

# CITY OF CHARLOTTE

## CITYWIDE RECORDS PROGRAM

### **PUBLIC RECORDS REQUEST #2629**

The following materials have been gathered in response to public records request #2629. These materials include:

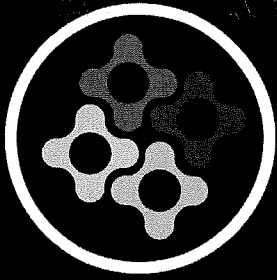
#### **Genuine Parts Company (NAPA) Proposal - RFP #269-2018-014 (Parts Department Outsourcing)**

For further information about this request or the Citywide Records Program, please contact:

**Cheyenne Flotree**

Citywide Records Program Manager  
City of Charlotte/City Clerk's Office  
600 East 4th Street, 7th Floor  
Charlotte, NC 28202  
[cheyenne.flotree@charlottenc.gov](mailto:cheyenne.flotree@charlottenc.gov)





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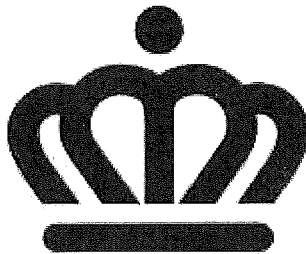
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Submitted by: Genuine Parts Company/  
NAPA Integrated Business Solutions

Josh Peters  
IBS Division Manager  
(770) 861-7752

*City of Charlotte*  
**City of Charlotte Parts Department Outsourcing**

March 15, 2018



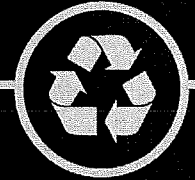
**CHARLOTTE**<sup>SM</sup>

City of Charlotte

600 East 4th Street

Charlotte, North Carolina, 28202

(704) 336-8084



## Cover Letter

We are very appreciative of the opportunity to present our customized vendor managed inventory system for the City of Charlotte, we call it Integrated Business Solutions (IBS). Over the past 28 years NAPA has invested heavily in the areas important to our government fleet customers. While our fleet customers struggle with budgets, changing technology and resource pressures, and the overall complexity of managing a parts department, we have continued to grow and invest in unique best-in-class tools all with one goal in mind; to provide support to our customers in areas where they need help.

As you read through our proposal ask the question Why NAPA?

- Highest quality and brand value in automotive aftermarket
- Consistent experience for technicians
- Flexibility to adapt to the City of Charlotte's fleet needs
- Powerful management alliance
- Best-in-class inventory modeling
- Award winning training programs
- Transitional experience and resources
- Financial support and flexibility
- Exclusive vendor partnerships
- Best in class IT support and solutions
- The local Charlotte NAPA Team

Partnering with NAPA IBS aligns your organization to Genuine Parts Company, our parent company, which is a fortune 250 company with a long history of financial strength, ethical practices, successful partnerships and customer care. With that kind of low-risk alliance, you can be confident knowing that we have the experience and stability needed to support your good name with the work that we do and keep all of your internal and community stakeholders happy.

NAPA Auto Parts understands that all staffing, management, aftermarket and O.E. parts, maintenance and repair parts, supplies, lubricants, and specified tires to support City fleet needs shall be covered under the subsequent agreement.

We understand that each of the 6 operations function under their own budget and have their own unique challenges. In our proposal, we have proposed to staff each facility with at least one person, however, we feel that there are alternative methodologies to best control costs as well as

improve productivity and efficiency. We will share these with you, and will work with you to develop the best approach to fit your specific needs.

Our proposal is packed with unique world class solutions to help take the City of Charlotte to the next level – technologies and services that are exclusive to the customers that work with NAPA Integrated Business Solutions (IBS). We call it “The NAPA IBS Difference” – unique tools that will bring supply chain solutions and allow you to leverage resources across a nationwide network of great fleet operations while utilizing local Minority, Women Small Business Enterprises. NAPA Auto Parts also currently employs over 300 parts professionals in the Charlotte area that can lead this initiative from day 1 and throughout the life of the contract. Our resources are one of our biggest strengths that separates us from our competition. Our employees work and live in the Charlotte area, and our direct management team is located on Wilkinson Boulevard and is available to you in a moment’s notice.

To the best of our knowledge, all information is factual and accurate, and we are ready to take on the project immediately.

John Michael Riess  
4101 Wilkinson Boulevard  
Charlotte, NC  
p. 704-391-4800  
f. 704-392-4119



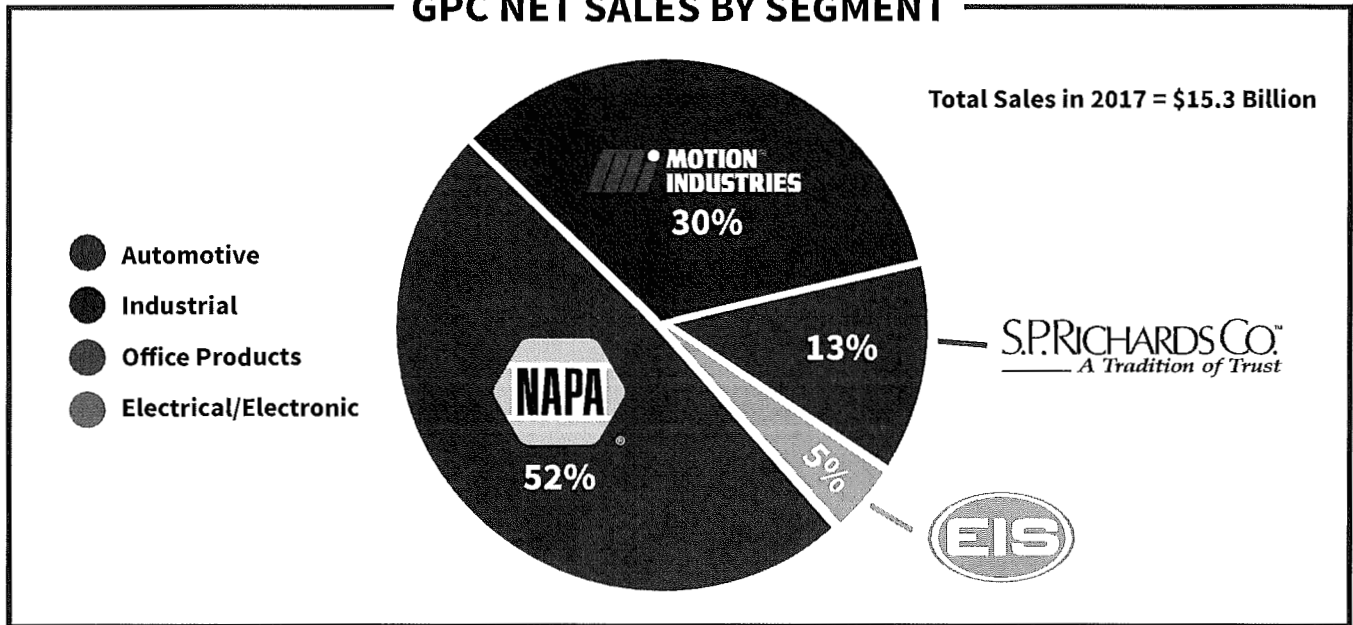
# GPC STORY

## ABOUT GPC

Genuine Parts Company, founded in 1928, is a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts, office products and electrical/electronic materials. The Company serves tens of thousands of customers from more than 2,600 operations and has approximately 39,000 employees.

With over 90 years of distribution expertise, GPC's commitment and reputation for just-in-time service positions us as a critical partner in our customer's success.

## GPC NET SALES BY SEGMENT



## GPC HISTORY

**1928**

Carlyle Fraser founded GPC with the purchase of Motor Parts Depot in Atlanta, GA for \$40,000. He renamed the parts store Genuine Parts Company. The original Genuine Parts Company store had annual sales of just \$75,000, and only 6 employees.

**50+ years**

GPC in relationship with NAPA, grew rapidly as independent garages for car repair spread. From the beginning, GPC stressed swift, reliable service as a way to outflank the competition.

**Past 35+ years**

GPC has continued to grow through the acquisition of other companies in the automotive industry, as well as the industrial, office and electrical industries.

**Today**

GPC is an industry leader in proprietary technology, efficiency, innovative products and solutions, and financial stability and growth.



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# THE GENUINE PARTS COMPANY ADVANTAGE



## AUTOMOTIVE

NAPA IBS customers get the buying power of a \$15 billion company by buying directly from the manufacturer at independent owner cost, just like a NAPA store does. Genuine Parts Company's (GPC) Automotive Parts Group, it's largest division, gives you access to more than 420,000 light, medium, heavy duty and replacement parts through its nationwide distribution infrastructure. [www.NAPAonline.com](http://www.NAPAonline.com)



## HEAVY DUTY

As an IBS customer, you also have access to NAPA's Heavy Vehicle Parts Group offerings. This group provides heavy duty vehicle parts to the whole NAPA system, as well as IBS locations, direct from name brand proven heavy duty suppliers. [www.tractionhd.com](http://www.tractionhd.com)



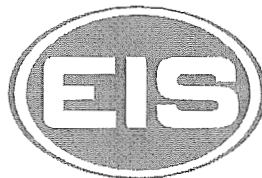
## INDUSTRIAL

The Industrial Parts Group, which operates under the name Motion Industries, gives you access to over 5.6 million items from 550 operations located throughout the United States and Canada. As an IBS customer, you can take advantage of Motion Industries products with a direct distribution deal to buy from our own MRO company that offers a broad inventory of major brands, state-of-the-art business technologies including online ordering, and highly developed supply chain and logistical capabilities. [www.motionindustries.com](http://www.motionindustries.com)



## OFFICE PRODUCTS

With NAPA IBS, you gain access to our Office Products group, which distributes over 50,000 private label office products under the name S.P. Richards Company. [www.ibsofficeproductsdirect.com](http://www.ibsofficeproductsdirect.com)



## ELECTRICAL

EIS is a wholly owned subsidiary of GPC and one of North America's leading distributors of process materials, production supplies, specialty wire and cable, and value added fabricated parts supplying the electrical OEM, motor repair and various assembly markets with over 100,000 critical products. NAPA IBS customers, through EIS, have access to one of the leaders in customized apparatus repair and assembly. [www.eis-inc.com](http://www.eis-inc.com)

## INTEGRATED BUSINESS SOLUTIONS



NAPA Integrated Business Solutions is the industry leader in providing Vendor Managed Inventory (VMI) solutions for government and private fleet maintenance operations. With more than 400 IBS sites located within customer facilities, more than \$130 million in currently managed inventory, and an extensive brick-and-mortar and distribution infrastructure, NAPA IBS has the experience and resources to handle the parts and supply needs of fleets of any size or complexity. Current fleet categories under contract include City and County fleets including police, fire, ambulance and solid waste, State and Department of Transportation fleets, Private Trucking and Construction fleets, Transit fleets, Utility fleets, School Bus and University fleets, Airline Ground Support Equipment fleets and more. [www.NAPA-IBS.com](http://www.NAPA-IBS.com)



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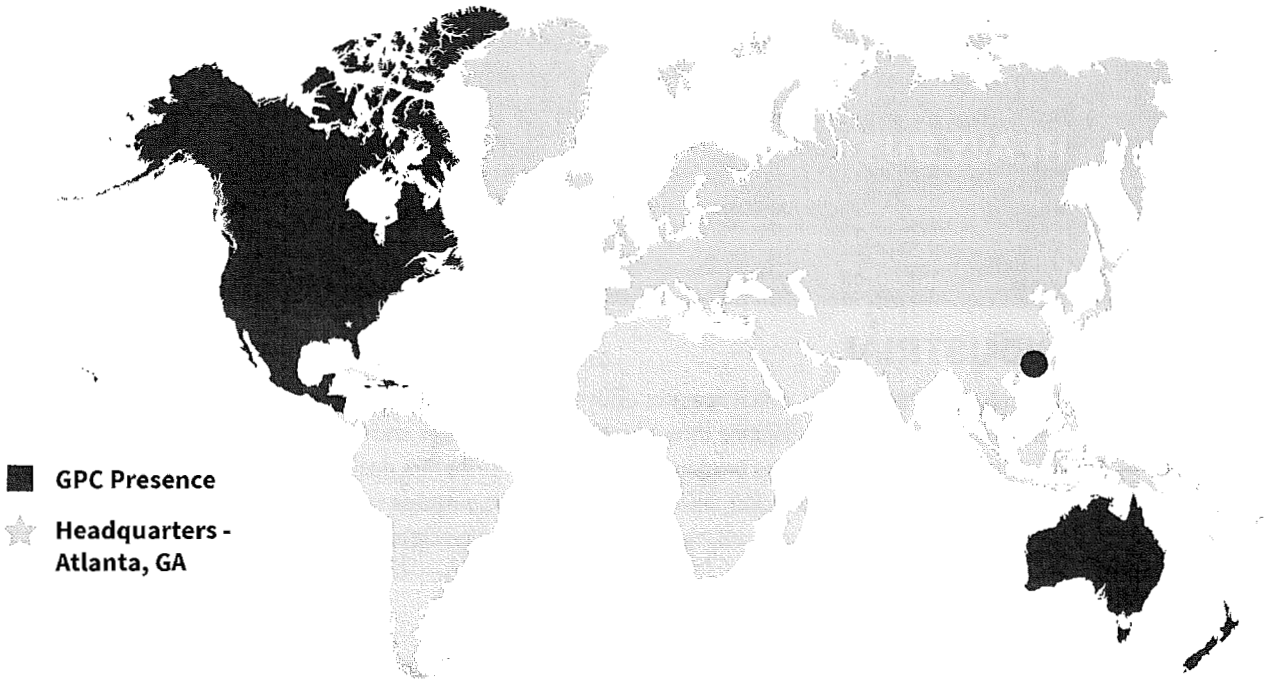
GPC Store | 4



# GPC STORY

## GPC FOOTPRINT

GPC has a distribution network of over 2,600 operations located throughout the US, Canada, Mexico, the Caribbean, Australia and New Zealand making them the \$15 billion global leader in distribution and supply chain management.



### AUTOMOTIVE PARTS GROUP

**Locations In:**  
United States  
Canada  
Mexico  
Australia  
New Zealand



### INDUSTRIAL PARTS GROUP

**Locations In:**  
United States  
Canada  
Mexico  
Puerto Rico



### ELECTRICAL/ELECTRONIC MATERIALS GROUP

**Locations In:**  
United States  
Canada  
Mexico  
Dominican Republic



### OFFICE PRODUCTS GROUP

**Locations In:**  
United States  
Canada



### GPC GLOBAL SOURCING

**Located In:**  
China



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# IBS STORY

Through more than 25 years of experience providing inventory and supply chain management solutions and expanding our offerings, technologies, vendor base and expertise, NAPA IBS has identified a few key areas where our customers look for excellence in helping them improve their fleet maintenance operations.

Any time NAPA IBS partners with a new organization, our goal is to deliver best practices in each of the following areas in order to keep you running smoothly.

## 1 EXPERIENCED ON-SITE STAFF

- Local brick-and-mortar network of experienced parts people ready to work for you today
- Backup staffing available for you in the case of emergencies, sick days, vacation and turnover
- National network of 1,000+ trained IBS parts experts as available resources for your on-site team
- Online and on-site training provided for continuous development
- Onsite, local, regional and national support teams

## 2 INVENTORY BEST PRACTICES

- NAPA IBS takes on your inventory investment - reduced obsolescence
- Customer only pays for parts when they need them
- Quick credits on parts returns, cores and warranties
- Highest possible industry standard on-demand fill rates

## 3 NATIONAL PRICING LEVERAGE

- \$15 billion global buying power from a Fortune 250 company
- Transparent pricing model
- National 1,300+ vendor database gives you unmatched options

## 4 TRANSACTION EFFICIENCY

- All vendor purchases consolidated into one simple monthly bill
- Fleet software integration available so every invoice is attached to a specific work order and fleet unit
- Best-in-class IT solutions reduce your administrative time and paperwork

## 5 SHOP PRODUCTIVITY

- Exclusive Inventory tracking systems helps keep your stock levels optimized
- Faster parts availability means more efficient technicians = less vehicle downtime
- Regular best business practice reviews to make sure your priorities are met
- Proprietary savings tracking, reporting and point-of-sale systems

25+ YEARS

400+ IBS LOCATIONS

PROVEN TRACK RECORD

BEST PRACTICES




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# IBS DIFFERENTIATORS

Through 90 years of providing parts, supplies and services to government and private operations, NAPA has continued to perfect its solutions by identifying and establishing industry best practices. In our efforts to be on the cutting edge and respond to new and changing customer needs, technologies and operational methods, certain best practices have emerged as being the most influential in truly taking care of fleet customers above all else. These best practices have been established not just by NAPA, but by the 100 Best Fleets, Government fleet publications and officials and other industry leaders. Below are a few of the biggest:

Industry Best Practice		What to Avoid
<p><b>Transparent Pricing with No Hidden Fees</b></p>	<p>NAPA IBS charges you at actual, transparent cost so you, your government and your community know exactly where your budget dollars are going. It also means that if you adjust your needs, you can lower your cost too.</p>	<p>Inflexible, fixed charges with hidden overhead, profit and other costs built in that you will never know about.</p>
<p><b>Options on Parts and Vendors</b></p>	<p>NAPA IBS provides access to thousands of local and national OE vendors so you can get the best price possible. We also provide alternative aftermarket options with the power of the NAPA brand at prices that no one else can compete with.</p>	<p>Outsourcing to an outsourcer who has no choice but to mark up parts to you that have already been significantly marked up by their suppliers and who can't offer alternative solutions if you should desire them.</p>
<p><b>Dedicated Emergency Preparedness</b></p>	<p>With a distribution infrastructure of more than 6,000 brick and mortar stores and more than 35,000 real, current employees in our network, NAPA is prepared to serve you with parts, staffing, IT and shipping in any situation from blizzards to tornadoes to power outages. We also have trained people ready to go in the case of employee vacations, sick days or turnover.</p>	<p>Relying on partners with no local presence or current parts employees to be there for you when you need them most.</p>

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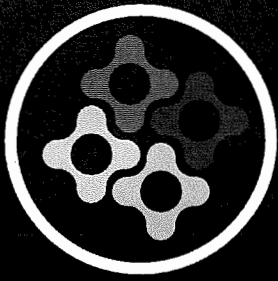
# IBS DIFFERENTIATORS

Industry Best Practice		What to Avoid
<p><b>Fully Integrated Fleet Software Technology</b></p>	<p>NAPA constantly invests in the best and latest technologies to better support our customers. Our IT team will fully integrate our proprietary point-of-sale system with your fleet management software to provide you with real-time inventory, invoice and work order information so you can be sure your operation is running perfectly.</p>	<p>Partial integration, or data dumps that require your administrators to load data files into your system once per day and don't provide the most accurate or up-to-date information.</p>
<p><b>Experience is King</b></p>	<p>NAPA IBS has more than 400 locations doing exactly what you do and we manage more inventory than anyone else. Our company has been in business for 90 years and has the financial stability and backing of a Fortune 200 parent company to ensure our customers are always taken care of.</p>	<p>Companies who claim to be in the VMI business but only have a handful of locations or fewer. Partners who don't have reliable financial strength or a national brick and mortar infrastructure.</p>



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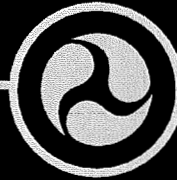
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# **City of Charlotte Parts Department Outsourcing Subject Matter Responses**



# SUBJECT MATTER RESPONSES

In this section, you have requested specific response information on certain subjects. We have attempted to answer the response with a high level overview, supported by additional documentation and content. Additional content will be in order of response category.

## Inventory Control and Maintenance

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 to access to the inventory in every GPC Owned NAPA Distribution Center as well as filtered internet connectivity to outside parts vendors.

Our TAMS system serves as our inventory management system for all goods including NAPA parts, Non NAPA parts, fluids, chemicals tires etc. Inventory is managed through a Min/Max management methodology. While also capturing lost sales, we are able to continuously build a better working inventory to increase the breadth of coverage for our vendor managed inventory business partners.

We are able to validate our inventory effectiveness by capturing daily transactions based on inventory on hand against inventory that is sourced from outside of our working inventory. These products would be identified as lost sales so that the system can then create a demand for product going forward, and we can then phase in a working part based on the min/max criteria that we set.

Our initial inventory starting point consists of adding the site locations current stocked product to our system, based on sales history either through a changeover and/or a “buyout” from the City. We will then apply our exclusive MIC – Market Inventory Classification System – We use this tool in our NAPA IBS stores to list most vehicles in a fleet and find all applicable replacement parts based on market demand. This is a tremendous inventory tool to dial-in the right automotive inventory for the City. Once we have an established inventory, we grow the breadth and depth of coverage based on the needs of the fleet. NAPA will stock both NAPA parts and Non NAPA parts to reach an effective mix of inventory to meet and exceed the expectations of the RFP.

Once a working inventory is established, we then apply our exclusive STARS reporting and rely on our TAMS inventory reports to guide us through areas of opportunity where we can be more efficient and effective on inventory turns, reduction of lost sales, cost, and sources of supply (MWSBE).

## Process for Managing Inventory Shrinkage

RGIS – When vehicles are down or in line for PM services, time is money and nothing matters more than having the correct inventory on the shelf for the City of Charlotte. The benefit of working with NAPA is that we invest in a third-party inventory company to assist our business partners. RGIS is our partner for Inventory Services, Space Optimization, Loss Prevention and much more. Once a year, we will conduct a full physical inventory at all site locations. There is no extra charge to the City for this crucial task, it is included in our annual management fee. \*

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# SUBJECT MATTER RESPONSES

## Supply of Required Parts

Our initial inventory starting point consists of adding the site locations current stocked product to our system, based on sales history either through a changeover and/or a “buyout” from the City of Charlotte. We will then apply our exclusive MIC – Market Inventory Classification System – We use this tool in our NAPA IBS stores to list most vehicles in a fleet and find all applicable replacement parts based on market demand. This is a tremendous inventory tool to dial-in the right automotive inventory for the City. Once we have an established inventory, we grow the breadth and depth of coverage based on the needs of the fleet. NAPA will stock both NAPA parts and Non NAPA parts to reach an effective mix of inventory to meet and exceed the expectations of the RFP. Our Fill Rate expectation for site locations that we staff is 85% on hand availability; 10% supplied within 24 hours, 5% supplied within 3 days.

In our assessment, the inventory mix would most likely consist of the following mix of suppliers:

**NAPA Auto Parts** – By utilizing NAPA Auto Parts, the City of Charlotte would save considerable amounts of money on product costs, shipping/freight charges. NAPA products also carry manufacturer warranties and have guaranteed obsolescence protection. All NAPA branded products sold to the City will have consistent pricing throughout the operation.

**Non NAPA National Suppliers** – Due to our extensive national networks of IBS type operations across the country, we have been able to negotiate many contracts with national OE and aftermarket parts suppliers. By utilizing our national contracts, the City would be able to save money on product costs, plus have improved customer service on a variety of product lines.

**Mandatory Sources of Supply** – NAPA would continue to utilize mandatory contracts/sources of supply and facilitate improved stocking process and procedures to maximize efficiency.

**Certified MWSBE Businesses** - NAPA would work with the local community and other known certified MWSBE parts suppliers to meet the requirement set forth by the City. The City would benefit from our ability to track purchases from MWSBE businesses and incorporate these entities in our overall strategy.

**Other Local Sources of Supply** - NAPA would reach out to the local sources of supply in every community to work with parts suppliers that can offer improved customer service, competitive prices and an overall increase in efficiency when it comes to parts fulfillment. Our goal with these local vendors would be to establish regular stock orders to reduce vehicle downtime and to support the local community’s sources of supply.

**Other National Sources of Supply** - NAPA understands that there are hard to find parts, or emergency items that will require the ability to source all across North America. With our current network of 400+ IBS operations, our network



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# SUBJECT MATTER RESPONSES

of suppliers is vast and our relationships with the sources of supply are solid. We have the ability to source from suppliers that provide products to some of the largest fleets in North America and currently maintain a database of existing inventory that is accessible to the City on demand.

The forecasted make-up of this source of supply network will help us to establish the Fill Rates for stocked and Non Stocked items. By having a solid network of suppliers, we are confident in our abilities to consistently meet the Service Level Agreements as identified in the RFP. The City will also benefit from our Optimized Delivery Management System which has allowed NAPA Auto Parts to be the leader in aftermarket parts fulfillment to our several thousand customers in every market across the country.

## Process for Handling and Tracking Backorders

Within the TAMS system, we have a number of inventory management related reports that help to improve our customer service and provide vital information to our fleet partners. One such report is our On Order Recap Report. This report displays all parts currently on order to give the customer a snapshot of what will be arriving at the facility soon. This can be cross referenced with fleet units waiting on parts to know when your vehicles will be back out on the road.

## Distribution of Parts

### **Distribution of NAPA Auto Parts (Inventory)**

The City of Charlotte will require a multitude of product offering for different vehicle applications all across its 6 operating facilities. It is our general plan to have the Charlotte NAPA distribution center, along with 6 other regional distribution centers with a combined inventory of \$83,000,000 in NAPA Auto Parts to support the City operation. These distribution centers would be our first source of supply of NAPA Auto parts on a daily basis to support the six facilities as outlined in the RFP.

#### MAJOR PRODUCTS:

- Over 425,000 SKU's covering most domestic and foreign motor vehicle models
- Automotive Replacement Parts
- Farm and Marine Supplies
- Paint and Refinishing Supplies
- Tools and Equipment
- Automotive Accessories
- Light, Medium and Heavy Duty Parts
- Web site: [napaonline.com](http://napaonline.com)

Each NAPA item is cataloged and numbered for identification and accessibility. Significant inventories are carried to provide for fast and frequent deliveries to customers. Most orders are filled and shipped the same day as received. The majority of sales are on terms that require payment within 30 days of the statement date. The majority of products are



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# SUBJECT MATTER RESPONSES

distributed under the NAPA name, a trademark licensed to GPC by NAPA.

Daily stock replenishment of NAPA Branded products will be provided to the City primarily by the Charlotte distribution center. There are four other regional distribution centers that will support the City as well. From there, our expert NAPA Auto Parts fulfillment protocol kicks into high gear. A nightly/daily replenishment order will be placed into the distribution center and we will fulfill that order either same day or next day.

All NAPA branded products purchased by the City will have consistent pricing throughout the operation. It is our intention to simplify the pricing structure for the City on NAPA branded products. We will be able to eliminate part number redundancy, and reduce the inventory SKU count significantly. Instead of having multiple sources of supply for the same product offering, it is our intention to consolidate those products to one source of supply (NAPA), with one price point for that part number. This will help City technicians and employees to become more efficient in their respective jobs by having consistency with the types of products they are working with on a daily basis.

For Non NAPA parts, we intend to use several sources of supply, including:

1. National contracts that NAPA has negotiated with several OE manufacturers
2. Existing contracts that are in place
3. Local Certified Small Business Enterprises
4. Participating local sources of supply as required by the City of Charlotte

We manage both NAPA product and Non NAPA product in the TAMS system, which facilitates inventory management based on demand and the management of a min/max methodology, tracking lost sales, usage reports and necessary stock, such as safety stock.

NAPA's approach to providing a Vendor Managed Inventory differentiates us from our competitors in the auto, truck and bus industry. NAPA charges a fixed fee for on-site labor expenses while invoicing customers for the material that we procure on their behalf at cost. Since we also sell NAPA products and do not have to source 100% of goods from outside suppliers, we are able to significantly reduce our customers acquisition cost of goods. This strategy benefits the City of Charlotte for the following reasons:

1. A fixed fee service model allows the customer to accurately budget for operational costs.
2. NAPA products are bought at acquisition costs, saving the City significant dollars.
3. NAPA provides customers with a choice in parts procurement either a NAPA part or a NON NAPA product
4. NAPA's employees are highly skilled and trained at cross referencing products for hard to find parts
5. NAPA's human resources are vast given our over 300 NAPA employees in the City of Charlotte
6. NAPA utilizes a field sales support force of manufacturer reps that highly skilled and trained in specific product knowledge and application
7. NAPA's data is backed up both locally, regionally and nationally in our HQ's departments.
8. NAPA has world class IT support, reporting capabilities, vendor relationships and inventory management systems all unique and proprietary to NAPA Auto Parts.



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# SUBJECT MATTER RESPONSES

## Ability to Meet Brand Requirements

NAPA has extensive experience in identifying and sourcing Non NAPA products in servicing the needs of Fleet Repair Facilities. We have recently developed a standardized non NAPA line code product identification system as well as a large list of national vendor contacts.

Through usage reports, consistent reorder practices, use of the standardized line code initiatives, and establishment of a target parts list, will ensure adequate inventories are available to meet the Cities current needs and evolve to meet the needs in the future. When a NAPA part is not the designated or preferred replacement part, NAPA will utilize the local marketplace to procure and inventory products as requested by the City. It is in these relationships that NAPA will make its WMSBE goals and partnerships.

## Warranty Policy and Process

All items supplied pursuant to this Contract are subject to the terms of written warranties provided by the manufacturer of each part, and if the items supplied do not meet the City of Charlotte's standards, Provider shall use reasonable commercial efforts to assist the City in processing all warranty claims that the City may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the City of Charlotte in connection with any claims concerning the parts or items supplied by Provider in connection with the Contract. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. The Provider shall be responsible for identifying each item requisitioned by a City employee that is covered by a warranty at the time the requisition is made, and copies of the manufacturers' warranties are available upon request. Provider agrees that it will assign and/or transfer any rights with respect to warranties that it has from the manufacturer to the City of Charlotte. The Provider must provide a warranty tracking process. This data must be available to the City personnel through queries or reports on request.

## Record Keeping and Reporting Requirements

STARS – NAPA Auto Parts proprietary Savings and Tracking and Reporting System (STARS) is one of the keystones of what differentiates us from our competitors. STARS gives you up to date reporting capabilities in all of the most critical factors and performance metrics for your business –including down-vehicle reporting, up to date fill rates by shop, cost savings and may more.

**\* NAPA IBS exclusive**

## Parts Information/Management System

TAMS – 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-Ar-



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ea-Network providing the NAPA employee to access to the inventory in every GPC Owned NAPA Distribution Center as well as filtered internet connectivity to outside parts vendors.

Our TAMS system serves as our inventory management system for all goods including NAPA parts, Non NAPA parts, fluids, chemicals tires etc. Inventory is managed through a Min/Max management methodology. While also capturing lost sales, we are able to continuously build a better working inventory to increase the breadth of coverage for our vendor managed inventory business partners.

## Faster Integration

The Inventory Import Utility (IIU) permits a customer to import part issues onto a work order from a vendor's export file. The IIU consumes a comma separated value (CSV) flat file provided by your vendor or from another internal system. This data consumption enables the IIU to create part issue records on a work order reducing the risk of data entry errors and reducing the need for a *FASTER* administrator to enter part issue related information in both *FASTER* and the vendor's software manually.

The IIU is designed for vendors and customers who prefer or are limited to a batch update of inventory. If you prefer real-time, importing or exporting of inventory data, you may want to consider buying *FASTER's* Web Service APIs instead. *FASTER* has sophisticated APIs that can handle a broad array of integration needs. *FASTER*, your IT staff or the other vendor can build middleware that can enable *FASTER's* APIs to consume and pass data to and from your vendor.

## Other Services Provided and/or Offered

VIEW – Virtual Inventory Exchange Warehouse – The future of inventory optimization and vendor managed inventory business innovation is here. Imagine being able to leverage pricing, inventory and vendors across peer fleets across the US. The ability to clearly see the parts exchange opportunities that will transform fleet parts inventory into a multi-million dollar marketplace is now at the fingertips of existing IBS locations with a simple intuitive and expedient platform. While we recognize that the City wants a closed inventory to other entities, VIEW provides an opportunity to source hard to find parts if they have been designated as surplus inventory at other NAPA IBS site locations for the City of Charlotte fleet. **\*NAPA IBS Exclusive**

## **Bringing Access & Control to Tool Management**

NAPA Auto Parts proposes a unique concept that incorporates the utilization of “vending machines” for a variety of commodities that will greater improve technician efficiency while reducing waste of various consumables. Some benefits of incorporating a vending machine concept into our total management concept include:

- Secure automated inventory control and tracking provides immediate improvements in accountability and



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productivity for items that are traditionally used in high volume

- Greater Accountability – know and track who has used, what was used and how much
- Increased Productivity – self-serve solutions keep employees on task allowing managers to focus on more value-added tasks

To address these issues, we would propose that the City and NAPA incorporate an automating tool management using self-serve locker systems. They are powered by cloud-based analytics and inventory management platforms so companies can track, manage and control high-value mission-critical tools like handheld drills, calibrated tools, mobile computers, two-way radios and tablets.

**Lower Costs:** Costs go down as materials are use more conservatively and as needed due to increase visibility – Increasing worker accountability

**Easy, Accurate Auditing:** Automated record-keeping ensures an accurate audit trail is available to support compliance/calibration requirements.

**Increased Productivity:** “Walk and wait” time is reduced as tools and mission critical materials can now be deployed at the point of work/use throughout a facility.

**Accountable Workforce:** Workers check-out assets, consume materials using personalized ID cards or codes which increases their accountability and empowers them to quickly access the items they need to do their job.

**Working Smarter:** By tracking inventory/asset use through a cloud-based platform, managers can receive automatic email alerts to replenish or if tools are not returned at the end of a shift, or if a tool needs recharging or service.

**Greater Access & Control:** Managers can customize access to materials and devices by user, giving them complete control while making access to materials and tools available 24/7.

## Apex Supply Chain Technologies

NAPA Auto Parts has a partnership with Apex Supply Chain Technologies. With over 25 years of point-of-use system experience, Apex has deployed over 85,000 devices in 44 countries around the globe. We would like to explore this concept further with the City to determine its feasibility and what types of machines would enhance our concept within all 6 facilities. Our proposed cost in this RFP does not take into account cost for utilizing vending machines as a part of our current proposal. Use of this unique tool would be mutually agreed by the City and NAPA.

Our vending machine partnership with APEX offers flexibility to the City with a wide selection of vending machines, everything from managing shop supplies to brake drums. Programs include the option of buying the machine outright, or leasing the machine for a pre-determined amount of time. In our proposal, we offer an alternative source of supply at some site locations, this methodology will save the City of Charlotte significant budget dollars while maintaining productivity and efficiency in the shop.

## Quality Assurance

Productivity today depends on information and getting the right parts for the job. With the newly redesigned NAPA PROLink website, parts lookups, ordering and access to technical information just became faster and easier than ever before. The powerful NAPA PROLink search engine allows you to search the way you want and delivers the exact part you need with fewer mouse clicks. Plus, thousands of color images and extensive product details help you order the



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right item for the job the first time, so you can keep your employees working more efficiently.

The new NAPA PROLink website puts a full set of tools at your fingertips. From the NAPA Numerical Listing and Mitchell1® technical datasets to a conversion calculator and electronic versions of many NAPA paper catalogs, you'll find everything you need to research and correctly order quality products from your NAPA IBS.

## Selection and Training/Onboarding of Personnel

AutoTech Training – We are dedicated to helping productivity and championing continuous improvement through shop training paced at the speed of the shop. Our AutoTech training platform caters to both city technicians as well as NAPA parts employees and more. After years of outsourcing technician training and watching available technician training from OE's dwindle away, NAPA stepped up and invested in our own technician training company we call AutoTech. Whether it is on-line, on site or classroom study, NAPA Auto Parts has the tools to keep fleet technicians and fleet managers on the cutting edge with our exclusive NAPA AutoTech offering – available to the City of Charlotte.

Our Parts employees are critical to the success of our partnership. We employ over 300 NAPA employees in the City of Charlotte and have a diverse pool of candidates to support this initiative. Our Auto Tech training modules help to train our parts employees so that they are prepared to come to work every day and serve the City of Charlotte and our thousands of customers across the country. **NAPA will also commit to interview any current city fleet employees that may be impacted by this change if NAPA is awarded the contract.**

## Delivery Services

**Optimized Delivery Management** is a systematic process that uses a step-by-step approach to improving delivery services for NAPA AUTO PARTS stores across the nation.

In our proposal, we have identified a need for 3 full time delivery drivers to support the 6 facilities within the City of Charlotte's fleet operation. These delivery drivers will help improve technician efficiency and reduce vehicle down-time by shuttling parts from within the working inventory at the City of Charlotte, as well as obtaining product from outside vendors.

This process is divided into four phases:

1. Prioritizing your customers, and setting up TAMS to support ODM
2. Ensuring that you have the right equipment in place
3. Implementing procedures that provide the best service possible, and
4. Maintaining the process beyond the initial roll-out

Delivery Management reports should be reviewed on a regular basis to monitor and improve the delivery process. These reports will help to:



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- Control the daily management of deliveries.
- Answer customer inquiries with facts.
- Analyze delivery efficiency
- Communicate successes to your team to keep them involved and motivated.

## Process and tracking for non-stocking parts

In addition to being the Point of Sale interface in more than 6000 NAPA Auto Parts Stores nationwide, the Total Automotive Management System (TAMS) can provide more than 280 detailed reports on inventory status, parts ordered, cost and savings, special orders and more. While the reports that you will receive from us can be customized to fit your needs, it is within the TAMS system that we will manage Non Stock Parts and phase in those parts that meet our minimum requirements for stocking. Since our parts management methodology is to use a min/max criteria, we can build working inventories based solely on demand and better manage the inventory should your fleet require specific parts.

At Sweden Avenue, it was mentioned that a particular work truck requires a \$17,000 pump to remain in stock in case of failure. Within TAMS, we have a special inventory section that we call 9LO, where safety stock, special requirement inventories resides. We do not consider these products regular "Stock" since there is not frequent replenishment, however, we will have items in stock for those special emergencies. When an item is used or sold, we can replenish that item and manage the need going forward.

## Implementation and Transition Plan

NAPA has years of experience implementing and operating large scale projects like the City of Charlotte. Through our history of opening hundreds of IBS operations, we have identified a robust schedule of events that need to take place in order for us to mobilize and operate the cities specific requirements. We plan to implement the following plan so the city sees little to no interruption of service, whether you chose to take a staggered approach or prefer to implement the entire change at once. We will work with your timeline and will ensure that all proposed tools and resources are in place to operate as efficiently as possible on day one.

The City has stated that it is their desire to open Sweden Avenue first, and the Commission/Decommission operation last. We respect the approach the city has and will oblige with the current schedule. For consideration, we propose the following schedule in accordance with the RFP timeline, subject to change:



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Sweden Avenue - June 4<sup>th</sup>

It is our plan to have all operations open by the Week of July 9<sup>th</sup>

Atando, Louise Avenue - The week of June 18<sup>th</sup>

Tuckaseegee, 12<sup>th</sup> Street, -The week of June 25<sup>th</sup>

Commission/Decommission – Before July 9<sup>th</sup>

If the timeline dates shift, it is our commitment to the city that we can have all operations open in 30-45 from initial open date.

Invoicing process (include sample invoice(s) in Proposal submission)

Please see sample invoice in supporting documentation following this section.



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## Support During Emergency Situations Including Inclement Weather

Our ability to provide parts quickly from multiple sources is a differentiator that our competitors simply do not have. Our program is built on a solid, proven platform that has support within the State of North Carolina, and nationally. In the event of unforeseen circumstances and natural disaster, we have the processes and technology in place to recover. Here is a listing of our supporting distribution centers for daily fulfillment on NAPA Auto Parts:

Distribution Center	Address	Inventory	General Manager
NAPA Charlotte	4101 Wilkinson Boulevard Charlotte, NC	\$11 Million	Bryan Bailey
NAPA High Point	600 Gallimore Dairy Road High Point, NC 27265	\$14 Million	Tom McClain
NAPA Knoxville	5937 Middlebrooke Pike Knoxville, TN 37909	\$8 Million	Dave Graham
NAPA Washington	363 Main Street Laurel, MD 20707	\$14 Million	Rick Rockefeller
NAPA Atlanta	5420 Peachtree Industrial Boulevard Norcross, GA 30071	\$14 million	Art Fischer
NAPA Richmond	800 South Lake Boulevard Richmond, VA 23236	\$14 million	Tom Thronson
NAPA Columbia	2255 Airport Boulevard Cayce, SC 29033	\$8 million	Mike Melfi

Since we employ over 300 NAPA employees in the City of Charlotte and have other resources close by, in the event of an emergency or if the operation needs to operate on a 24 hour schedule, we are confident in our ability to assemble resources and manpower to support the operation. We experience these situations in many of our operations across the country and our ability to respond quickly differentiates us from our competitors.

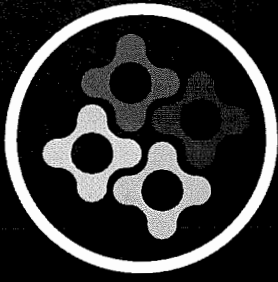


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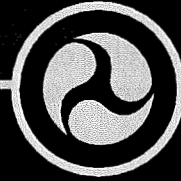
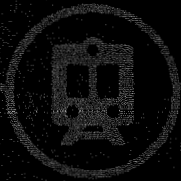




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# **City of Charlotte Parts Department Outsourcing Subject Matter Responses - Supporting Documents**



# SBE, MBE, WBE, DVBE INITIATIVES

Many of our current IBS government customers require our IBS sites to work with procurement to achieve specific MWBE or SBE goals within our contracts. Genuine Parts Company and NAPA IBS has extensive experience working with multiple SBE, MBE, WBE and DVPE supply partners in our many on-site operations across the country. Our goal with our proposal is to meet and exceed the stated goals of our customer, not only to give a “good faith” effort. We do this by helping our government customers recruit new vendors, provide due diligence support on these vendors, and provide regular reporting on our progress on the organizational MWBE goal vs. our actual performance.

NAPA’s action plan involves all resources, including a mix of service vendors and local businesses, to work toward the procurement goal of compliance. NAPA IBS has a solid track record of accountability and exceeding SBE/WMBE goals in our operations.

NAPA IBS’ real world track record speaks for itself. In two major municipal contracts currently in place, we show historical success in meeting and exceeding SBE, MWBE goals set forth in the RFPs:

IBS	LENGTH OF SERVICE	CONTRACT PARTICIPATION GOAL	ACTUAL NAPA IBS RESULTS *
CITY OF CHICAGO	17 YEARS	25% MBE / 5% WBE	37% MBE / 5.5% WBE
CITY OF SACRAMENTO	8 YEARS	10% SBE	28% SBE

\* Year to date results 2016-2017



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# FILL RATE MEASUREMENT

One of many trademarks of the NAPA Integrated Business Solutions program for fleet and warehouse operations is our ability to track and report regular parts fill rates on the parts and supplies we maintain for fleet operations. In fact, we believe in fill rate requirements so much that we make it a requirement in our IBS contract. This allows us to give our operations a daily report card in fill rate activity, the real measurement of our program. By tracking every transaction and being integrated into the operation, we can provide valuable information to our fleet IBS customers on the status requests for parts.

<h3>What is Fill Rate?</h3> <p>At NAPA, we define fill rate as the number of parts supplied over the counter in a given time period divided by the total number of parts ordered in that same period.</p> <p>On-Demand Parts Supplied: 45 SKUs Total Parts Ordered: 48 SKUs</p> <hr/> <p><b>Daily Fill Rate</b>                      <b>94%</b></p>	<h3>What is On Demand?</h3> <p>To us, on demand means parts that are stocked on site and are issued to the customer across the counter right at the time of order. Parts ordered that are not available "on demand" are ordered by IBS staff from key vendors and are generally filled within 24 hours.</p>
---	---

With the wide range of fleets we service, NAPA IBS supports different fill rate requirements in each contract. The IBS standard, after initial mobilization, inventory and vendor agreements, service changes and integration, is to achieve 90 percent fill rates for on-demand, standard-use items within a specified fill rate timeframe based on the customer. From our experience, there will always be non-standard parts requests - some special orders, some new product sourcing, and some special build requests - that are not able to be filled on demand. NAPA IBS sites work with customers in the first weeks of an operation to analyze current inventory and purchase history to build and invest in a model to hit the customer's productivity goals. Within the first 120 days of operation, depending on differing scope and inventory needs, we are usually able to deliver 80 percent of all parts requests on demand as we work through prior fleet data, current inventory, and vendor selection in the new project. Within the first 6 to 12 months of operation we target a 90 percent plus fill rate on demand.



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# MUNICIPAL PARTS VENDORS

NAPA IBS has thousands of local, regional and national vendor programs to support our municipal police, fire, emergency, utility, solid waste, parks and recreation and other fleets. Every year, we spend millions of dollars with many key vendors, allowing us to deliver the best prices and quality our customers demand. Here are a few examples of key vendors that we supply within the IBS network:



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# WARRANTY

## WHAT WE DO

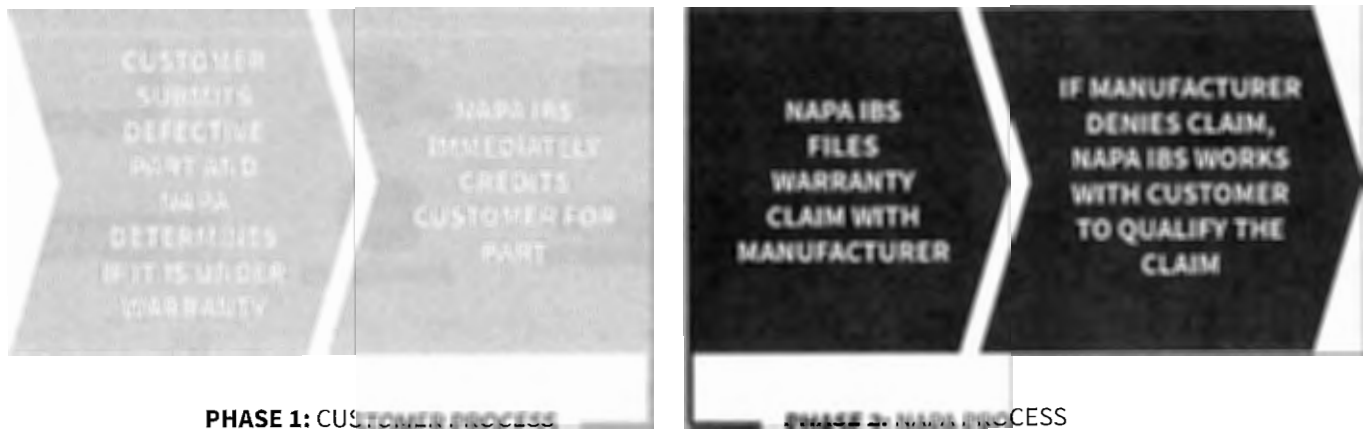
As an outsourced vendor managing hundreds of vendors for a fleet operation, NAPA IBS accepts the responsibility to manage all parts warranties for our customers and will work with you to assist with and manage the manufacturer warranty process. All warranty claims will be subject to the terms provided by the manufacturer of each part, as NAPA itself does not extend any warranties directly on sourced parts. Copies of manufacturers' warranty policies can be made available to a customer upon request.

Additionally, IBS will process any claims you may have on parts that are still under their original vehicle warranties.

All parts supplied under our agreement – OE, aftermarket, tires, supplies, etc. – will be tracked and credit issued upon manufacturer approval. Reports will be available as needed for credit tracking purposes. Specific details of our warranty language can be found in our sample contract included with this response.

Below is a depiction of the steps in the warranty recovery process of a NAPA IBS store :

## HOW WE PROCESS WARRANTIES :



## WARRANTY TRACKING & REPORTING:

By tracking all of our warranty recovery activity in our point-of-sale system, our proprietary reporting system, we are able to gain insight into where we can improve from a parts standpoint. Warranty information helps us evaluate our vendor performance by measuring recovery rates, timing and dollars. We can also identify any potentially poorly performing parts by assessing which parts have the highest return rates and warranty dollars refunded.



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# TAMS REPORT EXAMPLES

## ON ORDER RECAP REPORT

Displays all parts currently on order to give the customer a snapshot of what will be arriving at the facility soon. This can be cross-referenced with fleet units waiting on parts to know when your vehicles will be back out on the road.

*Report Viewer*

07/30/2015 09:30 AM      ON ORDER RECAP      (RPT 01) 3  
 700001076 - 076 Grinnett Co      Accounting Day - 21

Part Number	Group Code	Class Code	Available Quantity	--- On Order ---		-- On Backorder --		- On Factory Order -	
				Quantity	Days	Quantity	Days	Quantity	Days
<b>BAT - NAPA BATTERIES</b>									
7236	70	D	16.00					40	2
7527	90	D	0.00			1	3		
7594R	30	D	0.00	1		1	8		
Value at Replacement Cost				79.81		137.00		2706.00	
Value at Average Cost				79.81		79.81		2649.32	
<b>BK - BALKAMP</b>									
7151470	290	W	0.00	1					
7151471	290	W	0.00	1					
7709224	420	D	1.00	1					
7709236	420	D	1.00	1					
7822226	460	XD	0.00	1					
Value at Replacement Cost				40.79					
Value at Average Cost				37.01					
<b>DTH - DRIVTECH MOUNT</b>									
6422039	10	W	7.00			1			
Value at Replacement Cost						37.11			
Value at Average Cost						37.11			
<b>SCM - SCULIN TONER/TON</b>									

1 Page      Print      Close

- 1 Parts on order are categorized by party type and by specific part number.
- 2 Available quantity - number of each part currently on hand at the IBS store.
- 3 Number of each part currently on order, separated by On Order, On Backorder and On Factory Order
- 4 Value of parts on order at Replacement Cost and at Average Cost.



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# POINT OF SALE TECHNOLOGY

Part of the technological benefit of partnering with NAPA Integrated Business Solutions is access to our proprietary Point-of-Sale, inventory control and reporting system, Total Automotive Management System (TAMS), which accesses inventory across the whole country from anywhere that it is implemented. TAMS, which was designed and developed exclusively for NAPA Auto Parts facilities, is currently in use in over 6,000 NAPA Auto Parts Stores and IBS operations.

## FEATURES OF OUR POINT OF SALE BILLING AND MANAGEMENT SYSTEM INCLUDE :

- Master Interchange
- Inventory Control
- Custom Pricing
- Parts in Stock and On Order
- Parts on Backorder Information
- Lost Sales Report & Analysis
- Automatic Stock Levels By Part
- Parts Cost
- Utilizes bar code formats specified for NAPA part numbers
- Historical tracking of parts issued to your specific equipment units



All of the above features work together to create a digital environment where a customer can see all aspects of the business at work. This transparency into our operations is a large driving factor in IBS's success and that of our customers. Beyond what is listed above, TAMS offers the exclusive capability to create customized integrations on request.

In addition to TAMS and our ability to integrate with any major Fleet Software program, IBS has gone further to develop a web-based reporting solution specifically tailored to satisfy the more frequent reporting of key performance indicators that our customers have asked for and that are outside the capabilities of TAMS. This Savings Tracking and Reporting System (STARS) will offer the following benefits and more :

## FEATURES OF OUR REPORTING AND PERFORMANCE METRIC TRACKING INCLUDE :



- Allows for more accurate tracking and budget planning
- Track and Monitor Facility Performance
- Track and Monitor Technician Performance
- Displays daily detailed spending
- Provides daily reporting of fleet availability
- Ability to track special orders at any point in the order process

*\*For more detailed information on the reports that TAMS and STARS can provide, please refer to their corresponding*



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)



NAPA Integrated Business Solutions' proprietary Savings Tracking and Reporting System (STARS) is one of the keystones of what differentiates us from our competition. STARS gives our customers and our management team up-to-date reporting capabilities in all of the most critical factors and performance metrics for your business and ours. STARS includes reporting on daily work order status, parts orders, fleet units down, daily transactions, inventory levels, fill rates and cost savings and compares them all against the IBS standards set forth in our contract. Before opening your new IBS store, our Information Technology, Operations and Management teams will work with you to set you up with free STARS reporting so you are tracking everything from the first part sold. From then on, STARS reports will be a significant focal point of the Quarterly Business Reviews our management team will have with yours to discuss our performance. STARS is an exclusive offering that promotes the IBS values of open communication, transparency, constant improvement and performance tracking and optimization.

Below are examples of the reports STARS can provide :

- Customer Summary Report
- Daily Status Report
- Parts on Order/Unit Status Report
- Daily Transaction Report
- Vehicle Out of Service Report
- Fill Rate Report
- Cost Comparison Report
- Inventory Snapshot Report



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #1 : CUSTOMER SUMMARY REPORT

One-page overview of daily activity. This report provides information on units serviced versus units down for parts; parts, work order and dollar spend activity; pending parts order and open work order totals; and a customizable snapshot of customer year-to-date totals. This gives management a view on the day-to-day efficiency of our parts operation and how it is affecting your vehicle down percentage.

IBS Performance Summary, 01/21/16



This report highlights, for 01/21/16, the units serviced, units down, parts/work orders issued and pending. Also summarized, are the parts/work orders, issued over the budget year and calculates a weekday average.

# Site	As of 01/21/16			Units Serviced / being Serviced as of 01/21/16		Parts Issued / Work Orders Completed on 01/21/16			Parts Issued / Work Orders Completed During the Budget Year ( 01/15/15) ***				Pending Summary				Average Parts Issued Per Day Over BY					
	Rollout Date	Unit(s) Assigned	%	Assigned Unit Down	Units Serviced By NAPA **	Units Serviced Down	Unit(s) Serviced	# of Parts	Amount WO	# of Parts	%	Amount	%	WO	Unit(s) Serviced	# of Parts	%	Open WO	%	Open Units	%	# of Parts
09/01/13	-	0.0%	-	-	177	-	195	\$3,121	17,893	3.1%	\$354,773	3.2%	1	4	4	6.3%	2	6.2%	2	6.5%	131	\$2,590
03/01/11	1	0.0%	-	-	11	-	19	\$10,953	83,040	14.6%	\$2,294,235	20.6%	1	2,843	1	1.6%	1	3.1%	1	3.2%	606	\$16,746
06/01/05	18	0.1%	-	-	363	2	1	\$1,207	12,291	2.2%	\$231,269	2.1%	1	9	7	11.1%	5	15.6%	5	16.1%	90	\$1,688
06/01/05	109	0.7%	-	-	563	4	18	\$4,954	78,516	13.8%	\$1,223,675	11.1%	5,233	130	10	15.9%	4	12.5%	4	12.0%	573	\$6,932
06/01/05	21	0.1%	1	-	153	1	-	\$1,082	8,315	1.6%	\$214,073	1.9%	1	3	1	1.6%	1	3.1%	1	3.2%	64	\$1,563
10/01/13	13	0.1%	-	-	125	-	187	\$1,641	19,515	3.4%	\$374,352	3.4%	1	2	1	1.6%	1	3.1%	1	3.2%	142	\$2,732
04/01/11	2	0.0%	-	-	46	-	12	\$1,500	29,064	5.3%	\$583,878	5.3%	1	160	-	0.0%	-	0.0%	-	0.0%	218	\$4,262
06/01/11	-	0.0%	-	-	-	-	10	\$4,536	12,897	2.3%	\$375,469	3.4%	1	110	-	0.0%	-	0.0%	-	0.0%	93	\$2,741
06/01/11	-	0.0%	-	-	42	-	1	\$5,444	27,311	4.9%	\$609,836	5.5%	1	58	2	3.2%	2	6.2%	2	6.5%	199	\$4,444
06/01/11	-	0.0%	-	-	-	-	-	\$6,507	8,843	1.6%	\$396,154	3.8%	1	4	-	0.0%	-	0.0%	-	0.0%	65	\$2,892
06/01/11	2	0.0%	-	-	231	1	6	\$5,568	14,547	2.6%	\$524,220	4.7%	1	79	12	19.0%	6	18.8%	5	16.1%	106	\$3,826
05/01/11	1	0.0%	-	-	23	3	1	\$7,052	79,914	14.1%	\$1,827,395	16.6%	1	110	22	34.9%	8	25.0%	8	25.6%	583	\$13,339
05/01/11	-	0.0%	-	-	-	-	-	\$4,443	63,139	8.3%	\$710,559	6.4%	1	5	-	0.0%	-	0.0%	-	0.0%	388	\$5,197
05/01/11	-	0.0%	-	-	2	-	513	\$4,067	45,670	8.0%	\$643,078	5.8%	1	61	2	3.2%	1	3.1%	1	3.2%	333	\$4,694
05/01/01	-	0.0%	-	-	64	-	12	\$8,850	76,473	13.5%	\$693,478	6.3%	1	84	1	1.6%	1	3.1%	1	3.2%	550	\$5,062
	15,823*	-	-	13*	1,733	13	82	\$97,384	568,539	***	\$11,055,441	-	5,247	3,680	63	-	32	-	31	-	4,150	\$80,697

- 1
- 2
- 3
- 4

- 1 Fleet units serviced by NAPA IBS versus number of units currently down.
- 2 Number of parts orders completed with associated dollar amounts of total orders, separated by site if applicable.
- 3 Year-to-date summary of parts ordered and total cost and associated percentage weights of total business so you can track parts spend by your budget year
- 4 Number of parts and work orders still pending and affected units.

# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #2 : DAILY STATUS REPORT

Allows visibility to a summary of work order status and vehicles/units down for parts on a daily, monthly and year-to-date basis. Includes a summary of daily work orders fulfilled and unfulfilled, as well as a summary of lines and parts for pending and completed work orders.

### Work Orders and Units Status Report, 01/21/16



This report summarizes the pending work orders/units, highlighting pertinent information such as order date, ETA, parts quantity, unit status and partial fulfillment status. The report also summarizes completed work orders and parts.

\* As of 01/21/16, City of Sacramento - Main is waiting for 7 parts, under 6 work orders for 6 units.

\* On 01/21/16, 370.0 total parts were provided to close 6 work orders. Additional details are on the following pages.

Pending Summary			
Status		1	
Partially Fulfilled			
Not Fulfilled			
Total Pending			

Work Orders	Units	Total Parts
0	0	0.0
6	6	7.0
6	6	7.0

Number of Vehicles Down, assigned to City of Sacramento  
 - Main: 1  
 Number of Vehicles Down, that are being serviced: 0

Completed Summary			
Data as of Date	January 21, 2016		
Month to Date	January 1, 2016 thru January 21, 2016		
Budget Year to Date	July 1, 2015 thru January 21, 2016		

Work Orders	Total Lines	Total Parts
29	N/A	370.0
336	0	2,825.0
3,203	11,271	32,272.3

On average, 201.8 parts were delivered per day, for the month of January 2016

#	Work Order #	Unit #	Unit	Order Date	Age	ETA	Restock ETA	Unit Down	Shop	Technician	Partially Fulfilled	Notes
1	458524	15003221	MAIN	1/20/16	1	1/29/16	-	No	Service Shop	Yuki, Jason	No	** ON ORDER FROM NAPA DC WITH AMY **
2	463543	11572	FORD	12/9/15	1.0	2/29/16	-	No	Main Shop	Crawford, Jeff	No	** NEW BATTERY CHARGER HAS BEEN BILLED TO UNIT. WAITING FOR RESULTS ON DEFECTIVE ONE FROM MANUFACTURE IN ORDER TO DETERMINE IF PART IS

- 1 Summary of partially fulfilled and unfulfilled work orders.
- 2 Daily, Monthly and YTD summary of completed work orders and line items.
- 3 Details on each unfulfilled work order, listed by work order number.
- 4 Age of open work order and estimated time of completion.
- 5 IBS counter notes on work order status.



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #3 : PARTS ON ORDER/UNIT STATUS REPORT

Provides details on fleet availability and status of open items on work orders and special orders. Includes details of all open parts requests by the customer and aging information on open parts orders. This allows us to identify if parts orders remain open past the expected delivery date and which vehicles are down because they are waiting on a parts order.

Parts on Order / Units Status Report, 1/21/16



This report lists the **1** on order by Work Order, Unit Number **2** providing pertinent details about the orders, such as quantities, vendor, ETA and order status **3**

Work Order Number	Unit Number	Unit	Employee	Technician					
4110-2015-3634	32670	1993 CLARK Gpx-30	Maxwell, Brian	Heidi, Paul					
Notes: 88539 SENT OUT FOR REPAIR									
Product Line	Part Number	Part Description	Quantity	Vendor	Order Date	Expected Due Date	Revised Due Date	Weekday Age	Order Status
9RR	REPAIR HYD CYL	REPAIR HYD TILT CYL CLARK	1	RUMPKE HYDRUALICS	12/31/16	01/15/16	-	15	Part on Order
4110-2016-214	X0252	UNKNOWN N/A	Maxwell, Brian	Klayer, John					
Notes: 91162 WING PLATES HAVE TO CUSTOM FAB									
Product Line	Part Number	Part Description	Quantity	Vendor	Order Date	Expected Due Date	Revised Due Date	Weekday Age	Order Status
PCF	WING PLATE	FABRICATE WING PLATES	100	MAMI PRODUCTS	01/21/16	02/25/16	-	0	Part on Order
4110-2016-234	50952	2015 International 7400 SFA 4x2	Maxwell, Brian	Klayer, John					
Notes: 90969 special order									
Product Line	Part Number	Part Description	Quantity	Vendor	Order Date	Expected Due Date	Revised Due Date	Weekday Age	Order Status
66P	14983-A	GLEDHILL LEVEL LIFT CHAIN	1	KAFFENBARGER TRUCK EQUIPMENT	01/20/16	01/29/16	-	1	Part on Order
4110-2016-50	46732	2014 HONDA WX10	Maxwell, Brian	Towe, Anthony					
Notes: 88983									
Product Line	Part Number	Part Description	Quantity	Vendor	Order Date	Expected Due Date	Revised Due Date	Weekday Age	Order Status
66M	78103YE0811	SUCTION PLATE HONDA	1	BUD HERBERT	01/08/16	01/14/16	-	11	Part on Order
4110-2016-86	53645	2005 TORO 4100-D	Maxwell, Brian	Schmidt, Carl / Ron					
Notes: 88530									
Product Line	Part Number	Part Description	Quantity	Vendor	Order Date	Expected Due Date	Revised Due Date	Weekday Age	Order Status
4TO	66-0773	FILTER BASE TORO	1	CENTURY EQUIPMENT	01/08/16	01/20/16	-	9	Part on Order
4TO	66-0777	FILTER DRAIN TORO	1	CENTURY EQUIPMENT	01/08/16	01/20/16	-	9	Part on Order

- 1** Open work order number.
- 2** Down unit details.
- 3** IBS employee and customer technician names.
- 4** Part on order details.
- 5** Vendor information.
- 6** Order status and timing information.



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #4 : DAILY TRANSACTION REPORT

Provides customer with a daily report detailing the parts and supplies issued during the previous day and a summary of the parts and supplies issued month-to-date. By location, this report shows work order number, vehicle description, technician name, part line code, product SKU, part description, transaction date, quantity billed, price and extended price.



Daily Transaction Detail and MTD Recap Report, 01/21/16



The report lists the transactions that occurred on 01/21/16; including purchases, new returns, cores and warranties. Also highlighted is the monthly transaction summary.

-From Jan-01-2016 to Jan-21-2016 Venice Issued 1,578.0 parts and supplies, totaling \$28,019.27

-On Jan-21-2016 Venice Issued 129 parts and supplies, totaling \$9,465.15 The Jan-21-2016 details are shown below.

Invoice Number	1	Work Order	Unit Number	Vehicle Description	Technician	Product Line	SKU	Part Description	2	3	Quantity Billed	Price	Extended Price
41	10177	38192	3003774	GPU CD103M-4	-	2JD	RE519620	OIL FILTER			1.0	\$11.28	\$11.28
42	10177	38192	3003774	GPU CD103M-4	-	90C	4943	15W40 MOTOR OIL QUART			8.0	\$2.10	\$16.80
43	10178	38193	3003774	GPU CD103M-4	-	8WM	5191	DISTILLED WATER			2.0	\$0.76	\$1.52
44	10178	38193	3003774	GPU CD103M-4	-	2JD	RE508202	FUEL FILTER			1.0	\$30.72	\$30.72
45	10179	38202	3003514	2010 FORD F150(X17)SC2W	-	90C	4943	15W40 MOTOR OIL QUART			7.0	\$2.10	\$14.70
46	10179	38202	3003514	2010 FORD F150(X17)SC2W	-	1FD	FL820S	OIL FILTER			1.0	\$4.42	\$4.42
47	10180	38203	3003514	2010 FORD F150(X17)SC2W	-	WIP	60022	ACCUFIT CONVENTIONAL			2.0	\$5.84	\$11.69
											129.0		\$9,465.15

- 1 Part details are sorted by Invoice Number
- 2 Product Details : Product Line, SKU and Description
- 3 Quantity and Pricing Detail



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #5 : VEHICLE OUT OF SERVICE REPORT

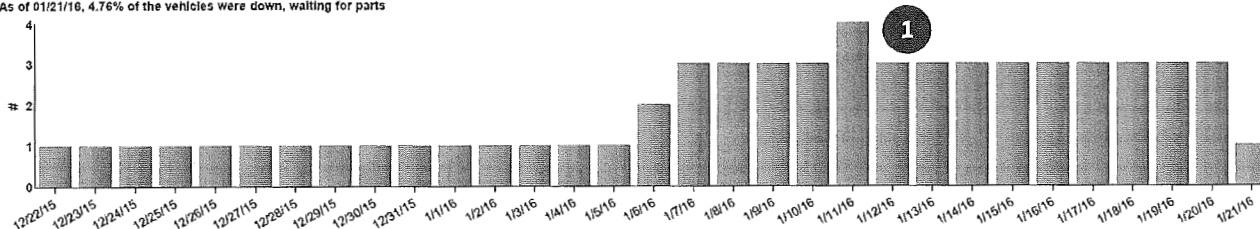
This report shows the trend in vehicles that are out of service, compared with the allowable percentage down based on customer standards and contract agreements. It provides fleet management a daily graph of maximum allowable fleet down for parts percentages versus actual fleet down percentage.

Fleet Availability Report, 01/21/16

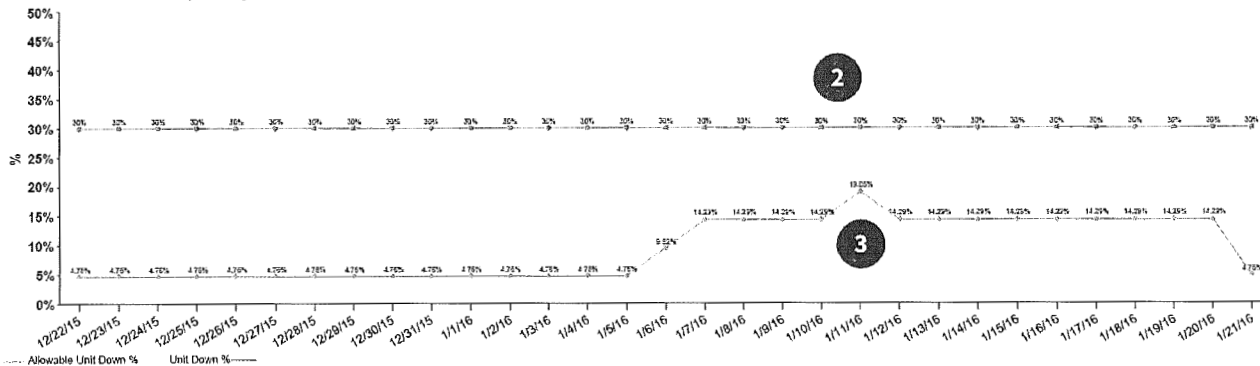


The report highlights the percentage of units that are down compared to the maximum allowable percentage down.

The graph below shows the number of vehicles out of service by day for [redacted] over the last 30 days. As of 01/21/16, 4.76% of the vehicles were down, waiting for parts



The graph below shows the percent of vehicles out of service by day for PWE - McCarty over the last 30 days and the allowable vehicle down percentage.



- 1 Total number of units down for parts by day.
- 2 Allowable percentage (20% above, based on contract agreement) of vehicles down.
- 3 Actual percentage of vehicles down (less than 0.5% above).



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #6 : FILL RATE REPORT

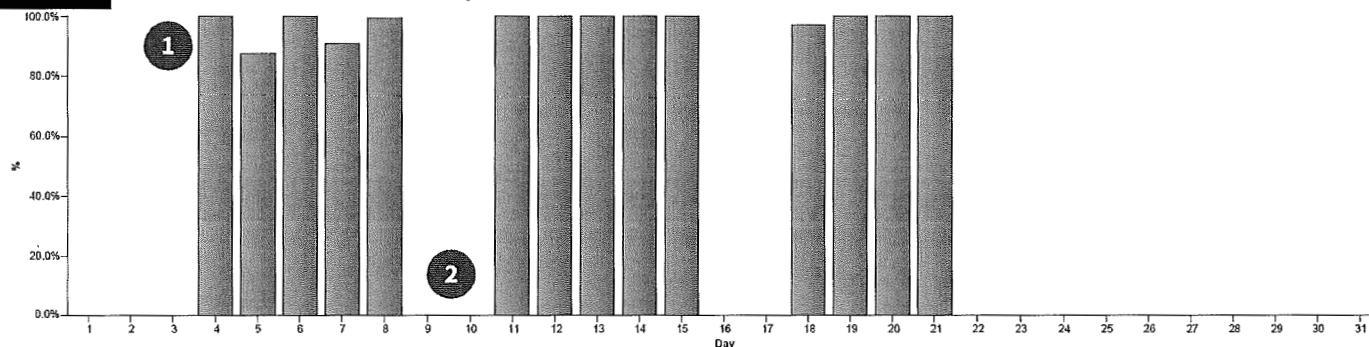
Calculates and presents parts fill rates by site. This is a summary of parts available on-demand versus parts unavailable and on order. It includes daily and month-to-date calculations. Fill rates are one of the most commonly used and important Key Performance Indicators in our business as they show our customer what percentage of parts are fulfilled on the spot.

### IBS on Demand Fill Rate Report, 1/21/16



This report highlights the parts available, ordered on the part request date; providing the percentage by weekday and month.

has a **98.2%** fill rate for the month of January 2016



	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Available Parts	0.0	0.0	0.0	63.0	365.0	100.0	241.0	178.0	0.0	0.0	1,229.0	304.0	277.0	274.0	439.0	0.0	0.0	197.0	182.0	391.0	289.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unavailable Parts	0.0	0.0	0.0	0.0	51.0	0.0	24.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
%	0.0%	0.0%	0.0%	100.0%	87.7%	100.0%	90.9%	99.4%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	97.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

3

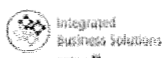
- 1 On-demand fill rate as a percentage (98.8% average above).
- 2 Gaps in the chart are days where the operation is closed so there is no fill rate.
- 3 Details on number of available parts on demand versus unavailable parts, used to calculate the percentages in the graph.



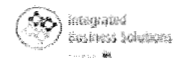
# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #7 : COST COMPARISON DETAIL REPORT

The goal of this report is to show specific parts cost comparisons and other savings metrics realized by our customer. This allows us to set specific cost savings goals by site and measure the progress monthly. The report will track all superseded parts and show SKU level comparisons. The Cost Comparison Report provides true transparency in our pricing and shows you exactly how much you are saving compared with your previous pricing model.



### GPC Parts Cost Comparison Detail Report , 3/17/14



This report highlights the parts price comparison for parts issued on 3/17/14. The total savings, on the reporting date is (\$2,433.58)

Previous Product Line: LMP-TEST

Invoice Number	Product Line Code	Product SKU	Part	Part Invoiced Quantity	Part Price	Extended Price	Previous Line Code	Previous Part	Savings Description	# of parts Superseded	Previous Price	Previous Extended Price	Difference
1	LMP	9203	HALOGEN CAPSULE	1.0	\$4.89	\$4.89	LMP-TEST	9203-T	RANDOM TEST	1	10	\$70.00	\$3.11
2		104	BULB	2	\$0.25	\$0.25		104-T	RANDOM TEST	1	10	\$10.00	\$3.75
3	LMP	45254	HALOGEN LAMP	1.0	\$8.99	\$8.99	LMP-TEST	45254-T	RANDOM TEST	1	10	\$18.00	\$9.01
				3.0		\$13.91						\$30.00	\$16.09

Previous Product Line: MAC-TEST

Invoice Number	Product Line Code	Product SKU	Part	Part Invoiced Quantity	Part Price	Extended Price	Previous Line Code	Previous Part	Savings Description	# of parts Superseded	Previous Price	Previous Extended Price	Difference
1	MAC	4300	NON-CHLOR BRAKE CLNR	2.0	\$1.99	\$3.78	MAC-TEST	4300-T	RANDOM TEST	2	10	\$18.00	\$14.22
2	MAC	4300	NON-CHLOR BRAKE CLNR	2.0	\$1.99	\$3.78	MAC-TEST	4300-T	RANDOM TEST	2	10	\$20.00	\$16.22
				4.0		\$7.56						\$40.00	\$32.44

Previous Product Line: NBH-TEST

Invoice Number	Product Line Code	Product SKU	Part	Part Invoiced Quantity	Part Price	Extended Price	Previous Line Code	Previous Part	Savings Description	# of parts Superseded	Previous Price	Previous Extended Price	Difference
1	NBH	26129	IDLER PULLEY	1.0	\$10.25	\$10.25	NBH-TEST	26129-T	RANDOM TEST	1	10	\$10.00	(\$0.25)
2	NBH	26453	DR BLT TENSIONER ASSY	1.0	\$38.95	\$38.95	NBH-TEST	26453-T	RANDOM TEST	1	10	\$10.00	(\$28.95)
				2.0		\$49.20						\$20.00	(\$29.25)

Previous Product Line: NFR-TEST

Invoice Number	Product Line Code	Product SKU	Part	Part Invoiced Quantity	Part Price	Extended Price	Previous Line Code	Previous Part	Savings Description	# of parts Superseded	Previous Price	Previous Extended Price	Difference
1	NFR	2K30003	AC MACHINE 3	1.0	\$5.00	\$5.00	NFR-TEST	2K30003-T	RANDOM TEST	2	10	\$10.00	\$5.00
2	NFR	2K30003	AC MACHINE 3	2.0	\$5.00	\$10.00	NFR-TEST	2K30003-T	RANDOM TEST	2	10	\$20.00	\$10.00

- 1 Actual part ordered detail: line code, SKU, description.
- 2 Actual part order pricing detail.
- 3 Previous part ordered detail.
- 4 Previous part ordered pricing detail.
- 5 Total price difference for particular part (Current price x quantity – Previous price x quantity)
- 6 Total price difference across entire product line.



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# SAVINGS TRACKING AND REPORTING SYSTEM (STARS)

## STARS REPORT #8 : INVENTORY SNAPSHOT REPORT

This provides a summary, updated monthly, of total inventory stocked on-site at your IBS store. It includes total inventory on-hand, in units and in dollars, and allows easy identification of fastest moving inventory. The chart also differentiates between NAPA-owned inventory and customer-owned inventory.

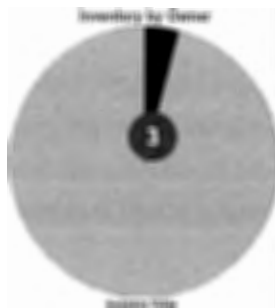


Inventory Snapshot Report, 01/21/16



The report is a snapshot of the inventory position and owner, as of 01/21/16

- On 01/21/16, City of Kissimmee had a total inventory of \$250,834.11
  - [Redacted] had a total inventory of \$10,241.15, which is 4.1% of total inventory.
  - NAPA has a total inventory of \$240,592.96, which is 95.9% of total inventory.
- A further breakdown, 01/21/16, [Redacted] is as follows.



- This chart illustrates the Total Inventory Value

Current Inventory Values

	QOH	Inventory Value
NAPA	17,337	\$240,592.96
[Redacted]	1,106	\$10,241.15
Summary	18,443	\$250,834.11

1

2

- 1 Inventory unit quantity on hand. The top row is NAPA-owned and the bottom row is customer-owned.
- 2 Total inventory value for NAPA-owned and customer-owned inventory.
- 3 The chart shows the percentage of total inventory value owned by NAPA and by the customer.



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## TAMS REPORT EXAMPLES



In addition to being the Point-of-Sale interface in more than 6,000 NAPA Auto Parts Stores nationwide, the Total Automotive Management System (TAMS) can provide more than 280 detailed reports on inventory status, parts orders, cost and savings, special orders and more. While the reports you will receive from us can be customized to fit your needs, the following pages contain examples of some of the most common reports that we use in IBS that we feel bring a lot of value to our customers :

- On Order Recap Report
- Special Invoice Report
- Line Inventory Value Report
- Top Product Line Sales Ranking Report
- Core Activity Report

In each example, we provide a short description of the purpose and value of the report, along with callouts and definitions of key data items within the report.



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# TAMS REPORT EXAMPLES

## SPECIAL INVOICE REPORT

Shows the previous day's special returns, cores, warranties, voids and offsets. This helps the customer see the status of potential refunds or returns that are being processed.

*Report Viewer*

07/30/2015 08:39 AM  
700001076 - 076 Gwinnett Co

SPECIAL INVOICE RECAP  
Accounting Day - 21

(RPT130)  
Page 1

Line Part	Class	Qty Avail	Note	Qty Sold	Invoice	Type	Customer #	Emp	Sales Rep	Cash	Chgd	Line Total
*** Cores Returned for Credit/Refund ***												
IIB MT34		21	Core	-1	416210	CHARGE	4757	8	97	0	8	-18.00
MAS 25950920		0	Core	-1	416211	CHARGE	4757	8	97	0	8	-100.00
Total for Cores Returned for Credit/Refund:				-2								-118.00
*** Selection Criteria ***												
Date Range.....CURRENT ACCOUNTING DAY												5
*** End of Report ***												

Page 1 [Print] [Close]

- 1 Parts number that is being returned
- 2 Quantity of each part number still available in the store
- 3 Quantity of each part number that is being returned.
- 4 Invoice detail from original sale
- 5 Total return value by line and by total value of all returns







# TAMS REPORT EXAMPLES

## LINE INVENTORY VALUE REPORT

This report provides a recap of total inventory value by product line so IBS and customer management can accurately assess the status of their current inventory and understand where the most and least investment value is allocated.

*Report Viewer*

07/30/2015 08:14 AM  
700001076 - 076 Quinnett Co

**LINE INVENTORY VALUE SUMMARY**  
End of Month - Accounting Day - 21

(RPT027)  
Page 1

Line	Description	Replacement Cost				Average Cost			
		Parts Value	New Cores	Returned Cores	Defective Parts	Parts Value	New Cores	Returned Cores	Defective Parts
LIB	INTERSTATE BATTERY	1712.64	432.00	180.00		1712.64	432.00	180.00	
SBM	BRALIN TANDS								
GHS	HAVIS SHIELDS								
GGR	GRACO PUMPS	975.11				975.11			
BST	NUMBERS	4441.37				4441.37			
ABF	FOOD								
AC	AC DELCO SPARK	189.75				189.75			
ADO	ADAPTIVE ONE BR	1719.14				1719.14			
AFL	ATL FRIGHYLR	2559.85				2559.85			
AFP	AIRTEK FUEL PUM	105.48				105.48			
AFS	ADV FLUID SYS	17.45				17.45			
AG	ADAMS TIGER MOWER	2640.32				2640.32			
AIC	ALTRON IMPORT C	124.10				124.10			
AII	ARMSTRONG INDUS				12.97				12.97
AHH	AHICO	67.65				67.65			
AMO	ALAMO PARTS	1696.64				1696.64			
APT	ATL POUERTRAIN	1086.30				1086.30			
APX	APEX TOOLS								
ARN	ARNOTT SUSPNSI								
ASP	AUTOLITE SPARK	217.10				217.10			
ATK	ATK REMAN ENGIN								
ATH	ALTRON IMPORTS								
ATP	NAPA AUTOMATIC	62.68				62.68			
AVB	ADVANTAGE BULBS								
DAT	NAPA DISTRIBUT	9465.98	2798.00	252.00		9465.98	2798.00	252.00	

1 Page [Navigation icons] Print Close

- 1 Line code and Description for each part in inventory.
- 2 Total parts inventory and core value for each Line Code based on Replacement Cost.
- 3 Total parts inventory and core value for each Line Code based on Average Cost.



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# TAMS REPORT EXAMPLES

## TOP 20 PRODUCT LINE PURCHASE RANKING REPORT

This report shows a list of the top product lines sold in your IBS store, based on year-to-date volumes. Not only does it give your facility managers insight into which parts your operation spends the most money on, but it shows NAPA IBS's gross profit margin and dollars on every item so you can be assured our pricing is compliant with the model and profit levels agreed upon in our contract.

07/30/2015 08:45 AM  
700001076 - 076 Gwinnett Co

TOP 20 Product Line Sales Ranking  
Accounting Day - 21  
Sorted by - YTD Sales/Product Line

(RPT218)  
Page 5

Product Line	Description	Jun 2015		Jun 2014		YTD		LYTD		% Incr (Decr)
		Sales	Gross Profit	Sales	% Incr (Decr)	Sales	% Incr (Decr)	Sales	% Incr (Decr)	
1 SNI	Snider Tires	58,631.96	4,552.07	63,435.90	-7.6%	306,677.01		326,016.03		-5.9%
			7.8%	4,794.99	-5.1%	24,406.81	8.0%	25,591.13	7.8%	-4.6%
NAS	NASHCHEVROLET	40,296.61	9,823.08	39,724.94	1.4%	248,634.92		204,192.52		21.8%
			24.4%	8,726.76	22.0%	58,399.51	23.5%	43,799.04	21.4%	33.3%
SMG	STNMTNGOODYEAR	43,838.89	4,004.56	37,611.30	16.6%	233,250.21		187,203.50		24.6%
			9.1%	3,419.44	17.1%	21,262.22	9.1%	17,020.20	9.1%	24.9%
UNV	UNIVERSALLINE	20,882.76	3,927.76	41,459.55	-49.6%	138,609.34		207,513.32		-33.2%
			18.8%	3,918.55	9.5%	18,380.90	13.3%	20,202.45	9.7%	-9.0%
TWD	TRACTION DISTRI	20,637.97	5,700.94	20,810.09	-0.8%	88,880.94		60,603.84		46.7%
			27.6%	5,214.93	25.1%	22,997.35	25.9%	15,816.94	26.1%	45.4%
FIR	MISC FIRE EQUIP	12,351.70	2,176.26	14,059.99	-12.2%	72,370.96		58,912.85		22.8%
			17.6%	2,481.98	-12.7%	13,174.07	18.2%	11,120.28	18.9%	18.5%

- 1 Product Line Code and Description for each of the Top 20 selling Product Lines.
- 2 Current month Part Sales and IBS Gross Profit dollar amounts.
- 3 Gross Profit Margin on each product line based on contract agreement and IBS profit goals.
- 4 Current month sales numbers for the same product line in the previous year.
- 5 Current year-to-date and previous year-to-date sales and profit numbers with percent changes.





# TAMS REPORT EXAMPLES

## CORE ACTIVITY REPORT

Lists all cores billed and credited in a predetermined time period, including product line, part number, invoice information, quantities and core values. This shows that the number of returned parts billed and credited are equal so you know all cores are processed correctly.

**Report Viewer**

07/30/2015 08:41 AM  
700001076 - 076 Gwinnett Co

**CORE ACTIVITY REPORT**  
Accounting Day - Z1

(RPT191) Page 9

Customer Number	Customer Name	Sales Rep	Line Part Number	AD	Core Invoice Invoice	Invoice Date	Parts Invoice	Sales Qty	Return Qty	Core Value			
4757 GWINNETT CO/SUPPORT SERVI		97 NAS	25950920	1	414096	07/01/2015		1		100.0000			
			25950920	9	414909	07/14/2015		1		100.0000			
			25950920	20	416137	07/29/2015		1		100.0000			
			25950920	20	416185	07/29/2015		1		100.0000			
			25950920	1	414096	07/01/2015			1	-100.0000			
			25950920	9	414909	07/14/2015			1	-100.0000			
			25950920	20	416137	07/29/2015			1	-100.0000			
			25950920	20	416185	07/29/2015			1	-100.0000			
			<hr/>										
											4	4	0.0000
					97 NAS	89017845	15	415654	07/22/2015		1		45.0000
						89017845	15	415654	07/22/2015			1	-45.0000
			<hr/>										
											1	1	0.0000
		97 NRP	221003	19	416036	07/28/2015		1		101.9200			
			221003	19	416100	07/28/2015		1		101.9200			
			221003	19	416036	07/28/2015			1	-101.9200			
			221003	19	416100	07/28/2015			1	-101.9200			
			<hr/>										
								2	2	0.0000			
		97 PST	VD0A2C53299059	14	415635	07/21/2015		1		28.2300			
			VD0A2C53299059	14	415635	07/21/2015			1	-28.2300			

Page [9] [Navigation icons] [Print] [Close]

- 1 Part Line and Number information.
- 2 Core invoice number and date.
- 3 Sales quantity and return quantity for each returned part with line item totals.
- 4 Purchase and return values and total (should equal zero if all cores are processed properly.)

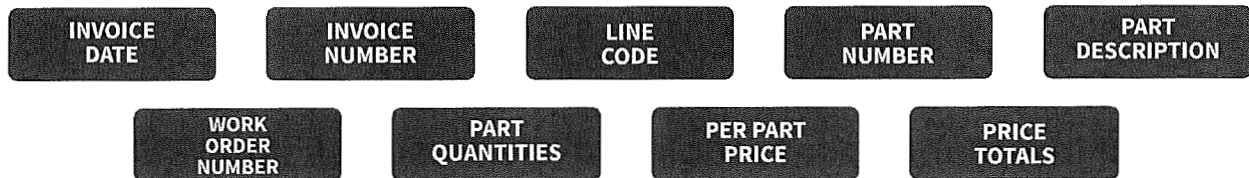


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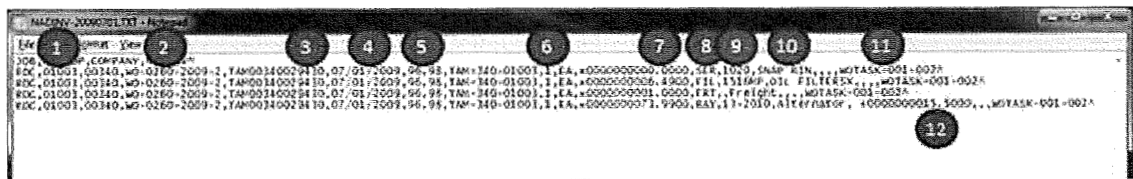
# FASTER INTEGRATION

NAPA's Point of Sale system integrates with Fasters' Web fleet management software by providing a daily Electronic Data Interchange (EDI) file which contains NAPA invoice data. The EDI file, which is provided in either text (.txt) or Excel (.xls) format, is transmitted via email or file transfer protocol (FTP). The file is then imported into the FASTER fleet management system to be processed and reconciled with FASTER transactions. The invoice data contains detailed transaction information, including :

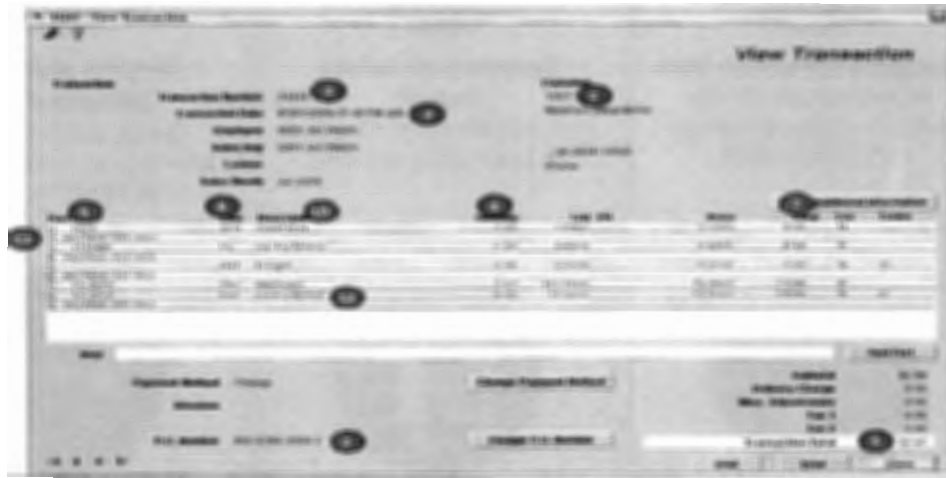


The following images show an example of the fields in the NAPA point-of-sale system with the corresponding data that is provided in the invoice data file:

Faster Data



TAMS Data



**OTHER IBS CUSTOMERS USING THIS INTEGRATION :**  
 Town of Cary \_\_\_\_\_ CARY, NC  
 Knoxville Utility Board \_\_\_\_\_ KNOXVILLE, TN

**FASTER**  
 Fleet Management Software and Services  
*Trust Us to be There.*



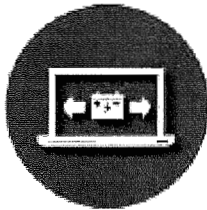
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# VIRTUAL INVENTORY EXCHANGE WAREHOUSE



## The Future of Inventory Optimization and IBS Business Innovation is here.

The ability to clearly see the parts exchange opportunities that will transform surplus inventory into a multimillion dollar marketplace is now at the fingertips of IBS locations within a simple, intuitive and expedient platform.



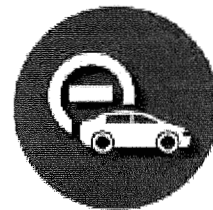
### Complete Inventory Data

All inventory in the IBS network at your fingertips and updated daily



### Targeted Inventory Search

Run detailed searches to find the exact parts you need.



### Surplus Inventory Identification

Quickly see the surplus inventory you can provide to other locations in need.



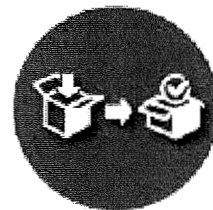
### Inventory Monitoring

Easily review your ratio of fresh vs. surplus inventory to manage your stock.



### Transfer Opportunities

VIEW proactively shows you opportunities for transfer deals with other locations.



### Transfer Progress

Keep track of all transfers with an easy to use transfer timeline and status updates



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Virtual Inventory Exchange Warehouse | 43

## WHAT IS QUALITY ASSURANCE?

As a provider of a service, NAPA Integrated Business Solutions' quality assurance program is more than just making sure the parts we sell work properly. In short, quality assurance means guaranteeing that what you signed up for in your contract gets delivered on time, at the price agreed upon and to your requirements or specifications. Under the surface, though, there is a lot that we do to make sure that all happens and our customers continue to tell us that it works.



### PARTS

The quality of the parts we sell is a large component of what keeps our success going. We constantly monitor part performance by tracking part lifespans, warranties and returns, obsolescence, turnover and more. We provide exactly the parts you want, whether OE or aftermarket, and make sure they perform up to expectations. If something isn't performing, we'll catch it through our tracking systems or through open communications with technicians and management at your facility.



### PEOPLE

The backbone of a well run operation is its people. IBS puts a strong emphasis on continuous training of both our staff and your technicians to keep them motivated, productive and prepared to handle any task the job throws their way. When opening a new IBS location, we put excessive diligence into selecting the right people to place in your facility and we include you in the selection process the whole way so you are assured you have people you trust who will get the job done right.



### VENDORS

IBS performs a rigorous analysis on all vendors prior to opening to determine who will be the best fit to supply your new parts store. After opening, we monitor vendor performance through pricing audits, warranty claims and recoveries, service timing and any other metrics that matter to you the customer. If you or we determine a vendor is not performing up to expectations we will address the issue immediately and re-optimize our solution to get you exactly what you want. We have strong, long-lasting relationships with thousands of vendors nationwide.



### CUSTOMER SATISFACTION

Customer satisfaction is the ultimate goal of any service provider and we go above and beyond to assure the quality of the overall service we provide. Once per quarter, our upper management team will sit down with you and our on-site management and conduct a formal review of our relationship and your satisfaction with the operation. All business reviews are documented and reviewed by IBS Headquarters and any issues identified are remedied as quickly as possible. A good partnership is a living, changing thing so we constantly look for ways to improve.



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# BILLING & INVOICE EXAMPLES

## SAMPLE PARTS INVOICE



700008001  
 Genuine Parts Co. 001  
 500 SHREVEPORT RD.  
 JEFFERSON, LA 70121  
 (504) 834-2211

Time: 14:13  
 Date: 01/28/2016  
 Page: 1/1

Invoice Number 034151



7097 JEFFERSON PARISH - EAST BANK 4901 JEFFERSON HWY JEFFERSON, LA 70121-3123	Employee: 31 , Cindy Sales Rep: 6 , Mark Accounting Day: 38	Y OCT 7000080016341518 Y
--	---	-----------------------------------

Part Number	Code	Description	Quantity	Price	Net	Total
3385	NGK	SPARK PLUG 11	50.00	7.41	4.1436	207.48
7321	NGK	SPARK PL 11	50.00	4.62	2.5872	129.36
Item 63 list -44 Attn: Keith Marherne Drainage department						

9 Delivery:  
 Attention: Levee  
 Tax Exemption:  
 PO#: 16-0002139  
 2 TERMS:

Subtotal	336.84
TAX EXEMPT 0.00304	0.00
<b>Total</b>	<b>336.84</b>
Charge Sale	156.84

CUSTOMER SIGNATURE  
 ALL GOODS RETURNED MUST BE ACCOMPANIED BY THIS INVOICE  
 THE BY:                      VOID BY:  
 REVISE CO: JG 208 840112  
 DALLAS, TX 75284-8031

Reprint

Above is a sample one-time parts invoice. In a typical IBS store there will be dozens of invoices processed by our team each day. Certain key components have been highlighted above and are defined below.

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>1 Invoice Number</li> <li>2 Purchase Order Number</li> <li>3 Part Number</li> <li>4 Product Line</li> <li>5 Product Description</li> </ul> | <ul style="list-style-type: none"> <li>6 Quantity Ordered</li> <li>7 Part List Price</li> <li>8 Actual (Discounted) Part Cost</li> <li>9 Notes Field</li> </ul> |
|---|---|

## INVENTORY BUYBACK

Upon termination, expiration, or non-renewal of a contract, NAPA has the option to require our customers to purchase all non-NAPA inventory owned by NAPA and located in the on-site store(s) at NAPA's current acquisition cost. Furthermore, each customer will have the option to purchase all NAPA-brand items that are in inventory at the on-site store(s) at NAPA's current acquisition cost. Upon a customer's request, NAPA will provide a listing of all NAPA and non-NAPA inventory owned by NAPA and located in the on-site store(s).

Over time, we have identified a trend in our inventory costs. In the past five years, our total inventory costs have actually decreased by one percent. Therefore, in the best interest of our customers the basis for our inventory buyback policy is to charge current acquisition cost rather than acquisition cost at the time of the contract.

## PAYMENT TERMS

NAPA Integrated Business Solutions (NAPA) invoices our customers for all inventory purchased on a monthly basis according to their selected pricing plan. The customer agrees to pay the entire amount of all statements received from NAPA by the 25th day of the month following receipt of any such statement. In the event any statement has not been paid as of such date, NAPA shall impose a finance charge of 1.5% per month, or such lower amount as may be permitted by law. The customer shall reimburse NAPA for all costs incurred by NAPA in collecting any past due amounts owed to NAPA pursuant to their contract, including any attorney's fees.



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# INFORMATION TECHNOLOGY SECURITY PLAN

As security threats change in the digital age and become more sophisticated, NAPA Integrated Business Solutions and our parent company, Genuine Parts Company, have embarked on a company-wide initiative to further enhance our security capabilities to help protect our employees, customers and business information. We currently leverage Verizon Security to perform periodic security assessments and we ensure that all critical business systems, including those in our IBS operations, are monitored continuously. We invest in security technologies and practices to reduce the risks of a system intrusion or data breach.

All of the efforts that NAPA invests in carry benefits on to our customer as well. We understand that your data sensitivity and security is of utmost importance to you and we are here to ensure it remains untampered with. Most of the ongoing security efforts we implement are targeted at protecting one of (1) Enterprise Security; (2) Data Security; or (3) Data Backup, and include :

## 1 Enterprise Security

- PCI scanning on a quarterly basis. Prioritize and remediate vulnerabilities as appropriate
- Annual penetration testing of our major B2C and B2B internet facing systems
- Annual Penetration testing of store systems
- Quarterly vulnerability scanning of internet/intranet facing systems
- Risk assessment and management leveraging Verizon's Security Management Tool (SMP)
- Patching of systems based on Zero-Day vulnerability and criticality
- All integration services are controlled via pre-defined Authentication and Authorization process, including pre-registration with our customers

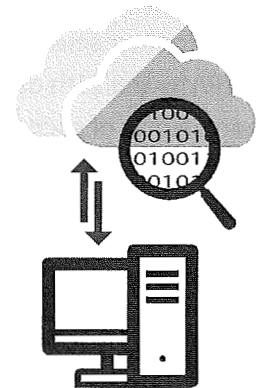
## 2 Data Security

- Data is secured in our Verizon CoLo data center with strict Access Control Lists around systems, data and file access
- For all employees, training and signature required on IT acceptable use and security policies
- Managed Symantec Endpoint Protection (SEP)



## 3 Data Backup

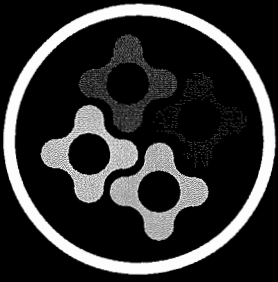
- All customer data is backed up in two centralized servers, one in Atlanta and one in Dallas
- If your system ever goes down, or one of ours does, your data will remain backed up forever



Going forward, our company will continue to monitor developments in data and system security threats and will adjust our protection efforts to counter these risks to our business and yours. As our customer, you will rest easy knowing that integrating your systems with ours will never compromise your security.



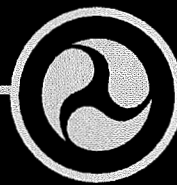
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# **City of Charlotte Parts Department Outsourcing Implementation Plan**





# IMPLEMENTATION PLAN

NAPA has years of experience implementing and operating large scale projects like the City of Charlotte. Through our history of opening hundreds of vendor managed inventory operations, we have identified a robust schedule of events that need to take place in order for us to mobilize and operate your specific needs. We plan to implement the following executables so the City sees little to no interruption of service, whether you choose to take a staggered approach across all six site locations or prefer to implement the entire changeover at once. We will work with your timeline and will en-sure that all proposed tools and resources are in place to operate as efficiently as possible on day one.

## PHASE 1: PREPARATION

### INVENTORY REVIEW

- Establish initial stock orders
- Establish uniform part numbers
- Establish consistent pricing
- Inventory changeover to NAPA product where appropriate

### SURVEY OF ASSETS

- Delivery vehicles
- Hydraulic hose machines
- Fork lifts
- Shelving
- Pallet jacks
- Office equipment

### VENDOR ANALYSIS

- MWSBE vendors
- Mandatory contracts
- NAPA national vendors
- Local vendors

### STAFFING & TRAINING

- Employee recruitment
- Training
- Certifications
- Technician training



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# IMPLEMENTATION PLAN

## TECHNOLOGY SETUP

- Order and mobilize TAMS units
- Establish NAPA distribution center connections
- Prolink registration
- Set up AR/AP accounts

## PHASE 2: MOBILIZATION/ GO LIVE

Once our locations have completed the Preparation phase accordingly, they are ready to go live and start providing parts to your technicians. Approximately one week prior, we will conduct a joint physical inventory of all locations to confirm levels, then NAPA will purchase all applicable inventory and take it into our ownership and management. Upon mobilization, our project management team and additional resources will remain onsite to assist in performing and closely monitoring the following tasks to ensure we meet your expectations:

- Monitoring inventory order flow
- Tracking lost sales
- Monitoring ongoing min/max criteria
- Managing warranty claims
- Tracking key performance indicators
- Managing staff and customer relationships
- Evaluating daily employee performance
- Communicating with City technicians on expected delivery times for parts
- Adjusting the parts room for operational efficiency
- Evaluating new vendors through our many resources
- Communicating daily with key City stakeholders



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# IMPLEMENTATION PLAN

## PHASE 3: ONGOING MANAGEMENT

After the initial Mobilization phase, our on-site and management support teams will be constantly tracking performance and finding ways to further optimize the operation. Some of the many efforts we take to keep improving for you are:

- STARS (Savings, Tracking and Reporting System) on inventory and performance
- Regular business reviews with City management
- Key performance indicator reviews and adjustments
- Contract compliance reviews
- Ongoing vendor negotiations
- Vendor recruitment (MWSBE, regional and national)
- Employee performance reviews
- Ongoing NAPA staff and City technician training

With our Preparedness Plan, Go Live Mobilization Plan and our Ongoing Management, we will be in a position to either phase in our operation, or do a global transition at once. Our resources will be utilized throughout the transition and during the execution of the partnership. We have the experience and resources to undertake the project at your discretion. We know that we will see the following results immediately:

1. Improved Parts Availability
2. Reduction in Parts Overlap
3. Consistent Parts Pricing
4. Improved Uniform Parts Ordering System
5. Simplified Mix of Product
6. Reduction in Product Overlap
7. Improved Vendor Relationships
8. Experienced PARTS PROFESSIONALS
9. Consistent Reporting
10. Accurate Warranty Tracking
11. Accurate Core Tracking
12. Obsolescence Management



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# IMPLEMENTATION PLAN

While all of the activities and events listed in Phases 1-3 are the building blocks of establishing and maintaining an effective operation, there are several other components that NAPA implements behind the scenes to help us ensure operational excellence.

## 3.3 Page 13

The Service Provider's proposal must include an implementation plan for the change of a Site Manager or key personnel.

NAPA Auto Parts proposes to interview all affected City of Charlotte staff for potential employment with NAPA Auto Parts. In our proposal, we have chosen to staff each site location with at least 1 individual, and all costs associated with that employee are reflected in our fixed fee methodology. At 12<sup>th</sup> Street Tuckaseegee and Commission/Decommission, we have also proposed an alternative plan which does not include a staff member on-site. Our final staffing levels and personnel selection will be jointly reviewed between the City and NAPA Auto Parts. Throughout the duration of the contract, should there require personnel changes, all changes, to the best of our ability, will be reviewed and discussed with the city. Our overall goal is to have tenure at each of our positions and minimize employee turnover. All employees will be trained and have access to training opportunities throughout their employment with NAPA Auto Parts.

### Implementation Plan Outline

The Service Provider will propose an Implementation Plan that identifies all actions to be taken and the resources it will employ to accomplish a successful transition of services under any agreement negotiated pursuant to this RFP. At a minimum, the Implementation Plan must describe the following:

- a) **Continuity of Service:** The Service Provider will develop and submit a proposed Implementation Plan that outlines the process to be followed, time frames required, and any measurable milestones in the plan for ensuring continuity of service during the transition.

See Mobilization Timeline at the end of this section

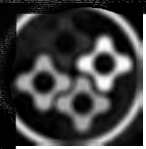
- b) **Physical Inventory Count and Rationalization:** The Service Provider will outline its detailed approach for conducting the physical inventory count and rationalization, including the time frame required and the level of involvement necessary on the part of the City staff. The Service Provider's cost proposal for rationalizing and disposing of any excess inventory shall be part of the cost proposal.

See Inventory Plan at the end of this section

- c) **Orientation of Successful Proposer and City Personnel:** The Service Provider will outline a plan for orientation of both Service Provider's and City personnel to ensure that the operational and procedural needs of both parties are clearly communicated and understood.

See On-site Staffing at the end of this section

- d) **Description of resources to be applied by Service Provider:** The Service Provider will present a detailed accounting of all resources to be devoted to the fulfillment of this contract, which shall include, but not be limited to, personnel, vehicles, hardware, software parts manuals, and supplies and materials other than automotive parts that may be required for successful operations.



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# IMPLEMENTATION PLAN

NAPA Auto Parts will provide a computer terminal (TAMS), printer, file cabinetry, office chairs, MSDS Sheets, delivery vehicles, parts manuals, basic office supplies such as paper, pens, printer materials.

See Local Management at the end of this section

- e) Description of resources required from the City of Charlotte: The Service Provider will present a detailed accounting of all resources required to be provided by the City to assist the Service Provider in the successful implementation of the contract. This may include utilities, communications access, and any other items or services identified by the Service Provider.

NAPA Auto Parts requests that the city provide access to parts departments for night time stock order deliveries. NAPA requests internet capabilities at each site location, paid for by the city. NAPA requests suitable office space at each fleet operation to include a desk, lighting and a secure inventory that cannot be accessed by city personnel without the permission or escort of a NAPA employee. NAPA also requests that basic amenities be provided for NAPA employees. NAPA requests that City personnel be accessible to use forklift, dollies and other equipment to move bulk and large items.

- f) Description of security measures during transition: The Service Provider will outline a plan to ensure the integrity of the inventory during the transition from City to Contractor operation.

NAPA Auto Parts requests that all parts room be secure and locked when a NAPA employee is not on-site to manage and or oversee the inventory. City personnel are not permitted to enter the parts room without authorization and or escort by a NAPA employee.

Also included are details on our Emergency Services Plan, Green Plan, Safety Plan, Key Performance Indicators and HAZMAT and Waste Handling Plan.

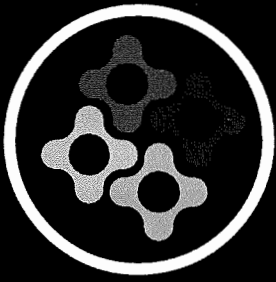


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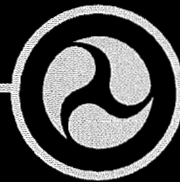




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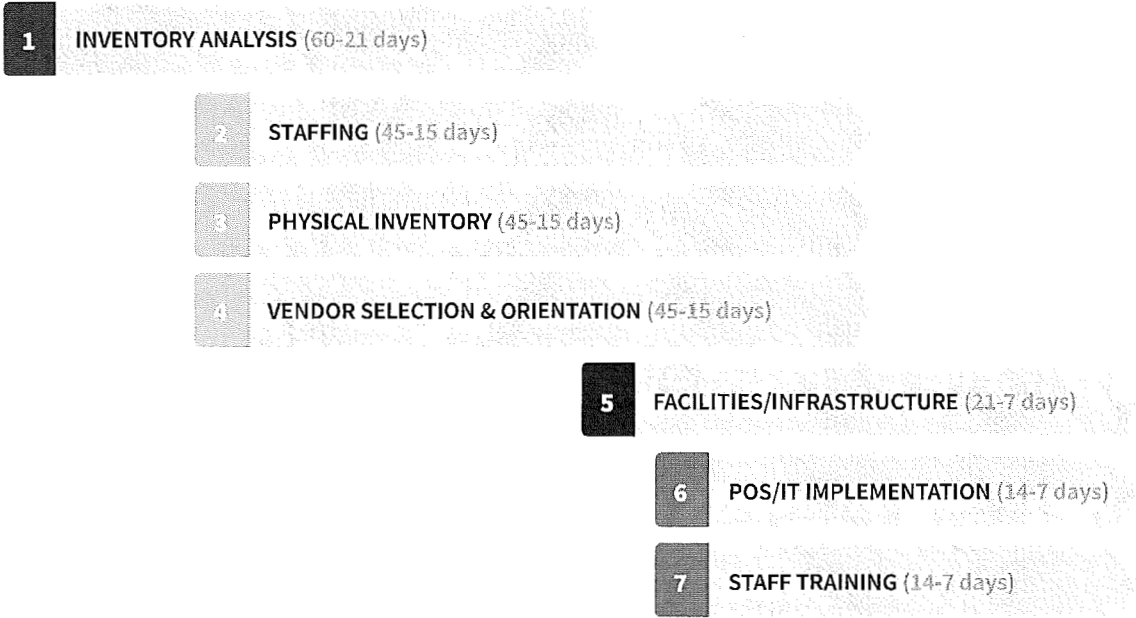
# **City of Charlotte Parts Department Outsourcing Implementation Plan - Supporting Documents**







# MOBILIZATION TIMELINE



## 1 Inventory Analysis

- Determine Obsoletes
- Review Sales History
- Review Current Spend to Identify Interchange Opportunities
- Establish Start-Up-Inventory

## 2 Staffing

- Establish Staffing and Performance Expectations
- Prepare Staffing Plan
- Conduct Candidate Interviews and mutually select employees

## 3 Physical Inventory

- Barcode Current Inventory
- Count Physical Inventory
- Purchase Applicable Inventory from Customer
- Mutually Sign Off on Inventory

## 4 Vendor Selection & Orientation

- Review Current Vendors/Performance
- Suggest New/Additional Vendors
- Hold Vendor Summit
- Select Vendors for IBS Launch

## 5 Facilities/Infrastructure

- Order and Install Shelving
- Test/Install Alarms, Locks, & Other Security Systems
- Purchase Necessary Office Equipment (Cabinets, Phones)
- Obtain & Install Computer Equipment

## 6 POS/IT Implementation

- TAMS Installation
- STARS Installation
- Internet Connection
- P-Cards & Codes Set Up in System

## 7 Staff Training

- Web Training Modules (Barcoding, Business Reviews, Pricing Management)
- Off-site Training (at a Comparable IBS Site)
- On-Site Training (Customer Policies/Procedures/Safety)





# INVENTORY PLAN

In order to convert your parts storage facility to a NAPA IBS store, we will use our local and regional management and operations resources to provide our customer with a smooth transition and the customer will bear no portion of our implementation costs. IBS's inventory transfer and management plan will be address in five stages: Preparation, Transition, Finalization, Ongoing Management and Tools & Reporting. Once a contract is fully executed, we will begin implementation of the five stages, bringing IBS into full operation of the parts and supply service operation. Below are the steps we will take in each of the implementation stages.

**30**  
Days

## PREPARATION

- Identify inventory team to manage the project
- Obtain inventory usage and fleet info from customer
- Analyze data to build startup inventory



**15**  
Days

## TRANSITION

- Perform physical inventory of all existing inventory
- Audit all existing inventory and create inventory list
- Implement initial stock capability into IBS system
- Transfer all existing inventory into IBS system



**15**  
Days

## FINALIZATION

- Review billing best practices with customer team
- Load inventory line codes into IBS point-of-sale system
- Test fleet software integration
- Conduct on-site training
- Barcode all existing product under NAPA management



**1**  
Day

## PROJECT LAUNCH

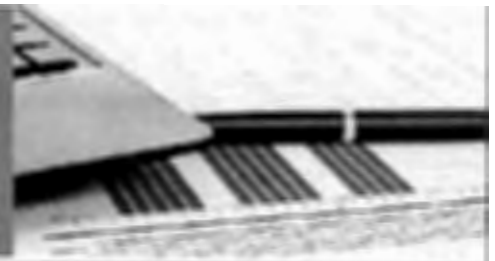
- Perform physical inventory of all existing products in customer's ownership
- Mutual Inventory Sign Off between IBS and customer
- Transition inventory to IBS management



Ongoing

## TOOLS & REPORTING

- Deliver key reports on inventory turnover, special orders, inventory performance, min/max levels, fill rates
- STARX tracking of IBS store overall performance, customer savings and other KPIs
- Conduct regular business reviews to measure customer satisfaction



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# ON-SITE STAFFING

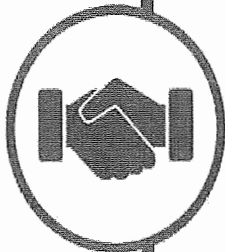
NAPA Intergrated Business Solutions takes ultimate care in selecting the individuals who will represent our company and support your business. Additionally, we involve the customer on every level to ensure not only a highly qualified team, but a good fit for each specific work site and environment. The selection and training process is in-depth and is compromised of the following five stages:

## STAGE 1 | NAPA IBS INTERNAL SELECTION PROCESS



With more than 1,100 IBS employees nationwide, and 37,000+ in the NAPA family, we have the privilege of selecting your staff from an enormous pool of well qualified team members. We search for the most experienced employees in your area of work who know your type of business and will make for a strong contributor to your organization. On any given day we have hundreds of professionals ready to go to start creating value for you, many of whom are right in the Charlotte area. We want you to work with a staff who not only know your business, but know your place of business and fit well with your culture. Furthermore, all of our employees are E-verify screened so you know you are getting only the best.

## STAGE 2 | CUSTOMER INTERVIEW & REVIEW



Approximately 30 days before the open date of your IBS store, we will ontroduce you and your management team to who we feel are the most qualified candidates found in Stage one. It is important that each individual be a good fit for your organization so we allow ample time for you to interview and review candidates so that you have the final say on who to implement into your team. In the end, what the customer says goes.



# ON-SITE STAFFING & TRAINING PLAN

## STAGE 3 | TEAM MEMBER TRAINING

Every staff member that you select for your IBS store will go through an extensive training program in the 30 days leading up to your store open. The training they complete will help prepare them for the specifics of IBS and your particular site and will be conducted in three phases:

1. Web Training – including Barcoding, Business Reviews, Pricing Management, STARS, Vendor Management, Paperwork Reconciliation, Supplier Code Management, Non-NAPA Line Codes and more
2. Offsite Training – at an IBS site comparable to yours so there are no surprises when they show up to work for you
3. On-Site Training – at your facility to learn safety, policies and procedures specific to your location



## STAGE 4 | OPERATIONAL PLAN MEETING

Once training is completed, all new IBS staff and management will meet with your leadership team to discuss your objectives and expectations, including billing, information technology, operations and any other important drivers of your fleet's success.



## STAGE 5 | ONGOING STAFF MANAGEMENT

One of the most important aspects of our staffing plan is ongoing review of staff performance and the handling of conflicts or failure of a staff member to meet a customer's expectations. While this is a rare occurrence, we need to be prepared to handle this situation appropriately if it arises. Though our customers have final say on whether or not to discipline or remove an employee, in order to be considerate of potential legal implications, all such action will be discussed with IBS management first. Our management will work with you to resolve the personnel issue or, if a resolution cannot be reached, we will agree to go to mediation with a mutually accepted third party.



# LOCAL MANAGEMENT AND SUPPORT TEAM

## LOCAL MANAGEMENT & SUPPORT TEAM

In addition to our on-site parts management experts, NAPA provides a deep local support system of highly experienced managers who will back up your team and make sure everything is always running smoothly. This management team lives near you and can be there to assist in a moment's notice, which differentiates us from competitors who have one isolated management team who may be across the country.

**Mike Riess**  
Division Vice President  
LOCATION: High Point, NC  
Responsible for all territory store performance and new business development. Conducts annual customer reviews.

**Bryan Bailey**  
General Manager  
LOCATION: Charlotte  
Manages Distribution Center sales, operations and performance. Leads NAPA supply chain efforts.

**Spencer Abbott**  
District Manager  
LOCATION: Charlotte  
Enforces operational policies and procedures. Conducts periodic business reviews.

**Everett Fitzgerald**  
Loss Prevention Manager  
LOCATION: High Point  
Maintains physical inventory and data integrity to prevent theft. Performs audits of inventory and security systems.

**Tim Mania**  
Operations Manager  
LOCATION: Charlotte  
Ensures contract and procedural compliance. Reviews vendor efforts, store performance and reporting accuracy and results.



# PROJECT TEAM

## HEADQUARTERS MANAGEMENT & NATIONAL SUPPORT TEAM

In addition to your on-site and local support teams, NAPA IBS's Headquarters team is fully involved and available to assist in your operation. Officed in central points across the country, Headquarters management will assist with inventory management, performance tracking and optimization, vendor relations, pricing negotiations, contracts, software integrations and anything else you need to help your business run smoother. They will care for your business and support local staff throughout the duration of your contract with NAPA IBS and their efforts never touch your expenses or budget.



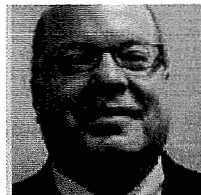
**JETT KUNTZ**  
Vice President - NAPA IBS  
20 years with NAPA

- Oversees all IBS business development, contracts and current site performance
- Drives IBS and customer success and continuous improvement efforts



**DONNA WALSH**  
IT Director, Business Solutions  
3 years with NAPA

- Implements and manages all software integration efforts
- Ensures data integrity and availability across all business systems



**DANA STOLTE**  
SR Director of Store Operations  
28 years with NAPA

- 20 years running multiple site operations
- Manages and champions IBS Operational Excellence program
- Drives/supervises all IBS field support efforts



**ERIC MAUREY**  
Inventory Manager  
5 years with NAPA

- Manages non-NAPA vendor partnerships, offerings and pricing
- Evaluates customer/NAPA IBS product needs and optimal sourcing opportunities
- Directs new vendor onboarding process to ensure smooth transitions of vendors and inventory



**RYAN OUELLETTE**  
Director IBS Operations  
7 years with NAPA

- Develops Standard Operating Procedures to ensure operational consistency
- Manages performance reporting (Savings Tracking and Reporting System)
- Oversees business review tracking, pricing and process improvement



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# EMERGENCY SERVICES PLAN



## **FLOOD | HURRICANE | FIRE | HAZMAT CLEANUP | POWER OUTAGE | SNOW/ICE | TORNADO**

In the event that a disaster or emergency strikes one of our IBS locations, our management team is prepared to meet the challenges associated with this type of situation. While we will always respect and defer to your organization's emergency policies, NAPA IBS has a detailed Emergency Plan in place that establishes procedures to mitigate the effects of a disaster in an effective and efficient manner. Below are some of the focus areas of our plan, including the training that our staff has been through on complying with the plan; further detail can be provided upon request.

- ❖ Pandemic Outbreak
- ❖ Potential Media Contact
- ❖ Access to an Uninterruptible Power Supply to Maintain Equipment Function
- ❖ Emergency Response Actions
- ❖ Power Outages
- ❖ Natural Disasters and Severe Weather

Upon opening a new IBS location, our management team is required to conduct a thorough Business Impact Analysis (BIA) to define the critical processes and the minimum staffing levels required to maintain the business operation for a period of weeks following a disaster situation. During the BIA, our team will consult with your management to ensure our initiatives are in line with your current procedures and that they will protect both our and your employees and facilities.

In the case of an after-hours emergency that requires additional parts service at your IBS location, we have flexible options for how to manage the situation to accommodate your needs in the best way possible. Some options that we have found to be efficient and successful are below, but we will work with you to arrange a plan that fits your protocol and desires.

- ❖ For large enough operations, our IBS Manager may be contracted to be "on call" to assist on-site in an emergency situation where parts service is required. In this situation, all transactions would be approached as normal.
- ❖ In some cases, we will arrange for a parts allotment to be available to your staff on consignment.
- ❖ The following morning, the IBS Manager will bill you for anything missing or used during off hours.

In any case, it is important to know that our team will be fully trained in our procedures and yours and that IBS will always be there to support your business in any situation. Additionally, all of our distribution centers and stores stock up on emergency equipment and supplies from NAPA, our other subsidiaries and outside vendors, during high risk periods to make sure we have you covered.



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# SAFETY PLAN

## IBS SAFETY STATEMENT

At NAPA IBS, along with the support of our parent company Genuine Parts Company, we take great care to ensure our customers operate in a safe environment and work with the highest quality and safest parts, products and services. It's a big part of the job – keeping our operations safe.

We apply the same care and concern when it comes to the safety and security of our employees and yours. A safe workplace is critical to the health and productivity of all NAPA IBS and partner employees and is vital to the continued success of our company and yours.

We understand that you have your own safety procedures in place and we promise strict adherence to your existing safety plan. We are operating in your facility so your rules come first; we just want you to know that either way, we take safety very seriously.

### SAFETY TRAINING

Each of our employees goes through extensive and continuous safety training. Below are some of the current areas of focus for IBS safety training, but new training initiatives are always being developed.

### EQUIPMENT SAFETY

- Lifting Safety
- Forklift Safety
- Power Tool/Pneumatic Safety
- Wheel Management Safety

### PERSONAL SAFETY

- Injury Prevention
- First Aid/CPR/AED
- Personal Protective Equipment
- Electrical/Fire Safety

### MATERIAL SAFETY

- Hazard Communication
- Chemical Safety / OSHA Standards and Compliance
- Hazardous Material Awareness and Security
- Spill Containment and Handling



Our safety program—SAFE (See, Act, Fix, Every day)—is designed to ensure that you have the training, resources and equipment you need to stay safe every day, whether working in a distribution center, retail store, branch or office.

SAFE is about providing you with the necessary tools to make informed choices when it comes to personal safety and equipment safety. And, it's about taking action to correct, prevent or report safety concerns.



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# KEY PERFORMANCE INDICATORS

## ESTABLISHING KEY PERFORMANCE INDICATORS

Key Performance Indicators (KPIs) will be the major metrics and goals against which IBS performance is measured. While KPIs are organic and may change over time as we continue to optimize our solution, establishing strong goals before implementation, or even before a contract, will help IBS and our customer stay on the same page and track what is working and what needs improvement. Based on our operations of more than 380 IBS stores, we have found that some of the most common KPIs fall into three categories that we recommend monitoring initially:

### 1 Operational (People) KPIs

- Customer Satisfaction
- Invoices Processed per Hour

### 2 Parts KPIs

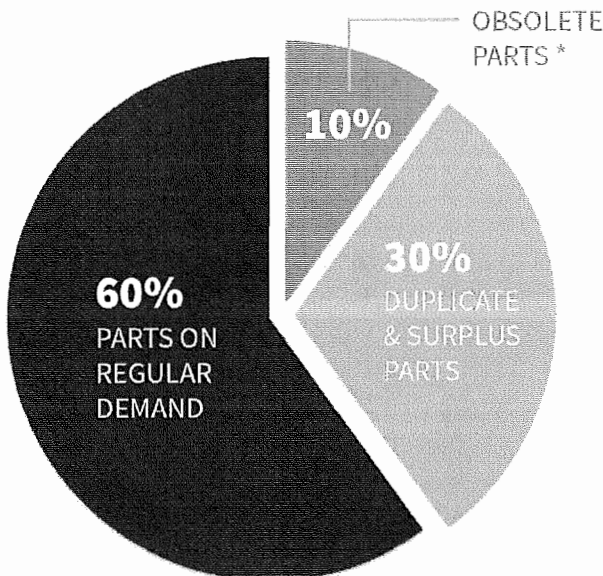
- Price Comparisons
- Warranties
- Obsolete, Duplicate & Surplus Parts Investment Reductions
- Inventory Turnover

### 3 Service KPIs

- Fill Rates
- Down Vehicle Rates
- Special Order Fulfillment

## DISTRIBUTION OF PARTS

In a typical fleet maintenance parts room, we tend to find the following distribution of parts inventory investment. Through thoughtful establishment and accurate measuring of KPIs, we can shift your inventory to only include the parts you really need.




\* Obsolete Parts are those parts which are no longer usable or preferred on your current fleet vehicles

## TRACKING KEY PERFORMANCE INDICATORS

Most of our most common KPIs and goals can be tracked through our proprietary **Savings Tracking and Reporting System (STARS)**, which is explained in further detail in this response. The system produces on-demand daily and monthly reports to help both parties monitor and assess the performance of the IBS store. Should the customer request KPI tracking that is outside of the current capabilities of **STARS**, our on-site and management teams will work with them to implement a system to monitor what is most important.

**In your RFP, you requested the following tracking metrics, which we can provide using our STARS system:**

Fill Rate	Price Check
Non Stock	
Backorders	



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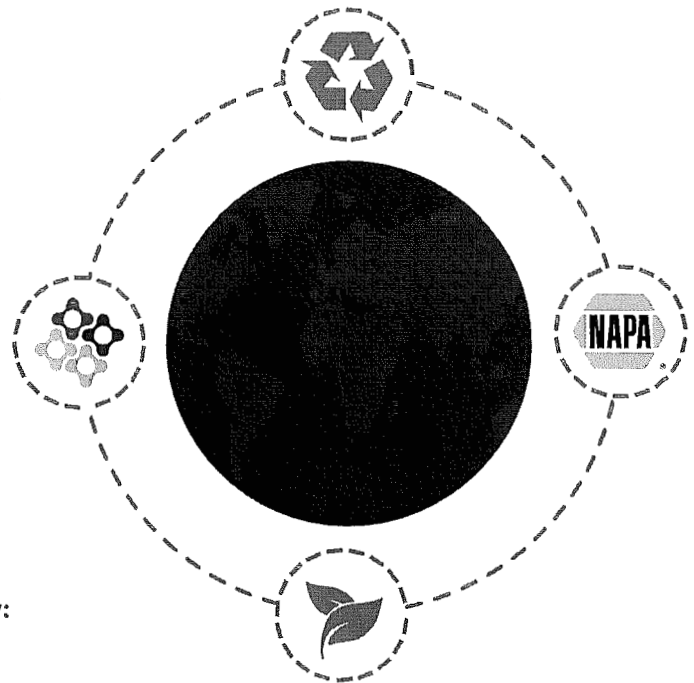
# GREEN PLAN

**At NAPA IBS, we share our customers' and their communities' commitments to sustainable practices in procurement and fleet operations. Below are some of the benefits members will realize from working with NAPA IBS:**

- Many chemicals that are offered are non-detergent/green products
- We recycle oil at our stores and can recycle oil for any customer
- We advocate the use of the used oil filter crusher to extract environmentally hazardous chemicals from landfills
- We recycle all plastic, paper, cardboard and wooden pallets at our DCs and HQ offices
- GPC supports paperless systems initiatives within all business segments
- GPC promotes the use of fuel-friendly delivery fleet vehicles
- NAPA IBS and our commodity supplier Balkamp are actively involved in the 2015-2016 conversion of all chemicals from the standard MSDS to the new standard SDS chemical labeling process
- Two of our key IBS customers were awarded Clean Cities Green Fleet of the Year: the City of Sacramento Fleet 2013 and City of Kansas City, MO Fleet 2014

**In addition to our green fleet initiatives, NAPA IBS markets and sells many green Initiative products, including:**

- Smart Washers
- Challenger Water In-Ground Lifts
- 3M lead free wheel weight system
- Schumacher solar battery charger/maintainers
- Energy Logic - waste oil burners
- Vortex waterborne auto paint - no solvents
- Valvoline Next Gen oil - made with recycled oil
- Recycled Batteries
- Nature's Broom absorbent - eats shop floor oil and lubricants and is environmentally disposable
- Micro Green - Lifetime Fleet Filtration Products



**Finally, NAPA IBS implements a strict environmental and spill policy:**

- All chemical products issued by NAPA will have a corresponding Material Safety Data Sheet or MSDS report. The MSDS sheet lists on-site potential hazards of the product. NAPA maintains a computer cataloged MSDS library that will be on the premises of our IBS Fleet locations.
- NAPA IBS will produce a MSDS (and soon will make the move to new SDS) hard copy of all chemicals that will be stocked on the premises and update an OSHA approved MSDS book in the event of an emergency.
- NAPA maintains a store policy mandating key emergency contacts be clearly posted in the event of an emergency. Hazardous Material hotline and Poison Control will be posted.
- NAPA Policy Hazardous materials handling includes the use of protective measures such as an approved eye wash station, approved fire extinguishers, approved safety glasses and gloves.
- NAPA will advocate the use of the environmentally friendly Parts Washer system to eliminate the use of needless hazardous chemical washing solvents to be replaced with "Ozzy Juice", an enzyme based solvent proven to work both for the environment as well as the safety and well-being of the technician washing fleet parts.



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# HAZARDOUS MATERIALS

In our continuing efforts to conduct business in the most socially, economically and ecologically responsible way, NAPA Integrated Business Solutions takes the handling and disposal of waste and hazardous materials very seriously. The sections below will describe our company's overall policy on how to handle (1) Batteries, (2) Hazardous Materials, (3) Tires, (4) Oil and (5) Recycling. Additionally, we will provide information on vendors and resources that we either currently use in Charlotte or that we recommend partnering with to assist in handling or disposing of the above. Please be reminded that NAPA IBS is a distributor of NAPA and non-NAPA branded parts and that the majority of our material handling is performed either by our product manufacturers or other third-party vendors. Materials are generally stored for pickup at an IBS site and then picked up and disposed of by a third party or transported to the local NAPA distribution center where we have strict processes in place for proper disposal. Materials are rarely disposed of directly by IBS sites.

## HAZMAT PROCEDURES

Hazardous material handling is a cornerstone of the IBS safety training program. We have company-wide procedures in place to ensure all potentially hazardous materials are handled, stored and disposed of responsibly. All IBS employees are trained on:



- How to identify waste items that are generated on-site that may be hazardous
- How to store waste in a designated Waste Accumulation Area
- How to store materials in and properly label waste pickup containers
- How to handle leaks and spills that may occur in the Waste Accumulation Area
- How to store materials in and properly label waste pickup containers
- How to read, interpret and fill out Material Safety Data Sheets

NAPA IBS employs StrongPAK, a third-party material handling service provider, to complete scheduled pickups of all hazardous materials. StrongPAK is fully trained, licensed and compliant with all government transportation and safety regulations.

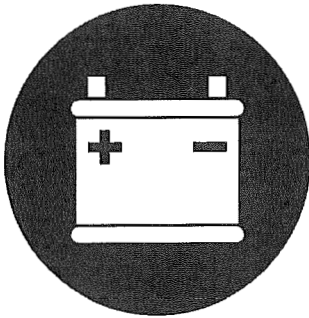


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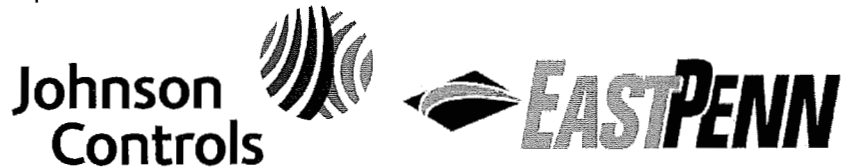
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## BATTERIES

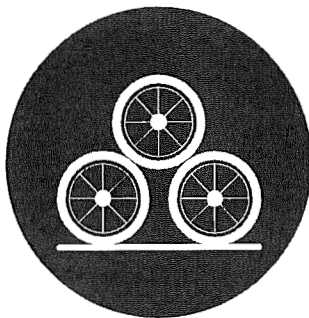


Used batteries can be potentially hazardous and must be handled appropriately to minimize risk and protect the personal safety of our employees and yours. All employees are trained on handling batteries, containing and cleaning acid spills and proper packaging to prepare batteries for returns or disposal. In addition to having policy and procedure documentation on site, each employee receives training literature on neutralizing corrosive chemicals, what personal safety equipment and materials to use and have available, who to contact in the case of a dangerous situation, how to properly stack and wrap a pallet for transportation and more.



NAPA has a national partnerships with East Penn Manufacturing and Johnson Controls to handle and dispose of all used batteries. As part of our green initiative, we employ these partners because they recycle 100 percent of all materials picked up from IBS sites.

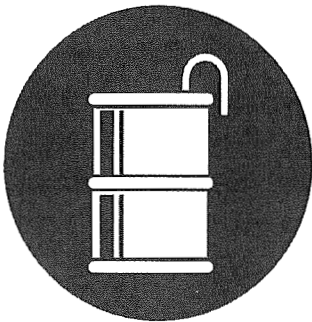
## TIRES



Handling of tires depends on the specific IBS site. Many of our customers have their own tire vendors in place who sell, manage, pick up and recycle tires. However, NAPA IBS is happy to use one of our national tire manufacturer programs (Michelin, Goodyear) to increase the ways in which we add value to your operation. In the case where we provide tires to your fleet as part of our IBS solution, we work closely with the manufacturer to coordinate pickup, either directly from the store or from the nearest supporting distribution center, and responsible recycling of all used or defective tires. We coordinate regularly scheduled pickups to reduce the space requirements of storing waste parts.



## OIL



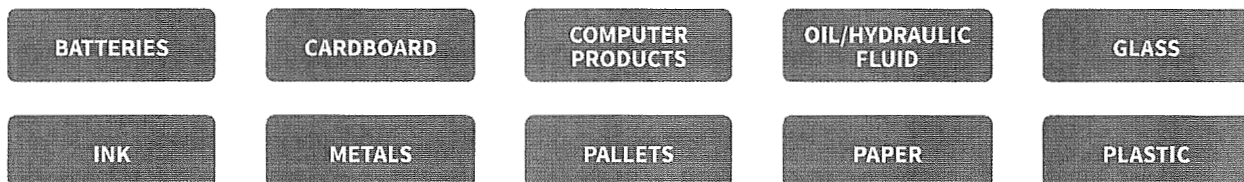
NAPA has formed a strategic national partnership with Safety-Kleen to provide the most responsible and professional handling and refinement of used oil and related fluids possible. All of our IBS employees are extensively trained on how to handle spills and containment of damaged oil containers so that they can be returned to the nearest distribution center quickly and efficiently so as not to affect the safety and operations of the IBS site. From the distribution center, Safety-Kleen handles everything and is fully compliant with all federal and applicable state fluid handling laws.



## RECYCLING

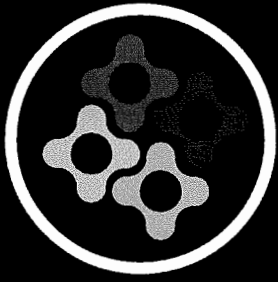
Recycling is an integral part of Genuine Parts Company's dedication to sustainability and green efforts. We are committed to recycling and reusing materials as much as possible to ensure our company is making the most of the resources we purchase and consume. NAPA IBS's approach to recycling is twofold :

- 1 We maintain a comprehensive recycling program that helps us reuse items within our business and repackage products for distribution to our customers. We recycle :



- 2 Waste reduction : We strive to use as many reusable products as possible instead of consumable materials. For example, our distribution centers and IBS stores ship back and forth using plastic totes rather than disposable/destroyable pallets. The more we can reuse and return to our distribution centers, the less waste we create and the less waste you have at your facility.

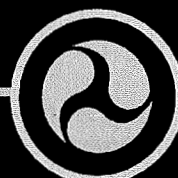




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# **City of Charlotte Parts Department Outsourcing Site Location Plans**



# SITE LOCATION PLANS

## Sweden Avenue

During our site visit to the Sweden Avenue facility, we learned that there is a diverse fleet that frequents this repair facility and has a Fire Call-Out Truck, similar to the Louise Avenue operation. Our fill rate goal would be to have 85% of product available at the time of request, we would look to fill the remaining product 10% of the time in 24 hours and 5% of the time in three days.

For the Fire Call-Out Truck, we would continue with the operational philosophy of inventorying the truck every Thursday, or as needed due to high turnover.

We would look to utilize the most current, up to date technology for managing lubrication at this facility. We would stock tires, and continue with the barcode strategy on nuts/bolts and fasteners. We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable.

Go Live Date: June 4th

## Management Fee Cost

The total annual management fee for this facility using (2) NAPA employees and (1) Driver is \$307,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$1,774,000 million dollars in sales at this location. If annual sales exceed \$1,951,000, million dollars in sales, NAPA requests a review and adjustment of the proposed annual management fee.

## **Executables**

### **Inventory**

- Stocking levels will be determined by projected usage demands. To include 7 days additional safety stock for higher demand periods. Stocking levels can be modified by City of Charlotte management.
- Inventory replenishment will take place daily through the NAPA Charlotte Distribution Center.



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# SITE LOCATION PLANS

- Inventory transfers from additional NAPA Auto Parts store locations may take place to acquire additional product as needed.
- Inventory managed at the City of Charlotte locations will be to meet City demands only. Part transfers out the City facilities will only be to reduce overstock or prevent obsolescence.
- City of Charlotte on-hand inventory will be acquired at City cost and converted to NAPA product where possible. Product brands necessary to meet City safety requirements will be provided through brands required by the City.
- The City will be billed NAPA parts at jobber acquisition cost and will be billed Non NAPA parts at acquisition/pass through cost.


## **Parts Personnel**

- All NAPA personnel meet City of Charlotte requirements for background checks, random substance testing, and annual motor vehicle reporting.
  - All personnel assigned to this project will be NAPA/Genuine Parts Company employees.
  - NAPA will provide 24 hour on-call management support to meet City of Charlotte emergency needs.
  - All NAPA on-site employees will be subject to approval by the City of Charlotte.
  - NAPA will provide on-site personnel as outlined by location.
  - Staffing will include 1 location manager/1 parts personnel/1 delivery driver to meet hours of operation requirements of the shop.
  - 1 delivery vehicle will be assigned.
1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.



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# SITE LOCATION PLANS

## Atando

As a higher volume facility, with the time sensitive demands of the City of Charlotte Police Department, we propose operating this facility with staffing necessary to meet the requirements of the City during the two current operating shifts. To expedite service, NAPA will operate with three (3) parts technicians and the addition of one (1) delivery driver to pick up parts where vendor deliveries may not meet time of order needs.

Our fill rate goal would be to have 85% of product available at the time of request, we would look to fill the remaining product 10% of the time in 24 hours and 5% of the time in three days.

We would look to utilize the most current, up to date technology for managing lubrication at this facility. We would stock pursuit tires, and continue with the barcode strategy on nuts/bolts and fasteners. We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable.

Go Live Date: June 18th

## Management Fee Cost

The total annual management fee for this facility using (3) NAPA employees and (1) Driver is \$339,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$2,100,000 million dollars in sales at this location. If annual sales exceed \$2,310,000, NAPA requests a review and adjustment of the proposed annual management fee.

## **Executables**

### **Inventory**

- Stocking levels will be determined by projected usage demands. To include 7 days additional safety stock for higher demand periods. Stocking levels can be modified by City of Charlotte management.
- Inventory replenishment will take place daily through the NAPA Charlotte Distribution Center.



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# SITE LOCATION PLANS

- Inventory transfers from additional NAPA Auto Parts store locations may take place to acquire additional product as needed.
- Inventory managed at the City of Charlotte locations will be to meet City demands only. Part transfers out the City facilities will only be to reduce overstock or prevent obsolescence.
- City of Charlotte on-hand inventory will be acquired at City cost and converted to NAPA product where possible. Product brands necessary to meet City safety requirements will be provided through brands required by the City.
- The City will be billed NAPA parts at jobber acquisition cost and will be billed Non NAPA parts at acquisition/pass through cost.

## **Parts Personnel**

- All NAPA personnel meet City of Charlotte requirements for background checks, random substance testing, and annual motor vehicle reporting.
  - All personnel assigned to this project will be NAPA/Genuine Parts Company employees.
  - NAPA will provide 24 hour on-call management support to meet City of Charlotte emergency needs.
  - All NAPA on-site employees will be subject to approval by the City of Charlotte.
  - NAPA will provide on-site personnel as outlined by location.
  - Staffing will include 1 location manager/2 parts personnel/1 delivery driver to meet hours of operation requirements of the shop.
  - 1 delivery vehicle will be assigned.
1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.



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# SITE LOCATION PLANS

## Louise Avenue

During our site visit to the Louise Avenue facility, we learned that there is a diverse fleet that frequents this repair facility and has a Fire Call-Out Truck, similar to the Sweden Avenue operation. Our fill rate goal would be to have 85% of product available at the time of request, we would look to fill the remaining product 10% of the time in 24 hours and 5% of the time in three days.

For the Fire Call-Out Truck, we would continue with the operational philosophy of inventorying the truck every Thursday, or as needed due to high turnover.

We would look to utilize the most current, up to date technology for managing lubrication at this facility. We would stock tires, and continue with the barcode strategy on nuts/bolts and fasteners. We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable.

Go Live Date: June 18th

## Management Fee Cost

The total annual management fee for this facility using (2) NAPA employees and (1) Driver is \$257,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$1,248,000 million dollars in sales at this location. If annual sales exceed \$1,372,000, million dollars in sales, NAPA requests a review and adjustment of the proposed annual management fee.

## **Executables**

### **Inventory**

- Stocking levels will be determined by projected usage demands. To include 7 days additional safety stock for higher demand periods. Stocking levels can be modified by City of Charlotte management.
- Inventory replenishment will take place daily through the NAPA Charlotte Distribution Center.



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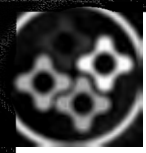
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# SITE LOCATION PLANS

- Inventory transfers from additional NAPA Auto Parts store locations may take place to acquire additional product as needed.
- Inventory managed at the City of Charlotte locations will be to meet City demands only. Part transfers out the City facilities will only be to reduce overstock or prevent obsolescence.
- City of Charlotte on-hand inventory will be acquired at City cost and converted to NAPA product where possible. Product brands necessary to meet City safety requirements will be provided through brands required by the City.
- The City will be billed NAPA parts at jobber acquisition cost and will be billed Non NAPA parts at acquisition/pass through cost.

## **Parts Personnel**

- All NAPA personnel meet City of Charlotte requirements for background checks, random substance testing, and annual motor vehicle reporting.
  - All personnel assigned to this project will be NAPA/Genuine Parts Company employees.
  - NAPA will provide 24 hour on-call management support to meet City of Charlotte emergency needs.
  - All NAPA on-site employees will be subject to approval by the City of Charlotte.
  - NAPA will provide on-site personnel as outlined by location.
  - Staffing will include 1 location manager/1 parts personnel/1 delivery driver to meet hours of operation requirements of the shop.
  - 1 delivery vehicle will be assigned.
1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.



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# SITE LOCATION PLANS

## 12<sup>th</sup> Street

At the City's discretion, NAPA can operate the 12<sup>th</sup> Street facility using the same model currently in place. Our initial Management Fee proposal is based on this option.

As a cost saving alternative, we propose to relocate this inventory to a nearby facility.

In either case, our service commitment remains constant. Will meet an 85% order fill rate at the time of request, with 10% available in 24 hours, and the remaining 5% of orders will be filled within three working days.

We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable.

Go Live Date: June 25th

## Management Fee Cost

The total annual management fee for this facility using (1) NAPA employees is \$118,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$377,000 dollars in sales at this location. If annual sales exceed \$415,000 NAPA requests a review and adjustment of the annual management fee.

## **Alternative Plan**

An alternative suggestion to staffing this site location with a full time NAPA employee is to implement a process where we could service this site location by utilizing our Optimized Delivery Management capabilities. We could easily stock product for the 12<sup>th</sup> street operation at Atando or Louis Avenue. The goal would be to locate and deliver that part same day from either a NAPA source of supply or a Non NAPA vendor.

We would look at using vending machine(s) from our partnership with APEX Technologies. The vending machine con-



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# SITE LOCATION PLANS

cept could allow for stock items of NAPA and Non NAPA parts that are needed on a frequent basis, while securing that inventory and preventing shrinkage. APEX offers us a variety of machines that are stocked specifically to product and technician needs.

With this alternative methodology, our goal would be to have the part to technicians 80% of the time same day.

Management Fee Cost: \$52,000

\*Management Fee does not include the cost of utilizing vending machines

1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.



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76

# SITE LOCATION PLANS

## Tuckaseegee Road

At the City's discretion, NAPA can operate the Tuckaseegee Road facility using the same model currently in place. Our initial Management Fee proposal is based on this option.

As a cost saving alternative, we propose to relocate this inventory to a nearby facility. The details of this option are outlined in a subsequent paragraph.

In either case, our service commitment remains constant. Will meet an 85% order fill rate at the time of request, with 10% available in 24 hours, and the remaining 5% of orders will be filled within three working days.

We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable.

Go Live Date: June 25th

## Management Fee Cost

The total annual management fee for this facility using (1) NAPA employees is \$96,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$153,000 dollars in sales at this location. If annual sales exceed \$168,000 NAPA requests a review and adjustment of the proposed annual management fee.

## **Alternative Plan**

An alternative suggestion to staffing this site location with a full time NAPA employee is to implement a process where we could service this site location by utilizing our Optimized Delivery Management capabilities. We could easily stock product for the Tuckaseegee Road operation at Atando or Louis Avenue. The goal would be to locate and deliver that part same day from either a NAPA source of supply or a Non NAPA vendor.



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# SITE LOCATION PLANS

We would look at using vending machine(s) from our partnership with APEX Technologies. The vending machine concept could allow for stock items of NAPA and Non NAPA parts that are needed on a frequent basis, while securing that inventory and preventing shrinkage. APEX offers us a variety of machines that are stocked specifically to product and technician needs.

With this alternative methodology, our goal would be to have the part to technicians 80% of the time same day.

Management Fee Cost: \$31,000

\* Management Fee does not include the cost of utilizing vending machines

1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.



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# SITE LOCATION PLANS

## Commission/Decommission

An operation unique to the City of Charlotte, Commission/Decommission can be addressed in multiple ways. Current future use inventory is not secured, although there is an area that could serve that purpose. At the City's discretion, we propose two alternatives. Our first option is to staff this location with one (1) parts technician. This person would serve to expedite orders and control inventory stocking levels as required by City.

Our alternative plan is listed below.

Our fill rate goal would be to have 85% of product available at the time of request, we would look to fill the remaining product 10% of the time in 24 hours and 5% of the time in three days.

We would buy the applicable existing stock at this facility, and look to convert products to NAPA products where applicable. We would need to further explore the relationship between the third party up-fitter and our inventory management practice of owning inventory. Presumably, we would keep the same relationship that the city has with the 3<sup>rd</sup> party vendor that is buying project inventory and then sell it to us for ownership, and NAPA re-selling it to the City when used. We would simply treat the on-site third party vendor as our source of supply, not the manufacturer.

Go Live Date: Prior to July 9th

## Management Fee Cost

The total annual management fee for this facility using (1) NAPA employees is \$109,000

\*If we hire current city employees, management fee cost could increase due to higher wages paid to current city employees.

\*Management Fee does not include the cost of utilizing vending machines

\*Management Fee does not include any technology upgrades for oil dispensing

\*Management Fee is based on annual sales of \$285,000 dollars in sales at this location. If annual sales exceed \$315,000 NAPA requests a review and adjustment of the annual management fee.



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# SITE LOCATION PLANS

## Alternative Plan

The Commission/Decommission facility has the dedicated space to hold production inventory for schedule work over a short 24 to 48 hour period. These work orders are scheduled, allowing for a more controlled delivery of product. As an alternative, we propose securing the inventory not required immediately off-site at the Tuckaseegee Rd. facility or other site approved by the City. Inventory would be delivered based on a production schedule with on demand delivery from the other NAPA City IBS locations available as necessary.

Since there is a lot of bulk material, we could schedule inventory delivery based on project buildout dates. This would minimize the risk of inventory being damaged, lost or stolen.

The goal would be to locate and deliver that part same day from either a NAPA source of supply or a Non NAPA vendor.

We would look at using vending machine(s) from our partnership with APEX Technologies. The vending machine concept could allow for stock items of NAPA and Non NAPA parts that are needed on a frequent basis, while securing that inventory and preventing shrinkage. APEX offers us a variety of machines that are stocked specifically to product and technician needs.

With this alternative methodology, our goal would be to have the part to technicians 80% of the time same day.

Management Fee Cost: \$43,000

\*Management Fee does not include the cost of utilizing vending machines

1. Facilities – NAPA Auto Parts acknowledges that we will be responsible for maintaining the appearance of the facility as determined by the shop manager. NAPA will operate a secure environment and will not commercially benefit from the operation. NAPA Auto Parts will want to take advantage of the site location review for all City of Charlotte IBS locations. We would tentatively use Custom Risk Solutions as they have been working with GPC for many years.

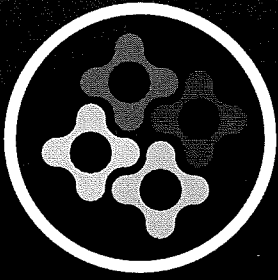


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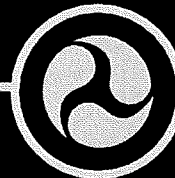


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# **City of Charlotte Parts Department Outsourcing**

## **Added Value**





# CONTINUOUS IMPROVEMENT PLAN / KPIs

When a customer creates a partnership with NAPA Integrated Business Solutions, the value they get from the relationship goes above and beyond just setting up a vendor-managed parts store. Internally and with our customers, it is a top priority to make sure we are continuously developing our solution, optimizing our services and bolstering the skills of our employees and our customers'. An important part of that is agreeing to Key Performance Indicators (KPIs) that track success. Below are some examples of what we will do to make sure we never stop pushing to improve and work harder for you. For more details on any of the items, please see the individual section of this response dedicated to each.

## STAFF TRAINING

Our on-site staff is continually offered new training opportunities including web courses, instructor-led classes and on-site workshops.

## VENDOR MANAGEMENT

IBS management will conduct periodic vendor reviews, including pricing reviews, to ensure you are always getting the best deal and biggest savings.

## TECHNICIAN TRAINING

NAPA IBS's dedication to improvement extends beyond our own staff to yours with training opportunities for your technicians.

## INVENTORY REVIEW

We will dig deep into your inventory activity to review and update min/max levels, inventory turnover rates and more so we know what is selling and what is not, allowing us to further optimize our inventory efforts.

## QUARTERLY BUSINESS REVIEWS

Every quarter, our management team will sit down with yours to talk about how we are performing and go over new expectations and key performance indicators.

## WARRANTY RECOVERY TRACKING

Warranty recovery is one of the many processes IBS manages for you. We will constantly track these efforts and let you know just how much money we are getting back for you.

## IBS KPI SCORECARD

Another part of our continuous improvement plan is the regular review of the Key Performance Indicators we establish during our contract phase and initial meetings, all designed based on what you determine success looks like to you. By tracking our performance in our proprietary STARS reporting system and assessing the status of important metrics, we can stay on top of how we are doing and where we can keep improving.

### SAMPLE IBS KPI PERFORMANCE INDICATOR SCORECARD

Contract KPI	Goal	Current	Previous	Change
On-Demand Fill Rate	90%	94%	95%	-1%
Down Vehicle Percentage	10%	5%	8%	-38%
Unit Status - Down	< 10	11	12	+1

Period: 1/01/2015 - 1/31/2015

Reviewed by: IBS \_\_\_\_\_ Customer \_\_\_\_\_

Reviewed On: 2/02/2015



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# BUSINESS REVIEWS

Regular business reviews are an integral part of measuring our performance related to our contract with a customer and the key performance indicators (KPIs) that have been established prior to opening an IBS store. During these reviews, which will be scheduled as frequently as you prefer, our on-site and regional/national management team will sit down with your decision makers and go over every aspect of the IBS service, including:

- Financial Review (cost and savings)
- Inventory Performance
- Fill Rates
- Customer Service
- Performance on KPIs
- Follow-through on past action items
- Establishing future action items
- Wins and concerns

By fostering open communication among all parties about the above items, we allow ourselves to be the most transparent and aligned partners we can be, which lets us continue to optimize our solution to benefit the needs of our customer. Business reviews are mandatory for our local management and are reviewed by Headquarters management and considered in evaluating our local teams.

On the following pages, please find a sample form that will be filled out at each business review and submitted to management. The contents of the form will be customized to address whatever factors you feel are most important to the success of your operation.



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Business Reviews | 83



# BUSINESS REVIEWS

## MEETING INFORMATION

Title or Purpose					
Date and Time					
Location					
Facilitator					
Invitees and Titles <i>**bold all attendees</i>					
Invitees and Titles <i>**bold all attendees</i>					

## MEETING AGENDA

1. Performance Review (Fill Rate, Profit, Inventory, KPIs)	4. Product and Vendor Opportunities
2. Financial/Purchasing Review	5. Issues, Concerns and Key Monthly Wins Review
3. Cost Savings	6. New Action Items

## PERFORMANCE REVIEW ITEMS

MEASURE	GOAL	ACTUAL	DIFFERENCE	PLAN OF ACTION
Monthly Fill Rate				
Monthly Net Profit				
Inventory				
Customer Survey				
Avg. Vehicles Down				

## FINANCIAL/PURCHASING REVIEW

P&L Review		
Monthly Billing		



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# BUSINESS REVIEWS

COST SAVINGS	VALUE
Parts Procurement	
Direct Ship Discounts	
Manufacturer Rebates	
Manufacturer Promotions	
Inventory Investment/Value of Capital Warranty Recoveries	
Transactional Savings	
<b>TOTAL</b>	

PRODUCT & VENDOR OPPORTUNITIES	
NEW OPPORTUNITY	DESCRIPTION

ISSUES AND CONCERNS/OPEN DISCUSSION NOTES

KEY MONTHLY WINS REVIEW

NEW ACTION ITEM REVIEW AND UPDATE		
NEW ACTION ITEM	RESPONSIBLE PARTY	PROJECTED TIMELINE



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# IBS AUTOTECH TRAINING

## AVAILABLE TRAINING SUMMARY

At NAPA, we are dedicated to continuously improving the knowledge and skills of our staff members and yours because the better your fleet operation performs, the better we are doing our job. We accomplish this by owning our own training company, NAPA Training, that can offer you the expert training you need to keep operating to your maximum potential.

Our training company offers dozens of pre-planned training modules onsite, offsite and online, many of which are completely free of charge to the customer, or we will work with you to develop a customized training plan that is perfectly tailored to your needs and your schedule.



Webinars



Classes



eLearning



On the Job



Publications



Self-Study



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[napa.com/ibs](http://napa.com/ibs)

Automotive Training | 86



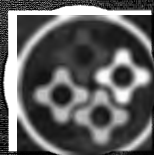
## AUTOTECH TRAINING MENU

We are dedicated to helping productivity and championing continuous improvement through shop training paced at the speed of the shop. Whether it is on-line, on-site or a classroom study, NAPA IBS has tools to keep fleet technicians and fleet managers on the cutting edge with our exclusive NAPA Autotech offering.

Automotive	Heavy Duty
<h3 data-bbox="219 506 716 548">Automotive Training Details</h3> <p data-bbox="159 569 498 596"><b>IBS 4-Hour Training Program</b></p> <ul data-bbox="201 602 760 863" style="list-style-type: none"> <li>• We offer a full 4-hour class schedule to IBS customers to coincide with scheduled Autotech sessions already scheduled in NAPA markets.</li> <li>• All classes will be held during day-time hours.</li> <li>• Unlimited class size</li> <li>• This class would include books and certificates of completion through ClassPass – a NAPA Autotech exclusive!</li> <li>• Sponsor Cost: \$2,000 per 4-hour class</li> </ul> <p data-bbox="159 896 730 951">To book a class – please contact Jim Goepfrich at 574-256-7500 or <a href="mailto:James_Goepfrich@genpt.com">James_Goepfrich@genpt.com</a></p>	<h3 data-bbox="883 506 1349 548">Heavy Duty Course Details</h3> <p data-bbox="797 569 1045 596"><b>IBS Training Program</b></p> <ul data-bbox="839 602 1398 863" style="list-style-type: none"> <li>• NAPA IBS offers classroom and hands-on courses with specific training for heavy duty vehicle training</li> <li>• No maximum of students for classroom only courses</li> <li>• Hands-on classes limited to 8 students.</li> <li>• We provide materials and class certificate.</li> <li>• This is part of the ClassPass program with additional online references available after attending class.</li> <li>• Sponsor Costs: \$2,500 per 4-hour class \$3,000 per 8-hour class</li> </ul> <p data-bbox="865 896 1398 951">To book a class – please contact Jim Goepfrich at 574-256-7500 or <a href="mailto:James_Goepfrich@genpt.com">James_Goepfrich@genpt.com</a></p>
<h3 data-bbox="250 1016 683 1058">2018 New Course Topics</h3> <ul data-bbox="201 1077 751 1371" style="list-style-type: none"> <li>• Cooling System Troubleshooting</li> <li>• Diagnostic Specialist: Noise, Vibration and Harshness</li> <li>• Diagnostic Specialist: O2 &amp; Air Fuel Ratio Sensors</li> <li>• Electrical &amp; Wave Form Analysis</li> <li>• Ford 6.4 Power Stroke Diesel Engine</li> <li>• Ford Gasoline Engine Diagnostics</li> <li>• GM Duramax Diesel Advanced</li> <li>• Powertrain Diagnostics: All Wheel Drive</li> <li>• Subaru Systems</li> <li>• Tool Usage to Increase Diagnostic Efficiency</li> </ul> <p data-bbox="188 1409 542 1436"><b>Other automotive course topics:</b></p> <ul data-bbox="201 1442 686 1797" style="list-style-type: none"> <li>• Air Conditioning Diagnostics &amp; Procedures</li> <li>• Brake Technology Diagnosis &amp; Repair</li> <li>• CAN BUS Communication and Diagnostics</li> <li>• Cummins Fuel System Diagnostics and Update</li> <li>• Diagnostic Specialist</li> <li>• Diagnostic Specialist – Misfire</li> <li>• Electrical World Class Diagnostics</li> <li>• EVAP Guru</li> <li>• Fuel System Analysis</li> <li>• Next Gen Maintenance</li> <li>• Powertrain Diagnostics - 4X4</li> <li>• Sealing Technology and Techniques</li> </ul>	<h3 data-bbox="883 1016 1344 1058">Heavy Duty Course Topics</h3> <p data-bbox="797 1077 1230 1104"><b>NAPA offers four-hour course topics:</b></p> <ul data-bbox="839 1110 1406 1287" style="list-style-type: none"> <li>• Allison Driveability Diagnostics</li> <li>• Allison Overhaul</li> <li>• Heavy Duty Air Brakes Diagnostics (Hands-On, 8 hours)</li> <li>• Heavy Duty Air Conditioning Service</li> <li>• Heavy Duty Electrical System</li> <li>• International Engine Control Systems</li> </ul> <hr/> <h3 data-bbox="976 1356 1252 1398">Light Truck Diesel</h3> <ul data-bbox="839 1413 1427 1713" style="list-style-type: none"> <li>• Dodge Cummins Light Truck Turbo Diesel</li> <li>• Dodge Cummins 6.7 Light Truck Turbo Diesel</li> <li>• Dodge Cummins Light Truck Diesel Enhanced Driveability</li> <li>• Ford 7.3 Light Truck Diesel</li> <li>• Ford 6.4 Twin Turbo Diesel</li> <li>• Ford 6.0 Light Truck Diesel</li> <li>• Ford 6.0 Light Truck Diesel Enhanced Driveability</li> <li>• Ford Power Stroke Diesel Engine Advanced (Fleets)</li> <li>• GM Duramax Diesel Engine Advanced (Fleets)</li> <li>• GM Duramax Light Truck Diesel Enhanced Driveability</li> </ul>



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# IBS AUTOTECH TRAINING: E-LEARNING COURSES

## *Do your shop technicians need training on one or more specific automotive system?*

NAPA's eLearning all-inclusive subscription is organized by automotive system to help target specific training needs. You get all of the available courses packaged together for one great price! Don't forget about the related ASE test preparation courses that help you prepare for the ASE tests!



NAPA Autotech has been accredited by ASE's Continuing Automotive Service Education program. We were reviewed against industry standards and approved by peers. Earn Continuing Education Units (CEU) credit by taking these courses. Technicians can be assured they are receiving quality training.

OVER 200  
COURSES

*NAPA's eLearning all-inclusive subscription is good for all technicians in your shop for one year!*

### **eLearning Categories**

- **Testing / Assessment**
  - ASE Preparation
  - Assessments
- **Service Essentials for New Hires**
  - Customer Service
  - Safety
- **Technician - New or Experienced**
  - Steering, Suspension & Alignment
  - Heating & Air Conditioning
  - Brakes
  - Hybrid
  - Diesel
  - Preventative Maintenance Services
  - Electrical / Electronic Systems
  - Engine Performance Diagnostics
- **Management**
  - Microsoft Office
- **Managing Staff**
  - Leadership & Development Series
  - Self Development Series
- **Business Management**
  - Service Sales
  - Shop Management - Work Flow
  - Shop Management - Production

### **New 2018 eLearning Courses**

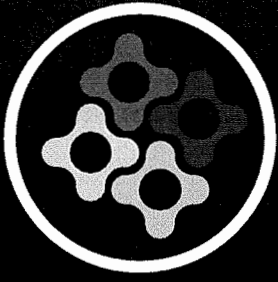
- Diesel Fuel System Analysis
  - Ford Power Stroke - 6.0 Fuel System
- Diesel Fuel System Analysis
  - Ford Power Stroke - 6.4 Fuel System
- Diesel Fuel System Analysis
  - Ford Power Stroke - 6.7 Fuel System
- Diesel Fuel System Analysis
  - Ford Power Stroke - 7.3 Fuel System
- Diesel Fuel System Analysis
  - Ford Power Stroke - Fuel Testing
- Diesel Fuel System Analysis
  - Ford Power Stroke - Fuel Volume Requirements
- Diagnostic Specialists - Fuel System Lean Conditions
- Diagnostic Specialists - MAF&V
- Dynamic Engine Testing - Variable Valve Timing and Pressure Waveform Diagnostics
- Powertrain Diagnostics - Transmissions; 4WD/AWD Diagnostics
- Powertrain Diagnostics - Transmissions; Common Issues
- Powertrain Diagnostics - Transmissions; Diagnostic Strategies



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Automotive Training: E-Learning Courses | 38



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# **City of Charlotte Parts Department Outsourcing Required Forms**



**REQUIRED FORM 2 - ADDENDA RECEIPT CONFIRMATION**

**RFP # 269-2018-014**

**Parts Department Outsourcing**

Please acknowledge receipt of all addenda by including this form with your Proposal. All addenda will be posted to the NC IPS website at [www.ips.state.nc.us](http://www.ips.state.nc.us).

**ADDENDUM #:**

    1      
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**DATE ADDENDUM  
DOWNLOADED FROM NC IPS:**

**3/2/2018**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I certify that this proposal complies with the Specifications and conditions issued by the City except as clearly marked in the attached copy.

**J. Michael Riess**  
(Please Print Name)

    3.14/2017      
Date

  
Authorized Signature

**Division Vice President**  
Title

**Genuine Parts Company dba NAPA Auto Parts**  
Company Name

**REQUIRED FORM 3 - PROPOSAL SUBMISSION FORM**  
**RFP # 269-2018-014**

**Parts Department Outsourcing**

This Proposal is submitted by:

Company Name: **Genuine Parts Company dba NAPA Auto Parts**

Representative (printed): **J. Michael Riess**

Address: **4101 Wilkinson Boulevard Charlotte, NC 28208**

City/State/Zip: **Charlotte, NC 28208**

Email address: **michael\_riess@genpt.com**

Alternative: **Josh\_Peters@genpt.com**

Telephone: **336-878-4500**

Facsimile: **336-878-4527**

The representative signing above hereby certifies and agrees that the following information is correct:

1. In preparing its Proposal, the Service Provider has considered all proposals submitted from qualified, potential subcontractors and suppliers; and has not engaged in or condoned prohibited discrimination.
2. For purposes of this Section, discrimination means discrimination in the solicitation, selection, or treatment of any subcontractor, vendor or supplier on the basis of race, ethnicity, gender, age or disability or any otherwise unlawful form of discrimination. Without limiting the foregoing, discrimination also includes retaliating against any person or other entity for reporting any incident of discrimination.
3. Without limiting any other provision of the solicitation for proposals on this project, it is understood and agreed that, if this certification is false, such false certification will constitute grounds for the City to reject the Proposal submitted by the Service Provider on this Project and to terminate any contract awarded based on such Proposal.
4. As a condition of contracting with the City, the Service Provider agrees to maintain documentation sufficient to demonstrate that it has not discriminated in its solicitation or selection of subcontractors. The Service Provider further agrees to promptly provide to the City all information and documentation that may be requested by the City from time to time regarding the solicitation and selection of subcontractors. Failure to maintain or failure to provide such information constitutes grounds for the City to reject the bid submitted by the Service Provider or terminate any contract awarded on such bid.
5. As part of its Proposal, the Service Provider shall provide to the City a list of all instances within the past ten years where a complaint was filed or pending against Service Provider Section 6 Required Forms PARTS DEPARTMENT OUTSOURCING RFP# 269-2018-014 February 12, 2018 25 in a legal or administrative proceeding alleging that Service Provider discriminated against its subcontractors, vendors or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken.
6. The information contained in this Proposal or any part thereof, including its Exhibits, Schedules, and other documents and instruments delivered or to be delivered to the City, is true, accurate, and complete. This Proposal includes all information necessary to ensure that the statements therein do not in whole or in part mislead the City as to any material facts.

7. It is understood by the Company that the City reserves the right to reject any and all Proposals, to make awards on all items or on any items according to the best interest of the City, to waive formalities, technicalities, to recover and re-bid this RFP.

8. This Proposal is valid for one hundred and eighty (180) calendar days from the Proposal due date.

I, the undersigned, hereby acknowledge that my company was given the opportunity to provide exceptions to the Sample Terms as included herein as Exhibit A. As such, I have elected to do the following:


Include exceptions to the sample contract in the following section of my Proposal: \_\_\_\_\_

Not include any exceptions to the Sample Terms.

I, the undersigned, hereby acknowledge that my company was given the opportunity to indicate any Trade Secret materials or Personally Identifiable Information ("PII") as detailed in Section 1.6.2. I understand that the City is legally obligated to provide my Proposal documents, excluding any appropriately marked Trade Secret information and PII, upon request by any member of the public. As such, my company has elected as follows:

The following section(s) of the of the Proposal are marked as Trade Secret or PII: pg. 107

No portion of the Proposal is marked as Trade Secret or PII.

Representative (signed):  \_\_\_\_\_

INDIA	DETAILS	QU	PRICE	PERCENT	PRICE	PRICE
BENDIX	Bendix	50	\$353.32	58%	\$147.42	\$7,371.00
BENDIX	Bendix	50	\$168.40	58%	\$70.26	\$3,513.00
BENDIX	Bendix	50	\$88.90	58%	\$37.09	\$1,854.50
RAKE FRONT, MERITOR	Meritor	50	\$1,254.20	58%	\$522.99	\$26,149.50
TRAILER DISC BRAKE, MERITOR	Meritor	150	\$506.24	58%	\$211.09	\$31,663.50
TRAILER / CAP ASSEM. MERITOR	Meritor	15	\$2,382.36	58%	\$993.42	\$14,901.30
TRAILER / CAP ASSEM. MERITOR	Meritor	10	\$2,359.98	58%	\$984.08	\$9,840.80
TRAILER KIT MERITOR	Meritor	120	\$533.92	58%	\$222.63	\$26,715.60
TRAILER BRAKE KIT, MERITOR	Meritor	25	\$254.60	58%	\$106.16	\$2,654.00
TRAILER SHOE, MERITOR	Meritor	100	\$105.20	50%	\$52.60	\$5,260.00
TRAILER SHOE (ALF)(AUTO) MERITOR	Meritor	250	\$110.10	50%	\$55.05	\$13,762.50
TRAILER WHEEL FRONT MERITOR	Meritor	40	\$105.48	50%	\$52.74	\$2,109.60
TRAILER SHOE, HIGH MOUNT MERITOR	Meritor	50	\$117.04	50%	\$58.52	\$2,926.00
TRAILER WHEEL CK MERTOR	Meritor	25	\$138.36	58%	\$57.69	\$1,442.25
TRAILER WHEEL CK MERITOR	Meritor	25	\$138.36	58%	\$57.69	\$1,442.25
TRAILER WHEEL (10 DEGREE) MERITOR	Meritor	86	\$73.60	58%	\$30.69	\$2,639.34
TRAILER WHEEL REAR MERITOR 16.5X8	Meritor	150	\$129.40	50%	\$64.70	\$9,705.00
TRAILER T BRAKE QPR TYPE MERITOR	Meritor	10	\$6.40	58%	\$2.67	\$26.70
TRAILER SHOE QPLUS FRONT MERITOR	Meritor	10	\$84.14	50%	\$42.07	\$420.70
TRAILER SWITCH	LOADMASTER	10	\$5.59	5%	\$5.31	\$53.10
TRAILER AIR HYD	LOADMASTER	10	\$167.73	5%	\$159.34	\$1,593.40
TRAILER AIR WARN	LOADMASTER	5	\$116.39	5%	\$110.58	\$552.90
TRAILER AIR PULL	LOADMASTER	10	\$136.59	5%	\$129.76	\$1,297.60
TRAILER AIR ACT (BLOCK ONLY)	LOADMASTER	5	\$35.19	5%	\$33.43	\$167.15
TRAILER AIR SWITCH	LOADMASTER	5	\$131.49	5%	\$124.92	\$624.60
TRAILER AIR	LOADMASTER	5	\$74.10	5%	\$70.40	\$352.00
TRAILER AIR LIC	LOADMASTER	4	\$1,840.79	5%	\$1,748.75	\$6,995.00
TRAILER AIR, LOADMASTER	LOADMASTER	5	\$849.91	5%	\$807.41	\$4,037.05
TRAILER AIR PACK	LOADMASTER	10	\$17.31	5%	\$16.44	\$164.40
TRAILER HYD ARM	NEW WAY	20	\$70.57	10%	\$63.51	\$1,270.20
TRAILER VALVE	NEW WAY	5	\$65.00	10%	\$58.50	\$292.50
TRAILER VALVE	NEW WAY	25	\$15.40	10%	\$13.86	\$346.50
TRAILER MAIN ASSEM.	NEW WAY	10	\$45.22	10%	\$40.70	\$407.00
TRAILER FINGER	NEW WAY	25	\$13.40	10%	\$12.06	\$301.50
TRAILER FINGER	NEW WAY	5	\$309.35	10%	\$278.42	\$1,392.10
TRAILER SWITCH	NEW WAY	50	\$22.30	10%	\$20.07	\$1,003.50
TRAILER IDENTITY	NEW WAY	10	\$202.46	10%	\$182.21	\$1,822.10
TRAILER ID OPERATION	NEW WAY	10	\$1,332.90	10%	\$1,199.61	\$11,996.10
TRAILER ID CH	NEW WAY	8	\$100.20	10%	\$90.18	\$721.44
TRAILER ID ROCKER, OPEN/CLOSE	NEW WAY	25	\$20.70	10%	\$18.63	\$465.75
TRAILER ID TAKE SCREEN 6"	Spartan/Smeal	140			\$36.24	\$5,073.60
TRAILER ID TAKE SCREEN 2.5"	Spartan/Smeal	100			\$37.42	\$3,742.00
TRAILER ID 2.5" LIQUID FILLED PANEL	Spartan/Smeal	11			\$126.42	\$1,390.62
TRAILER ID GAGE, -30 TO 600 PSI(4 1/2")	Spartan/Smeal	20			\$236.34	\$4,726.80
TRAILER ID AIR BRKE	Spartan/Smeal	5			\$26.62	\$133.10
TRAILER ID	Spartan/Smeal	65			\$3.03	\$196.95
TRAILER ID TAN	Spartan/Smeal	28			\$26.20	\$733.60
TRAILER ID R LATCH	Spartan/Smeal	30			\$51.17	\$1,535.10
TRAILER ID RIGHT-SPARTAN	Spartan/Smeal	12			\$81.99	\$983.88
TRAILER ID IN ROCKER AVL/MST (FIRE)	Spartan/Smeal	91			\$8.84	\$804.44
TRAILER ID 002 & UP CAB	Spartan/Smeal	10			\$525.67	\$5,256.70
TRAILER ID FLUID	Spartan/Smeal	10			\$181.09	\$1,810.90
TRAILER ID WINDOW R/F, L/R	Spartan/Smeal	15			\$146.29	\$2,194.35
TRAILER ID FRONT SHOCK (SMEAL)	Spartan/Smeal	14			\$150.76	\$2,110.64
TRAILER ID RTAN	Spartan/Smeal	14			\$806.94	\$11,297.16
TRAILER ID CHECK	Spartan/Smeal	11			\$59.50	\$654.50
TRAILER ID R (SPARTAN)	Spartan/Smeal	10			\$63.84	\$638.40
TRAILER ID ON / ENG COMP / SPARTAN	Spartan/Smeal	600			\$0.44	\$264.00
TRAILER ID ON / ENG COMP / SPARTAN	Spartan/Smeal	500			\$0.62	\$310.00
TRAILER ID ULATION RETAINER FIRE	Spartan/Smeal	50			\$0.62	\$31.00
TRAILER ID ENGINE DET. (SPARTAN)	Spartan/Smeal	19			\$40.33	\$766.27
TRAILER ID	Spartan/Smeal	8			\$23.30	\$186.40
TRAILER ID (spartan)	Spartan/Smeal	20			\$225.97	\$4,519.40
TRAILER ID WHEEL (STEEL)	Grote	20	\$6.36	50%	\$3.18	\$63.60
TRAILER ID	Grote	25	\$3.52	50%	\$1.76	\$44.00
TRAILER ID	Grote	20	\$4.40	50%	\$2.20	\$44.00

	Caterpillar	20			\$2.64	\$52.80
	Caterpillar	14			\$0.58	\$8.12
	Caterpillar	12	\$954.22	50%	\$477.11	\$5,725.32
	Caterpillar	11			\$0.82	\$9.02
	Caterpillar	8			\$0.89	\$7.12
	Caterpillar	7	N/A	N/A	N/A	N/A
ig	Caterpillar	6			\$26.44	\$158.64
	Caterpillar	6			\$4.28	\$25.68
	Caterpillar	5			\$8.75	\$43.75
	Caterpillar	5			\$0.33	\$1.65
	Caterpillar	5			\$1.71	\$8.55
BRAKE CHARGER	Chrysler/Mopar	100	\$62.90	57%	\$27.05	\$2,705.00
BRAKE CHARGER	Chrysler/Mopar	100	\$64.52	57%	\$27.74	\$2,774.00
BRAKE CHARGER	Chrysler/Mopar	75	\$99.94	58%	\$42.47	\$3,185.25
GE	Chrysler/Mopar	54			\$0.50	\$27.00
HARGER, RH	Chrysler/Mopar	42			\$112.50	\$4,725.00
FRONT CHARGER POLICE	Chrysler/Mopar	40	\$99.94	58%	\$42.47	\$1,698.80
HARGER, LH	Chrysler/Mopar	40			\$112.50	\$4,500.00
PAR GALLON	Chrysler/Mopar	40			\$15.79	\$631.60
S KIT, A/C , MOPAR	Chrysler/Mopar	40			\$65.96	\$2,638.40
CHARGER	Chrysler/Mopar	30	\$134.08	50%	\$67.04	\$2,011.20
CHARGER	Chrysler/Mopar	26			\$90.97	\$2,365.22
IE MONITOR	Chrysler/Mopar	20	\$60.86	50%	\$30.43	\$608.60
IC INCLUDES DRYER	Chrysler/Mopar	20	\$298.68	57%	\$129.18	\$2,583.60
	Chrysler/Mopar	13	\$126.18	54%	\$58.67	\$762.71
ONT SPRING	Chrysler/Mopar	12			\$9.00	\$108.00
rt CHARGER	Chrysler/Mopar	12			\$45.88	\$550.56
ENT #DODGE	Chrysler/Mopar	10			\$89.69	\$896.90
ENT #DODGE	Chrysler/Mopar	10			\$90.79	\$907.90
TIME #DODGE	Chrysler/Mopar	10	\$35.78	50%	\$17.89	\$178.90
PURGE SOLENOID	Chrysler/Mopar	10	\$32.22	55%	\$14.50	\$145.00
JK	Chrysler/Mopar	10	\$33.68	50%	\$16.84	\$168.40
	Chrysler/Mopar	10	\$119.04	50%	\$59.52	\$595.20
RESSURE	Chrysler/Mopar	10			\$26.95	\$269.50
ER CONTROL, SUSPENSION	Chrysler/Mopar	10			\$124.69	\$1,246.90
ORS	Chrysler/Mopar	10	\$7.64	50%	\$3.82	\$38.20
RM RIGHT FRONT	Chrysler/Mopar	10	\$95.20	50%	\$47.60	\$476.00
FT FRONT	Chrysler/Mopar	10	\$95.20	50%	\$47.60	\$476.00
HT	Chrysler/Mopar	10	\$241.32	60%	\$96.53	\$965.30
E PLENUM	Chrysler/Mopar	10	\$31.82	50%	\$15.91	\$159.10
ERP BELT	Chrysler/Mopar	10	\$188.58	50%	\$94.29	\$942.90
ASSEMBLY, CHARGER	Chrysler/Mopar	10	\$16.06	50%	\$8.03	\$80.30
PUMP #LND	Chrysler/Mopar	10			\$7.66	\$76.60
OW MASTER CHARGER	Chrysler/Mopar	10			\$75.84	\$758.40
ER REAR BRAKE	Chrysler/Mopar	10	\$81.46	58%	\$34.62	\$346.20
ER STEERING PUMP	Chrysler/Mopar	10	\$94.98	50%	\$47.49	\$474.90
Charger	Chrysler/Mopar	10			\$82.40	\$824.00
Charger	Chrysler/Mopar	10			\$86.10	\$861.00
FRONT CARAVAN,	Chrysler/Mopar	10	\$99.94	58%	\$42.47	\$424.70
)	Chrysler/Mopar	10	\$35.48	50%	\$17.74	\$177.40
WATER (MACK)	Mack	100	\$18.28	76%	\$4.33	\$433.00
NT(MACK)	Mack	50	\$28.36	76%	\$6.72	\$336.00
RECTIONAL (MACK)	Mack	45	\$96.84	50%	\$48.42	\$2,178.90
ILT (MACK)	Mack	25			\$98.70	\$2,467.50
NDENSER (MACK)	Mack	24			\$90.03	\$2,160.72
DIRECTIONAL (MACK)	Mack	23	\$81.50	50%	\$40.75	\$937.25
ER NECK(MACK)	Mack	20			\$82.86	\$1,657.20
IFT PUMP HOUSING	Mack	20			\$266.42	\$5,328.40
KIT	Mack	20	\$486.82	50%	\$243.41	\$4,868.20
CK)	Mack	19	\$276.54	50%	\$138.27	\$2,627.13
ACK)	Mack	15	\$62.60	50%	\$31.30	\$469.50
STRAP (MACK)	Mack	14			\$23.29	\$326.06
(MACK)	Mack	12			\$38.68	\$464.16
MISSION COOLER L/S	Mack	10	\$75.74	50%	\$37.87	\$378.70
RECTIONAL (MACK) 4095A	Mack	10	\$26.94	50%	\$13.47	\$134.70
ANT LEVEL(MACK)	Mack	10	\$56.44	50%	\$28.22	\$282.20
HOUSING(MACK)	Mack	10			\$81.01	\$810.10



	International	3	\$87.28	76%	\$20.67	\$62.01
	International	8			\$35.20	\$281.60
	International	2			\$24.69	\$49.38
	International	12			\$32.61	\$391.32
	International	20			\$33.09	\$661.80
	International	4			\$46.85	\$187.40
	International	3	\$44.12	50%	\$22.06	\$66.18
	International	4			\$24.18	\$96.72
	International	6			\$28.83	\$172.98
	International	4			\$27.00	\$108.00
	International	3	\$6.50	50%	\$3.25	\$9.75
	International	6			\$35.51	\$213.06
	International	5	\$28.00	76%	\$6.63	\$33.15
	International	6			\$21.39	\$128.34
	International	4	\$769.08	50%	\$384.54	\$1,538.16
	International	10			\$19.07	\$190.70
STOP/TURN/TAIL	Truck Lite	25	\$1.60	50%	\$0.80	\$20.00
ACTION	Truck Lite	10	\$116.42	50%	\$58.21	\$582.10
ON 3 STUD NAVISTAR	Truck Lite	5	\$2.36	50%	\$1.18	\$5.90
"	Truck Lite	12	\$10.74	50%	\$5.37	\$64.44
KIT	Truck Lite	5	\$16.54	50%	\$8.27	\$41.35
	Truck Lite	40	\$25.44	50%	\$12.72	\$508.80
	Truck Lite	10	\$54.54	50%	\$27.27	\$272.70
RN SIGNAL	Truck Lite	25	\$36.28	50%	\$18.14	\$453.50
RANCE	Truck Lite	20	\$16.56	50%	\$8.28	\$165.60
RANCE GMC	Truck Lite	5	\$12.10	50%	\$6.05	\$30.25
	Truck Lite	10	\$46.86	50%	\$23.43	\$234.30
	Truck Lite	12	\$12.36	50%	\$6.18	\$74.16
	Truck Lite	12	\$21.16	50%	\$10.58	\$126.96
	Truck Lite	5	\$16.98	50%	\$8.49	\$42.45
IGHT	Truck Lite	8	\$363.32	50%	\$181.66	\$1,453.28
ONSTRUCTION	Truck Lite	8	\$53.82	50%	\$26.91	\$215.28
ON	Truck Lite	5	\$306.64	50%	\$153.32	\$766.60
	Truck Lite	5	\$175.44	50%	\$87.72	\$438.60
	Truck Lite	5	\$215.64	50%	\$107.82	\$539.10
	Truck Lite	5	\$547.70	50%	\$273.85	\$1,369.25
	Truck Lite	10	\$3.04	50%	\$1.52	\$15.20
	Truck Lite	10	\$3.90	50%	\$1.95	\$19.50
2 PRONG TRIDON	Truck Lite	150	\$13.32	50%	\$6.66	\$999.00
MITCH	Truck Lite	25	\$19.22	50%	\$9.61	\$240.25
FLASHER	Truck Lite	20	\$90.08	50%	\$45.04	\$900.80
	Wix	350	\$16.44	76%	\$3.90	\$1,365.00
	AC Delco	200	\$101.00	76%	\$23.93	\$4,786.00
	Wix	200	\$8.22	73%	\$2.26	\$452.00
	Wix	200	\$7.60	73%	\$2.09	\$418.00
	Wix	200	\$18.96	76%	\$4.49	\$898.00
	AC Delco	200	\$7.90	72%	\$2.18	\$436.00
	Wix	200	\$7.68	73%	\$2.11	\$422.00
	Motorcraft	150	\$26.88	73%	\$7.39	\$1,108.50
	Wix	150	\$7.90	72%	\$2.18	\$327.00
	AC Delco	140	\$8.50	72%	\$2.34	\$327.60
	Wix	125	\$26.88	73%	\$7.39	\$923.75
	Wix	120	\$31.08	76%	\$7.36	\$883.20
	Wix	100	\$4.92	73%	\$1.35	\$135.00
	Fleetguard	100	\$38.84	76%	\$9.20	\$920.00
	Wix	100	\$15.78	76%	\$3.74	\$374.00
	AC Delco	100	\$7.68	73%	\$2.11	\$211.00
	Fleetguard	100	\$78.06	76%	\$18.49	\$1,849.00
	Motorcraft	100	\$37.52	76%	\$8.89	\$889.00
	Wix	100	\$8.14	72%	\$2.24	\$224.00
	Wix	100	\$7.68	73%	\$2.11	\$211.00
	Wix	100	\$8.50	72%	\$2.34	\$234.00
	Wix	75	\$30.74	76%	\$7.28	\$546.00
	Wix	75	\$15.22	76%	\$3.60	\$270.00
	Wix	75	\$25.70	72%	\$7.07	\$530.25
	Fleetguard	75	\$129.64	76%	\$30.71	\$2,303.25
	Fleetguard	75	\$121.40	76%	\$28.76	\$2,157.00

DR	GM AC-Delco	20	\$217.44	50%	\$108.72	\$2,174.40
3.6	GM AC-Delco	15			\$273.78	\$4,106.70
	Michelin	20			\$108.71	\$2,174.20
	General	50			\$473.92	\$23,696.00
	Continental	25			\$582.13	\$14,553.25
	Bridgestone	50			\$87.03	\$4,351.50
	Goodyear	300			\$162.61	\$48,783.00
1/118R	Goodyear	125			\$187.31	\$23,413.75
3	Continental	50			\$688.37	\$34,418.50
	Goodyear	1000			\$135.21	\$135,210.00
	Goodyear	500			\$116.39	\$58,195.00
	Goodyear	700			\$135.21	\$94,647.00
	Goodyear	100			\$195.68	\$19,568.00
	Goodyear	100			\$162.61	\$16,261.00
per-D XA(GAL)	Kendall	10000			\$7.95	\$79,500.00
HP (GAL)	Kendall	8000			\$6.95	\$55,600.00
ilend (QT)	Kendall	20000			\$2.11	\$42,200.00
ilend (QT)	Kendall	1000			\$2.11	\$2,110.00
c (GAL)	Mobil	50000	\$12.44	50%	\$6.22	\$311,000.00
Bulk (Gal)	Castrol	1000			\$26.70	\$26,700.00
R PER FOOT	SoundOff Signal	200			\$2.40	\$480.00
D PKG, 2016 FD SUV	SoundOff Signal	220			\$3,588.23	\$789,410.60
OVER INSERT B/W	SoundOff Signal	35			\$63.36	\$2,217.60
OVER INSERT WHITE	SoundOff Signal	20			\$63.36	\$1,267.20
MNT 8 LED B/W	SoundOff Signal	15			\$79.68	\$1,195.20
UICK MNT 6 LED AMB	SoundOff Signal	10			\$76.32	\$763.20
QuMt ,6L,RED	SoundOff Signal	25			\$76.32	\$1,908.00
ascia LT w/ Quic W	SoundOff Signal	150			\$76.32	\$11,448.00
ascia Light w/ Scr	SoundOff Signal	40			\$76.32	\$3,052.80
MNT 12 LED R/W	SoundOff Signal	15			\$89.28	\$1,339.20
K / GRILL WHITE	SoundOff Signal	20			\$81.60	\$1,632.00
AR 1 COLOR INTERIOR	SoundOff Signal	15			\$516.96	\$7,754.40
LITBAR 54 TD,ALWL	SoundOff Signal	70			\$1,225.00	\$85,750.00
C	SoundOff Signal	75			\$161.37	\$12,102.75
RNER MODULE AMB	SoundOff Signal	20			\$82.17	\$1,643.40
RNER MODULE BLUE	SoundOff Signal	40			\$82.17	\$3,286.80
PLATE	SoundOff Signal	25			\$9.60	\$240.00

ITEM	CATEGORY	(Current Retail Price List Number or ID)	ENTIRE CATEGORY (All Brands)
1a	Batteries - Commercial	Suggested Jobber List Price	50%
1b	Batteries - Auto/Light Truck	Suggested Jobber List Price	55%
2a	Filters - Light Duty	Suggested Jobber List Price	72%
2b	Filters - Heavy Duty	Suggested Jobber List Price	76%
3a	Brake Systems - Brake Rotors	Suggested Jobber List Price	57%
3b	Brake Systems - Brake Pads	Suggested Jobber List Price	58%
4	Paint and Body Repair	Suggested Jobber List Price	50%
5	Ignition/Emission	Suggested Jobber List Price	55%
6	Cooling System	Suggested Jobber List Price	50%
7	Ride Control, Chassis and Steering	Suggested Jobber List Price	50%
8	Driveline	Suggested Jobber List Price	50%
9	Automotive Hardware & Engine Parts	Suggested Jobber List Price	50%
10	Exhaust	Suggested Jobber List Price	50%
11	Bearings, Seals, Hub Assemblies	Suggested Jobber List Price	50%
12	Starters & Alternators	Suggested Jobber List Price	54%
13	Climate Control	Suggested Jobber List Price	50%
14a	Heavy Duty Parts - Brake Shoes	Suggested Jobber List Price	50%
14b	Heavy Duty Parts - Non Midland	Suggested Jobber List Price	58%
15	Engines/Equipment	Suggested Jobber List Price	50%
16	Chemicals	Suggested Jobber List Price	50%
17	Accessories & Miscellaneous	Suggested Jobber List Price	50%

## **Outsourced Parts**

The successful bidder will be required to purchase items on a frequent basis that are not cataloged within their distribution system. Give a detailed description on how outsourced parts will be marked up to the City to include percentage of markup, return policy, delivery charges if any, and warranty coverage. This document may be extended if necessary, or can be written out as a separate attachment.

Outsourced parts will be sold to the city at our acquisition cost from a vendor. There will be no additional mark-up applied to these parts. The return policy will be determined by each selling vendor, any and all delivery charges will be shared with fleet management and approved before an order is placed. Delivery charges will be billed to the city as is. The warranty of these products will be determined by the vendor/manufacturer of the outsourced part.

## **Administrative Fee**

If your bid proposal includes an Administrative Fee for procuring parts for the City, please give a detailed description of how that model functions and how it would be applied to this application. This document may be extended if necessary, or can be written out on a separate document to attach to your bid.

Our management fee covers any and all costs and expenses associated with the operation of the On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, salary and benefits payable to NAPA employees at the On Site Store(s), worker's compensation benefits and insurance, unemployment insurance, personal property insurance for the On Site Store(s) and Inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, pension funding costs, executive fees, accounting fees, general office expenses, and shared service expenses.

## **Pricing Worksheet Notes**

Non-NAPA parts referenced from the Item List reflected in the Pricing Worksheet that do not have a "List Price" and "Discount" figure in the cell, are items that are procured from an outside supplier, and list price may not be available. These items will be procured for the City of Charlotte at the lowest possible acquisition cost, which is represented on this Pricing Worksheet.

Per the outside vendor, three part numbers within the SoundOff Signal section are light bars that need to be custom built. The actual components (or layout) needs to be known in order to properly quote a price for those items (#s BPWITHNFPKG-FDSUV, ENFTCDGS1208-BRONZE, and EPL9000-54), as the part numbers do not specify the exact makeup; therefore, these items are estimated at this time.

**Product Category Table Notes**

Discounts across product categories are sometimes variable. Batteries, filters, brakes, and heavy duty parts have sub-categories that provide varying discounts on specific products within those broad categories. These discounts are distinguished on the Product Category Table as 1a/1b, 2a/2b, 3a/3b, and 14a/14b.



**REQUIRED FORM 5 – M/W/SBE UTILIZATION**

**RFP # 269-2018-014**

**Parts Department Outsourcing**

The City maintains a strong commitment to the inclusion of MWSBEs in the City’s contracting and procurement process when there are viable subcontracting opportunities.

Companies must submit this form with their proposal outlining any supplies and/or services to be provided by each City certified Small Business Enterprise (SBE), and/or City registered Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE) for the Contract. If the Company is a City-registered MWSBE, note that on this form.

The City recommends you exhaust all efforts when identifying potential MWSBEs to participate on this RFP.

<b>Company Name:</b>	<b>Genuine Parts Company</b>
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Please indicate if **your company** is any of the following:

MBE     WBE     SBE     None of the above

If your company has been certified with any of the agencies affiliated with the designations above, indicate which agency, the effective and expiration date of that certification below:

Agency Certifying: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Identify outreach efforts that *were employed* by the firm to maximize inclusion of MWSBEs to be submitted with the firm’s proposal (attach additional sheets if needed):

**NAPA Auto Parts proposes that in conjunction with the City, an annual recruitment fair be held attracting suppliers that could service and sell products to help support the City of Charlotte’s fleet operation.**

Identify outreach efforts that *will be employed* by the firm to maximize inclusion during the contract period of the Project (attach additional sheets if needed):

**Genuine Parts Company submits the following plan as a part of our bid to support the City of Charlotte’s efforts for MWSBE qualified businesses. Genuine Parts Company has extensive experience working with several MWSBE compliant business partners throughout the State of North Carolina and in the City of Charlotte in our current and existing IBS operations. We shall not discriminate on the basis of race, color, national origin, sexual orientation, sex or religion in the performance of this contract. Based on the current qualified list provided by the City of Charlotte. We will continue to exert all reasonable efforts to utilize MWSBE vendors during the course of this contract.**

**The following efforts will be employed by Genuine Parts Company to recruit and utilize MWSBE vendors:**

1. We will blast email all certified vendors that meet the requirements of the RFP and request that they provide to us a list of goods and services that they are authorized for.
2. We will work with the City of Charlotte to identify and certify MWSBE vendors for this contract.
3. We will send out letters of intent to qualified vendors.
4. We will reach out to current qualified MWSBE vendors that are servicing existing NAPA IBS site locations.
5. Genuine Parts Company proposes an annual event to help recruit and qualify MWSBE vendors within the City of Charlotte to support this contract.

We are proud of our accomplishments around the country in supporting other government agencies in satisfying and reaching their MWSBE goals. We are currently and will continue to exert every reasonable effort to utilize MWSBE suppliers on behalf of the City of Charlotte and their Inclusion program.

List below all MWSBEs that you intend to subcontract to while performing the Services:

Subcontractor Name	Description of work or materials	Indicate either "M", "S", and/or "W"	City Vendor #
Isgett Distributors INC	Oil, Fluids, Grease	S	

Total MBE Utilization	%
Total WBE Utilization	%
Total SBE Utilization	%
<b>Total MWSBE Utilization</b>	<b>%</b>

Representative (signed):



3/14/2017  
Date

J. Michael Riess  
Representative Name

# REQUIRED FORM 6 - COMPANY BACKGROUND

## REQUIRED FORM 6 – COMPANY’S BACKGROUND RESPONSE

RFP # 269-2018-014

### Parts Department Outsourcing

Companies shall complete and submit the form below as part of their response to this RFP. Additional pages may be attached as needed to present the information requested.

Company Location (indicate corporate headquarters and location that will be providing the Services).

**Corporate HQ: 2999 Wildwood Parkway**

**Atlanta, GA 30339**

**Local: 4101 Wilkinson Boulevard**

**Charlotte, NC 28208**

How many years has your company been in business? How long has your company been providing the Services as described in Section 3?

**Genuine Parts Company, founded in 1928, is a service organization engaged in the distribution of automotive replacement parts, industrial replacement parts, office products and electrical/electronic materials. The Company serves tens of thousands of customers from more than 2,650 operations and has approximately 39,600 employees.**

**With over 25 years of distribution expertise, as described in Section 3, GPC’s commitment and reputation for Contracted Operators Parts Supply service position us as a critical partner in our customers’ success.**

**Additional Information about our company can be found at [www.genpt.com](http://www.genpt.com)**

**A copy of our Annual Report is also included in our packet.**

How many public sector (cities or counties) clients does your company have? How many are using the Services? Identify by name some of the clients similar to City (e.g., similar in size, complexity, location, type of organization).

**Genuine Parts Company/NAPA Auto Parts operates in every state within the United States of America servicing thousands of cities and counties on a daily basis. There are currently 400 IBS operations across the country with over 200 of them operational within a government entity. Some of our operations that are similar in scope include:**



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# REQUIRED FORM 6 - COMPANY BACKGROUND

City of Chicago, City of New York City, City of Louisville, KY, City of Cincinnati, OH, City of Sacramento, CA, City of Richmond, VA

List any projects or services terminated by a government entity. Please disclose the government entity that terminated and explain the reason for the termination.

**With over 400 vendor managed inventory sites across the country, NAPA has added over 100 new sites in the last 3 years. As with the course of any business, we have had several contracts go away as well. For the scope of services listed in this RFP, we will list customers where we are no longer doing vendor managed business and corresponding reason:**

**2015**

**City of St. Petersburg, FL – City brought parts operations back in-house under their labor union**

**City of Detroit, MI – RFP Award**

**City of Midwest City, OK – RFP Award**

**2016**

**City of Cape Coral, FL – RFP Award**

**City of Houston, TX – City brought parts management back in house**

**2017**

**City of Harrisonburg, VA – RFP Award**

**City of Hampton – Brought parts management in house**

**City of Jackson, MS – Brought parts management in house**

**Sioux City, IA – RFP Award**

**\*Note – During this same timeframe NAPA IBS was awarded over 100 VMI contracts via RFP, cooperative agreements and negotiated contracts, including several within the State of North Carolina.**

List any litigation that your company has been involved with during the past two (2) years for Services similar to those in this RFP.

**GPC is involved in various lawsuits and proceedings arising from the normal course of business, but such lawsuits and proceedings will not materially affect GPC's ability to perform any duties described in this RFP. As a Fortune 250 company, GPC is subject to various and routine litigation matters incidental to its business. It would present an undue burden on GPC to list all litigation that GPC has been involved in within the past 2 years. With that being said, while litigation of any type contains an element of uncertainty, GPC believes that its defense and ultimate resolution of pending claims will continue to occur within the ordinary course of GPC's business and that resolution of these claims will not have a material adverse effect on GPC's business, results of operations, or financial condition.**



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# REQUIRED FORM 6 - COMPANY BACKGROUND

Provide an overview and history of your company.

**In 1928, Carlyle Fraser founded GPC with the purchase of Motor Parts Depot in Atlanta, GA for \$40,000. He renamed the parts store Genuine Parts Company. The original Genuine Parts Company store had annual sales of just \$75,000, and only 6 employees.**

**For the next 50+ years, GPC in relationship with NAPA, grew rapidly as independent garages for car repair spread. From the beginning, GPC stressed swift, reliable service as a way to outflank the competition.**

**In the last 35+ years, GPC has continued to grow through the acquisition of other companies in the automotive industry, as well as the industrial, office and electrical industries.**

**Today Genuine Parts Company is a leading parts distributor with over 2,650 operations and approximately 39,600 employees.**

If your company is a subsidiary, identify the number of employees in your company or division and the revenues of proposing company or division.

**NAPA Integrated Business Solutions is a division of Genuine Parts Company. Genuine Parts Company has approximately 39,600 employees and annual revenues of approximately \$17 billion. NAPA Integrated Business Solutions has more than 1,000 dedicated employees and annual revenues exceeding \$400 million.**

Identify any certifications held by your company if you are implementing or reselling another company's products or services. Include how long the partnership or certification has been effect.

**Genuine Parts Company operates multiple operations across the State of North Carolina and is licensed to do business within the State and the City of Charlotte. Genuine Parts Company is a publicly traded company (NYSE: Stock symbol GPC) that has been in business for over 88 years. Our company has a rich tradition of growth and success in the parts distribution marketplace. Genuine Parts Company, NAPA Auto Parts is not a manufacturing company, but redistributes products under the NAPA Auto Parts brand.**

Describe your company's complete corporate structure, including any parent companies, subsidiaries, affiliates and other related entities.

**Paul Donahue is the CEO – See Included Annual Report for Key Executives.**

Describe the ownership structure of your company, including any significant or controlling equity holders.

**Please see Annual Report**



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# REQUIRED FORM 6 - COMPANY BACKGROUND

Provide a management organization chart of your company's overall organization, including director and officer positions and names and the reporting structure.

**Please see Annual Report as well as the Charlotte Local Operating Team Org Chart**

Describe the key individuals along with their qualifications, professional certifications and experience that would comprise your company's team for providing the Services.

**Robert Blatchford – IBS Store Manager. 10 years of automotive parts management experience with Genuine Parts Company. Currently serving as the IBS Store Manager at the City of Rock Hill, SC. Serves as a training manager for new IBS store managers throughout the Atlantic Division. Full resume on following page.**

**Bryan Bailey – General Manager NAPA Charlotte Distribution Center. 30+ years of experience. Responsible for all business activities surrounding the Charlotte NAPA operation, including the City of Charlotte contract.**

**Spencer Abbott – District Manager NAPA Charlotte. 11 Years of experience. Responsible for all company owned NAPA stores in the NAPA Charlotte service area including the City of Charlotte contract. On-site employees at the City of Charlotte would report directly to Spencer.**

**Tim Mania – District Operations Manager NAPA Charlotte 3 years of experience. Responsible for all operating activities for all NAPA stores in the NAPA Charlotte service area including the City of Charlotte contract. Monitoring inventory performance, reporting, payables, key performance indicators and overall operating performance fall under Tim's responsibilities.**

**Mike Riess - Atlantic Division Vice President 10 Years of service with NAPA Auto Parts. Responsible for all NAPA Auto Parts related business within the Division. Located in High Point, NC**

**Josh Peters - Atlantic Division Director of Integrated Business Solutions. 9 Years of experience working with a diverse group of government entities on vendor managed inventory concepts with NAPA Auto Parts. Primary responsibilities include contract negotiations, IBS implementation, contract compliance, and supporting the Local Management team and existing customers. Located in Atlanta, GA**

**Rich Huzi – Atlantic Division IBS Operations Manager. 28 years of service with NAPA Auto Parts Responsible for supporting all IBS operations across the division to set up, and project management of IBS locations. Rich has also been tasked with hiring, personnel issues, transition of services, and maintaining outside vendor relationships for the IBS locations. Located in Richmond, VA.**



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redacted per vendor  
confidentiality designation



# REQUIRED FORM 6 - COMPANY BACKGROUND

Explain how your organization ensures that personnel performing the Services are qualified and proficient.

**NAPA Auto Parts means top quality parts and services. It also means top quality training programs that help our employees better serve their customers. NAPA has training requirements for all employees, at all levels and are tracked by our designated Human Resources Managers. We will employ fully trained NAPA Auto Parts employees to serve at the designated 6 site locations. For those employees that may not be from within NAPA currently, we will still provide training to them so that they are trained to go to work every day. Our Exclusive AutoTech training program helps to facilitate employee training needs on an ongoing basis.**

Provide information regarding the level of staffing at your organization's facilities that will be providing the Services, as well as the level of staffing at subcontractors' facilities, if known or applicable.

**The NAPA Charlotte Distribution Center was opened in Charlotte in the early 1940s. The 118,820 square foot warehouse holds about \$11 Million in inventory employing 107 people. Most of the stockroom is double decked or floor to ceiling pallet racking. We utilize the latest distribution software with RF scanning technology for accurate order fill.**

**The "DC" services 120 stores in South and North Carolina. There are also seven (7) Integrated Business Solutions (IBS) facilities serviced. We deliver five (5) nights a week to each location plus many also receive a day-time shuttle service. The direct management team consists of our General Manager (Bryan Bailey) District Manager (Spencer Abbott), Operations Manager (Tim Mania), Special Project Manager (Area Manager?)**

If your company has been the subject of a dispute or strike by organized labor within the last five (5) years, please describe the circumstances and the resolution of the dispute.

**Genuine Parts Company has not been the subject of a dispute with organized labor within the last 5 years.**

Describe your security procedures to include physical plant, electronic data, hard copy information, and employee security. Explain your point of accountability for all components of the security process. Describe the results of any third party security audits in the last five (5) years.

**In 2018, NAPA Auto Parts will continue to stress the importance of protecting our company's assets at store level using a comprehensive shrink program. The Shrink programs for both stores and IBS have been separated into two separate audits. Furthermore, the continued auditing/monitoring process shall help us to ensure that each location is held strictly accountable for proper execution and compliance to the Program. This program is detailed in a manual, that we would be happy to share with the City of Charlotte, outside of the RFP process.**

Please see Information Technology Security Plan in Subject Matter Supplemental Documents.



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# REQUIRED FORM 6 - COMPANY BACKGROUND

## **Outsourced Parts**

The successful bidder will be required to purchase items on a frequent basis that are not cataloged within their distribution system. Give a detailed description on how outsourced parts will be marked up to the City to include percentage of markup, return policy, delivery charges if any, and warranty coverage. This document may be extended if necessary, or can be written out as a separate attachment.

**Outsourced parts will be sold to the city at acquisition cost, and will not have any additional mark-up applied to the price of parts. The return policy is dependent upon the supplier of the product. If part is a special order part, that requires shipping, all shipping charges will be approved by the city prior to order being placed. Warranty coverage is as provided by the supplier.**

## **Administrative Fee**

If your bid proposal includes an Administrative Fee for procuring parts for the City, please give a detailed description of how that model functions and how it would be applied to this application. This document may be extended if necessary, or can be written out on a separate document to attach to your bid.

**NAPA's approach to providing a Vendor Managed Inventory differentiates us from our competitors in the auto, truck and bus industry. NAPA charges a fixed fee for on-site labor expenses while invoicing customers for the material that we procure on their behalf at cost. Since we also sell NAPA products and do not have to source 100% of goods from outside suppliers, we are able to significantly reduce our customers acquisition cost of goods. This strategy benefits the City of Charlotte for the following reasons:**

- 1. A fixed fee service model allows the customer to accurately budget for operational costs.**
- 2. NAPA products are bought at jobber acquisition costs, saving the City significant dollars.**
- 3. NAPA provides customers with a choice in parts procurement either a NAPA part or a NON NAPA product**
- 4. Non NAPA parts are sold to the City at acquisition cost, with no additional mark-ups applied.**



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# REQUIRED FORM 7 - REFERENCES

## Required form 7 – References

RFP # 269-2018-014

Parts Department Outsourcing

Companies shall complete the form below. The City's preference is for references from organizations of similar size or where the Company is performing similar services to those described herein. If such references are not available, individuals or companies that can speak to the Company's performance are adequate.

Reference 1	
Company Name	City of Chicago, IL (Partner since 2000)
Contact Name	Walter West, Deputy Commissioner of Fleet Operations
Phone Number	312-744-5240
Reference 2	
Company Name	City of New York, NY (Partner since 2013)
Contact Name	Harris Kaplan, Project Manager
Phone Number	347-585-2351
Reference 3	
Company Name	City of Louisville, KY (Partner since 1996)
Contact Name	Matt Maskey, Fleet Administrator
Phone Number	502-238-4125
Reference 4	
Company Name	City of Cincinnati, OH (Partner since 2013)
Contact Name	Dave Cavanaugh, Fleet Manager
Phone Number	513-352-5457
Reference 5	
Company Name	City of Sacramento, CA (Partner since 2008)
Contact Name	Mark Stevens, Fleet Manager
Phone Number	916-808-5869



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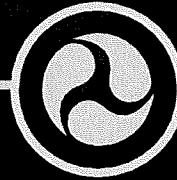




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# **City of Charlotte Parts Department Outsourcing Legal Review & Suggested Changes**





# LEGAL EXCEPTIONS

CITY OF CHARLOTTE  
NORTH CAROLINA  
REQUEST FOR PROPOSALS  
PARTS DEPARTMENT OUTSOURCING  
RFP # 269-2018-014  
GENUINE PARTS COMPANY

List of Exceptions

**Genuine Parts Company d/b/a NAPA (hereinafter “Company,” “GPC” or “NAPA”) requests the following exceptions to the above referenced RFP in conjunction with its RFP response, and requests that the provisions referenced herein not apply and that these exceptions take precedence and govern over the terms set forth in the provisions of the RFP. Please note that all requested changes/concerns are open for discussion/negotiation.**

RFP Section 1.6.5 (page 5) – NAPA agrees that its pricing profile shall remain firm, but requests that the third sentence of this section be clarified to provide that although such pricing profile shall remain firm, prices on individual parts shall increase and decrease throughout the term of the contract based on the prices charged by unrelated third party suppliers, over which NAPA will have little or no control. All such price increases and decreases will be passed on to the City.

RFP Section 3.2 (pages 12-13) – NAPA requests that its obligation in the second paragraph of this section to purchase the City’s current inventory at current value exclude tires and otherwise be limited to that inventory required by the City’s active fleet/equipment so that NAPA holds inventory which the City requires on an ongoing basis, specifically that inventory which is new, saleable, complete and has been used within the twelve (12) month period immediately prior to the purchase date.

NAPA requests that the second sentence in the first paragraph on page 13 be removed and be made subject to NAPA’s warranty process more particularly set forth in its RFP response.

RFP Section 3.6 (pages 15-16) – NAPA requests that this section be modified to provide that NAPA shall agree to review possible integration of the parties’ systems upon contract award. Any costs incurred in such integration shall be subject to mutual agreement between NAPA and the City.

Exhibit A, Sample City Contract, Section 4 (page 48) – NAPA requests that Sections 4.1 and 4.2 be replaced with NAPA’s proposed pricing plan set forth in its RFP response, and that the costs set forth in Section 4.3 be reimbursable as Operational Costs under the terms of such proposed plan.



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# LEGAL EXCEPTIONS

Exhibit A, Sample City Contract, Section 4.7 (page 49) – NAPA requests that any audit permitted by this section be conducted during regular business hours following reasonable advance notice in a manner which does not unreasonably interfere with the operation of NAPA’s business, and that any such audits be limited to once per calendar year with the scope of the audit being limited to the prior twenty-four months’ sales. NAPA also requests that the City must also be in compliance with its payment obligations in order to invoke its right to audit NAPA’s records, and that audit results shall be based upon overcharges and undercharges being combined to determine the net impact. If an audit results in a net overcharge, NAPA will issue a check to the City equal to the net overcharge amount; if the audit results in a net undercharge, the City will issue a check to NAPA equal to the net undercharge amount. NAPA also requests that the final sentence of this section be removed.

Exhibit A, Sample City Contract, Section 7 (page 49) – NAPA requests that the provisions of this section not apply to the City’s obligation to purchase to purchase all of the non-NAPA branded inventory which NAPA holds in the repair facilities upon the termination, expiration or non-renewal of the Contract, as more expressly described in NAPA’s RFP response.

Exhibit A, Sample City Contract, Section 12 (page 51) – NAPA requests that the parties discuss the provisions of this section in the context of a contract negotiation. Although NAPA may be willing to agree to a reasonable acceptance provision, NAPA believes that the provisions of this section as drafted may be impractical to implement. It will be overly burdensome for both NAPA and the City Project Manager to require NAPA to deliver notice to the City’s Project Manager every time NAPA provides a Deliverable, which as defined would include every part issued to the City. NAPA looks forward to the opportunity to discuss this provision in further detail with the City.

Exhibit A, Sample City Contract, Section 13 (page 51) – NAPA requests that this section be removed as inapplicable to the contemplated project scope. NAPA understands that the City may have multiple providers of various services, but requests that in connection with its investment in managing the City’s facilities that the City be obligated to use NAPA as its “exclusive supplier” of the inventory, parts, and equipment under the Contract, except in emergency situations where NAPA cannot meet required fill rates.

Exhibit A, Sample City Contract, Section 15.1.4 (page 52) – NAPA requests that this section be removed. NAPA can agree to provide an indemnity for trademark claims based on trademarks owned by NAPA or licensed to NAPA from National Automotive Parts Association (NAPA) but cannot provide a direct copyright, trademark or patent indemnity for the goods supplied pursuant to the contract, as NAPA does not manufacture the goods. NAPA can, however, agree to use reasonable commercial efforts to assist the City in processing any such infringement claim against the applicable manufacturer.

Exhibit A, Sample City Contract, Section 17.1 (page 53) – NAPA requests that this section be removed. In the event of any such violation by NAPA, the City will have the ability to seek other remedies for breach, including the termination of the Contract.

Exhibit A, Sample City Contract, Section 17.2 (page 53) – NAPA requests that this section be revised as follows: “If the Company breaches any provision of this Contract, the City shall have a right to withhold an amount due to the Company which is based on the City’s reasonable, good faith estimate of its damages arising from such breach; provided that prior to exercising such right, the City shall provide the Company with at least ten (10) days’ prior written notice of such intent, which notice shall include a reasonably detailed explanation of its rationale in estimating such damages.”

Exhibit A, Sample City Contract, Section 17.4 (page 53) – NAPA requests that this section be revised to provide that prior to exercising such right, the party intending to exercise such right shall provide the other party with at least ten (10) days’ prior written notice of such intent, which notice shall include a reasonably detailed explanation of its rationale in estimating its damages and expenses.



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# LEGAL EXCEPTIONS

Exhibit A, Sample City Contract, Section 18.2 (page 54) – NAPA requests that the right to terminate for convenience be made mutual; provided that NAPA shall be required to provide sixty (60) days' notice prior to exercising such right. NAPA also requests that the final sentence in this section be modified. Although NAPA is willing to provide the information requested in such sentence, NAPA requests that the provision providing that the City's payment obligations are conditioned on compliance with such requirements be removed.

Exhibit A, Sample City Contract, Section 18.3 (page 53) – NAPA requests that the final paragraph of this section apply solely where NAPA terminates the Contract for convenience.

Exhibit A, Sample City Contract, Section 18.4(a) (page 54) – NAPA requests that this section either be deleted as duplicative of Section 18.3(a), or be revised to provide a cure period similar to the provision set forth in Section 18.3(a).

Exhibit A, Sample City Contract, Section 18.5 (page 55) – NAPA requests that this section be removed. The City's primary obligation under the Contract is to pay NAPA for the parts and services it provides. In the event of non-payment beyond any applicable cure period, the provisions of this section would require NAPA to sue the City before having the right to exercise its contractual right to terminate for breach, which in the case of non-payment, would not require a court to establish the City's breach.

Exhibit A, Sample City Contract, Section 18.8 (page 55) – NAPA requests that the City's obligation to purchase all non-NAPA branded inventory owned by the Company and located in the City's facilities upon the termination, expiration or non-renewal of the Contract, as more particularly described in NAPA's RFP response, be added to this section.

Exhibit A, Sample City Contract, Section 18.9 (page 55) – NAPA requests that the provisions of this section be made mutual.

Exhibit A, Sample City Contract, Section 21 (pages 56-57) – NAPA requests generally that the Intellectual Property and Work Product exclude any pre-existing intellectual property which NAPA owns, including its proprietary TAMS software, or any pre-existing intellectual property owned by a third party which relates to the parts NAPA will provide. The provisions of this section are generally inapplicable to the contemplated services and products, because there will be no development under the terms of the Contract. Notwithstanding, NAPA can agree that it will provide all rights it obtains in such third party property, but it generally cannot assign ownership of such third party rights to the City. NAPA also requests that the final sentence of Section 21.1 be removed.

Exhibit A, Sample City Contract, Section 23 (page 57) – NAPA requests that item (i) in the first paragraph of this section and the second paragraph of this section be removed and replaced with the provisions set forth in NAPA's exception to Section 15.1.4 above. NAPA also requests that the provisions of the first paragraph of this section exclude the negligent acts or omissions of any Indemnitee.

Exhibit A, Sample City Contract, Section 24 (page 57) – As noted above, NAPA does not intend to subcontract its obligations under the Contract to third parties, but requests that its parts or equipment suppliers and third party delivery service providers be excluded from the definition of "subcontractors" for purposes of the City Contract.

Exhibit A, Sample City Contract, Section 25.2.6 (page 59) – NAPA requests that following any demand described in this section, NAPA shall provide notice to the City and enable the City to seek a protective order at its expense. For purposes of clarity, NAPA shall be permitted to disclose any materials not subject to a protective order upon any such demand, but only to the extent required by law.

Exhibit A, Sample City Contract, Section 25.5 (page 60) – NAPA requests that the word "will" in the second line of this section be replaced with the word "may" and that the word "seek" be inserted before the word "equitable" in the fourth line of this section.



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# LEGAL EXCEPTIONS

Exhibit A, Sample City Contract, Section 26.1.4 (page 60) – NAPA requests that the requirements that NAPA provide a fidelity bond be removed.

Exhibit A, Sample City Contract, Section 26.2 (pages 60-61) – NAPA requests that the phrase “to the extent of Company’s indemnification obligations” be inserted following the word “coverage” in the second line of subsection 26.2.2. NAPA also requests that the phrase “thirty (30) days” be removed from the second line of subsection 26.2.3, and that the phrase “in accordance with the terms of the applicable policy” be added to the end of such section. NAPA finally requests that the obligations of subsection 26.2.4 be removed.

Exhibit A, Sample City Contract, Section 29.5 (page 63) – NAPA requests that the last sentence of this section be made mutual.

Exhibit A, Sample City Contract, Section 29.6.1 (page 63) – NAPA requests that the phrase “or other event outside the reasonable control of the Company, but subject to Section 29.6.4” be added to the end of this section.

Exhibit A, Sample City Contract, Section 29.11 (page 64) – NAPA requests that reference to Section 26 be removed. NAPA’s insurance is on an occurrence basis, and therefore NAPA requests that it shall not be required to continue to hold insurance for the benefit of the City following termination of the Contract. NAPA also requests that only those warranties which by their terms are reasonably expected to survive shall survive the termination of the Contract.

Exhibit A, Sample City Contract, Section 29.21 (page 65) – NAPA requests that the parties discuss this provision in the context of a contract negotiation. While NAPA understands and appreciates the interest that the City is trying to protect, and agrees that there is no minimum purchase obligation with respect to the purchase of parts from NAPA, NAPA’s pricing plan would require the City to be bound to make certain payments to NAPA for operational costs, and would require the City to repurchase all non-NAPA branded inventory located in the City’s facilities upon the termination, expiration or non-renewal of the Contract. Accordingly, NAPA would like to discuss changes to this section that address the City’s concerns yet also accurately describe the terms of the parties’ deal.



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182