes an invoice reconciliation module that runs each evening to review the days invoice.

iii) NAPA shall use the Manufacturer name, Manufacturer's part number, and Vendor name from where part is sourced, as the primary part number information entered in the CITY’s Fleet Management system by the M5 integration.

iv) NAPA shall input any required additional part data, not contained in TAMS system, into M5 Part records when new parts are added.

v) NAPA can provide additional invoice information in a Sales Transaction Export file. This file will contain several different record types with each field in these records separated by the “|” character. This is the only available electronic form of the invoice data beyond .csv export.

vi) NAPA shall enter all part issues/sales into CITY’s Fleet Management System at the time of sale; and shall include Vendor No., Invoice No., WO No., Employee No., Job Code, Quantity, Part No., and Unit $.

b) The NAPA /AssetWorks M5 integration also has an invoice reconciliation module to assist in validating invoicing. ASSETWORKS developed a process to take an electronic version of the NAPA invoice and compare the data against the existing M5 part journal transactions. Currently, the reconciliation process is initiated and completed by the City and relies on the Contractor to complete accurate data entry into both the AssetWorks M5 and TAMS systems.

i) The electronic feed of the NAPA invoice will be loaded into two new M5 NAPA Invoice tables (one for invoice header information and one for invoice details) for processing by a new reconciliation process.

ii) Once these new tables are populated, the reconciliation process will compare the invoice data against the M5 part issue transactions. Invoice detail lines that match the M5 part transaction journal will be marked as “reconciled”.

iii) The remaining invoice entries that do not have an exact match in M5 will remain on this new table in a non-reconciled status. The second step is to run the “NAPA Invoice Reconciliation” interface.

iv) This is a new program that will process the un-reconciled transactions in the M5 Invoice Detail table against the M5 Part Journal (part_jnl) table to determine which invoice transactions match M5 data. The user will receive an email indicating if the interface was successful or not.

v) The integration is developed by AssetWorks and is subject to periodic revisions by AssetWorks. Current detailed information on system requirements, included processes, and specifications, is available from AssetWorks, and are included in their "Statement of Work" for the integration services quote provided to the CITY.

vi) While NAPA can provide transmitted files to third party programs for processing, it has no direct control over the performance of the third party programs that it may integrate or interact with and shall have no liability arising from the performance of any such third party software. Issues with these programs will have to be taken up with the software provider's support services.

c) NAPA shall use its own proprietary computer system to manage the NAPA in-house inventory parts room. The Total Automotive Management System (TAMS) is in use in over 6,000 NAPA Auto Parts stores and IBS operations. The TAMS system is designed and developed by Genuine Parts Company. NAPA cannot assign nor leave the TAMS system with CITY upon termination or expiration of this Contract.

d) The TAMS system provides a complete POS, NAPA Parts Catalog, Inventory Control & Replenishment and Reporting software solution to the NAPA employee. In addition, the TAMS system will be attached to the NAPA Wide-Area Network providing the NAPA employee access to the inventory in every GPC Owned NAPA Distribution Center as well as filtered internet connectivity to outside parts suppliers.

e) CITY uses the OEM part numbers to identify common consumables on its vehicles for Preventive Maintenance purposes. NAPA is responsible for cross-referencing any OEM part number given to it by CITY and maintaining these part cross-references in CITY's Computer System.

f) In the event of any event interrupting the ability to perform the normal computer based parts request and issuance, such as power outages, network issues, or computer systems failures, NAPA agrees to issue parts on manual paper documentation agreeable to the CITY with proper technician, equipment, department or additional information required to enter into the appropriate computer systems when the affecting event is over. CITY agrees to require any person receiving parts during this event to properly identify themselves and have the technician or CITY's designee sign all temporary documentation, and CITY further agrees to accept this documentation as backup for later billing to the CITY.

15. ISSUANCE OF PARTS RESTRICTIONS.

a) NAPA shall not do business with anyone except the CITY (which shall include FSD/AD, and may include other departments of CITY), as authorized by the CITY's General Services Fleet

Administrator or his designee on FSD/AD premises. The CITY may waive this restriction if the waiver is in the best interest of the CITY and the waiver is set forth in email/writing by the CITY Director of General Services. CITY employees will NOT be allowed to purchase parts or supplies for personal use from the operation on FSD/AD premises and NAPA shall not sell Parts to CITY employees or anyone other than the CITY.

b) NAPA shall issue parts to CITY's Fleet Maintenance personnel only, pursuant to a CITY work order. NAPA will provide a receipt to the CITY Maintenance Associate presenting the work order for all parts or supplies issued. The receipt shall contain the vehicle or equipment unit number, work order number, CITY's Maintenance Associate's number, the date and time of issuance and shall be stapled to the correct work order by NAPA. NAPA shall provide a second copy of the receipt with the monthly billing.

c) NAPA shall not issue any item(s) to any CITY personnel without proper work order and/or requisition. The invoice generated through NAPA's TAMS computer will have specific information on each invoice. NAPA's invoice shall state the part number, quantities, description of item(s) or service, price of each item or service, invoice number, date, time of transaction, P.O. or requisition number, equipment number. NAPA shall require the receiving employee of the CITY to sign each invoice.

16. HAZARDOUS MATERIALS.

a) NAPA agrees to arrange for third parties to handle the disposal and/or recycling of hazardous materials but will not be directly involved in the actual disposal of such items or have any liability arising from such disposal. NAPA shall, however, use reasonable commercial efforts to assist the CITY in processing any claim that may arise against such third party associated with the disposal of the items.

b) Upon request and to the extent made available by the applicable manufacturer, NAPA agrees to provide MSDS / SDS sheets for all chemicals stored on site procured, or issued by NAPA, in acceptable electronic format.

c) NAPA shall work with CITY to identify a mutually agreeable third party software solution to manage OSHA compliance with regard to hazardous materials. The software will provide a centralized access point to view (M)SDS forms, and provide reporting required to ensure regulatory compliance, and incorporate an extensive search capability for researching available (M)SDS forms.

d) NAPA shall work with the CITY’s environmental compliance personnel to ensure the on-site team is aware of any unique compliance issues for CITY and State EPA requirements.

e) NAPA will work with KCMO Safety personnel as well as complying with NFPA and KCMO Fire Safety requirements for elements under our explicit control.

17. SECURITY.

a) NAPA will exercise total control/responsibility of the Brooklyn, MSC, and AD Storerooms. NAPA will be responsible for ensuring that no person may enter the stockroom facility without the permission of NAPA's management personnel. FSD/AD will retain access to the area for the limited purposes of maintenance requirements of the building or systems and for emergency repairs. NAPA must notify the Fleet Administrator or his designee within one day of any lost keys and will be assessed $100.00 as liquidated damages for each lost key. CITY will use its best efforts to notify NAPA prior to the CITY entering the On-Site Store(s) during an emergency situation or for maintenance requirements. If CITY was not reasonably able to notify NAPA prior to CITY entering the On-Site Store(s) due to the nature of the maintenance or emergency situation, CITY shall promptly notify NAPA afterwards that CITY accessed the On-Site Store(s) and will provide NAPA a reasonably detailed account of the events or transactions that transpired during such time. Further, CITY shall promptly reimburse NAPA for any damage to or loss of NAPA's Inventory or other property to the extent such damage or loss arises from the negligent acts or omissions or intentional misconduct of CITY or its employees, officers, directors, contractors or agents.

b) NAPA agrees to be wholly responsible for the on-site inventory provided that the stock area is totally secure and NAPA controls the security.

18. LIST OF VEHICLES.

a) CITY, AD and KCFD shall provide a current description of its fleet and heavy equipment to assist NAPA in determining the quantity and type of parts, supplies and equipment to carry in inventory. This list is attached to these specifications and will be updated as necessary during the term of this Contract.

b) The CITY and NAPA will communicate as decisions are made on additions to the fleet as early in the replenishment cycle as specifications and proposed addition dates are available to facilitate having appropriate inventory levels on Preventative Maintenance (PM) and/or critical need parts.

c) The CITY and NAPA will also communicate as decisions are being made on Fleet reductions and Equipment retirements in order to adjust current inventory stocking levels appropriately and explore liquidation opportunities to mitigate inventory obsolescence.

19. FSD PARTS ON SITE STORES

a) The CITY shall provide NAPA with a 5,900-sq. ft. space in the Fleet Maintenance facility at 1901 Brooklyn Avenue, and a 28,000-sq. ft. space in the Municipal Service Center facility at

5300 Municipal Drive. This space includes heat, electricity, water, the use of rest rooms, and a break room. NAPA shall not sublet any of the space provided by FSD or remove any supplies/equipment provided by FSD unless approved to do so in email/writing by the Fleet Administrator or his designee.

b) CITY represents and warrants to NAPA that so long as NAPA performs all the obligations of NAPA under this Contract, NAPA shall have quiet and peaceful possession of the On Site Store(s) during the entire term of this Contract.

20. AVIATION DEPARTMENT PARTS ON SITE STORE.

a) CITY shall provide space for a secure On Site Store in the Fleet Maintenance facility at 125 Paris Street to NAPA. This space includes heat, electricity, water, the use of rest rooms, and a break room. NAPA shall not sublet any of the space provided by AD or remove any supplies/equipment provided by AD unless approved to do so in email/writing by the Fleet Administrator or his designee. Square footage unknown at this time.