

INTEGRATED SUPPLY AGREEMENT

BY AND BETWEEN

GENUINE PARTS COMPANY

AND

THE VILLAGE OF ORLAND PARK

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AND
THE VILLAGE OF ORLAND PARK**

THIS INTEGRATED SUPPLY AGREEMENT (this "Agreement") is made by and between **GENUINE PARTS COMPANY**, a Georgia corporation (d/b/a NAPA Auto Parts) ("NAPA"), and **THE VILLAGE OF ORLAND PARK**, an Illinois municipal corporation ("CUSTOMER"), to be effective as of the 18th day of May, 2020 (the "Effective Date").

WITNESSETH

WHEREAS, pursuant to a competitive bidding and selection process by Sourcewell (f/k/a National Joint Powers Alliance) (hereinafter, "Sourcewell"), a Minnesota-based Service Cooperative created by Minnesota Legislative Statute 123A.21, Sourcewell and NAPA executed contract #061015 on July 21, 2015 (hereinafter, "Sourcewell Contract"), attached hereto as Exhibit C, to establish a source of supply for certain auto, truck and bus parts as well as to provide Integrated Business Solutions services; and

WHEREAS, by becoming a participating member of Sourcewell (hereinafter, "Member"), the State of Illinois and its related entities (hereinafter, "User Agencies") are authorized to utilize the pricing and incentives available to Sourcewell Members set forth in the Sourcewell Contract; and

WHEREAS, CUSTOMER desires to become a User Agency under such Sourcewell Contract and desires to receive integrated business solutions services from NAPA; and

WHEREAS, CUSTOMER and NAPA agree that the Sourcewell Contract is a vehicle by which CUSTOMER may contract directly with NAPA for parts and services, but that the terms and conditions of this Agreement and not the terms and conditions of the Sourcewell Contract shall govern the relationship of the parties; and

WHEREAS, NAPA desires to provide integrated business solutions services and to establish inventories in CUSTOMER's locations to service the fleet parts needs of CUSTOMER and to serve as the primary supplier of automotive replacement parts and other supplies and/or equipment (the "Inventory" or "Products") to serve the needs of CUSTOMER; and

WHEREAS, CUSTOMER desires to provide space for the Inventory on the premises of CUSTOMER for use by NAPA ("On Site Store") and agrees that NAPA will be its primary supplier of the Inventory pursuant to the terms herein.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **DEFINITIONS.** For purposes of this Agreement, the following terms shall have the meanings set forth below:

- (a) ***Primary Supplier*** shall mean the parts supplier that provides a minimum of ninety percent (90%) of the Inventory needs of CUSTOMER.
- (b) ***NAPA Owned Store*** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" which is wholly owned by NAPA.
- (c) ***NAPA Jobber*** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" with respect to which NAPA maintains no ownership interest.
- (d) ***Current NAPA Jobber Acquisition Cost*** shall mean NAPA's current gold price as set forth on NAPA's Confidential Jobber Cost and Suggested Resales price list.

2. **CUSTOMER'S CURRENT LOCATIONS.** NAPA will establish On Site Store(s) at the CUSTOMER'S following location(s):

Village of Orland Park
Public Works Department
15655 S Ravinia Ave
Orland Park, IL 60462
Manager: Public Works Director

Additional locations of the CUSTOMER may be added to this Agreement but only by a written amendment executed and agreed to by both the CUSTOMER and NAPA.

3. **TERM.** This Agreement shall begin the date this Agreement is fully executed and shall end when the Sourcewell Contract terminates or expires or when terminated earlier in accordance with the applicable terms and conditions stated herein. As the Sourcewell Contract is renewed or extended, this Agreement may be renewed or extended for a period of time equal to or shorter than the period of time the Sourcewell Contract is renewed or extended upon the mutual written agreement of the Parties. This Agreement shall terminate automatically upon the termination, for any reason, of the

Sourcewell Contract

Sourcewell Contract. Notwithstanding the foregoing, either party may terminate this Agreement at any time for its convenience by giving the other party sixty (60) days prior written notice of such termination.

4. **DUTIES AND RESPONSIBILITIES OF NAPA.** NAPA shall have the following duties and responsibilities during the term of this Agreement:

(a) NAPA will operate the On Site Store(s) and provide the Inventory to CUSTOMER's now existing locations. NAPA shall provide all personnel required to operate the On Site Store(s).

(b) In those circumstances when delivery is required by CUSTOMER, NAPA will provide parts to CUSTOMER's locations on a daily route basis. In addition, NAPA will accelerate delivery on those items CUSTOMER requires to be delivered on an expedited basis. NAPA will make all reasonable efforts to ensure prompt delivery to the CUSTOMER's location(s) requesting part(s).

(c) NAPA shall provide all computers and reports necessary to monitor monthly expenses as they pertain to the daily operation of the On Site Store(s). NAPA shall provide computer ordering and cataloging to each On Site Store.

(d) NAPA shall provide a profit and loss statement of the parts operations to the CUSTOMER on approximately the 25th of each month for each On Site Store.

(e) NAPA shall provide back-up emergency service during non-working hour contingencies. This overtime expense (calculated at time and one half) will be charged on a cost basis to CUSTOMER, and must be pre-approved by CUSTOMER. The parties shall mutually agree upon the pre-approval process for such emergency situations. NAPA will provide a list of personnel, including telephone numbers, who will respond to emergency service requests.

5. **DUTIES AND RESPONSIBILITIES OF CUSTOMER.** CUSTOMER shall have the following duties and responsibilities during the term of this Agreement:

(a) CUSTOMER shall provide, at its sole expense, usable space for NAPA's On Site Store(s) and the Inventory. CUSTOMER shall provide access to restroom facilities for NAPA employees. Further, CUSTOMER shall furnish, at its sole expense, all utilities for the On Site Store(s) including: water, sanitation, sewer, light, heat, gas, telephone, electricity, power, fuel, janitorial and all other utilities and services rendered or delivered to the On Site Store(s) whatsoever. CUSTOMER shall provide NAPA a safe work environment that is free from hostility, violence, or discrimination. NAPA reserves the right to terminate the contract immediately should NAPA encounter a hostile, violent, discriminatory, or unsafe work environment.

(b) CUSTOMER shall use NAPA as its Primary Supplier of the Inventory under this Agreement. CUSTOMER reserves the right to purchase any item outside this

Agreement where it is determined to be more economical or timely so long as the purchase of aforesaid part or parts does not result in NAPA no longer being CUSTOMER's Primary Supplier in which case NAPA may terminate this Agreement.

(c) Each On Site Store location shall be appropriately secured or otherwise maintained separate and apart from the business of CUSTOMER. There shall be no intermingling of CUSTOMER's parts or other inventory with NAPA's parts or inventory. Access to the secured On Site Store(s) shall be restricted to NAPA employees and authorized NAPA representatives only. CUSTOMER'S employees, contractors or agents shall not be permitted to enter the secured On-Site Store area unless accompanied by a NAPA employee or other authorized NAPA representative.

(d) CUSTOMER shall, at all times during the term of this Agreement, at CUSTOMER'S sole expense, maintain in good condition and repair (so as to prevent any damage or injury to NAPA's employees, the Inventory or other personal property located in the On Site Store(s)) the roof, exterior walls, foundation, and structural portions of the On Site Store(s) and all portions of the electrical and plumbing systems lying outside of the On Site Store(s) but serving the On Site Store(s).

(e) CUSTOMER shall provide information regarding fleet changes to NAPA as soon as possible. Fleet changes include but are not limited to the removal of types of vehicles from the fleet and the addition of new vehicles to the fleet.

6. ALTERNATIVE SUPPLIERS. Not applicable.

7. PAYMENT TERMS/PRICING. NAPA shall invoice the CUSTOMER for all Inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. CUSTOMER agrees to pay the entire amount of all statements received from NAPA by the 25th day of the month following receipt of any such statement. If CUSTOMER has not paid the entire amount of all statements received from NAPA within 10 days of the 25th day of the month following receipt of such invoice, CUSTOMER shall be put on COD until such amount is paid in full. No prompt pay discount is available under this Agreement.

There are two pricing options available to CUSTOMER. The pricing option for *this* Agreement must be indicated by CUSTOMER initials, below.

PRICING OPTION #1

CUSTOMER INITIALS: _____

The overall objective of CUSTOMER's pricing plan is for NAPA to provide Products in accordance with the agreed upon Pricing Plan Summary set forth below. By billing CUSTOMER for the Products, NAPA's On Site Store(s) will achieve its target ten percent (10%) net profit for the Agreement (the "Net Profit Target"). CUSTOMER's pricing plan is comprised of the following elements:

- (a) **Product Price.** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "**NAPA Product Price**," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "**Non-NAPA Product Price**," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.
- (b) **Operational Expenses.** 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, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement. These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel to focus more attention on serving the On-Site Store operations, and maximizing on-site cost efficiency.

PRICING PLAN SUMMARY

NAPA Product Price	Billed to CUSTOMER on a "9074 NAPA Pricing Profile"
Non-NAPA Product Price	Billed to CUSTOMER at a 25% gross profit rate (The formula for Non-NAPA Product Price for

	CUSTOMER is the current product acquisition cost divided by .75) This formula will achieve the gross profit rate set forth above. Example: current product acquisition cost is \$1.00. CUSTOMER's price would be $\$1.00/.75=\1.33
Operational Expenses	Paid entirely by NAPA
Net Profit Target	Amounts will be refunded or charged based on the failure or achievement of an overall 10% net profit for the previous month.

NAPA Product shall be billed to CUSTOMER based on a "9074 NAPA Pricing Profile" which has been provided to CUSTOMER in connection with this Agreement. Non-NAPA Product shall be billed by NAPA to yield a gross profit of twenty-five percent (25%). All Operational Expenses shall be borne by NAPA.

Sales at each On Site Store location will be reviewed after the first ninety (90) days of operation and on a month by month basis thereafter to ensure a ten percent (10%) net profit for NAPA. If monthly sales at each On Site Store, independently as opposed to in the aggregate, are producing more than a ten percent (10%) net profit for NAPA, NAPA will pay to CUSTOMER, via a refund check, the overage. Conversely, if NAPA's net profit for the preceding month is less than ten percent (10%), NAPA will bill CUSTOMER for the deficiency.

CUSTOMER and NAPA mutually agree that CUSTOMER'S maximum payment obligation pursuant to this profit guarantee shall be set at \$_____; and CUSTOMER has encumbered such amount to cover this potential liability. The parties agree to mutually work together to adjust the amount if such amount must be increased during the term of the contract. CUSTOMER INITIALS _____

In addition, NAPA may use any sub-contractor for the procurement of "outside" purchases or services (i.e., those parts or services not traditionally stocked or performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a twenty-five percent (25%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing for such outside purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

PRICING OPTION #2

CUSTOMER INITIALS: _____

The overall objective of CUSTOMER's pricing plan is for NAPA to provide Products in accordance with the agreed upon Pricing Plan Summary set forth below and reimbursement by CUSTOMER of each On Site Store's operating expenses. By billing CUSTOMER for these two categories, NAPA's On Site Store(s) will achieve its target ten percent (10%) net profit for the Agreement (the "Net Profit Target"). These categories are defined as follows:

- (a) **Product Price.** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "**NAPA Product Price**," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "**Non-NAPA Product Price**," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.

- (b) **Operational Expenses.** 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, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement. These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel

to focus more attention on serving the On-Site Store operations, and maximizing on-site cost efficiency.

PRICING PLAN SUMMARY

NAPA Product Price	Billed to CUSTOMER at a 10% gross profit rate (The formula for NAPA Product Price for CUSTOMER is the Current NAPA Jobber Acquisition Cost divided by .90) This formula will achieve the gross profit rate set forth above. Example: Current NAPA Jobber Acquisition Cost is \$1.00. CUSTOMER's price would be $\$1.00/.90=\1.11
Non-NAPA Product Price	Billed to CUSTOMER at a 10% gross profit rate (The formula for Non-NAPA Product Price for CUSTOMER is the current product acquisition cost divided by .90) This formula will achieve the gross profit rate set forth above. Example: current product acquisition cost is \$1.00. CUSTOMER's price would be $\$1.00/.90=\1.11
Operational Expenses	Billed to CUSTOMER in accordance with Section 7(b) above.
Net Profit Target	10% net profit for the NAPA On Site Store(s) after Products and Operational Expenses are billed to CUSTOMER.

Both NAPA Product and Non-NAPA Product shall be set by NAPA to yield a gross profit of ten percent (10%). Operational Expenses will be charged to CUSTOMER in accordance with Section 7(b) above, with all such charges for Operational Expenses to be included in CUSTOMER's monthly billing statement. CUSTOMER will be billed at the end of each month for Operational Expenses on an "in arrears" basis.

CUSTOMER and NAPA mutually agree that CUSTOMER'S maximum payment obligation pursuant to this profit guarantee shall be set at \$_____ ; and CUSTOMER has encumbered such amount to cover this potential liability. The parties agree to mutually work together to adjust the amount if such amount must be increased during the term of the contract. **CUSTOMER INITIALS** _____

In addition, NAPA may use any sub-contractor for the procurement of "outside" purchases or services (i.e., those parts or services not traditionally stocked or performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a ten percent (10%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing of such outside purchases. CUSTOMER is solely

responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

8. INSURANCE.

(a) CUSTOMER is a state agency and is self-insured for liability and workers compensation through the Department of Administrative Services. CUSTOMER shall provide to NAPA, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above.

(b) NAPA shall maintain during the term of this Agreement worker's compensation insurance coverage for its employees located at the On Site Store(s) in amounts required by law. In addition, NAPA shall maintain personal property insurance during the term of this Agreement in an amount sufficient to cover any loss or damage to the Inventory and any other personal property owned by NAPA that is located at the On Site Store(s).

(c) The insurance policies in this section required to be held by each party shall contain a waiver of subrogation against the other party.

(d) Neither CUSTOMER nor the Department of Administrative Services shall procure or provide insurance for NAPA property or Inventory.

9. NO LIENS.

(a) CUSTOMER warrants that it shall take no action, including but not limited to the granting of a security interest, or fail to take any action, which would operate or does operate in any way to encumber the Inventory of NAPA located in the On Site Store(s).

(b) CUSTOMER grants NAPA a power of attorney to execute such documents as are necessary to protect NAPA's interest in the Inventory on consignment on CUSTOMER's premises, including any UCC-1 statements.

10. PERSONNEL. NAPA and CUSTOMER shall attempt in good faith to mutually agree upon the identity of the persons that will be selected to staff the On Site Store(s). In the event that CUSTOMER for any reason wishes to remove or replace any of the NAPA personnel in the On Site Store(s), the parties will attempt to resolve CUSTOMER's request by mutual agreement.

11. WARRANTY/LIABILITY DISCLAIMER. All Products supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each Product, and NAPA shall use reasonable commercial efforts to assist the CUSTOMER in processing all warranty claims that the CUSTOMER may have

against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the CUSTOMER in connection with any claims concerning the Products supplied to CUSTOMER pursuant to this Agreement. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Copies of the manufacturers' warranties are available to CUSTOMER upon request.

For suppliers (or categories of suppliers) of Non-NAPA Products that CUSTOMER instructs NAPA to utilize or consider for future purchases, NAPA is under no obligation to (and NAPA disclaims all liability in connection with) investigate product quality, management, ownership, reputation, certifications, qualifications, price competitiveness, or any other related characteristics of the products, individuals or entities at issue.

12. **TERMINATION FOR CAUSE.** This Agreement may be terminated immediately, unless otherwise stated in this Section 12, by either party for cause:

(a) In the event that the other party fails or refuses to pay any amounts due under this Agreement and such failure continues for ten (10) days;

(b) In the event that the other party fails or refuses to perform any other obligation required under this Agreement, and such failure or refusal continues for thirty (30) days after written notice thereof; or

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

13. **EFFECT OF TERMINATION.** Immediately upon termination of this Agreement by either party for any reason:

(a) All duties, responsibilities and other obligations of each party hereunder shall terminate, except for the payment of any amounts due and owing to NAPA at the time of termination.

(b) Each party shall immediately return to the other party all equipment, software, books, records, tools and any other personal property owned by the other party that are in such party's possession. CUSTOMER shall allow NAPA full and unrestricted access to enter into the On Site Store(s) and immediately remove all equipment and other items of personal property owned by NAPA without being deemed guilty of trespass or any other violation of the law. All inventory records, sales history, sales analysis and all other information generated by NAPA under this Agreement will be returned to CUSTOMER.

Nothing contained in this Section shall be deemed a waiver of, or in any other manner impair or prejudice, any other legal rights that either party may have against the

other party for any breach of this Agreement. The provisions and obligations of Sections 9, 11, 14, 15, 18, and 20 shall survive the termination of this Agreement for any reason.

14. **BUY-BACK OF INVENTORY.** Upon termination, expiration, or non-renewal of this Agreement, NAPA shall have the option to require CUSTOMER to purchase all non-NAPA Inventory owned by NAPA and located in each On Site Store at NAPA's On Site Store's current product acquisition cost, and CUSTOMER shall have the option to purchase all NAPA Inventory, owned by NAPA and located in each On Site Store at the Current NAPA Jobber Acquisition Cost. Upon CUSTOMER's request, NAPA shall provide CUSTOMER with a listing of all NAPA and non-NAPA Inventory owned by NAPA and located in the On Site Store(s).

CUSTOMER INITIALS: GK

15. **CHANGE OF CONTROL.** NAPA may unilaterally terminate this Agreement by giving thirty (30) days written notice to CUSTOMER upon the occurrence of any one or more of the following events:

(a) A change in the management or ownership of CUSTOMER;

(b) A sale, lease, assignment or other transfer of CUSTOMER'S business or assets, whether through a stock purchase, merger, asset purchase, or other similar transaction, of at least a ten percent (10%) interest therein.

16. **LANDLORD CONSENT AND WAIVER.** Not Applicable.

17. **INDEMNIFICATION.** NAPA shall be responsible for and shall indemnify and hold CUSTOMER harmless from and against all damages, claims or demands that may, during the term of this Agreement, arise or be occasioned by the negligent or intentional acts of NAPA or NAPA's employees.

18. **NOTICES.** Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be hand-delivered in person or sent via facsimile, by overnight mail through a reputable service, or by certified mail, return receipt requested, to the addresses set forth below:

As to NAPA: Genuine Parts Company
2999 Wildwood Parkway
Atlanta, GA 30339
Attn: General Counsel
Telephone: (678) 934-5028
Facsimile: (770) 956-2216

As to CUSTOMER: Village of Orland Park
14700 Ravinia Avenue
Orland Park, IL 60462

Attn: Village Manager
Telephone: (708) 403-6151
Facsimile: (708) 403-6215

Each such notice shall be deemed delivered (i) on the date of receipt if delivered by hand, overnight courier service or if sent by facsimile, or (ii) on the date three (3) business days after depositing with the United States Postal Service if mailed by registered or certified mail. Either party may change its address specified for this notice by giving the other party at least ten (10) days written notice in accordance with this Section 18.

19. FORCE MAJEURE / DAMAGE OF PREMISES.

(a) Whenever performance by either party of any of their respective obligations (other than the obligation to make payment of money due hereunder) is substantially prevented by reason of any act of God, other industrial or transportation disturbance, fire, floods, riots, acts of enemies, national emergencies or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter.

(b) NAPA may terminate this Agreement immediately in the event that the CUSTOMER's premises are damaged by any casualty, or such portion of the premises is condemned by any legally constituted authority, such as will make the CUSTOMER's premises unusable for the On Site Store(s) in the reasonable judgment of NAPA.

20. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective officers, directors, employees, successors and assigns. Notwithstanding the foregoing, the rights and obligations of either party to this Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld.

21. AMENDMENTS. No amendment to this Agreement shall be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Agreement is executed.

22. NO WAIVER OF RIGHTS. No failure of either party hereto to exercise any power given such party hereunder or to insist upon strict compliance by the other party to its obligations hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

23. LIMITATIONS ON RIGHTS OF THIRD PARTIES. All obligations of a party under this Agreement are imposed solely and exclusively for the benefit of the

parties, and no other person shall, under any circumstances, be deemed to be a beneficiary of such obligations.

24. **INDEPENDENT CONTRACTOR.** The parties hereto are independent contractors. Nothing in this Agreement shall create or shall be deemed to create any fiduciary relationship or the relationship of principal and agent, partnership, joint venturers or any other similar or representative relationship between the parties hereto.

25. **CHOICE OF LAW.** This Agreement shall be construed and interpreted under the laws of the State of Georgia.

26. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

27. **SECTION HEADINGS.** Section titles or captions contained herein are inserted only as a matter of convenience for reference and in no way define, limit, extend, or describe the scope hereof or the intent of any provision hereof.

28. **SEVERABILITY.** In the event any part of this Agreement shall be finally determined by a court of law to be illegal or unenforceable for any reason, then that illegal or unenforceable part shall be severed from the Agreement, and the remaining terms shall continue in full force and effect.

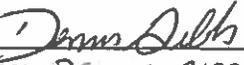
29. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement of the parties hereto and no prior representation, inducement, promise or agreement, oral or written, between the parties not embodied herein shall be of any force and effect.

30. **AMENDMENT TO INTEGRATED SUPPLY AGREEMENT.** Simultaneous with the execution of this Agreement, NAPA and CUSTOMER shall execute that certain Amendment to Integrated Supply Agreement dated as of even date herewith, attached hereto as Exhibit D.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto cause their hands and seals to be affixed by their duly-authorized representatives effective as of the date and year first above written.

GENUINE PARTS COMPANY

By: 
Name: DENNIS GIBBS
Title: DIVISION VP

THE VILLAGE OF ORLAND PARK

By: 
Name: George Koczwar
Title: Village Manager

EXHIBIT A
ASSIGNMENT

Not Applicable

EXHIBIT B

SAMPLE PROFIT AND LOSS STATEMENT

See attached.

Village of Orland Park Sample - 5 year proforma and ROI



Projected Expenses	NAPA Monthly Parts and Operational Projections	% To Sales	Target Year One
Parts Purchases	35,000	100.00%	420,000
Cost of Goods	32,200	92.00%	386,400
Markup on Parts	2,800	8.00%	33,600
GROSS PROFIT	2,800	8.00%	33,600
Accounting Fees	175	0.50%	2,100
PAYROLL:			
Manager/Driver Salaries	6,208	17.74%	74,496
General Office	172	0.49%	2,058
Pension	158	0.45%	1,890
Insurance	458	1.31%	5,496
Workers Comp Insurance	0	0.00%	-
FICA/SECA/FU/SUI	420	1.20%	5,040
Total IBS Payroll	7,415	21.19%	88,980
Miscellaneous Expenses			
Delivery Truck Insurance	158	0.45%	1,896
Delivery Maintenance/Gas	104	0.30%	1,248
Truck Payment - District expense	200	0.57%	2,400
Shelving/Cage Depreciation	83	0.24%	1,000
Freight & Postage	300	0.88%	3,600
General Liability Insurance	40	0.11%	480
Interest	-	0.00%	-
Light, Heat, Water	-	0.00%	-
Rent	-	0.00%	-
Stationary, Shipping Supplies	50	0.14%	600
Stock Loss	23	0.07%	276
Store Expenses	40	0.11%	480
Personal Property Taxes	-	0.00%	-
Telephone	259	0.74%	3,108
Inventory Computer	728	2.08%	8,736
Training	7	0.02%	84
TOTAL MISC. EXP.	1,992	5.83%	23,904
TOTAL EXPENSES	9,582	27.38%	114,984
Gross Profit Less Expenses	(6,782)	-19.38%	(81,388)
Miscellaneous Discounts	105	0.30%	1,260
MGMT FEE	9,477	27.08%	113,728
NET PROFIT	2,900	8.00%	33,600

Profit Guarantee
Profit Achieved

8%

8%

EXHIBIT C

SOURCEWELL CONTRACT

See attached.

Contract Award
RFP #061015



FORM D

Formal Offering of Proposal
(To be completed Only by Proposer)

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

In compliance with the Request for Proposal (RFP) for FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS, the undersigned warrants that I/we have examined this RFP and, being familiar with all of the instructions, terms and conditions, general specifications, expectations, technical specifications, service expectations and any special terms, do hereby propose, fully commit and agree to furnish the defined equipment/products and related services in full compliance with all terms, conditions of this RFP, any applicable amendments of this RFP, and all Proposer's Response documentation. Proposer further understands they accept the full responsibility as the sole source of responsibility of the proposed response herein and that the performance of any sub-contractors employed by the Proposer in fulfillment of this proposal is the sole responsibility of the Proposer.

Company Name: Genuine Parts Company/NAPA Integrated Business Solutions (IBS) Date: June 10, 2015

Company Address: 2999 Circle 75 Parkway SE

City: Atlanta State: GA Zip: 30399

Contact Person: Jett Kuntz Title: Vice President, NAPA IBS

Authorized Signature (ink only):  Jett Kuntz
(Name printed or typed)



Contract Acceptance and Award

(To be completed only by NJPA)

NJPA 061015 FLEET-RELATED MAINTENANCE EQUIPMENT, SUPPLIES, SERVICES, AND INVENTORY MANAGEMENT SOLUTIONS

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

Your proposal is hereby accepted and awarded. As an awarded Proposer, you are now bound to provide the defined product/equipment and services contained in your proposal offering according to all terms, conditions, and pricing set forth in this RFP, any amendments to this RFP, your Response, and any exceptions accepted or rejected by NJPA on Form C.

The effective start date of the Contract will be July 21st, 20 15 and continue for four years from the board award date. This contract has the consideration of a fifth year renewal option at the discretion of NJPA.

National Joint Powers Alliance (NJPA)

NJPA Authorized signature:

NJPA Executive Director

Dr. Chad Comette

(Name printed or typed)

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

NJPA Authorized signature:

NJPA Board Member

Scott Veronen

(Name printed or typed)

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

Proposer hereby accepts contract award including all accepted exceptions and NJPA clarifications identified on FORM C.

Vendor Name Genuine Parts Company / NAPA IBS

Vendor Authorized signature:

(Name printed or typed)

Title: Vice President - NAPA IBS

Executed this 22nd day of July, 20 15 NJPA Contract Number 061015-GPC

EXHIBIT D

AMENDMENT TO INTEGRATED SUPPLY AGREEMENT

See attached.

**AMENDMENT TO INTEGRATED SUPPLY AGREEMENT
BETWEEN
GENUINE PARTS COMPANY
AND
THE VILLAGE OF ORLAND PARK**

THIS AMENDMENT TO INTEGRATED SUPPLY AGREEMENT (this "Amendment") is entered into this 18th day of May, 2020 (the "Amendment Effective Date"), by and between **GENUINE PARTS COMPANY**, a Georgia corporation ("NAPA") and **THE VILLAGE OF ORLAND PARK**, an Illinois municipal corporation ("CUSTOMER").

WHEREAS, NAPA and CUSTOMER are parties to that certain Integrated Supply Agreement dated as of May 18, 2020 (the "Agreement"); and

WHEREAS, NAPA and CUSTOMER desire to amend the Agreement according to the terms set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NAPA and CUSTOMER hereby agree to amend the Agreement as follows:

1. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

2. Section 3 of the Agreement is hereby deleted in its entirety and replaced with the following:

3. **TERM.** This Agreement shall begin on the Effective Date and shall end on May 17, 2025. This Agreement may be renewed for an additional five-year term upon mutual agreement by both the CUSTOMER and NAPA. Notwithstanding the foregoing, either party may terminate this Agreement at any time for its convenience by giving the other party sixty (60) days prior written notice of such termination.

3. A new section 4(f) is hereby added to the Agreement as follows:

(f) Subject to the terms and conditions herein, NAPA shall purchase the NAPA branded vehicle parts owned by CUSTOMER and located at the CUSTOMER'S Public Works Department as such inventory exists on the Effective Date of this Agreement ("CUSTOMER owned Inventory"); provided, however, that any such CUSTOMER owned Inventory purchased by NAPA hereunder must: (i) not be obsolete, (ii) be in good, clean and saleable condition, (iii) be in its original packaging, (iv) be currently needed by CUSTOMER's active fleet/equipment, (v) have been used by the CUSTOMER within the twelve (12) month period immediately prior to the Effective Date, and (vi) have an accurate value that can

be proven by the CUSTOMER. On or about the Effective Date of this Agreement, NAPA and CUSTOMER shall perform an inventory of the CUSTOMER owned Inventory to establish the specific inventory to be purchased by NAPA based on the purchase conditions set forth above and the amount of consideration to be paid for such inventory ("Consideration"). The list of specific CUSTOMER owned Inventory to be purchased by NAPA and the amount of the Consideration to be paid for such inventory shall be agreed to in writing between the parties. NAPA shall pay the Consideration to CUSTOMER in full within thirty (30) days following the date that NAPA and CUSTOMER agree to the list of inventory to be purchased and the Consideration to be paid for such inventory.

4. In Section 5(c), the language "except in cases of a bona-fide emergency or to perform maintenance or other of its duties and responsibilities under this Agreement" is hereby added to the end of the section after "authorized NAPA representative."

Additionally, in Section 5(c), the following language is hereby added as a new paragraph to the end of this section: CUSTOMER will use best efforts to notify NAPA prior to entering the On-Site Store during a bona-fide emergency situation or to perform maintenance or other of its duties and responsibilities under this Agreement. If CUSTOMER was not reasonably able to notify NAPA prior to entering the On-Site Store due to the nature of the situation, CUSTOMER shall promptly notify NAPA afterwards that it accessed the On-Site Store and will provide NAPA a detailed account of the events or transactions that transpired during such time. CUSTOMER shall pay NAPA for any parts that it obtained from the On-Site Store during such situation pursuant to the terms of this Agreement. Further, CUSTOMER shall reimburse NAPA in accordance with the terms set forth below for any damage to or loss of NAPA's inventory or other property located in the On-Site Store(s) from any cause except to extent such damage or loss arises from the acts, errors, or omissions of NAPA or its employees. NAPA shall invoice CUSTOMER for any such loss of or damage to the Inventory or other property located in the On Site Store(s), and CUSTOMER will pay such invoiced amount to NAPA in accordance with the payment terms set forth in Section 7 below.

5. Section 7 of the Agreement is hereby deleted in its entirety and replaced with the following:

7. **PAYMENT TERMS/PRICING.** NAPA shall invoice the CUSTOMER for all Inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. CUSTOMER shall pay NAPA in accordance with and pursuant to the Illinois Local Government Prompt Payment Act. No prompt pay discount is available under this Agreement.

The overall objective of CUSTOMER's pricing plan is for NAPA to provide Products in accordance with the agreed upon Pricing Plan Summary set forth

below and reimbursement by CUSTOMER of each On Site Store's operating expenses. These two categories in such pricing plan are defined as follows:

(a) **Product Price.** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "**NAPA Product Price**," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "**Non-NAPA Product Price**," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.

(b) **Operational Expenses.** 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 to the extent arising or resulting from the negligent acts or omissions or intentional misconduct of CUSTOMER and covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement. These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel to focus more attention on serving the On-Site Store operations, and maximizing on-site cost efficiency.

PRICING PLAN SUMMARY

NAPA Product Price	Billed to CUSTOMER at an 8% gross profit rate (The formula for NAPA Product Price for CUSTOMER is the Current NAPA Jobber Acquisition Cost divided by .92) This formula will achieve the gross profit rate set forth above. Example: Current NAPA Jobber Acquisition Cost is \$1.00. CUSTOMER's price would be $\$1.00/.92=\1.09
Non-NAPA Product Price	Billed to CUSTOMER at an 8% gross profit rate (The formula for Non-NAPA Product Price for CUSTOMER is the current product acquisition cost divided by .92) This formula will achieve the gross profit rate set forth above. Example: current product acquisition cost is \$1.00. CUSTOMER's price would be $\$1.00/.92=\1.09
Operational Expenses	Billed to CUSTOMER in accordance with Section 7(b) above.

Both NAPA Product and Non-NAPA Product shall be set by NAPA to yield a gross profit of eight percent (8%). Operational Expenses will be charged to CUSTOMER in accordance with Section 7(b) above, with all such charges for Operational Expenses to be included in CUSTOMER's monthly billing statement. CUSTOMER will be billed at the end of each month for Operational Expenses on an "in arrears" basis.

In addition, NAPA may use any sub-contractor for the procurement of "outside" purchases or services (i.e., those parts or services not traditionally stocked or performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA an eight percent (8%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing of such outside purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

6. Section 8 of the Agreement is hereby deleted in its entirety and replaced with the following:

8. INSURANCE.

(a) CUSTOMER is a municipal corporation and is self-insured for liability and workers compensation. CUSTOMER shall provide to NAPA, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above.

(b) NAPA shall maintain during the term of this Agreement worker's compensation insurance coverage for its employees located at the On Site Store in amounts required by law. In addition, NAPA shall maintain general liability and personal property insurance during the term of this Agreement in an amount sufficient to cover any loss or damage to the Inventory and any other personal property owned by NAPA that is located at the On Site Store. The Minimum Limits of such coverage shall be:

(i) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury and for property damage and \$1,000,000 per occurrence for personal injury. The general aggregate must be twice the required occurrence limit. Minimum General Aggregate must be no less than \$2,000,000.

(ii) Business Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury and property damage.

(iii) Workers Compensation and Employers' Liability. Workers' Compensation Coverage with statutory limits and Employers' Liability limits of \$500,000 per accident.

CUSTOMER will be named as an additional insured on a primary and non-contributory basis on NAPA's Commercial General Liability and Business Automobile Liability policies required above to the extent of NAPA's indemnification obligations herein.

(c) The insurance policies in this section required to be held by each party shall contain a waiver of subrogation against the other party.

(d) Neither CUSTOMER nor its liability/workers compensation insurance provider shall procure or provide insurance for NAPA property or Inventory.

7. The last sentence of Section 13(b) is hereby deleted in its entirety and replaced with the following: The provisions and obligations of Sections 9, 11, 14, 15, 17, 18, and 20 shall survive the termination of this Agreement for any reason.

8. Section 10 of the Agreement is hereby deleted in its entirety and replaced with the following:

10. PERSONNEL.

(a) NAPA and CUSTOMER shall attempt in good faith to mutually agree upon the identity of the persons that will be selected to staff the On Site Store.

(b) NAPA staff may be working in areas containing sensitive or restricted information or materials. The CUSTOMER requires that NAPA conduct thorough background investigations on its employees including a criminal background check and that NAPA can provide proof of no felony convictions for the employees assigned to work in CUSTOMER facilities. NAPA agrees that the persons that will be selected to staff the On Site Store will not have a criminal record with felony convictions. No NAPA employees, at any time during the contract period, shall commence work until the above listed information has been submitted. CUSTOMER shall have and shall exercise full and complete control over granting, denying, withholding, or terminating clearance for NAPA's employees.

(c) In the case that the CUSTOMER is concerned about the detrimental effects of a NAPA employee's actions, NAPA will work in good faith with the CUSTOMER to resolve the problem. If the issue is not resolved by mutual agreement, CUSTOMER reserves the right to (1) require NAPA to immediately remove any of the NAPA personnel from the On Site Store(s) in such instances where the conduct of any NAPA personnel poses a threat to the health and safety of others or is otherwise detrimental to the safe operation of the On Site Store(s) or (2) require NAPA to remove NAPA personnel from the On Site Store(s) for Cause upon fifteen (15) days written notice where Cause is defined as the failure to perform job functions or any type of general misconduct including but not limited to misrepresentation.

(d) All NAPA staff for the On Site Store will display CUSTOMER approved photo identification badges while working on CUSTOMER premises. No NAPA staff will be allowed access to any area without displaying the required identification badge. NAPA staff shall wear uniforms with a company identification patch at all times while working on CUSTOMER premises.

9. Section 15 of the Agreement is hereby deleted in its entirety and replaced with the following:

15. CHANGE OF CONTROL. Not applicable.

10. Section 19 of the Agreement is hereby deleted in its entirety and replaced with the following:

19. FORCE MAJEURE / DAMAGE OF PREMISES.

(a) Whenever performance by either party of any of their respective obligations (other than the obligation to make payment of money due hereunder) is substantially prevented by reason of any act of God, other industrial or

transportation disturbance, fire, floods, riots, acts of enemies, national emergencies or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter. If either party seeks to suspend performance pursuant to a force majeure event as contemplated hereunder, the party seeking to suspend performance shall give notice of said force majeure event within seventy-two (72) hours of the occurrence of the event, or as soon as possible if such notice is not possible.

(b) NAPA may terminate this Agreement in the event that the CUSTOMER's premises are damaged by any casualty, or such portion of the premises is condemned by any legally constituted authority, such as will make the CUSTOMER's premises unusable for the On Site Store(s) in the reasonable judgment of NAPA, and such damage cannot or will not be cured by CUSTOMER within a reasonable timeframe.

11. Section 25 of the Agreement is hereby deleted in its entirety and replaced with the following:

25. **CHOICE OF LAW.** This Agreement shall be construed and interpreted under the laws of the State of Illinois.

12. A new Section 31 is hereby added to the Agreement as follows:

31. **THIRD PARTY BENEFICIARIES.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other person other than the CUSTOMER and NAPA, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the CUSTOMER or NAPA, nor shall any provision give any third parties any rights of subrogation or action over or against either the CUSTOMER or NAPA. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

13. A new Section 32 is hereby added to the Agreement as follows:

32. **LIMITATION OF LIABILITY REGARDING GOVERNMENT OFFICIALS.** No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of the corporate authorities, any elected official, officer, partner, member, director, agent, employee or attorney of the CUSTOMER, in his or her individual capacity and no elected official, officer, partner, member, director, agent, employee or attorney of the CUSTOMER shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement, or any failure in that connection.

14. Except as amended herein, all other terms and conditions of the Agreement shall remain unaltered and the Agreement remains in effect, enforceable against each of the parties and is hereby ratified and acknowledged by each of the parties.

15. This Amendment shall be construed and interpreted under the laws of the State of Illinois without giving effect to the provisions thereof relating to conflicts of law.

16. This Amendment may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be made and executed by their duly-authorized representatives effective as of the Amendment Effective Date.

GENUINE PARTS COMPANY

By: 
Name: DENNIS GIBBS
Title: DIVISION VP

THE VILLAGE OF ORLAND PARK

By: 
Name: George Koczwar
Title: Village Manager